

USE AGREEMENT

INTRODUCTION

ALL YOU SHOULD KNOW ABOUT MOUNT AMANZI SHARE BLOCK LIMITED

1. **THE SHARE BLOCKS CONTRAOL ACT (1980) & PROPERTY TIME SHAREING CONTROL ACT (1983)**
You are contemplating buying a "time unit" in a unit in terms of the above acts. These acts were passed in 1980 and 1983 to give the necessary protection to members of the public. The scheme works on the basis that MOUNT AMANZI SHARE BLOCK LIMITED (referred to as "the company") owns the land nature reserve and buildings know as MOUNT AMANZI. You will be purchasing a block of shares in the company. That "share block" is lined in terms of the Act to a stand "use agreement" lodged with the Registrar of Companies in Pretoria. It is the use agreement linked to your share block which confers on you the right of exclusive use in perpetuity of your chalet and prior to the occupation period each year, imposes on you the obligation to make levy contributions to enable the company to meet its administrative and running expenses.
2. **THE STRUCTURE OF THE AGREEMENT**
 - 2.1 The Agreement is divided into two main sections –
 - 2.1.1 The Agreement for the purchase of the shares; and
 - 2.1.2 The Use Agreement which will be transferred to you as a result of you acquisition of the shares.
 - 2.2 The agreement relating to the purchase of the shares is headed "Agreement of Sale". It is a relatively straightforward document. However, since it is very material to you to know what the company is and how it operates, there is annexed to the offer to purchase a schedule marked annexure A1 setting out all the material relating to the company.
 - 2.3 The use agreement is the same for all members and confers certain rights and imposes certain obligations on each member. Annexed to the use agreement are schedules marked A1, B1, B2 and B3 which reflect inter alia –
 - 2.3.1 the number of shares in each share block;
 - 2.3.2 the exclusive use areas of which you will enjoy the benefit; and
 - 2.3.3 the portion of the administration and running expenses of the company which will be borne by the member.
 - 2.3.4 the portion of the loan obligation allocated to the purchaser in terms of section 1 (1x) of the Share Blocks Control Act.
3. **PROTECTION UNDER THE ACTS**

It should be borne in mind that the Acts make necessary provision –

 - 3.1 Firstly to ensure that your payments to the company are protected; and
 - 3.2 Secondly to ensure that the company does not and cannot incur any new debts of which you are not aware or to which you have not consented. Full details are, therefore given in the information schedule of the company's liabilities and loan obligations.

DOCUMENTATION

This documentation comprises of the following:

1. Use Agreement that sets out the time period and terms of occupation of the section and the obligation of the member to contribute a levy towards the costs of the company.
2. Annexure A1 being a schedule of information about the share block company which owns the property on which the scheme is situated.
3. Annexure B – Rules which set out certain basic rules in relation to the use of sections.
4. Annexure B1, B2 – sets out the allocation of sections, time chalets, etc. to share blocks, Schedule of Share Blocks, etc.
5. Annexure C – Contents of unit.

USE AGREEMENT

MOUNT AMANZI SHARE BLOCK LIMITED

COMPANY NUMBER 88/05182/06

The company and the member hereby contract on the terms and conditions set out herein.

SCHEDULE OF DEFINITIONS

1. Unless inconsistent with or otherwise indicated by the context, the following words and expressions shall bear the meanings assigned to them hereunder.
- 1.1 "The Company" MOUNT AMANZI SHARE BLOCK LIMITED
- 1.2 "The member" _____ its successors and assigns.
- 1.3 "The share block" Share Block No _____ Week no _____ Chalet no _____
- named in the share capital of the company and to which the use of the section is linked pursuant to the articles of association of the company.
- 1.4 "The initial levy" R 1377.00 PER WEEK (including VAT)
- 1.5 "The Property" Remaining Extent of Portion 42 (a portion of portion 7) of the farm Hartebeestfontein 445, Registration Division J.O., Northwest Province, in Extent 14,7697 hectares.
- 1.6 "The developers" As defined in the Share Blocks Control Act, 1980
- 1.7 "The buildings" the buildings which are or will be on the property known as Mount Amanzi
- 1.8 "Unit/Section" any chalet in the buildings on the property, which is furnished pursuant to clause 2.6 below and which provides sleeping accommodation for either two, five, six or eight persons and which is linked to a share block pursuant to the Articles of Association of the company/
- 1.9 "The movables" means the furniture, fixtures, furnishings, bed linen, refrigerators and other moveable items in the section from time to time.
- 1.10 "The plans" the plans annexed hereto
- 1.11 "The exclusive use areas" the terraces, decks, parking and balconies allocated to the sections on the plans
- 1.12 "The effective date" is the date of Architects Certificate of Occupations (which date shall be a date within two years from date of signature hereof) or the date of the initial occupation period, whichever is the later
- 1.14 "The Act" The Share Blocks Control Act, 1980
- 1.15 "The Sectional Titles Act" The Sectional Titles Act, 1971
- 1.16 "The Rules" The Rules (including any House Rules and Regulations made there-under) contained in Schedule 1 and Schedule 2 of Annexure B hereto or any amendment thereof from time to time in force
- 1.17 "The Directors" the directors of the company.
- 1.18 "Levy fund" The fund established by the company in terms of Section 13 of the Act
- 1.19 "The scheme" the share block scheme operated by the company in respect of the buildings owned by it
- 1.20 "Use" use as contemplated by the Acts
- 1.21 "The time unit" the period of one week set out in the schedule annexed hereto-marked B1, commencing at 14h00 on Friday and terminating at 10h00 on the following Friday and where week 1 commences on the first Friday in the April school holidays of each year in respect of fixed weeks, and in respect of flexi weeks a week commencing on Friday at 14h00 and ending at 10h00 on the following Friday.
- 1.21.1 "The Fixed Week" One period in the fixed season commencing a 14h00 on Friday and terminating on the following Friday at 10h00
- 1.21.2 "The Flexi Week" One period to be booked in advance during the flexi season commencing on Friday at 14h00 and terminating at 10h00 on the following Friday
- 1.21.3 "The Fixed Season" The following period during each calendar year:
 2 weeks in April being weeks (H1 & H2)
 3 weeks in June/July being weeks (H3, H4 & H5)
 2 weeks in October being weeks (H6 & H7)
 4 weeks in December/January being weeks (H8, H9, H10 & H11)
 2 Floating Free State weeks being (H12 & H13)
 provided that the first weeks of each of these seasons shall commence on the first Friday of the school holiday in these periods. All other fixed weeks will follow immediately on the first weeks of each school holiday.
- 1.21.4 "The Flexi Season" All weeks in the year outside the fixed season.
- 1.22 "The operating entity" Hartbeespoort Plesieroord (Edms) Bpk
- 1.23 "The Architects" The certificate issued by the Architects in respect of the chalets which have been erected, certifying that they have been erected in accordance with the approved plans and that they are suitable for occupation and in respect of the chalets which have not yet been erected certifying, as and when the chalets have been erected, that they have been erected in accordance with the approved plans and that they are suitable for occupation.

- 1.24 "The manager" the person appointed from time to time to manage and supervise the Property and the scheme conducted thereon.
- 1.25 Any reference to the member shall when used in the context of the occupation and use of the section and the common property, include the member, any persons to whom the member has temporarily or permanently transferred his rights of occupation in terms thereof and the members of their respective families, their invitees, guests, employees, tenants and agents.
- 1.26 Words signifying the singular shall include the plural and vice versa and words importing one gender shall include the other.
- 1.27 Save as provided herein, or unless the context otherwise requires, words and phrases defined or used in the Act of the Sectional Titles Act shall have the same meanings in this agreement.
- 1.28 The clause headings in this agreement have been inserted for reference purposes only, and shall not be taken into account in interpreting it.

2. OCCUPATION

- 2.1 From the effective date the member for as long as he continues to hold the share block and complies with the provisions of this agreement will:
- 2.1.1 be entitled for the duration of the time unit during each calendar year, to the exclusive use and enjoyment of the section, the exclusive use-areas and the movable property;
- 2.1.2 be entitled during the same period to the use and enjoyment of those parts of the common property not subject to rights of exclusive use by other members in terms of the same scheme; and
- 2.1.3 be entitled to sub-let the section in terms of clause 8 hereof;
- 2.1.4 be entitled to free access to the property and the facilities thereon only during the specific week owned by the member, at all other times the member shall pay the normal entrance fee, if any.
- 2.2 If the member does not intend to exercise his rights in terms of 2.1 during any fixed time unit, he may not less than 6 weeks before the commencement of the time unit, notify the operating company in writing. In such event, if the operating company hires out the section for the whole or any part of the time unit the member shall be entitled to 80% of the charge for the section. Such amount shall be set off against any amounts which are then due to the company in terms hereof, and the balance shall be paid to the member. All unbooked flexi weeks shall fall into a rental pool.
- 2.3 The member shall have the right during the week to the use of the common property in common with the other members of the company and users of the remainder of the property, subject:
- 2.3.1 to such terms and conditions as may be imposed by the Directors from time to time;
- 2.4 the rights of the members hereunder shall endure in perpetuity for the week in each year for as long as he continues to be the beneficial owner of the Share block and remains in fulfilment of all the terms and conditions of this agreement.
- 2.5 The member acknowledges that he will have no rights to participate or have any interest in the business of businesses conducted from time to time by the owner of any occupant of any part of the property not subject to the time sharing scheme.
- 2.6 The premises shall be furnished and provided with the movable property which in terms of the annexure hereto is specified for such premises, it being recorded that the movable property is the property of the company and that nothing in this agreement shall vest the member with the ownership of any such movable property of entitle him to remove any such movable property from the premises during or upon termination of any week the premises are used by the member. Notwithstanding the foregoing, the company shall be entitled from time to time with the authority of a resolution of its directors to vary or add to the movable property described in annexure hereto, provided that such variation or addition shall not result in any substantial change in the general nature or standard of such movable property and provided further that any major refurbishment of the premises (whether alone or together with other premises) shall require the approval of the company in General Meeting.
- 2.7 The premises shall be used by the member for residential purposes only and for no other purpose whatsoever. The premises shall be used personally by the member and members of his family or his invitees, provided that in any event the number of users of the premises shall not exceed the number of persons prescribed by clause 1.7, at any time without the prior written consent of the Manager. In the event of the rights of use herein being held by a company or other body corporate, the premises shall only be used by such persons and members of his family or his invitees who may be nominated from time to time by the said company or body corporate, which use shall be subject to the restrictions as to the number of users at any one time, and further shall be subject to the prior approval of the manager in the ordinary course of business, which approval shall not be unreasonably withheld.
- 2.8 No liability shall rest upon the company for any:
- 2.8.1 thing done or omitted by the manager from time to time; and
- 2.8.2 any interruption or failure of electrical and/or water services that may be supplied or any other municipal or other services to the property, irrespective of the cause thereof nor for any consequential damage the member may suffer by reason of such failure or interruption.
- 2.9 If at any time the premises require to be refurbished or renovated, the company, the Developer, or the manager shall be entitled themselves and their respective contractors and workmen during normal business hours to access the premises for the:
- 2.9.1 purposes of carrying out such works as may be required to be done from time to time provided always that the company and the developer will use their respective best endeavours to procure that such works are preferably carried out during the maintenance week, if any. If the member or any such person using the premises however suffers any inconvenience from such operations, conducted in any other part of the building, the member and such other person shall have no claim whatsoever against either the company, the developer or the manager.
- 2.9.2 In the event that the refurbishing or renovation operations referred to above are such as to deprive the member or any person lawfully claiming use of the premises of beneficial use thereof or should the premises for any reason at any time and from time to time not be available for use, no claim whatever will arise against either the company, the developer or the manager, but the company, the developer or the manager shall be entitled to provide the member or such other user, without extra cost to the relevant week or for such time as the premises are not so available, as the case may be.
- 2.9.3 If any dispute arises at any time as to whether the member or other user aforesaid is unable to enjoy beneficial use of the premises at any time, such dispute shall be determined by the manager who in making such decision shall act as an expert and not as an arbitrator and whose decision shall be final and binding on the member or such other person.
- 2.10 Notwithstanding anything to the contrary herein contained in the event that the manager is of the opinion that the admission to use any part of the property by the member or any person claiming any right to use the premises through or at the instance of the member, would result in or constitute a contravention of any law the manager will be entitled to refuse admission to the property by the member or such person, or if such person has gained admission thereto, to require or cause the member or such person to leave or vacate the property forthwith.

3. CONDITIONS OF OCCUPATION

- 3.1 From the occupation date the member
- 3.1.1 shall at all times as long as this agreement shall remain in force, comply with the provisions of Section 32 (excluding Section 32 (f) of the Sectional Titles Act) and with the Rules as if he were the owner of the unit in terms of that Act and procure compliance with the rules by a member of the family of the member, invitees, guests, employees, tenants and agents. Provided that such of the provisions of the Sectional Titles Act and the rules as such cannot, under the circumstances, be applicable or are impliedly substituted by the provisions of this agreement, shall not be binding on the member.
- 3.1.2 shall waive all claims against the company for any loss or damage to property or any injury to person which the member may sustain in or about the section, the buildings on the common property and indemnify the company against any such claim that may be made against the company by any member of the member's family or member's invitees, employees, or agents for any loss or damage to property or injury to person suffered in or about the section or the common property howsoever such loss or damage to property or injury to person may be caused;
- 3.1.3 shall be liable for and pay to the levy fund an annual levy for each week owned, of the amount hereinafter determined.
- 3.2 **LEVY**
- 3.2.1 The directors of the company shall establish and maintain a levy fund to which and they shall from time to time make levies upon members of the company in such amounts as are in their opinion sufficient for the repair, upkeep, control, management of the property and administration of the company and of those portions of the property for which individual members are not personally liable, for the payment of rates, taxes and any other local authority charges on the property, any charges for the supply of electric current, gas, water, fuel, sanitary and other services to the property for which the individual members are not personally liable, and services required by the company for the covering of any losses suffered by the company, the payment of any premiums on insurance and for the discharge of any other obligation of the company is authorised to employ and remunerate such persons as may be necessary to fulfil any function of maintenance and of control.
- 3.2.2 The directors shall estimate the amount which shall be required by the company to meet the aforesaid expenses during each operational year or any portion thereof, together with the estimated deficiency or less the surplus, if any, as may have resulted from the preceding operational year or portion thereof and shall make a levy upon the members of the company equal as nearly as is reasonably practicable to such estimated amount. The directors may include in such levies an amount to be held in reserve to meet any anticipated future expenditure not of an annual nature, such as the expenses to be incurred for the redecoration or renovation of the company's property and for the replacement of any movables or any part thereof.
- 3.2.2.1 Notwithstanding anything to the contrary contained herein, it is recorded that the amount to be levied for a particular financial year in terms of paragraph 3.2.2 above shall be determined annually by not later than 31 August of the preceding year.
- 3.2.3 The financial year of the company is from 1st September to 31st August. The total levy for the weeks owned shall be payable annually not later than 30th September.
- 3.2.4 The directors may from time to time make special levies upon the members of the company in respect of all such costs, expenses and requirements as are mentioned in 3.2.1 and such levies may be payable in one sum or by such instalments and at such time or times as the directors shall think fit.
- 3.2.5 Notices shall be given in respect of levies payable by members of the company and such notices shall be subject to the provisions relating to notices in the Articles of Association.
- 3.2.6 Every levy which is made by the directors pursuant to these provisions shall be made upon members of the company in the proportion of weeks owned by the member.
- 3.2.7 Any amount due by the member by way of a levy or instalment of a levy shall be a debt owed by the member to the company and shall be recoverable by the company and any arrears amount in respect of the levies shall bear interest at the rate equivalent to 6.5% above prime overdraft rate charged at Volkskas Bank Limited. The obligations of a member to pay a levy shall cease upon the lawful termination of the member's right of use, save that any arrears levies to the date of such termination shall nevertheless be recoverable from the member. No levies and no part of any levy paid by a member shall be refundable by the company on the termination of a member's right of occupation.
- 3.2.7.1 If a member fails in arrears with the payment of his levies or any part thereof, or if a member who has arranged to pay his levies by monthly instalments fails in arrears with such payments, then, in addition to the interest in terms of clause 3.2.7 and without prejudice to any other rights which the company may have in terms hereof, the member will become automatically liable, and be deemed to have accepted liability for payment to the company of a penalty not exceeding 25% (twenty-five percent) of the arrear levy as liquidated damages for any losses, inconvenience or additional expenses which the company has suffered in the opinion of the directors, as a result of such default by a member.
- 3.2.8 Should a member be in arrears with any levy obligation, or be indebted to the company for any other amount in terms of this agreement, he shall not be entitled to occupy the section of his time unit or be entitled to vote at any meeting of the company until such time as he has paid all his arrears, provided, however, that the company shall at its sole discretion relax this condition where the member has made satisfactory and acceptable arrangements in the form as prescribed by the company, for the payment of any outstanding amounts.
- 3.2.9 The developer shall not be obliged to pay the levy in respect of unsold weeks but shall be obliged to maintain the property until sufficient weeks have been sold.
- 3.3 The company shall at all times be and remain the owner of the movables. The member shall be obliged to exercise reasonable care to ensure that the movables are maintained in good order and repair. If at the end of the time unit the company, in its sole discretion, determines that any of the movables have been damaged or removed, then the member shall upon request pay the costs of replacement of or repair of any particular item, which amount shall be payable in addition to the levy, fair wear and tear of the movables excepted. The member hereby waives all claims against the company for any loss or damage to property or any injury to person which the member may sustain in or about the section, the building or the common property and indemnifies the company against any such claim that may be made against the company by any member or the member's family or the member's invitees, employees, or agents or any loss or damage to property or injury to person suffered in or about the section or the property howsoever such loss or damage to property or injury to person may be caused.
- 3.4 The company shall be entitled to deny the member access to the section until such time as he has paid any levy due in terms hereof together with any accrued interest or costs in connection therewith.
- 3.5 The company shall fully service the section or procure that the section is serviced and without detracting from the generality of the foregoing, the company shall, in particular, clean the rooms every day and supply a change of linen once a week. The company shall also furnish the following i.e. all furniture, fixtures, fittings, furnishings, refrigerators, stoves and bed linen and

- shall subject to the provisions of this agreement regarding replacement by a member maintain the abovementioned items in a good, clean and usable condition.
- 3.6 The member shall pay in respect of each B Class Share block held by him that part allocated to him of the amount as certified by the manager of the total expenses referred to in clause 3.2.1 which have been allocated to the chalet which he is entitled to occupy, such payment to be made annually before 30th September.
- 3.6.1 The initial levies allocated to each share block are reflected in clause 7 of the information schedule annexed hereto in respect of the various types of chalets and time periods in each year.
- 3.7 The annual levy payable per week owned as at the date hereof in respect of the week hereby sold amounts to the amount reflected in clause 1.4
- 3.8.1 the company shall be entitled to negotiate an arranged lesser levy with any holders of all the B shares in respect of a specific chalet. In the event of the relevant B shares being sold separately the full levy in terms hereof shall be payable in respect of those shares.
- 3.8.2 In the case of share blocks sold on the basis set out in 3.8.1 the company shall be entitled to negotiate the lesser levy on the basis that the company will not be obliged to perform all the obligations or services referred to in this clause or in clause 4 hereof. In the event of the shares comprising those share blocks being sold on a time sharing basis the holders of these shares shall be obliged to obtain the consent of the company in writing and shall only be entitled to sell such shares subject to the normal conditions regarding levies contained herein. The provisions of this clause shall apply mutatis mutandis in the event of a purchaser purchasing all 52 weeks in a chalet and acquiring 52 B ordinary shares.
- 3.8.3 Notwithstanding anything to the contrary contained herein, the company shall be entitled to negotiate an arranged lesser levy, the dates for the payment of such levies as well as the interest rate, if any, applicable to such levy payments with the holder of B shares representing more than 104 weeks in total, irrespective of whether those share are in respect of one chalet or not.

4. OBLIGATIONS OF THE COMPANY

- 4.1 The company shall, in respect of the buildings, the common property, the section, the member and the scheme:
- 4.1.1 Maintain the exterior portion of the property, including the pools, garden and all roofs and gutters, in good repair and from time to time and as and when necessary, renovate and repair the same.
- 4.1.2 Maintain in good order and repair and in a clean and tenable condition the interior of each unit and all such other portions or the property.
- 4.1.3 Effect such insurance over and in respect of the property against damage in accordance with the relevant resolutions passed by the members of the company from time to time at general meetings of the company and renew such policies.
- 4.1.4 Maintain in good order and repair and in a clean and usable condition all the furniture, furnishing, fixtures, fittings, refrigerators, glassware and shall replace such items and maintain them to their original standard during the currency of the agreement.
- 4.1.5 These obligations shall be financed from the levy fund.
- 4.1.6 insofar as may be necessary ensure that all or any of the functions referred to above which are to be carried out by the manager in terms of the agreement, are in fact carried out by the manager and to ensure the fulfilment by the manager of its obligations in terms of the agreement.

5. LOAN OBLIGATIONS

- 5.1 All moneys paid by the member in respect of his loan portion shall:
- 5.1.1 be dealt with by the company in accordance with the provisions of sub-sections 1,2,3,4 & 5 of section 15 of the Share Blocks Control act;
- 5.1.2 as and when such payments are applied by the company for the redemption of its loan obligation, constitute a loan to the company for that purpose;
- 5.1.3 not be repayable to the member by the company unless the company at its option elects to do so;
- 5.1.4 be repayable to the member in the event of the company being wound up;
- 5.1.5 be free of interest
- 5.2 Any such loan may be ceded by the member to a third party provided that such cession is made to the person to whom the member has sold his share block and has been approved in writing by the directors of the company.

6. VOETSTOOTS

Occupation of the section is accepted by the member voetstoots without any warranty or representation of any nature whatsoever.

7. SECURITY

- 7.1 As security for the due and punctual performance of all his obligations in terms hereof, the member hereby pledges the share block/s and the member's interest in this Use Agreement, to the Company.
- 7.2 The member agrees, in order to perfect the pledge in terms of 7.1 hereof, (subject to the preferent rights of any other person) that the company shall be entitled at any time in its sole discretion to order the member by prepaid registered mail to deliver the member's copy of Use Agreement and the shares together with duly signed transfer forms in respect of the share block/s to the company within 14 days, failing which the company shall be entitled to cancel the member's share certificates in the share register and issue new share certificates in respect of the relevant share block/s.
- 7.3 The member hereby appoints the company's auditors irrevocably and in rem saum as his agent to sign any transfer form or cessions necessary to transfer the share block/s and the Use Agreement to give effect to clause 10 hereof.

8. CESSION OF MEMBER'S RIGHTS AND LETTING

- 8.1 The member shall only be entitled to cede his interest in this agreement if simultaneously therewith he transfers his shares in the manner provided by and subject to the articles of association of the company and the terms of this agreement, and thereby confers upon such person the exclusive use and enjoyment of the section. If, however, a purchaser has purchased the shares on suspensive conditions and has not yet taken transfer of those shares, such purchaser shall be required to obtain the prior written consent of the seller to the resale of those shares and the cession of his rights herein. Before transfer is effected into the name of the transferee, the company shall require satisfactory proof that the member has ceded his interest in this agreement to the transferee, and that the transferee has duly assumed all the transferor's obligations to the company.
- 8.2 The member may freely let the section for the duration of his time unit or allow another or others to occupy the section during such time unit, provided that such other persons sign an undertaking to be bound by the provisions of this Use Agreement.

9. RIGHTS OF THE COMPANY

- 9.1 Should the member fail to maintain the said section in good order and condition, the company shall immediately be entitled, without prejudice to any other rights it may have, to put the same into good order and condition at the expense of the member, and to recover from the member any expenditure thereby incurred.
- 9.2 The company's duly authorised agent or workmen shall be permitted to enter the section at any reasonable hour of the day, if authorised by the directors or by the secretary, the manager or supervisor acting under powers delegated by the directors, in order to examine the same or to effect repairs thereto, or to any part of the buildings. If the member shall not be personally present to open the section at any time when for any reason entry be necessary or permissible, then the secretary or manager or supervisor or other duly authorised agent of the company shall be entitled to enter the section without being liable to any claim or cause of action for damages by reason thereof, provided that during such entry such person shall take reasonable care not to cause damage or loss to the member's property.
- 9.3 If the member fails to discharge any of his obligations in terms hereof, the company may, without detracting from any other rights it might have and without notice discharge such obligations on the member's behalf and recover the costs of doing so from the member.
- 9.4 The company may, at any time if the body of members present at the relevant meeting consider that the persistent acts or omissions of a member are prejudicial to the enjoyment of other members or to the general harmony of the units, compel a member by resolution, to sell his share block and cede his use agreement for a cash consideration, to any person nominated by the directors of the company. The cash consideration shall be the cash price at which a similar share block and use agreement were last sold or the best possible cash price which can be obtained within 90 days, whichever is the lower.

10. TERMINATION

- This agreement shall remain in full force in perpetuity for so long as the member is the holder of beneficial owner of the share block, provided that –
- 10.1 if the member fails to pay any amount owing to the company on due date and thereafter fails for a further period of 14 days after notice by the company to the member to pay such amount; or
- 10.2 if the member breaches any of the terms or conditions of this agreement, which breach is capable of being remedied and fails to remedy that breach within 14 days after notice by the company to the member requiring it to do so; or
- 10.3 if the member breaches any of the terms or conditions of this agreement, which breach is not capable of being remedied either within the period of notice referred to in 10.2 or at all, and at any time within a period of 6 months after notice has been given to the member by the company requiring the member not to commit any further breach of this agreement, the member commits such a further breach;
- 10.4 or should the member:
- 10.4.1 cause any material damage to the premises or any other part of the property;
- 10.4.2 cause a nuisance to other occupiers of portions of the property from time to time;
- 10.4.3 in any way act contrary to the nature conservation policy of the company or do or cause to be done any act or thing which will in any way be detrimental to the fauna or flora on the property;
- then the company shall be entitled, without prejudice to any other rights which it may have (and in particular without prejudice to its right to claim and recover damages suffered by the company as a result of such breach)
- (i) to cancel the agreement and
- (ii) to declare all amounts owing by the member to the company, whether then due and payable or not, immediately due and payable, and the member shall in such event be liable to make immediate payments of such amounts;
- (iii) to obtain repossession of the section;
- (iv) as agent for and on behalf of the member, to let the section and to collect all rents and moneys payable by the tenant under such lease, and to deduct therefrom any moneys whatsoever that may be owed by the member to the company; and/or
- (v) to sell or dispose of or realise in any other manner (on such terms and conditions as the company may in its sole discretion deem fit) the rights pledged by the member to the company in terms of 7 hereof.

11. DAMAGE TO BUILDINGS

If the buildings are damaged or destroyed, the company agrees that it will as soon as is practicable repair or rebuild the same. The member shall have no claim against the company by reason of the section being unfit for occupation or for any other reason whatever. The company however, reserves to itself the right to change or vary the form of construction of the building or section on such rebuilding or repairing, but the member shall have the same accommodation as regards the position and area of building enjoyed by him prior to destruction in such altered or varied construction. Notwithstanding the above, the company shall not be bound to expand any more in fulfilling any of its said obligations than that sum which it may received from its insurers arising from any of the aforesaid contingencies.

12. RULES

- The rules (as set out in Annexure B) may be varied by the company prior to adoption:
- 12.1 so as to confer the exclusive right of use of exclusive use areas in accordance with the provisions of this agreement and Annexure A;
- 12.2 so as to comply with the requirements of any future bondholder;
- 12.3 if the variation is of a formal nature only; or
- 12.4 if the company reasonably believes the amendment is necessary or desirable for the proper management and administration of the scheme.

13. WARRANTIES AND REPRESENTATIONS

- The company hereby warrants:
- 13.1 That save as provided in clause 22, the developer has concluded or will conclude a written agreement of use with the company in respect of each section in the building, each of the agreements being subject to the same terms and conditions as are herein contained, save that exclusive use areas will be allocated in terms of annexure A2; and
- 13.2 The company will not permit any amendment, addition or alteration of any Use Agreement pertaining to any unit without the prior written consent of not less than seventy-five per centum (75%) in number of the members of the company for the time being.

14. PAYMENTS

All amounts payable by the members to the company in terms of this use agreement shall be paid to the company without deduction or set-off and free of exchange at: MOUNT AMANZI SHARE BLOCK LIMITED, Mount Amanzi, Harbeespoort or to such other persons or company and at such other address as the company may from time to time notify the member.

15. NOTICES

- 15.1 All notices required to be given by the company to the member in terms of this agreement shall be given in writing and delivered by hand to the unit comprising the section, if during a member's use period or sent by prepaid registered post to its domicilium.
- 15.2 A notice sent by prepaid registered post shall be deemed, unless the contrary is proved, to have been received within 10 days after the date of posting.
- 15.3 The member chooses domicilium citandi et executandi at the section for all purposes under this agreement during his use period and at the address shown in 1.1.3 of the Agreement of Sale, at all other times.

GENERAL

16. No relaxation which the company may allow the member at any time in regard to the carrying out of any of the member's obligations in terms of this agreement shall prejudice or constitute a novation or a waiver of any of the company's rights in terms of this agreement.
17. This agreement contains all the terms and conditions of the agreement between the company and the member relating to the subject matter thereof, and the company has made no representations, given no warranties and agreed on no terms in regard to such subject matter other than as stated herein.
18. The member shall not be entitled to retain or delay payment of any amount owing to the company in terms of this agreement on the grounds that there is any defect in the unit.
19. No variation of this agreement shall be of any force or effect unless reduced to writing and signed by the company and the member.
20. It is expressly agreed that this agreement does not constitute a lease or any form of tenancy.
21. If any provisions of this agreement conflict with the Act, the Act shall prevail.
22. The Seller warrants that:
- 22.1 the sellers are the beneficial owners of all the share blocks in the company as originally constituted and have or will conclude written agreements of use with the company in respect of each unit for each period in the property, each of the agreements being subject to the same terms and conditions as are herein contained, except insofar as any variation thereto arises by virtue of Schedule A hereto
- 22.2 The Developers shall be the holders of shares
- 22.3 No latitude, relaxation or indulgence or extension of time which may be given to the member in respect of any matter or thing which the member is bound to perform or observe in terms hereof shall under any circumstances be deemed to be a waiver of the company's rights and the company shall at all times be entitled to require strict and punctual compliance with each and every provision hereof
- 22.4 In the event of any provision of this agreement conflicting with the Act or the Sectional Titles Act, the Act or as the case may be, the Sectional Titles Act, shall prevail.

23. SEPARATE & SEVERABLE

The parties agree that if any provision of this agreement is in conflict with any of the provisions of the Share Blocks Act or the Time Sharing Act or unenforceable for any other reason, whatsoever, such provision shall be regarded as pro non scripto and of no force and effect; consequently such provision shall be deemed to be separate and severable from this agreement without in any way affecting the validity of the remaining provisions of this agreement.

24. LIMITATION OF SCHEME AND IMPROVEMENTS

- 24.1 It is recorded that the property owned by the company is capable of development by the erection of 500 chalets, and administration, reception, manager's and entertainment complex, covered boat parking and the developer's house, the necessary staff quarters and facilities and also conference halls, Lapá's and restaurant facilities.
- 24.2 The developer and the company undertake not to erect any additional accommodation or other improvements on the property in excess of those mentioned herein without the sanction of a special resolution passed at a meeting of all the members of the company.
- 24.3 The holders of the A shares (the developer) contemplate that the company's credit loan account will be increased from time to time for the purpose of erection of the accommodation or recreational or other improvements on the land and for the purchase of the property over which the company holds an option and for this purpose the holders of the A shares and the company shall be entitled to increase the loan account to give effect hereto on the basis that:
- 24.3.1 the holder of the B shares is obliged to permit the developer to exercise his rights as aforesaid;
- 24.3.2 the holders of the B shares irrevocably authorise the company to increase its loan obligation by an amount equal to the costs of the improvements and to allocate the amount thereof pursuant to the said articles and the provisions of the Share Blocks Control Act; to the shares newly converted in terms of the provisions of 99.4 of the said Articles.
- 24.3.3 The holders of the B shares acknowledge and understand that the common property will be utilised from time to time to give effect to the developer's rights in this regard:

25. DAY VISITORS

- The member acknowledges that he is aware that:
- 25.1 the resort has the necessary permit to permit access to the property and that the developer intends allowing access to the property and its facilities to day visitors who may be charged an entrance fee for the use of the facilities
- 25.2 the developer intends setting aside 20 chalets for use by underprivileged persons on a charitable basis and that these units will when completed and so allocated not be liable to pay a levy to the company
- 25.3 the developer as holder of the A shares in the company intends to let out or sell the business rights on the property to an independent operator who shall either be obliged to pay a purchase price therefor or a monthly rental and will also be obliged to pay an amount to be negotiated with the developer and the company towards the levy fund.

26. RIGHTS OF OCCUPATION: FIXED TIME AND FLEXI TIME

26.1 It is recorded that the occupation rights in respect of the scheme are divided into three periods namely:

26.1.1 In certain chalets all weeks shall be fixed weeks; in all other chalets .

26.1.2 The fixed period which consist of 13 weeks in the year coinciding with the Gauteng School Holiday, namely:

The following periods during each calendar year:

2 Weeks in April

3 Weeks in June/July

2 Weeks in October

4 Weeks in December/January

2 Floating Free State weeks

where the first week in each periods will commence at 14h00 on the first Friday of such school holiday in each year and will terminate at 10h00 on the following Friday. All other fixed weeks in each period will follow immediately on the first week in each period and will run from 14h00 on Friday to 10h00 on the following Friday.

26.1.3 The flexi period which will consist of all other weeks in the year excluding the fixed weeks and which shall be subject to prior booking in terms of clause 26.3 and 26.4 hereunder.

26.2 It is recorded that as a result of changes in the school holidays from time to time as promulgated by the relevant Education Department the fixed weeks may in fact also change from time to time but such changes will always be done on the basis that the first week of each period and all the weeks will in each period follow on such first week.

26.3 All flexi weeks which shall be all weeks other than the fixed weeks shall be allocated on the following basis:

26.3.1 All such flexi weeks shall be booked at least 60 days in advance of the occupation date;

26.3.2 The bookings for the weeks shall open in advance on 31 July of the preceding year and flexi weeks shall be allocated on a first come first served basis, subject to availability;

26.3.3 The week may only be booked in a flexi week season.

26.4 The company shall by no later than 31 July of each year issue to each owner a calendar setting out the exact dates of the fixed and flexi weeks for the following year.

SIGNED by the member at _____ on this the ____ day of _____ 20__

WITNESSES:

1. _____

2. _____

MEMBER

SIGNED by the company at _____ on this the ____ day of _____ 20__

WITNESSES:

1. _____

2. _____

COMPANY

ANNEXURE A1

INFORMATION SCHEDULE

Annexure A1 information required to be stated in terms of Section 17(1) of the Share Blocks Act, of 1980 and Section 4 of the Property Timesharing Act 1983 which is not stated elsewhere in the agreement is stated below. The information is designed to ensure that the purchaser has all the material information regarding the share block scheme at hand.

- 1. THE COMPANY** **MOUNT AMANZI SHARE BLOCK LIMITED**
- (Company No. 86/05182/06)
- 1.1 Address of registered offices; transfer office and at which the financial records are kept Mount Amanzi, Hartbeespoort
- 1.2 The postal address MOUNT AMANZI SHARE BLOCK LIMITED, PO Box 169, Hartbeespoort, 0216
- 1.3 Name and address of holding company NONE
- 1.4 Date of incorporation 12 September 1988
- 1.5 Date of conversion to share block 02 April 1990
- 2. DIRECTORS AND MANAGEMENT OF THE COMPANY**
- | 2.1 | <u>Name of Director</u> | <u>Position</u> | <u>Address</u> | <u>Occupation</u> |
|-----|-------------------------|-----------------|----------------------------------|-------------------|
| | Mr P.J. Bouwer | Director | PO Box 73400, Lynnwoodrif, 0040 | Accountant |
| | Mr FW Kelleman | Chairman | 195 Apex Street, Sinoville, 0182 | Retired |
| | Mr FW/JW Slabbert | Director | PO Box 63, Ventersdorp, 2710 | Farmer |
- 2.2 No person enjoys any right in respect of the appointment of any director.
- 2.3 The directors enjoy no right of remuneration and have a term of office of 3 years.
- 2.4 The share block scheme is managed by Mount Amanzi Management Services (an association without gain); Mount Amanzi, Hartbeespoort District, and money relating to the levies for the share block scheme will be entrusted to the manager.
- 2.5 The borrowing powers of the company are exercisable by the directors as follows:
- 2.5.1 "Subject to the restrictions contained in the Share Blocks Control Act, 1980 and to the existing restrictive provisions of the use agreements and to any other agreement existing from time to time between the company and any shareholder or shareholders:
- 2.5.2 The directors may secure the payment or repayment of money borrowed in terms of the preceding article or the payment of any debt, liability or obligation whatsoever of the company or any third party, in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the execution of mortgage bonds or the issue of debentures or debenture stock of the company charged upon all or any part of the property and rights of the company both present and future. The borrowing power of the company may be altered by a Special Resolution of the company.
- 3. AUDITOR**
- 3.1 Name: Grobler De Klerk and Loots
- 3.2 Address: PO Box 176, BRITS, 0250
Alpenroos building, 3rd floor, c/o Pienaar & McClean street, BRITS
- 4. SECRETARY**
- 4.1 Name: Mount Amanzi Management Services
- 4.2 Address: Mount Amanzi, Hartbeespoort
PO Box 169
HARTBEESPOORT
0216
- 5. PROPERTY**
- The property owned by the company:
- 5.1 Description: Remaining extent of Portion 42 (a portion of portion 7) of the farm Hartebeestfontein 455. Registration Division, J.Q., Northwest Province, in extent 14.7697 (fourteen comma seven six nine seven) hectares.
- 5.2 No sectional title register will be opened in respect of the property as the property is zoned for special residential use and is to be operated as a share block company
- 5.3 Details of mortgage bond if any are furnished in paragraph 8 hereof, dealing with the loan obligations of the company
- 5.4 The company owns the property set out in clause 5 above, which includes the chalets set out below being the chalets which have been erected and which are to be developed in the future. The company intends to use the chalets already developed and to be developed in terms hereof for a property-time sharing scheme.
- 6. SHARES**
- The authorised and issued share capital of the company is R5 250.00 divided into 26 500 ordinary par value A shares of R0.10 each, 26 000 ordinary par value B shares of R0.10 each.

- and shall include the exclusive use areas referred to in the Use Agreement;
- 1.5 "the directors: means the directors of the company.
- 1.6 "the company" means MOUNT AMANZI SHAREBLOCK LIMITED;
- 1.7 "the Schedule 1 rules" means the rules referred to above.
- 1.8 "use agreement" means the agreement of use entered into between the member and the Company in respect of the section in terms of the Share Blocks Control Act, 1980
- 1.9 Words and phrases defined in the use agreement shall bear the meanings assigned to them in the Use Agreement.
2. For convenience it is recorded that in terms of the use agreement, as read with Section 32 of the Act, a member shall:
- (a) permit any person authorised in writing by the Company at all reasonable hours on notice (except in case of emergency when no notice shall be required) to enter his section for the purpose of inspecting it and maintaining, repairing or renewing pipes, wires, property or for the purpose of ensuring that the provisions of this Act and the rules are being observed;
- (b) use and enjoy the common property in such a manner as not unreasonably to interfere with the use and enjoyment thereof by other members or other persons lawfully on the premises;
- (c) not use his section or permit it to be used in such manner or for such cause a nuisance to any occupier of a section.
3. The provisions of these rules and the duties of the member in relation to the use and occupation of his section and of the common property shall be binding on the member and any lessee or other occupant of the member's section and on employees, guests, invitees and members of the family of the member, lessee or the other occupant of the section. It shall be the duty of the member to ensure compliance with these rules by any such lessee or occupant of the section and the employees, guests, invitees and members of the family of the member, lessee or other occupant of the section.
4. In the event of any dispute as to the interpretation of these rules, the enforcement hereof or any breach hereof, the decision of the majority of the directors shall be final and binding on all parties concerned in such dispute.
5. If a member breaches any of the provisions of the Act, the Schedule 1 rules or these rules, the directors shall be entitled to exercise all rights available to them or to the Company in law and in terms of the Schedule 1 rules or these rules and in particular without incurring any obligation or being bound so to do, endeavour to warn an offending member in writing of any complaint made against him and request him to refrain from any conduct likely to give rise to a complaint of a similar nature.
6. The Company or the directors may in special circumstances grant a relaxation of these rules in writing and signed by the chairman, which relaxation shall be subject to such conditions as may be imposed therein for such period as may be stipulated therein and which shall be subject to withdrawal at any time by the Company or the directors in its or their discretion without ascribing any reason therefor.
7. If the Company or the directors fail to enforce or delay enforcing any of the provisions of the Act, the Schedule 1 rules or these rules, a member shall be entitled to take all steps necessary to enforce these rules against any other member.
8. If as a result of a breach by a member of any of the provisions of the Act, Schedule 1 rules or these rules, the Company or the directors instruct a firm of attorneys, the defaulting member shall be liable for all costs and charges of whatsoever nature on an attorney and client scale incurred by the Company or the directors as a result hereof.
9. Without in any way detracting from or limiting the scope of the obligations of the member in terms of Section 32 of the Act, a member shall at all times and to the satisfaction of the directors whose decision shall be final and binding:
- 9.1 keep his section and those areas of the common property of which he has the exclusive use and occupation in good, clean, sanitary and habitable order and condition and exercise reasonable care to maintain all electrical, plumbing and sewerage installations and services in his section in good order and condition PROVIDED THAT if a blockage in any sewerage or plumbing pipe which is capable of being used by two or more sections occurs and the responsibility therefore cannot be allocated to any particular member, the Company shall arrange for and bear the cost of clearing such a blockage.
- 9.2 use his section for residential purposes only. In particular, no auction or similar sales or exhibitions shall be held in a section other than with the consent of the directors, nor shall a section be used for any professional or business purposes.
- 9.3 allow no more persons to occupy the section at any one time than are permitted in terms of the floor plan of each chalet or provided for.
10. Without in any way detracting from or limiting the scope of the obligations of the member in terms of Section 32 of the Act, a member, a guest, a visitor or anybody making use of the facilities shall not at any time (save at the discretion of the directors whose decision shall be final and binding):
- 10.1 use his section or the common property or permit it to be used in such a manner or for such purpose as shall cause or tend to cause a nuisance, disturbance, inconvenience or annoyance to any other occupier or member of a section in the building;
- 10.2 make any alterations to or permit any extensions or additions to the exterior thereof;
- 10.3 install an individual radio or television aerial or antenna in or about his section if such aerial or antenna be visible from the exterior thereof of contravene any of the regulations or by-laws relating thereto. The Company shall, however, be entitled at its sole discretion to provide television reception serving each section;
- 10.4 do or permit to be done in his section or on the common property, anything which will or may increase the rate of the premium payable by the Company or any other member of a section on any insurance policy or which will or may result in the Company or such other member incurring any expenditure attributable to his act or default;
- 10.5 not effect or cause to be effected any alterations to the electrical installation or conduits, the water connections or the plumbing installation, nor any structural alterations whatsoever to his section;
- 10.6 throw or permit to be thrown rubbish, refuse or other material out of the windows or doors of a section or generally upon the property, nor shake, dust or beat carpets, mats or other items over the balconies of any of the sections or through any window thereof; nor hang towels or clothing except on the clothes line provided;
- 10.7 regardless of anything to the contrary contained herein and with the exception of guide dogs for handicapped persons, bring onto, keep or allow to be kept on the property, in the buildings, in the unit/section or the exclusive use areas or the common property any animal, regardless of size or species thereof;
- 10.8 park any vehicles or permit the parking of vehicles in such manner as shall impede or obstruct access or any egress from any entrance to any section or impede or obstruct the normal flow of traffic on the common property;
- 10.9 do anything which may cause or allow any plants, creepers, shrubs, trees, grass, flowers or other improvements in or about the building or the property to become damaged, lopped, destroyed or removed;
- 10.10 prepare food or beverages except on or in the facilities provided inside the unit nor prepare food on the lawn outside the unit, except in the braai areas provided for that purpose;
- 10.11 comply in all respects with the nature conservation requirements laid down by the company from time to time.
11. Notwithstanding the provisions of the Schedule 1 rules, the company shall at reasonable intervals and if required by the member, mow the lawns of the garden areas reserved for a member's reserved use and effect normal garden and pool

- maintenance. Members shall be obliged at all reasonable times to grant access to the Company's servants and agents to perform such tasks.
12. No duty shall be placed upon any member in regard to the provision of any improvement on or to the common property or the acquisition of a unit or any interest therein unless a proposal to make such improvement has been approved by a special resolution at a general meeting of members of sections.
13. These rules are subject to variation in terms of clause 12.2 of the use agreement.

**MOUNT AMANZI SHAREBLOCK LIMITED
SCHEDULE B1**

In respect of 52 fixed or flexi weeks per annum in respect of Chalets 1 – 500

Unit No	Shareblock Number	Number of Share	Unit No	Shareblock Number	Number of Share	Unit No	Shareblock Number	Number Of Share
X	BX.1	(1)B	X	BX.2	(1)B	X	BX.3	(1)B
X	BX.4	(1)B	X	BX.5	(1)B	X	BX.6	(1)B
X	BX.7	(1)B	X	BX.8	(1)B	X	BX.9	(1)B
X	BX.10	(1)B	X	BX.11	(1)B	X	BX.12	(1)B
X	BX.13	(1)B	X	BX.14	(1)B	X	BX.15	(1)B
X	BX.16	(1)B	X	BX.17	(1)B	X	BX.18	(1)B
X	BX.19	(1)B	X	BX.20	(1)B	X	BX.21	(1)B
X	BX.22	(1)B	X	BX.23	(1)B	X	BX.24	(1)B
X	BX.25	(1)B	X	BX.26	(1)B	X	BX.27	(1)B
X	BX.28	(1)B	X	BX.29	(1)B	X	BX.30	(1)B
X	BX.31	(1)B	X	BX.32	(1)B	X	BX.33	(1)B
X	BX.34	(1)B	X	BX.35	(1)B	X	BX.36	(1)B
X	BX.37	(1)B	X	BX.38	(1)B	X	BX.39	(1)B
X	BX.40	(1)B	X	BX.41	(1)B	X	BX.42	(1)B
X	BX.43	(1)B	X	BX.44	(1)B	X	BX.45	(1)B
X	BX.46	(1)B	X	BX.47	(1)B	X	BX.48	(1)B
X	BX.49	(1)B	X	BX.50	(1)B	X	BX.51	(1)B
X	BX.52	(1)B	TOTAL 52 X 500 = 26 000			TOTAL 42 X 500 = 26 000		

NOTES:

- This schedule reflects the share block number and in brackets the number of shares in the share block for the relevant unit and time period. The X factor denotes the unit number which becomes the prefix to the share block. Units shall be numbered as follows: 1-500.
- The initial weekly levy is reflected in paragraph 7 of the Information Schedule (Annexure A1).

**SCHEDULE B2
IN RESPECT OF SHAREBLOCK NUMBER A1**

Shareblock Number	Number of shares	Initial Monthly Levy
A1	26 500A	Nil

Shareblock number A1 consisting of all the ordinary A shares entitles the holder of shareblock number A1 to all the unsold weeks and the maintenance weeks, if any, the administration centre, pool, conference centre and also the right to occupy and develop all the undeveloped property of the company in terms of the approved building plans and provided that the whole development shall not exceed more than 500 (FIVE HUNDRED) chalets, the administration complex, entertainment complex, workshop, reception area, manager's complex and restaurant, Lapa's and conference halls which the developer is entitled to erect on the property in terms of the Articles of Association.

ANNEXURE C

	Description of unit and contents thereof:	
Lounge	Linen	Patio
1 x 2 seater couch	Nightfrills	Outdoor table
1 x 3 seater couch	Quilted cover	5 x Outdoor chairs
Coffee table	Sheets	
Lamps	Pillows	Bathroom
Plant	Pillow Cases	Waste basket
Vase	Bath Towels	Toilet brush
	Hand Towels	
	Bath mat	
Kitchen	Kitchen	Kitchen
Stove	5 x Bread plates	5 x Dinner knives
Fridge	5 x Soup bowls	5 x Bread knives
Kettle	5 x Cups	5 x Dessert spoons
Toaster	5 x Saucers	5 x Dinner forks
Dish rack	Saucepan	5 x Teaspoons
Teapot	Glass jug	5 x Dinner plates
Milk jug	Bread basket	Vegetable dish
Butter dish	Dust bin	Dish cloths
5 x Glass tumblers	Ice bucket	Whisk
5 x Wine glasses	3 x Ash trays	Braai equipment
Cruet set	Grater	Bread board
Plastic bowl/Can opener	Soup Ladle	
Bread knife/Cork screw		

Vegetable knife/Egg lifter

CESSION OF OCCUPATION AGREEMENT, LOAN AND DEED OF PLEDGE OF SHARES

MEMORANDUM OF AGREEMENT MADE AND ENTERED into by and between:

(herein referred to as the "Purchaser")
and
HARTBEESPOORT PLESIEROORD (EIENDOMS) BEPERK
(herein referred to as the "Seller")
and
MOUNT AMANZI SHAREBLOCK LIMITED
(herein referred to as the "Company")

WHEREAS the Purchaser has purchased certain shares from the Seller in terms of an "Offer to Purchase Shares" in the company dated the _____ day of _____ 19 _____

AND WHEREAS the said offer has been accepted by the Seller.

AND WHEREAS a balance of

R _____) is owing to the Company in respect of

Share Block No/s _____ which has/have been sold as per the above mentioned "Offer to Purchase".

1. The purchaser hereby cedes all his rights, title and interest in and to the "Agreement of Use and occupation" dated the _____ day of _____ 19 _____ entered into by and between the Company and the original holders of the above mentioned Share Block to the Company.
2. The Purchaser hereby pledges his share purchased in terms of the aforesaid Agreement to the Company and hereby agrees that all the Share certificates together with a blank re-transfer form in respect thereof and a Cession of his/her loan account will be held by the Auditors of the Company in trust as a pledge to the Company and/or Seller.
3. The Company and the Seller hereby accept the above Cession and Pledge.

SIGNED at _____ on this the _____ day of _____ 19 _____

WITNESSES:

1 _____

2 _____

Purchaser

SIGNED at _____ on this the _____ day of _____ 19 _____

WITNESSES:

1 _____

2 _____

On behalf of the company

SIGNED at _____ on this the _____ day of _____ 19 _____

WITNESSES:

1 _____

2 _____

On behalf of the seller