



**FRACTIONAL OWNERSHIP**

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[www.colliersfractional.co.za](http://www.colliersfractional.co.za)

# Sale of Shares Agreement Memorandum of Agreement

**ENTERED INTO BY AND BETWEEN**

**COLLIERS RMS (PTY) LTD**

Registration Number: 1999/006800/07  
Address: Colliers House, Number 36 Fricker Road,  
cnr Harries Road, Illovo, Sandton,  
Johannesburg, Gauteng Province, South-Africa

Herein represented by:  
Rellared Prankir Fertig

Identity Number: 6305205247080  
duly authorized thereto

(Hereinafter referred to as **"the SELLER"**)

and

**Name:**.....  
Identity / Registration Number:.....  
Address:.....

Herein represented by:

Name:.....  
Identity  
Number:.....

Duly authorised thereto

Whom enter this agreement as  
Shareholder.....  
of the Company and hereinafter referred to as **"the PURCHASER"**)

and

**Name:**.....  
Identity / Registration Number:.....  
Address: Colliers House, Number 36 Fricker Road, cnr Harries Road, Illovo, Sandton, Johannesburg, Gauteng Province,  
South Africa

Herein represented by:

Bernard William Kaiser  
Identity Number: 4503225089001  
Duly authorised thereto

(Hereinafter referred to as **"the COMPANY"**)

**Whereas** the Seller is the owner and holds all the issued shares in the Company;

**And whereas** the Company has purchased Unit..... in the Karafu Complex (which is in the process of being registered as a sectional title complex), 21 Shrimp Lane, Salt Rock, KwaZulu-Natal Province, and Unit....., Red Sails Complex (which is in the process of being registered as a sectional title complex), Number 22 Main Road, Houtbay, Western Cape Province, in terms of Annexures "A1" and "A2" attached hereto, and hereinafter jointly referred to both residential units as "the Property";

**And whereas** the Company holds no other property and/or conducts no other business than that of the property;

**And whereas** the share capital in the Company consist of 1000 (one thousand) ordinary par value shares of R1.00 (one rand) each, of which 100 (one hundred) shares have been taken up and are currently held by the Seller.

**And whereas** the Purchaser intends to buy 2 (two) shares ("the share") in the Company from the Seller on the terms and conditions as set out hereunder;

**And whereas** the parties anticipate that this transaction will be one indivisible transaction, and that the sale of shares is one indivisible sale of shares on the terms and conditions as herein under referred to.

**NOW AND THEREFORE THE PARTIES FURTHERMORE AGREE AS FOLLOWS:**

## 1. Interpretation and Definitions

In this agreement, unless the agreement requires otherwise, the words and expressions set out below, shall have the meaning assigned to them and cognate expressions shall have a corresponding meaning. The heading of clauses in this agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of, nor modifying, nor amplifying of the terms of this agreement, nor any clause thereof. In this agreement unless the contrary intention clearly appears from the context:

1.1 Words importing:

1.1.1 Any one gender, include the other gender;

1.1.2 The singular includes the plural and vice versa; and

1.1.3 Natural persons includes created entities and vice versa;

1.2 The following terms shall have the meanings assigned to them:

1.2.1 The "**ACT**" means: The Companies Act, Act number 61 of 1973, as amended;

1.2.2 The/this "**AGREEMENT**" means: This agreement, as amended from time to time together with all its annexures, schedules and amendments thereto, signed by the Purchaser and Seller;

1.2.3 The "**ATTORNEYS**" means:  
BOTH WILLEMSE & WILKINSON ATTORNEYS

1.2.4 The "**AUDITORS**" means:  
The auditors appointed by the Directors of the Company, from time to time.

1.2.5 The "**BANKING FACILITIES**" means:  
The banking facilities of the Company, utilized as the Company bankers, and as decided by the directors of the Company from time to time.

1.2.6 The "**BOARD**" means:  
the Board of Directors of the Company at any relevant time;

- 1.2.7 The “**BUSINESS DAY**” means:  
any day other than a Saturday, Sunday or Public Holiday in terms of the laws of the Republic of South Africa;
- 1.2.8 The “**CERTIFICATE IN RESPECT OF SHAREHOLDING**” means:  
A certificate issued by the Attorneys, reflecting the shareholders' full particulars and shares held in the Company.
- 1.2.9 The “**COMPANY**” means:  
Name: .....  
Registration Number: .....  
Address: Colliers House, Number 36 Fricker Road, cnr Harries Road, Illovo, Sandton, Johannesburg, Gauteng Province  
South-Africa  
Herein represented by Name: Bernard William Kaizer  
Identity Number: 4503225089001  
duly authorized thereto.
- 1.2.10 The “**DIRECTORS OF THE COMPANY**” means:  
Rellared Prankir Fertig  
Identity number: 6305205247080  
  
and  
  
Bernard William Kaiser  
Identity number: 4503225089001
- 1.2.11 The “**DIRECTORS RESOLUTION**” means:  
A decision made by the directors of the Company, which constitutes the resolution obtained as provided therefore in this agreement and the Companies Act and the statutes of the Company.
- 1.2.12 The “**EFFECTIVE DATE**” means:  
The date on which the Purchaser makes full payment of the purchase consideration to the Seller.
- 1.2.13 The “**LOAN ACCOUNT**” means:  
The loan account of the Seller, if applicable, being the amount outstanding to the debit or credit of the Seller’s loan account in the books of the Company.
- 1.2.14 The “**PARTIES**” means:  
The Seller, Purchaser and Company, jointly and severally;
- 1.2.15 The “**PROPERTY PURCHASER**” means:  
The Purchaser in terms of Annexure “A” and “A2” as attached hereto, as well as, the Company in terms of this agreement.
- 1.2.16 The “**PROPERTY SELLER**” means: Erf 68 Illovo (Pty) Ltd and Somerset Mall Developments (Pty) Ltd, jointly and severally;
- 1.2.17 The “**PURCHASER**” means:  
Name: .....  
Identity / Registration Number: .....  
Address:.....  
Herein represented by Name:.....  
Identity Number:.....  
duly authorized thereto.
- 1.2.18 The “**PURCHASE CONSIDERATION**” means:  
The net purchase price payable by the Purchaser to the Seller in obtaining 2 (two) shares in the Company and shall be deemed to include any interest owing thereon from time to time in terms of this agreement.

- 1.2.19 The "**RIGHT(S)**" means:  
The right of the Purchaser to occupy, use and enjoy the property in terms of the provisions of the agreement;
- 1.2.20 The "**SELLER**" means:  
Name: Colliers RMS (Pty) Ltd  
Registration Number: 1999/006800/07  
Address: Colliers House, Number 36 Fricker Road, cnr Harries Road, Illovo, Sandton, Johannesburg, Gauteng Province, South-Africa  
Herein represented by Name: Rellared Prankir Fertig  
Identity Number: 6305205247080  
duly authorized thereto.
- 1.2.21 The "**SHARE(S)**" means:  
The 2 (two) ordinary par value shares of R1.00 (one rand) each, which shares shall be regarded as 1 (one) undividable share for purposes of this agreement, and which share is hereby sold to the Purchaser;
- 1.2.22 The "**SHARE CAPITAL**" means:  
The 1000 (one thousand) authorized ordinary par value shares of R1.00 (one rand) each, of which 100 (one hundred) shares have been taken up and are being held by the Seller;
- 1.2.23 The "**SHAREHOLDER(S)**" means:  
The maximum of 50 (fifty) Shareholders in the Company, which would each purchase 2 (two) shares in the Company, from the Seller in terms of mutatis mutandis the same agreement, with the only difference being the identity of the Purchaser;
- 1.2.24 The "**SHAREHOLDER(S) INTEREST**" means:  
At any time in relation to a Shareholder(s), that Shareholder(s) shareholding of 2 (two) ordinary par value issued share in the share capital of the Company, which shares are for purposes hereof regarded as 1 (one) undividable share, and which will constitute a 2% (two percent) shareholding in the Company;
- 1.2.25 The "**SIGNATURE DATE**" means:  
The date on which the last of the parties to this agreement appends his or her signature to this agreement.
- 1.2.26 The "**TAX**" means:  
Taxes levied in relation to Income Tax Legislation, Value Added Tax Legislation, general Company Tax, Capital Gains Tax (CGT) and Secondary Company Tax on dividends declared (STC) and any other taxes levied in respect of the Company in terms of tax legislation in the Republic of South Africa.
- 1.2.27 The "**TRANSFER**" means:  
The act of transferring the shares from the Seller to the purchaser subsequent to full payment of the purchase consideration;

## 2. Preliminary

- 2.1 The head notes to the paragraphs of this agreement are inserted for reference purposes only and shall not effect the interpretation of any of the provisions to which they relate.
- 2.2 This agreement shall be binding on and enforceable by the beneficiaries in estates, heirs, executors, administrators, trustees, assignees or liquidators of the parties as fully and effectively as if they have signed this agreement in the first instance and reference to any party shall be deemed to include such parties' estate, beneficiaries in estates, heirs, executors, administrators, trustees, assignees or liquidators, as the case may be.
- 2.3 If any provision is a substantive provision conferring rights or imposing obligations on any party, then notwithstanding that such provision is contained in such clauses, effect shall be given thereto as if such provision were a substantive provision in the body of the agreement.

- 2.4 Where any term is defined within the context of any particular clause in this agreement, the term so defined; shall, unless it appears clearly from the clause in question that such term has limited application to the relevant clause, have the same meaning ascribed to it for all purposes in terms of this agreement, notwithstanding that such term has not been otherwise defined.
- 2.5 If any conflicts exists between the terms of this agreement and the terms of the memorandum and/or articles of association of the Company, then the terms of this agreement shall prevail, be binding upon the parties and be appropriately implemented.
- 2.6 When any number of days is prescribed and/or referred to in this agreement, same shall be reckoned exclusively of the first day and inclusively of the last day, unless the last day falls on a Saturday, Sunday or public holiday, officially recognized as such in the Republic of South Africa, in which case the last day shall be the next succeeding business day which is not a Saturday, Sunday or such public holiday.
- 2.7 Expressions defined in this agreement shall bear the same meanings in any annexure thereto which does not contain its own definitions.
- 2.8 Where figures are in this agreement described both in numeral and in words, words shall prevail in the event of any conflict between the two.
- 2.9 Notwithstanding the date of signature of this agreement, the benefit accruing to the purchaser from the shares in the Company shall only be of benefit to the purchaser, as stipulated in this agreement and in conjunction with the shareholders agreement.
- 2.10 The contra prefaentum rule shall not apply and accordingly, none of the provisions hereof shall be construed against or interpreted to the disadvantage of the Party responsible for the drafting or preparation of such provision.

### 3. Introduction

The Purchaser hereby acquires the share(s) from the Seller on the terms and conditions as recorded herein, as a result of which, the Purchaser will be entitled to exercise his/her/their right(s), on such terms and conditions as is provided for herein, and as is also provided for in the shareholders agreement, the latter which was entered into and concluded simultaneously with this agreement, and which is attached as Annexure "B", to this agreement and which should also be read and interpreted in conjunction with this agreement.

### 4. Purchase Consideration & Payment

The net purchase consideration payable by the Purchaser to the Seller in acquiring the share, will be R \_\_\_\_\_, together with such interest as provided for hereunder.

- 4.1 The Purchaser will pay the purchase consideration to the Seller, as follows:
- 4.1.1 The full purchase consideration of R \_\_\_\_\_, or the deposit amount of R \_\_\_\_\_ (Rand) payable on the signature date, into the trust account operated by the Seller in terms of the Estate Agents Act No 112 of 1976;
- 4.1.2 The balance amount and/or the full purchase consideration of R \_\_\_\_\_ (Rand), together with interest thereupon, calculated monthly in arrears at the prime interest rate of Absa Bank Limited, per annum, from time to time, payable, by means of 120 (One Hundred and Twenty) monthly instalments, payable by debit order in favour of the Seller;
- 4.1.3 The first instalment in terms of paragraph 4.1.2, payable on/or before the last day of the month, following the signature date, and thereafter, on or before the last day of each consecutive month, until the balance amount, together with interest thereupon, is paid in full;
- 4.1.4 The Seller will advise the Purchaser as to the monthly instalment(s) payable, should there be an adjustment to the monthly instalment(s), as result of an increase and/or decrease of the prime interest rate, and/or whatever other reason;

- 4.2 Once the Seller has received payment of the deposit amount as referred thereto in paragraph 4.1.1 supra, from each of the shareholder(s), or such lesser amount, at an earlier stage, as acceptable to the Property Seller, in terms of Annexure “A1” and “A2” attached hereto, will the attorneys proceed to transfer the property to the Company;
- 4.3 The balance of the purchase consideration for the property, in terms of Annexure “A1” and “A2”, to be provided by the Property Purchaser by means of a loan, obtainable from a financial institution, repayable by the Property Purchaser, over a maximum period of 120 (one hundred and twenty) monthly instalments;
- 4.4 The Seller, and/or such person(s) to sign as suretee and co principal debtor with the Company, for the fulfilment of the Company of its obligations, in terms of the loan agreement to be entered into with the financial institution in terms of paragraph 4.3 supra;
- 4.5 The Seller shall in its discretion, allocate the monthly payments received from the Purchaser, and/or part thereof, in terms of paragraph 4.1.2 supra, towards the monthly bond payment(s) on the property, over the 120 (one hundred and twenty) month period, in favour of the financial institution, in terms of Annexure “A1” and “A2” attached hereto, provided, that such monthly allocation is not less than the required minimum monthly bond payment from the financial institution, as stipulated from time to time;
- 4.6 The Company shall be obliged to make full payment of the loan agreement to be concluded with the financial institution, on or before expiry of the 120 (one hundred and twenty) months period, in terms of Annexure “A1” and “A2” attached hereto;
- 4.7 The Seller, and/or such person(s) whom will sign as suretee and co-principal debtor with the Company in terms of the loan agreement to be concluded with the financial institution, will have the right to in its own discretion, settle the outstanding loan amount, and/or part thereof, at any time prior to expiry of the 120 (one hundred and twenty) months repayment period, in which event, the amount paid by the Seller, to be reflected as a loan, in the financial records of the Company and the Company to repay this loan to the Seller, from the monthly amount(s) receivable from the Purchaser in terms of paragraph 4.1.1 and/or and/or 4.1.2 supra, in terms of Annexure “A1” and “A2” attached hereto;
- 4.8 All payments made by the Purchaser to the attorneys, in terms of paragraph 4.1.1 supra, will be made electronically or by cash and proof of payment will be send to the attorneys via telefax and/or by e-mail, subsequent to the payment having been made..
- 4.9 It is agreed that the payments, by the Purchaser to the Seller, in terms of paragraph 4.1.2 supra, to be made to the Seller’s nominated bank account, of which the particulars are as follows:

Account holder:.....

Bank:..... Branch:.....

Account number:..... Branch code:.....

- 4.10 The amount payable by the Purchaser into the trust account of the attorneys, in terms of paragraph 4.1.1 supra, will be paid into the following bank account:  
  
 Botha Willemse & Wilkinson Attorneys  
 Standard Bank, Sunnyside  
 Account Number: 011560754  
 Branch Code: 010645  
 Ref: CJ Willemse/E273/dc
- 4.11 The Purchaser will be entitled to pay the outstanding capital amount in full and/or partially, at any stage during the period stipulated in paragraph 4.1.2 supra. If it is a partial payment, will the outstanding capital amount be reduced with such payment, and the remaining outstanding capital balance amount to accumulate such interest and to remain payable in terms of paragraph 4.1.2.

## 5. Existing Liabilities, Warranties and Transfer of Shares

The Seller represents and warrants that:

- 5.1 The Company is a private Company with limited liability registered in accordance with the Act, which Company comprises of 1000 ordinary shares issued, of which 100 (One Hundred), were taken up by the Seller, at the par value of R1,00 (one rand) each.
- 5.2 The authorized share capital of the Company is unaffected as of date of registration of the Company.
- 5.3 The 100 Shares have been fully paid for and are held by the Seller free of encumbrance.
- 5.4 The Seller declare that it has no knowledge that the Company is under any obligation to increase or reduce the share capital and/or to issue further shares and/or to amend its Article of Incorporation as at the signature date.
- 5.5 No person, other than the Purchaser has any right to purchase or otherwise subscribe to the Share(s) hereby sold by the Seller to the Purchaser.
- 5.6 The books and the records of the Company will have been duly kept up and to the effective date.
- 5.7 The Seller shall sign all necessary documentation for the transfer of the Share transferred hereunder to the Purchaser in accordance with the terms of this agreement and will execute and deliver any and all such further documentation as may be necessary to give effect to the terms of this agreement.

## 6. Share(s) Transfer

- 6.1 On the effective date, will the attorneys, on instructions from the Seller, give transfer of the Share(s) to the Purchaser as is provided for herein.
- 6.2 Within 10 (ten) days after the effective date, will the attorneys, on instructions of the Seller, deliver to the Purchaser, a Share certificate, together with a signed CM42 form, in terms of which the Share(s) are transferred and allocated to the Purchaser, as well as a resolution of the director of the Company, approving the transfer of the Share(s).
- 6.3 The Seller undertake, while this agreement remains in place, not to withdraw the transfer of the Share(s) and/or to instruct the attorneys to the withdrawal of the transfer of the Share(s).
- 6.4 The allocation of the Share(s) into the name of Purchaser will be noted in the share register of the Company, and the Purchaser will be provided with a copy thereof.
- 6.5 The Purchaser will be obliged to pay all costs related to the transfer of the share(s), if any.

## 7. Loan Accounts, Dividends and Assessed Loss

- 7.1 Loan account(s), if any, of shareholders, will be as reflected in the Company books and records.
- 7.2 The outstanding loan account(s), if any, shall bear interest at the prime interest rate of Absa Bank Limited.
- 7.3 Any certificate signed by the Auditor of the Company, at any particular period of time, shall constitute prima facia proof of the value of any loan account.

## 8. Risk, Benefit and Ownership

- 8.1 Notwithstanding anything to the contrary as contained herein, and as contained in the Annexures, title in, possession and control of the Share(s), will not pass to the Purchaser, until the Purchaser has complied in full with his/her obligations in terms hereof, in specific, payment of the full purchase consideration and ownership of the shares will remain vested in the Seller until such time.
- 8.2 The Purchaser is however, entitled to exercise its interim rights associated with the purchase of the Share(s), as is provided for in Annexure "B" attached hereto.
- 8.3 Apart from the provisions as stipulated in paragraph 2 (two) of the Shareholders Agreement (Annexure B) attached hereto, in the event of this agreement being terminated, for whatever reason, the Shareholders Agreement will automatically be regarded as being terminated, and vice versa, as a result of which termination the Purchaser will no longer be entitled to exercise its interim rights.
- 8.4 Once the Purchaser has complied in full with her/his/their, obligations in terms hereof, in specific, full payment of the purchase consideration, the risk, benefit, ownership and control in and to the Share(s) will pass to the Purchaser, in terms of paragraph 6 supra.

## 9. Breach of Agreement

In the event that the Purchaser, breaches any term of this agreement, and fails to remedy such breach within a period of seven (7) days after having been given written notice by the Seller to the domicilium citandi et executandi address of the Purchaser, calling upon the Purchaser to remedy the breach, then the Seller shall be entitled, in addition to any other remedy which might be available to the Seller in terms hereof or at law, to;

- 9.1 Claim specific performance and recover forthwith from the Purchaser, the whole of the balance of the purchase consideration and interest outstanding; or
- 9.2 Terminate this agreement, and retain all amounts already paid by the Purchaser as "rouwkoop", and claim the outstanding balance of the purchase consideration and interest from the Purchaser.
- 9.3 Notwithstanding anything to the contrary stated herein, nothing prohibits the Seller from claiming such damages that the Seller may have suffered or sustained in consequence of the Purchaser's default.
- 9.4 In the event that the aggrieved party is the Purchaser, and defaulting party is the Seller, and the Seller fails to remedy such breach within a period of 7 (seven) days after having been given written notice by the Purchaser to the domicilium citandi et executandi of the Seller, calling upon the Seller to remedy the breach, then the Purchaser shall be entitled, in addition to any other remedy which might be available to the Purchaser in terms hereof or at law, to:
- 9.4.1 Claim specific performance; or
- 9.4.2 Terminate this agreement, and claim damages that the Purchaser may have suffered or sustained in consequence of the Seller's default.

## 10. Domicilium Citandi Et Executandi and Notices

For all purposes under this agreement or with regards to any other matter arising from or in connection herewith, the parties hereby choose the following addresses as their respective domicilium citandi et executandi, addresses for the purpose of any one party giving any notice to another party and/or for service of any process in terms of any action arising from this agreement. The parties therefore choose the following addresses as their domicilium citandi et executandi:

**10.1 THE SELLER:**

Postal Address: P.O. Box 62213  
Marshalltown, 2107

Physical Address: Colliers House, Number 36, Fricker Road, cnr Harries Road Illovo, Sandton, Johannesburg, Gauteng Province, South Africa

**10.2 PURCHASER:**

Postal Address: P.O. Box .....  
.....

Physical Address: .....  
.....  
.....

**10.3 COMPANY:**

Postal Address: P.O. Box 62213  
Marshalltown, 2107

Physical Address: Colliers House, Number 36, Fricker Road, cnr Harries Road Illovo, Sandton, Johannesburg, Gauteng Province, South Africa

10.4 Each of the parties shall be entitled from time to time, by written advice to the other to vary its domicilium citandi et executandi, to any other address within the Republic of South Africa which is not a post office box or poste restante. The change of any one party's domicilium citandi et executandi address shall be done in accordance with the provisions of this agreement.

10.5 Any notice which may be given by the one party to another in terms of this agreement shall be send to the other party's domicilium citandi et executandi address or the duly altered address, by hand or by pre paid registered post, and shall:

10.5.1 If delivered by hand, be deemed to have been received on date of delivery;

10.5.2 If sent by pre-paid registered post, be deemed to have been delivered and received on the fourth business day after being posted.

## 11. Jurisdiction

The parties hereto concede to the non exclusive jurisdiction of the Gauteng South High Court, in any dispute arising from or in connection with this Agreement.

## 12. Non-Waiver

No waiver by a party of any breach, failure or default in performance by a party, and no failure, refusal or neglect by a party to exercise any rights hereunder or to insist upon strict compliance with or performance of the other party's obligations under this agreement, shall constitute the waiver of the provisions of this agreement and any party may at any time require strict compliance with the provisions of the agreement.

## 13. Entire Agreement

- 13.1 This agreement correctly reflects the intention of the parties and embodies the entire agreement between the parties with respect to the subject matter hereof and the Purchaser acknowledge that there are no oral or collateral written agreements which in any way vary or modify this agreement or suspend the operation of same.
- 13.2 No variation, alteration, consensual cancellation or novation of or addition to this agreement and no waiver by the Seller of any of its rights hereunder shall be of any force or effect unless reduced to writing and signed by both the Seller and the Purchaser.
- 13.3 This agreement therefore constitutes the entire agreement between the parties hereto and they acknowledge that there are no other ancillary agreement of sale in existence. Furthermore the parties agree that any variation, amendment or waiver of any of the terms or provisions of this agreement to be of binding force in effect unless such variation, alternation of waiver is reduced to writing and signed by all parties to this agreement.
- 13.4 The parties agree that no other conditions, warranties or representations, whether oral or in writing and whether expressed or implied, whether by statute or otherwise, shall apply hereto unless effect is given to such amendment in terms of this clause and taking into consideration the effect which is given by warranties contained in this agreement.

## 14. Costs

Administrative costs are payable by the Purchaser, in terms of paragraph 39 of the Shareholders Agreement.

## 15. Indemnification

The Seller indemnifies the Purchaser against any claims against the Sale Shares and or any claim against the Company, which might result in a claim against the Purchaser, which claim arise prior to the effective date.

## 16. General Conditions

The following general conditions shall apply as specific terms and conditions of this agreement and shall form an integral part of the sale of shares agreement:

- 16.1 There are no litigation proceedings pending in respect of the Company.
- 16.2 No alterations to the memorandum and articles of association of the Company is contemplated prior to the effective date save for those referred to in this agreement.
- 16.3 Both the Seller and the Purchaser by appending their signatures to this agreement, agree that no representations of whatsoever nature was made by the one to the other, other than those contained in this agreement.
- 16.4 The Purchaser acknowledges that it entered into this agreement out of its own free will and that no representations and/or guarantees were made and/or given other than those contained in this agreement.
- 16.5 The existing director, secretary, public officer and auditor, of the Company all which have been nominated by the Seller, as at the commencement date will remain, with the purchasers representative being added as a director to the Company as of the effective date.

- 16.6 Once all the Shareholders in the Company, have made payment of their full purchase consideration, as is provided for in Annexure “B” attached hereto, the existing director, secretary, public officer and auditor will resign from the Company.
- 16.7 Once all the Shareholders in the Company, have made payment of their full purchase consideration, as is provided for in Annexure “B” attached hereto, the existing director, secretary, public officer and auditor will resign from the Company.

## 17. Terms and Conditions of this Agreement

Should any term or condition of this agreement be in conflict or not in accordance with the provisions of the Act, or non executable, such term and condition will not render the whole agreement void. It will then only have the effect that such specific provision which is non executable or otherwise impractical, is void.

## 18. Warranties and Acknowledgement by Purchaser

- 18.1 The Purchaser warrants that he/she has the legal capacity and has taken all necessary corporate action required to empower and authorise the Purchaser to enter into and implement this agreement on the terms and conditions herein set out.
  - 18.1.1 The Purchaser authorised its representative in terms of a resolution to sign this agreement on behalf of the Purchaser.
- 18.2 This agreement constitutes an agreement valid and binding on the Purchaser and enforceable against it in accordance with its terms.
- 18.3 The Purchaser is aware of and has taken cognisance of the terms and conditions of the annexures attached hereto and, undertake to comply fully therewith.

## 19. Co-operation

The Parties undertake at all times to co-operate with each other in good faith in order to carry out this agreement and to implement all transactions and steps contemplated herein. The Parties further undertake not to take any action or to omit taking any action that will result in delaying or impeding the implementation of this agreement.

SIGNED at.....on the.....day of.....2009.  
AS WITNESSES

1. \_\_\_\_\_  
2. \_\_\_\_\_  
SELLER:

SIGNED at.....on the.....day of.....2009.  
AS WITNESSES

1. \_\_\_\_\_  
2. \_\_\_\_\_  
PURCHASER:

SIGNED at.....on the.....day of.....2009.  
AS WITNESSES

1. \_\_\_\_\_  
2. \_\_\_\_\_  
COMPANY: