

# Registrars Circular 09 of 2014

## Purpose

To provide clarity around the uncertainty when to use "NPC" or "Section 21 company" in case of conditions in favour of Home Owners Associations.

#### **Background**

The Companies Act., 2008 (Act.71 of 2008) as amended by the Companies Amendment Act, 2011 (Act.3 of 2011) came in operation on 01 May 2011. This Act. Brought about certain changes as to how Companies should be described (suffixes).

### **Impact**

Chief Registrars Circular 3 of 2012 was withdrawn by Chief Registrars Circular 28/2013.

Chief Registrars Circular 28/2013 paragraph 4.4.4 reads as follows, "Where a company's name appears in a condition of title such..., restrictive or other conditions, it will not be necessary to change the name when the conditions are brought forward into a new deed". "It will also not be necessary to update the title deed to reflect the new name of the company".

#### **Practice**

Correct conveyancing dictates that conditions of title should not be changed without a relevant application. All newly created conditions must refer to the correct name (suffix) in terms of the new companies Act. If the new draft deed is <u>updated</u> with regard to the correct suffix examiners are requested to accept it as such and not to insist on changing it back to the old description.

REGISTRAR OF DEEDS

DATE: