In terms of Section 65 of the Companies Act 71 of 2008 3(a),(b)(ii) and 4 we request that the following Members’ Resolution be included on the Agenda of the 2019 AGM of the Muizenberg Improvement District (MID).

ORDINARY RESOLUTION

In terms of 12.4.1 of the Memorandum of Incorporation the Members may remove a Director from office in terms of Section 71 of the Companies Act 71 of 2008 ((71(1)and (2) refer).

It is hereby **RESOLVED** that Steven Frankal be removed as Director of the MID.

MOTIVATION

a)

Three years ago in 2016 the then Board chaired by him wished to reappoint after one year, without tender, Securitas as the public safety contractor despite appeals from a significant delegation of members who were extremely angry about the poor levels of service offered by Securitas, as manifested in a widely perceived increase in the levels of crime in the area for which, as Safety Contractor, it was responsible. Only after unanimous representations made by a mass meeting of members was a reluctant decision reached by Frankal and the MID Board to go out to tender and that a joint steering committee of Directors and members would make a recommendation on who to appoint. Even that outcome was at risk of being rejected and only after a survey of 193 members showed overwhelming rejection of  Securitas was a decision made, again reluctantly, to appoint Grit, the current contractor. The cost differential in favour of GRIT’s tender was very substantial.

After 3 years A re-tender has now become necessary. Two companies were shortlisted - Securitas again plus Grit, the current incumbent. There has been no significant public dissatisfaction with Grit, with the majority of members in a recent snap poll expressing a strong preference for their ongoing service as the MID Safety and Security Contractor.  In tendering for the Contract, GRIT  quoted R396,000 less than Securitas, including the provision of a Control Centre within the MID Precinct, whereas a condition in the Securitas tender was that they be provided a free unmanned office which could cost the MID an additional +-R60,000 per year. Notwithstanding the annual cost benefit to MID Members of some R360,00 to R420,000 if GRIT are appointed, and the manifest antipathy of Members to the proposed appointment of Securitas, Steven Frankal is absolutely committed to giving the contract to that company, without giving any compelling motivation for his reasons for doing so.

b)

If the MID appoint GRIT as their Safety and Security Contractor, the additional R360,000 to R420,000 per annum which would otherwise not be available as part of the cost of appointing Securitas, would then be available to fund the annual operating costs of a state of the art CCTV Security and Surveillance system for the MID.  This would honour and give effect to the  numerous undertakings given to the community for the provision of such a system over the past few years. Mr Frankal has long shown a negative attitude towards a camera system. Whilst there is no evidence that he has a financial interest in appointing Securitas the Faircape group directly and indirectly do significant  business with them. Certainly public perception is that he ought not to be involved in adjudicating this contract.

c)

History repeated itself when a substantial recent delegation of members to a Board meeting objected strongly to the apparent move to appoint Securitas and consequently sacrifice the CCTV camera system. Mr Frankal was, as before, dismissive of their approach and refused to explain his reasons for preferring Securitas.

d)

Mr Frankal refuses to step down and put himself up for re-election as a test of his acceptability by the members. Since he will not commit voluntarily to the judgement of his peers, removal under Section 71 is our only option.

J.HEERKENS M.VAN LENNEP

MEMBER MEMBER