

# **WILD DOG ESTATE DUET SHARE BLOCK LIMITED – NO 1**

## **AGREEMENT OF SALE**

**between**

**WILD DOG ESTATE (PTY) LTD**

**Reg No: 2003/029461/07**

**(hereinafter referred to as the "Seller")**

**and**

**The "Purchaser", being the party or parties described as such on the Offer to Purchase (“the Offer Document”)  
for the Share Block referred to on the Member’s Pack Certificate.**

**and**

**WILD DOG ESTATE DUET SHARE BLOCK LIMITED NO 1**

**Reg No: (To be formed)**

**(hereinafter referred to as the COMPANY)**

I/We the Purchaser/s, pursuant to the Offer to Purchase, hereby offer to purchase the Share Block from the Seller, and to take cession and accept assignment of the Seller's rights and obligations in terms of the Use Agreement, on the terms and conditions set out herein.

**1. DEFINITIONS**

1.1. Unless inconsistent with or otherwise indicated by the context, in this agreement the following words and expressions shall bear the meanings assigned to them hereunder -

- 1.1.1. "Act" the Share Blocks Control Act 59 of 1980.
- 1.1.2. "Acceptance" Signature of this Agreement of Sale by the Seller, and the "date of Acceptance", or "Acceptance Date" is the date of signature by the Seller.
- 1.1.3. "Administration Fee" the initiation fee payable to the Seller or the Managing Agent, as the case may be, for attending to the transfer of the Shares, the cession of the rights under the Use Agreement and related administration, excluding Value Added Tax thereon, being the sum of R 400.00, or such other amount as may be determined by the Managing Agent from time to time, but subject to regulation 42 of the National Credit Regulations.
- 1.1.4. "Agreement" consists of this Agreement of Sale, Appendix 1, 2, 3, and 4 hereto and the various annexures to Appendix 2 being annexures A, B, C, D, E and F.
- 1.1.5. "Allocation of Days " The allocation of Days as set out in the Use Agreement and Annexure A thereto.
- 1.1.6. "Annual occupation" the Module to which the Member is entitled, per Share Block held by the Member, in terms of the Use Agreement;
- 1.1.7. "Architect's certificate" the certificate issued by the Architect in respect of the Units 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 Units which have not yet been erected certifying, as and when the Units have been erected, that they will have been erected in accordance with the approved Plans and that they are suitable for occupation.
- 1.1.8. "Architect" the architect appointed by the Developer from time to time, initially being Mr. Peter Whitehouse, Loudon Park, 8 St. Mary's Road, 3160, Tel: (031)-7646666, e-mail: [peter@whitehousedesigns.co.za](mailto:peter@whitehousedesigns.co.za)

- 1.1.9. "Auditors" Price Waterhouse Coopers or such other auditors as may be appointed by the Company from time to time.
- 1.1.10. "Booking Application" an application by a member to book specific Days in a given Calendar Year, and which application does not create any right in favour of any member, unless such application is approved by the Company and the booking is confirmed in writing.
- 1.1.11. "Business Days" all days except Saturdays, Sundays and public holidays in the Republic of South Africa.
- 1.1.12. "Business Hours" hours between 08:00am and 16:00pm in the Republic of South Africa, on Business Days.
- 1.1.13. "Calendar" the use and occupation calendar setting out the Days available for booking by members of the Company in the relevant Calendar Years (subject to the provisions of the Use Agreement), in order for the members to exercise their Use Rights. The calendar shall be compiled and published by the Company annually in its sole discretion, and the first such calendar is annexed to the Use Agreement as Annexure A.
- 1.1.14. "Calendar Commencement Date" the first day of January of every year, provided that no Days shall be allocated in terms of any Calendar Year prior to the Effective Date or the Occupation Date.
- 1.1.15. "Calendar Year" a period of 365 Days (366 in a leap year), commencing on the Calendar Commencement Date.
- 1.1.16. "Company" Wild Dog Estate Duet Share Block Limited No 1, Registration Number .....
- 1.1.17. "Common Property" means the Company Common Property and the Estate Common Property;
- 1.1.18. "Company Common Property" The Property excluding any part of a Unit and Exclusive Use Areas, and also excluding those parts of the Property designated as reserved or restricted areas by the Directors from time to time.
- 1.1.19. "Completion Certificate" The certificate issued by the Architect confirming that any particular Unit is ready for occupation

- 1.1.20. "Completion Date" the date within 2 years of the Effective Date or such earlier date as certified by the Architect, that the Units are all ready for beneficial use and occupation.
- 1.1.21. "Conveyancers" Parris Incorporated, telephone number (012) 343 0157, fax number (012) 343 3007, e-mail lparris@parrisinc.co.za (reference Mrs L. Parris);
- 1.1.22. "Conveyancers trust account" The trust account operated by the Conveyancers with the following bank account details:  
Bank : Standard Bank, Menlyn Square,  
Account Holder: Parris Incorporated  
Branch No: 01234515  
Acc No: 012715824
- 1.1.23. "Day" a continuous period of 24 (twenty four) hours commencing at 10:00 a.m. on a particular day, and terminating at 10:00 a.m. the following day. The date indicated by a "Day" shall be the date on which it commences;
- 1.1.24. "Developer" Wild Dog Estate (Pty) Ltd 2003/029461/07, c/o Mr R Santini - 1 Berg Road Underberg Natal 3257, and "WDE" shall have the same meaning.
- 1.1.25. "Directors" the directors of the Company.
- 1.1.26. "Dividends" No dividends shall be declared or paid to the holder of any class of shares, except upon the winding up of the Company, or as provided for in the Articles of Association of the Company.
- 1.1.27. "Effective Date" is the date of the first Architect's certificate (which date shall be a date within two years from the date of the first transfer of a Share Block to a person other than the Developer).
- 1.1.28. "Effective Interest Rate" means the prime interest rate quoted and charged by Standard Bank of South Africa Ltd from time to time plus 2 (two) percentage points, or the amount prescribed in terms of the Prescribed Rate of Interest Act from time to time, whichever is the higher.

- 1.1.29. "Estate" the Wild Dog Estate development as approved in terms of the Development Facilitation Act 67 of 1995 by the Development Tribunal (Kwazulu-Natal) Development Application Number: 2003/1097, as amended, (such approval being referred to hereinafter as the "DFA Judgment") established on Portion 24 of the Farm Lot WP3 Number 9418, Situated in the Administrative District of Natal, Province of KwaZulu-Natal.
- 1.1.30. "Estate Common Property" the land forming those parts of the Estate which were required to be transferred to the WDHOA in terms of the DFA Judgement, but excluding:
- 1.1.31. the Company Common Property; and
  - 1.1.32. any exclusive use area as determined by the WDHOA;
  - 1.1.33. the reserved development areas being Portions 25, 26, 27 & 28 of the farm Lot WP3 Number 9418, Registration Division FS; and
  - 1.1.34. any Individual Portions; and
  - 1.1.35. any other land or portion of land identified by the Developer or WDHOA from time to time, in their sole and unfettered discretion, as being for specific, exclusive, private, reserved or restricted use and not forming part of the Common Property.
- 1.1.36. "Exclusive Use Areas" The terraces, stoeps and balconies allocated to the Units on the Plans, and also those parts of the Property designated as such and allocated to the occupiers of specific Units by the Directors from time to time.
- 1.1.37. "Final Payment Date" The date by which payment of the Purchase Price falls due in terms of Clause 3.1.2

- 1.1.38. "Further Loan Obligation" the total of all liabilities incurred by the Company from time to time in connection with improvements to the Property or the furnishing of the Units, excluding those liabilities that form part of the Initial Loan Obligation.
- 1.1.39. "Normal Day" Weeks indicated as such with the letter "N" on the Calendar, and a numeral indicating the Unit to which the relevant Day is linked.
- 1.1.40. "Premier Day" Days indicated as such with the letter "P" on the Calendar, and a numeral indicating the Unit to which the relevant Day is linked.
- 1.1.41. "Individual Portions" Portions 30 to 71 (both included) of the farm Lot WP3 Number 9418, Registration Division FS.
- 1.1.42. "Initial Loan Obligation" the total of any obligations incurred by the Company from time to time in connection with the original construction and furnishing of the Units according to the Plans.
- 1.1.43. "Levy Due Date" means the date on which levies fall due in terms of the Use Agreement.
- 1.1.44. "Levy fund" the fund established by the Company in terms of Section 13 of the Act.
- 1.1.45. "Levy quota" the fraction used as the basis for determining the Member's share of the levies, costs, expenses and other amounts contemplated in Section 13(1) of the Act and in the Use Agreement.
- 1.1.46. "Loan Obligation" the combined Initial Loan Obligation and Further Loan Obligation from time to time.
- 1.1.47. "Levies" The levies due from time to time as determined by the Directors, and currently estimated as being the amount indicated as such on the Offer Document.

- 1.1.48. "Maintenance Day" Days indicated as such with the letter "M" on the Calendar, and a numeral indicating the Unit to which the relevant Day is linked, during which time no member shall be entitled to occupy the relevant Unit, but the Company shall be entitled to conduct maintenance and repair work or in its sole discretion put the Unit to any other use, including but not limited to renting out the Unit during that Day for the benefit of the Levy Fund or allocating the relevant Day to the Rental Pool.
- 1.1.49. "Manager" the person or entity appointed from time to time by the Directors to oversee the administration of the Scheme, on such terms and conditions as the Directors may decide from time to time.
- 1.1.50. "Managing Agent" Financial & Corporate Services CC or any person or body acting in such capacity in respect of or for the purposes of administration and management of the Scheme or any part thereof.
- 1.1.51. "Maximum Interest Rate" means the maximum interest rate chargeable in terms of regulation 42 of the National Credit Regulations from time to time.
- 1.1.52. "Member" the holder of the Share Block from time to time.
- 1.1.53. "Member's Pack Certificate" the certificate affixed to the inside cover of this Member's Pack.
- 1.1.54. "Module" the 21 (twenty one) Days booked by, and allocated by the Company to, the Member in a particular Calendar Year.
- 1.1.55. "Movables" means the furniture, fixtures, furnishings, bed linen, refrigerators and other movable items in the Units from time to time as described in Annexure D to the Use Agreement, and as supplemented, replaced, removed or otherwise changed by the Company upon a resolution of the Directors from time to time.
- 1.1.56. "National Credit Act" the National Credit Act, Act 34 of 2005, as amended from time to time.

- 1.1.57. "National Credit Regulations" the regulations in terms of the National Credit Act, as amended or replaced from time to time.
- 1.1.58. "Notice" Any notice given in terms of this Agreement shall be in writing and addressed to the domicilium citandi et executandi of the other party and shall be sent per prepaid post and shall be deemed to have been received by such party 7 (Seven) days after the date of its posting. Where however such notice relates to a breach of any term of this Agreement, it shall be necessary to dispatch such notice to the aforesaid domicilium, per prepaid registered post.
- 1.1.59. "Occupation Certificate" A certificate issued by the Company confirming that sufficient Units have been constructed to allow the Purchaser to exercise the Use Rights, that the Purchaser may proceed to book Days in order to occupy and use the Units, and that the Purchaser must commence payment of monthly levies.
- 1.1.60. "Occupation Date" the Completion Date, or the date upon which the Company issues an Occupation Certificate to the Purchaser, whichever date is the earlier.
- 1.1.61. "Offer Date" The date on which the Purchaser signs the Offer to Purchase.
- 1.1.62. "Offer Document" / "Offer to Purchase" the "Offer to Purchase" in respect of that Share Block which is identified in the Member's Pack Certificate.
- 1.1.63. "Operating Company" the Developer, or such other person or entity as may be nominated by the Company from time to time after the Developer has transferred 75% of the share blocks in the Scheme to the purchasers thereof.
- 1.1.64. "PBP" the Primary Booking Period as indicated on the Calendar, and unless otherwise stated therein, a period commencing on 1 September of any Calendar Year at 09:00am and expiring at 16:00 pm on the last day of November of any Calendar Year.



- 1.1.65. "Place of Payment" All payments to be made by the Purchaser shall be made:
- 1.1.1. In the event that the Architect's Certificate has not been issued, to the Conveyancer.
  - 1.1.2. Once the Architect's Certificate has been issued, to the Seller, at his address as herein specified.
- 1.1.66. "Plans" the plans giving the approximate layout and specifications of each of the Units, subject to amendment in the discretion of the Developer in consultation with the Architect, and which are annexed to the Use Agreement.
- 1.1.67. "Property" the land made up of the Stands, forming part of the Estate.
- 1.1.68. "Purchaser" Means the person or entity indicated as such, and whose details appear on the Offer Document.
- 1.1.69. "Purchase Price" The purchase price for the Share Block being the amount indicated as such on the Offer to Purchase, and payable in terms of clause 3 below.
- 1.1.70. "Rental Pool" the scheme of that name as defined in the Use Agreement, established and administered by the Operating Company or its agents for the benefit of the Operating Company, the Company and the members.
- 1.1.71. "Rental Pool Fund" means the fund defined as such in the Use Agreement, to be established and maintained by the Operating Company on behalf of the Company.
- 1.1.72. "Resort / Complex" the Estate.
- 1.1.73. "Rules" all rules, including those set out in Annexure F (if any), those applicable to the Estate as published, extended, amended or replaced by WDE and/or WDHOA from time to time (the "Estate Rules"), as well as any rules and regulations made by the Directors from time to time in order to regulate and administer the Scheme properly in terms of the Act ("the Scheme Rules").

- 1.1.74. "SBP" the Secondary Booking Period, being any part of the Calendar Year not falling within the PBP.
- 1.1.75. "Scheme" the share block scheme operated by the Company on the Property, in terms of which holders of share blocks are entitled to the use of the Units as set out in this Use Agreement.
- 1.1.76. "Sectional Titles Act" The Sectional Titles Act, 1971.
- 1.1.77. "Seller" Wild Dog Estate (Pty) Ltd, Reg No 2003/029461/07
- 1.1.78. "Share Block" The share block identified on the Offer to Purchase document, consisting of 10 (ten) shares of R1.00 each in the share capital of the Company and to which the Use Rights are linked pursuant to the Use Agreement and the Articles of Association of the company.
- 1.1.79. "share blocks" share blocks as defined in the Act consisting of 96 blocks of 10 shares each and each share block being linked with a Use Agreement. The individual shares each have a par value of R1.00.
- 1.1.80. "Share Transfer Costs" All of the costs of transferring the Share Block including without limitation the Administration Fee, Transfer Charges, VAT on the Purchase Price and legal fees of the Conveyancers calculated on the Purchase Price based on guideline tariffs applicable in the conveyancing profession, *mutatis mutandis* as if the Share Block was immovable property the transfer of which is registered in the Deeds Office.
- 1.1.81. "Stand" the portion of land described in Annexure B to the Use Agreement.
- 1.1.82. "Transfer Charges" Any taxes or duties as prescribed by law from time to time, which are payable in respect of share transfers.
- 1.1.83. "Transfer Date" the date on which the Seller signs a share transfer form in respect of the Share Block, made out to the Purchaser as transferee, or the Occupation Date, whichever is the later.

- 1.1.84. "Units" the residential dwelling units constructed on each one of the Stands forming part of the Property as indicated in Annexure B to the Use Agreement, each of which shall:
- 1.1.85. be constructed approximately in accordance with the Plans; and
  - 1.1.86. be furnished according to Clause 3 of the Use Agreement, and
- and each of which provides sleeping accommodation for 8 persons as indicated on the relevant Plans, and the use of which is linked to share blocks pursuant to the Articles of Association of the company.
- 1.1.87. "Use Agreement" The Use Agreement between the seller and the company in terms of the Act, a copy of which is annexed hereto marked Appendix 2;
- 1.1.88. "Use Rights" means the rights of a member of the Company to use and occupy a Unit, although not a specific Unit, and an Exclusive Use Area associated with the relevant Unit, and have access to the Common Property, subject at all times to the Articles of Association of the Company the Use Agreement, this Agreement and the Rules.
- 1.1.89. "WDE" the Developer.
- 1.1.90. "WDHOA" the Wild Dog Estate Home Owner's Association established by the Seller in terms of section 21 of the Companies Act 61 of 1973 in respect of the Estate.
- 1.1.91. "PD" abbreviation for Platinum Destinations.
- 1.2. Any reference to the Member, when used in the context of regulating the occupation and use of the Unit, observing any Rules, and access to the Common Property, shall include the Member, any persons to whom the member has legitimately (temporarily or permanently) transferred his right of occupation and the members of their respective families, their invitees, guests, servants, employees, tenants and agents.
- 1.3. Save as provided herein, or unless the context otherwise requires, words and phrases defined or used in the Act or the Sectional Titles Act shall have the same meanings in this agreement.
- 1.4. Words signifying the singular shall include the plural and vice versa and words importing one gender shall include the other.

- 1.5. The clause headings in this agreement have been inserted for reference purposes only, and shall not be taken into account in interpreting it.
- 1.6. The purchaser is entitled to terminate this agreement within the “Cooling Off Period” and the following conditions shall apply;
  - 1.6.1. A Securing Deposit of 10% must be paid upfront, to the Conveyancer, Parris Incorporated, on signature of the “Offer to Purchase Agreement”.
  - 1.6.2. The Purchaser’s deposit will be invested in the Conveyancer’s Trust Account and all interest accruing on these funds will be credited to the Purchaser’s account.
  - 1.6.3. Upon receipt of this deposit the Purchaser will be given the full “Member’s Pack” containing all the relevant legal documentation.
  - 1.6.4. The Purchaser is entitled to revoke this offer and terminate the whole agreement within 5 (five) calendar days
  - 1.6.5. The Purchaser is entitled to revoke this offer and terminate the whole agreement within 5 (five) calendar days of the receipt of the “Member’s Pack”. In such an event the Conveyancer shall immediately refund to the Purchaser the 10% Securing Deposit.
  - 1.6.6. Proof of receipt of the “Member’s Pack” shall be deemed to be either the date the document was handed to the Purchaser by the Wild Dog Estate Agent / Representative, or alternatively the date the document was delivered by Courier to the Purchaser.
  - 1.6.7. After the 5 (five) day cooling off period has expired the “Offer to Purchase Agreement” will be deemed to have come into effect and payment is due as per the following clauses.

## **2. SALE, CESSION AND ASSIGNMENT**

With effect from the Acceptance date -

- 2.1. the Seller sells to the Purchaser, who hereby purchases the Share Block;
- 2.2. The Purchaser accepts assignment of the Seller’s obligations under the Further Loan Obligation;
- 2.3. the Seller cedes and assigns its right, title and interest in and to the Use Agreement, subject to the terms and conditions of the pledge hereinafter contained. Subject to the aforesaid pledge, the Purchaser acquires the Use Rights as defined in the Use Agreement and Agreement of Sale;

- 2.4. the Purchaser hereby accepts and assumes all the obligations of "the Member" in terms of the Use Agreement.
- 2.5. it is a material term of this Agreement of Sale that the Purchaser shall under no circumstances have the right to sell, transfer or in any other way make over the ownership and/or rights in terms of the Share Block or the Use Agreement or rights attaching thereto to any club or similar timeshare holiday organisations without the express consent of the Developer which consent may be withheld in the Developer's sole discretion.

### **3. METHOD AND PLACE OF PAYMENT**

- 3.1. The Purchase Price shall be payable by the Purchaser as follows:
  - 3.1.1. a cash deposit equal to 10% of the Purchase Price, payable as cleared funds into the Conveyancer's trust account within 5 (five) days of the Offer Date. The Purchaser shall forfeit the entire deposit in favour of the Seller in the event that the Purchaser breaches any term or warranty contained in this Agreement, or if the Agreement is terminated for any reason other than default on the part of the Seller, as a genuine pre-estimate of damages suffered by the Seller in the form of wasted costs and other losses;
  - 3.1.2. the balance of the Purchase Price on the Transfer Date, to be secured by bankers guarantees in a form acceptable to the Seller, to be furnished to the Conveyancers within 21 (Twenty One) days of the date upon which the deposit referred to in clause 3.1.1 above is due to be paid, and which guarantee shall be expressed as being payable –
    - 3.1.2.1. to the Conveyancers;
    - 3.1.2.2. free of exchange at Pretoria;
    - 3.1.2.3. against receipt by the bankers of written confirmation by the Conveyancers that the Share Block has been transferred to the Purchaser.
  - 3.1.3. In the alternative to 3.1.2, and should the Purchaser indicate to the Seller that no bankers guarantee will be issued as contemplated in 3.1.2 above, then the balance of the Purchase Price shall be paid to the Conveyancers in cleared funds within 14 (Fourteen) days of the date upon which the deposit referred to in clause 3.1.1 above is due to be paid, and the full Purchase Price shall be paid over to the Seller on the Transfer Date.
- 3.2. All amounts payable in terms hereof shall be paid free of exchange and without deduction to the Conveyancers, to be held in trust free of interest until such amounts become payable to the Seller.

- 3.3. The funds paid into the Conveyancer's trust account shall, after deduction of the Conveyancer's costs and expenses, be released to the Seller on the Transfer Date.
- 3.4. All payments made in terms hereof, shall be appropriated firstly in the reduction of interest, thereafter in the payment of amounts other than the Purchase Price due in terms hereof, and finally to the payment of the Purchase Price.
- 3.5. The Purchaser undertakes from time to time to pay upon demand any collection charges on a client cost basis as levied by any collection agent engaged by the Seller or the Managing Agent to collect or receive payments from the Purchaser referred to herein.
- 3.6. The Purchaser shall have the right at any time to make payment before the due date thereof, or to make larger payments than those described in terms hereof.
- 3.7. The Purchaser shall not have the right to defer, adjust or withhold any payment due to the Seller in terms hereof or obtain deferment of judgement for such amounts or any execution of such judgement by reason of any set-off or counterclaim of any nature whatsoever, howsoever arising.
- 3.8. The Purchaser hereby waives the right to attach any condition of any nature whatsoever to any payment made under or in connection with this Agreement. If, notwithstanding such waiver, the Purchaser purports to attach any such condition, the Seller shall be entitled to accept the payment and to exercise all its rights in terms hereof as if no such condition had been attached. Without detracting from the generality of the foregoing -
  - 3.8.1. these provisions shall apply if the Purchaser disputes a statement rendered or claimed or made by the Seller; or
  - 3.8.2. if the Seller cancels this Agreement and the Purchaser disputes its right to do so, in such event pending the determination of any such dispute by litigation or otherwise, the Purchaser shall continue to pay to the Seller any amounts payable hereunder on the dates on which such payments would have been due, and the acceptance thereof by the Seller shall be without prejudice and shall not in any way whatsoever affect the Seller's cancellation then in dispute; and
  - 3.8.3. these provisions shall apply if the Purchaser purports to make a payment "in full and final settlement" or uses similar wording or directs any payment towards any particular indebtedness.
- 3.9. Registration of transfer of the Share Block shall be attended to by the Conveyancers, provided that:
  - 3.9.1. The deposit referred to in clause 3.1.1 has been duly paid;

- 3.9.2. the balance of the full Purchase Price payable in terms of this Agreement has been secured in a form acceptable to the Seller as provided for in this Clause 3; and
  - 3.9.3. The Purchaser has paid to the Conveyancers all other costs, charges and other amounts referred to in this Agreement.
- 3.10. The Parties acknowledge that:-
- 3.10.1. the Conveyancers are designated as an “accountable institution” in terms of the Financial Intelligence Centre Act No. 38 of 2001 (“FICA”);
  - 3.10.2. certain obligations are placed on the Conveyancers in terms of FICA and the Prevention of Organised Crime Act No. 21 of 1998 (“POCA”) and the Regulations promulgated in terms thereof;
  - 3.10.3. the Conveyancers shall not administer any deposits or any other monies paid by the Parties in terms of this Agreement unless the Parties have provided the Conveyancers with the documents that they require in terms of FICA, and accordingly the Parties undertake to comply with all requirements of and supply all information and documentation required by the Conveyancers to enable the Conveyancers to fulfil their obligations in terms of FICA and POCA and the Regulations promulgated in terms thereof.
  - 3.10.4. the transfer of the Share Block to a non-resident of the Republic of South Africa is subject to South African Exchange Control Regulations, which must be complied with before the Share Block can be transferred.
- 3.11. The Seller is responsible for the payment of:
- 3.11.1. the costs of registration of transfer of the Share Block, which costs include without limitation any conveyancing fees, company secretarial costs, and all other monies payable to any competent authority for purposes of registration of transfer. The parties record that
    - 3.11.1.1. the purchase price include value added tax (VAT); and
    - 3.11.1.2. in the event that the Receiver of Revenue assesses the transaction for additional amounts or for stamp duty instead of VAT, then such amounts shall be paid by the Purchaser.
  - 3.11.2. levies due in respect of the Share Block due since the Occupation Date, inclusive of the monies necessary in order to obtain a clearance certificate from WDHOA; and

- 3.11.3. wasted Conveyancer's fees and other costs arising from any termination of this Agreement for any reason other than through the default of the Seller, which monies are payable on demand, and may be claimed by the Conveyancers as a first charge against the deposit referred to in clause 3.1.1 above.

#### **4. INTEREST**

- 4.1. Interest at the Effective Interest Rate shall be charged on the unpaid (but not yet overdue) balance of all amounts payable by the Purchaser to the Seller under this Agreement from time to time, and shall be calculated-
- 4.1.1. from the Transfer Date; and
- 4.1.2. compounded monthly in arrears.
- 4.2. Interest at the Maximum Interest Rate shall be charged on any overdue amounts payable by the Purchaser to the Seller under this Agreement from time to time, and shall be calculated-
- 4.2.1. from the date upon which such payments became due; and
- 4.2.2. compounded monthly in arrears.
- 4.3. Finance Charges:- Full disclosure in terms of the National Credit Act, Act 34 of 2005 is contained in Clause 11 hereinafter.

#### **5. COMMENCEMENT OF AGREEMENT AND USE RIGHTS**

- 5.1. This Agreement shall be effective from the Acceptance Date, but the Units will become available for use by the Purchaser, subject to the Use Agreement, on the Occupation Date.
- 5.2. Provided that the Purchaser has complied, and remains in compliance, with his obligations in terms of this Agreement, he shall from the Occupation Date have the right to exercise the Use Rights free from the payment of any rent therefore, subject to the terms and conditions of the Use Agreement.
- 5.3. Subject to the provisions of the Act, it shall not be necessary for the validity of this Agreement for the Seller or his agents to notify the Purchaser of the Seller's Acceptance, and the Agreement shall be final and binding upon the Purchaser immediately upon Acceptance hereof by the Seller, whether such acceptance is conveyed to the Purchaser or not.



**6. OCCUPATION**

Use and occupation of a Unit by the Purchaser shall be for the period in each Calendar Year shown as attaching to the Share Block in terms of the Use Agreement and Articles of Association, and shall commence on the Occupation Date.

**7. REGISTRATION OF TRANSFER OF SHARES AND USE AGREEMENT**

- 7.1. Registration of transfer of the Share Block into the name of the Purchaser will be attended to by the Conveyancers.
- 7.2. Against payment of the full Purchase Price and Share Transfer Costs and all other moneys which may be due and payable to the Seller, and not before, the Seller shall procure the transfer of the shares constituting the Share Block to the purchaser.
- 7.3. The risk in and benefit of the Share Block and the Use Agreement shall vest in the Purchaser as from the Transfer Date, subject to the terms and conditions of the Use Agreement and the Articles of Association of the Company.
- 7.4. The Purchaser shall, on demand, refund to the Seller all amounts due in terms of the Use Agreement which amounts have been paid by the Seller to the Company in respect of any period after the Acceptance Date.
- 7.5. A once-off Administration Fee shall be payable upon signature hereof by the Purchaser to the Seller.

**8. ACKNOWLEDGEMENT BY PURCHASER**

**8.1. BUILDING ACTIVITY**

- 8.1.1. The Purchaser acknowledges that the complex is in the process of construction and there will, as a consequence, be building operations continually in progress for a considerable time until the Completion Date.
- 8.1.2. The Purchaser shall accordingly have no claim whatsoever against the Company or the Seller by reason of any inconvenience or loss resulting from any building operations. The Purchaser undertakes not to object to any of the building operations provided same are reasonable and in the context of the Development and the Scheme.

- 8.1.3. The Share Block is sold without any warranties, save as expressly contained in this Agreement, subject to all obligations created in terms of the Use Agreement and the Rules, with which the Purchaser is deemed to be fully acquainted. The Purchaser is acquainted with the design and nature of the Development, the Unit and Exclusive Use Areas and accepts the use thereof in terms of the Use Agreement voetstoots.
- 8.1.4. It is recorded that the Property acquired by the Company may be further developed by the construction and establishment of improvements and other related additional facilities, and the Company intends at some time in the future to construct these improvements and other related additional facilities. It is further recorded that the Seller in his capacity as Developer has reserved the right to complete and extend the Scheme by erecting improvements and other related additional facilities thereon from time to time.
- 8.1.5. The Company contemplates that the Further Loan Obligation of the Company will be increased from time to time for the purpose of financing the construction of these improvements and other related additional facilities, and the Purchaser accepts, consents and hereby undertakes to vote in favour of any resolution and amendment to the Articles of Association of the Company required in order to enable the Company to increase the said Further Loan Obligation;
- 8.1.6. The amount of the increase in the Further Loan Obligation will not exceed the actual costs to the Company of effecting the improvements and other related additional facilities; In terms of the Articles of Association of the company, the increase of such loan obligation will, inter alia be on the basis that:
- 8.1.6.1. The amount of the increase in the Further Loan Obligation will not exceed the actual costs to the Company of effecting the improvements and other related additional facilities.
- 8.1.6.2. Such loan obligation shall be allocated pro rata to the share blocks.
- 8.1.6.3. The improvements and other related additional facilities will be effected as and when the Seller in his discretion so decides.
- 8.1.6.4. The Seller in his discretion may effect the improvements and other related additional facilities in such phases as it deems appropriate.
- 8.1.6.5. From the time that the Seller exercises its rights in terms of this clause, the right to use and occupy such part or the remainder of the Property (other than the Units themselves) as the Seller may require for the erection of the improvements and other related additional facilities, shall vest in the Seller without any consideration whatsoever.

- 8.1.6.6. The improvements and other related additional facilities shall be deemed to be completed for all purposes in the case of a Unit, upon the issue of a certificate substantially in accordance with an Architect's Certificate.
- 8.1.6.7. In terms of the foregoing, the Company may increase the Further Loan Obligation or encumber any of its assets. This is a reference to Section 14(6) of the Share Block Control Act.
- 8.1.7. The provisions of clauses 8.1.4, 8.1.5 and 8.1.6 shall apply *mutatis mutandis* in respect of costs incurred pursuant to clause 13 of the Use Agreement.
- 8.1.8. The Company has in terms of its Articles of Association reserved the right to raise loans or incur similar financial obligations totalling R6,000,000.00 (Six Million Rand) for the initial construction and furnishing of the Units, which loan or obligations will be allocated to an account in the books of the Company designated as the Initial Loan Obligation. Further loans and/or other similar financial obligations in the amount of R4,500,000.00 (Four Million Five Hundred Thousand Rand) or such other amounts as the Directors of the Company may deem necessary, may be incurred by the Company for the purpose of improving the Property and for the purposes of clause 13 of the Use Agreement. The Member agrees to the Company so acting and registering a mortgage bond over the property owned by the Company in favour of the lender as security for such loan. The provisions of this clause shall be deemed to be a reference to Section 14(6) of the Share Blocks Control Act. The Purchaser by his signature hereto authorises the Company to pass the necessary resolutions to give effect to the provisions of this clause.
- 8.1.9. The improvements and other related additional facilities will be effected as and when the Seller in its discretion so decides and the extension of the Scheme will be limited to a maximum of 15 (Fifteen) Units and 10 (Ten) business premises, including recreational facilities, a restaurant, a shop and similar facilities.
- 8.1.10. From the time that the Seller exercises its right in terms of this clause, the right to occupy such part of the Company Common Property as the Seller may require for the erection of the improvements and other related additional facilities, shall vest in the Seller without any charge whatsoever;
- 8.1.11. In the event of any dispute as to whether the improvements have been completed or as to the quality thereof, such dispute shall be referred to the Architect who shall act as an expert and not an arbitrator, and whose decision shall be final and binding on all persons, irrespective of whether they were parties to the dispute or not.

- 8.1.12. The Company shall be entitled to acquire additional immovable property for the purposes of making the improvements and/or extending the related facilities, and/or for the purposes of the extension of the Scheme and to consolidate such additional immovable property with the existing Property.
- 8.1.13. The Purchaser hereby agrees to and accepts the provisions of Clause 8 and hereby irrevocably appoints the Seller as his agent to attend any general meeting of the Company and to vote for a motion by special resolution sanctioning any consolidation, acquisition and transfer of immovable property, construction and the financing thereof in connection with the improvements and other related additional facilities.

## **8.2. ACKNOWLEDGEMENTS**

- 8.2.1. The Purchaser acknowledges that he has chosen English as the official language in which the Agreement of Sale and Use Agreement will be drawn up.
- 8.2.2. The Purchaser acknowledges that the statutory schedule attached hereto and forming part of this Agreement of Sale constitutes an integral part hereof and was attached hereto, and contains all the information required by Section 17 of the Act.
- 8.2.3. The Purchaser hereby acknowledges that prior to signing this Agreement, the Seller has made readily available for his benefit or inspection, the written information of documents referred to in both Section 12(1)(b) and regulation 4 of the Time-Share Act.
- 8.2.4. The Purchaser acknowledges having been provided with, being fully acquainted with and being bound by the provisions of the following documents –
- 8.2.4.1. the Use Agreement;
  - 8.2.4.2. the Rules;
  - 8.2.4.3. the Calendar;
  - 8.2.4.4. the statutory schedule in terms of section 17 of the Share Blocks Control Act;
  - 8.2.4.5. the Movables;
  - 8.2.4.6. the Architect's Certificate;
  - 8.2.4.7. the nature and conditions of the association between the Company and Platinum Destinations.
- 8.2.5. In so far as may be required by law, including the terms of the Property Time Sharing Control Act (1983), the Purchaser hereby consents to the land and improvements or part thereof being utilised for the purposes of a property Time-Sharing scheme.

8.2.6. The Purchaser acknowledges that he is aware that there is a pending land claim which includes the land situated within the Estate, that the Seller has made no misrepresentations in regard to such land claim, and that the Purchaser will have no claim against the Seller arising from or in connection with such claim.

8.2.7. The Seller hereby certifies that the numbers of shares held and not held by him are as reflected in Annexure F to the Use Agreement.

## **9. ACKNOWLEDGEMENT BY THE SELLER**

The Seller warrants that -

- 9.1. there is no litigation nor are there any arbitration proceedings pending against the Company.
- 9.2. any levies which are due and payable by the Seller in terms of the Articles of Association of the company, as owner of the sale object, on the effective date, will have been duly paid;
- 9.3. the details of the Scheme and Rules in accordance with which the relevant Share Block is to be utilised may be inspected at the offices of the Seller at WILD DOG ESTATE (PTY) LTD REG NO 2003/029461/07 , C/O Mr R. Santini, 1 Berg Road Underberg 3257 during Business Hours.

## **10. BREACH**

10.1. Should:

- 10.1.1. the Purchaser fail to pay any amount owing to the Seller or the Company by due date and thereafter fails for a further period of 5 Business Days after despatch by the Seller or the Company of a demand by the Seller or the Company, as the case may be, to the Purchaser to pay such amount; or
- 10.1.2. the Purchaser breaches any of the terms or conditions of this Agreement, whether as regards his obligations to the Seller or to the Company, or of the Use Agreement, which breach is capable of being remedied, and fails to remedy that breach within 5 Business Days after despatch by the Seller or the Company, as the case may be, requiring the Purchaser to do so; or

- 10.1.3. the Purchaser breach any of the terms or conditions of this Agreement, whether as regards his obligations to the Seller or to the Company, or of the Use Agreement, which breach is not capable of being remedied, either within the period of notice referred to in clause 10.1 or at all, and at any time within a period of six (6) months after notice has been given to the Purchaser by the Seller or the Company, as the case may be, requiring the Purchaser not to commit any further such breach, the Purchaser commits such a further breach;
- 10.2. then the Seller shall be entitled (without prejudice to any other rights it might have at law) -
- 10.2.1. to enforce the relevant provisions of this agreement, or
- 10.2.2. to declare the whole balance of the Purchase Price owed by the Purchaser to the Seller in terms of this Agreement, inclusive of interest to the date of payment, to be at once due, owing and payable, provided that if the Purchaser fails to make payment as provided in terms of this sub-clause, the rights of the Seller under this Agreement shall not be exhausted and the Seller shall, notwithstanding the election to claim immediate payment in terms of this sub-clause, be entitled to claim the relief set out elsewhere in this Agreement, or
- 10.2.3. to cancel this agreement, eject the purchaser from any Unit if in occupation thereof, and to transfer the Share Block and Use Agreement to the Seller, in which event the Seller shall be entitled to retain as a penalty, the aggregate of all amounts actually paid by the Purchaser to the Seller on account of the Purchase Price and any interest thereon, less the reasonable market value of the Share Block so recovered. or
- 10.2.4. to cancel this agreement, eject the purchaser from the Unit if in occupation thereof and sell the Share Block and the purchaser's interest in the Use Agreement by public auction or by private treaty upon such terms as the Seller may determine (and pending such sale to let the Module upon such terms as the Seller may determine) and to retain the entire proceeds, including all rentals and other monies that may be recovered to the date of such sale from whatever source, until such time as the Seller's damages and costs have been determined by judgement or by agreement whereupon the proceeds of such sale together with all rentals and monies aforesaid, shall be applied in reduction of such damages and costs, and the Purchaser shall be liable to pay the Seller any shortfall.
- 10.3. The purchaser will be deemed to have breached his obligations under this Agreement and to have failed to comply with the relevant notice in terms of Clause 10.1 if the purchaser –
- 10.3.1. commits an act which is or would (if committed by a natural person) be an act of insolvency within the meaning of Section 8 of the Insolvency Act, 1936; or

- 10.3.2. allows any judgement against him to remain unsatisfied for a period of 7 days; or
  - 10.3.3. compromises or attempts to compromise or defer payment of any debt owing by the Purchaser to any of his creditors; or
  - 10.3.4. being a natural person, takes any steps to surrender his estate or is provisionally or finally sequestrated; or
  - 10.3.5. being a juristic person, is provisionally or finally liquidated, removed from the Register of Companies or placed under judicial management, or takes any steps for its voluntary winding-up; or
  - 10.3.6. generally does or omits to do or suffers anything to be done which may in any way prejudice the Seller's rights under this Agreement or its rights or interests in the Company or by which the Seller may suffer any loss or damage.
- 10.4. If the Seller takes any action against the Purchaser as contemplated herein, the Purchaser agrees to pay to the Seller all the costs and expenses incurred by the Seller as between an attorney and his own client and if this Agreement is cancelled by the Seller, the Purchaser hereby nominates and appoints the Seller irrevocably and in rem suam as his duly authorised attorneys and agent and on behalf of the Purchaser to take all steps that may be necessary or requisite to effect transfer thereof to the ultimate purchaser or transferee thereof.
- 10.5. A certificate under the hand of any director of the Seller or the Seller's auditors (whose appointment as such it shall not be necessary to prove) shall constitute prima facie proof of any amount payable by the Purchaser to the Seller in terms hereof and the fact that the same is due and payable for all purposes, including (but not limited to) provisional sentence and summary judgement.
- 10.6. Should the purchaser be in arrears with any of his payments in terms hereof, or in terms of the Use Agreement, he shall not be entitled to Use Rights until such time as he has paid all his arrears, and the Seller and the Company shall in such circumstances be entitled to deny the Purchaser access to the Property.

## **11. NATIONAL CREDIT ACT**

- 11.1. In terms of the National Credit Act, it is recorded that -
  - 11.1.1. the selling price of the Share Block is the Purchase Price;

- 11.1.2. the Administration Fee as set out in Clause 1, and any stamp duties shall form part of the principal debt;
- 11.1.3. the principal debt equals the aggregate of the amounts referred to in Clauses 11.1.1 and 11.1.2 above;
- 11.1.4. the amount of the finance charges in Rands and cents and calculated as an annual finance charge rate are indeterminable, but can be determined on a monthly basis taking into account the provisions of this Agreement, unless otherwise stipulated;
- 11.1.5. the Purchaser may at any time anticipate the due date of payment of any amount payable in terms of this Agreement.

**12. DIVIDENDS**

No dividends shall be declared or paid to the holders of any class of shares, except upon the winding up of the Company, as provided for in the Articles of Association of the Company.

**13. IRREVOCABLE OFFER**

Signature of this Agreement of Sale by the Purchaser shall be deemed to constitute an offer by the Purchaser, which offer will not, save for the 5 day "cooling off period referred to in clause 1.6 above, be capable of revocation or withdrawal by the Purchaser for a period of 90 (ninety) days from the attachment of his signature hereto. This Agreement shall be binding on the Seller only when duly signed by him, until which time no obligation or liability on the part of the Seller shall be deemed to exist. It shall not be necessary for the Seller to communicate to the Purchaser his acceptance of the offer constituted in terms hereof for this contract to become valid and binding. The Purchaser hereby admits that no inducements or undertakings have been made, which can in any way result in this offer being conditional.

**14. INTEREST ON ARREARS**

All arrear or overdue payments due by the Purchaser in terms of this Agreement shall bear interest at a rate equal to the Effective Interest Rate.



**15. ENTIRE CONTRACT**

- 15.1. This Agreement of Sale and the Use Agreement contain all the terms and conditions of the Agreement between the Seller and the Purchaser relating to the subject matter thereof, and neither the Seller nor his agent has made any representations, given any warranties and agreed on any terms in regard to such subject matter other than as stated herein.
- 15.2. No variation of this Agreement and no waiver by the Seller of any of his rights hereunder shall be of any force or effect unless reduced to writing and signed by the Seller and the Purchaser.
- 15.3. It is a material term of this agreement that this Agreement is subject to the resolute condition that the Seller shall not have concluded a prior sale in respect of the Share Block hereby sold, and is in a position to deliver same against fulfilment by the Purchaser of his obligations hereunder. In the event that the share block is subject to a prior sale, and provided that the Seller notifies the Purchaser to that effect within 30 (Thirty) days after the Acceptance Date, or the receipt of any payment by the Purchaser, whichever is the later, this Agreement shall terminate automatically upon receipt of such notice. Neither party shall in such event have any claim whatsoever against the other, save in that any amounts paid by the Purchaser to Seller pursuant to this Agreement, shall be immediately refunded to the Purchaser free of interest.

**16. INDULGENCES**

No relaxation or indulgence which the Seller may allow the Purchaser at any time in regard to the carrying out of any of the Purchaser's obligations in terms of this Agreement shall prejudice or constitute a novation or a waiver of any of the Seller's rights in terms of this Agreement.

**17. DOMICILIUM AND JURISDICTION**

- 17.1. The Seller hereby selects the Seller's address referred to in Appendix 1 - clause 1.4 and the Purchaser hereby selects the Purchaser's address on the first page of the Offer Document respectively as their domicilia citandi et executandi for all purposes of this Agreement, including the service of all notices and processes in connection herewith.
- 17.2. Either party may give the other not less than 10 (Ten) Business Days notice of change of the address stated in Clause 17.1 to another physical address in the Republic of South Africa.
- 17.3. Every notice given by one party to the other in terms of this Agreement of Sale shall be in writing and shall be either -

- 17.3.1. delivered by hand to the domicilium citandi et executandi of the other party, in which case it shall irrefutably be deemed to have been given and such other party shall be deemed to have been informed of the contents of the notice when the notice is so delivered;
- 17.3.2. posted by normal post (except for notification in respect of a breach of this Agreement, which notification shall be by way of registered post) to such other party at the postal address of the other party, in which case it shall irrefutably be deemed to have been given and such other party shall be deemed to have been informed of the contents of the notice on the 5th (Fifth) Business Day after posting.
- 17.4. The Seller and Purchaser hereby consent in terms of Section 45 of the Magistrate's Court Act, 1944 to the jurisdiction of any Magistrate's Court having jurisdiction over their respective persons under Section 28 of the Act, to determine any action or other legal proceedings arising out of this agreement. Notwithstanding anything aforesaid the Seller shall not be bound to bring or institute any proceedings against the Purchaser in terms of or arising from this Agreement in or before a Magistrate's Court but may do so in any other Court of competent jurisdiction should it so wish.

**18. PLATINUM DESTINATIONS (PD)**

- 18.1. It is recorded that the Managing Agent will by virtue of an existing licence agreement, use its best endeavours to include the resort in the PD portfolio of resorts and in so doing will attempt to ensure that the PD exchange programme will for the time being be made available to the Purchaser. Neither the Seller nor the Company warrant either the availability of such exchange programme, or the quality or suitability thereof.
- 18.2. No joint venture, partnership or contract of agency exists between PD and the Company, except that the Company is authorised to submit membership application forms to PD. PD's liability for representations concerning the PD exchange programme or representations in any way related to the Scheme is limited to those made in the material supplied by PD. The Seller and/or the Company have neither the power nor authority to bind or obligate or incur any liability on behalf of PD or any company associated with PD.

**19. CLOSE CORPORATION/COMPANY TO BE FORMED**

- 19.1. Should the Purchaser be a Company still to be incorporated or a Close Corporation still to be registered, the Purchaser in his personal capacity agrees and undertakes by his signature hereto:
- 19.1.1. to effect registration of the Company or Close Corporation within 60 (Sixty) days of the Signature Date;

- 19.1.2. to obtain the adoption or ratification as the case may be by the Company or Close Corporation of the Offer to Purchase, this Agreement of Sale and the Use Agreement by not later than 7 (Seven) days after the date of incorporation of such Company or Close Corporation;
  - 19.1.3. until such time as Clauses 19.1.1 and 19.1.2 have been fulfilled, to procure the timeous implementation of the Purchaser's obligations in terms of this Agreement;
  - 19.1.4. that should registration of the Company or Close Corporation not be effected within the period of 60 (Sixty) days aforesaid or should the Company or Close Corporation when so registered fail to adopt or ratify this Agreement within the within the further period of 7 (Seven) days aforesaid or should the Company or Close Corporation fail in any way whatsoever to implement the terms of this Agreement, then the Purchaser in his personal capacity will continue to be responsible as Purchaser in respect of this Agreement.
- 19.2. Should this Agreement be signed by any person who purports to be acting in a representative capacity then the said representative, by his signature hereto, guarantees all of the obligations of the Purchaser hereunder in his or her personal capacity. Should the representative's alleged principal deny the authority of the signatory to sign on behalf of the alleged principal, then the signatory shall be deemed to be the Purchaser in his or her personal capacity.

**20. EXECUTION**

This Agreement of Sale shall be deemed to have been duly signed and executed by the parties hereto upon signature by the Seller of the Offer to Purchase.

## APPENDIX 1

## 1. INFORMATION SCHEDULE

Information required to be stated in terms of Section 17(1) of the Share Blocks Control 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 designated to ensure that the Purchaser has all the material information regarding the Scheme at hand.

1.1.	THE COMPANY	WILD DOG ESTATE DUET SHARE BLOCK LIMITED NO 1
1.2.	Address of registered offices:	Wild Dog Estate (Pty) Ltd, C/O Mr R. Santini, 1 Berg Road Underberg 3257
1.3.	Postal Address:	Wild Dog Estate (Pty) Ltd, C/O Mr R. Santini, PO Box 410, Underberg 3257
1.4.	Name and address of holding	Wild Dog Estate (Pty) Ltd, C/O Mr R. Santini, 1 Berg Road Underberg 3257
1.5.	Address where financial records are kept:	Wild Dog Estate (Pty) Ltd, C/O Mr R. Santini, 1 Berg Road Underberg 3257
1.6.	Date of incorporation:	

## 2. DIRECTORS AND MANAGEMENT OF THE COMPANY

<i>Name</i>	<i>Title</i>	<i>Address</i>	<i>Occupation</i>	<i>Nationality</i>
Roberto Santini	Mr	1 Berg Road Underberg 3257	Director	RSA
Ross Santini	Mr	1 Berg Road Underberg 3257	Site Agent	RSA

- 2.1. No person enjoys any right in respect of the appointment of any Director.
- 2.2. The Directors enjoy no right of remuneration other than as stated in the Articles of Association of the Company and have no fixed term of office.
- 2.3. The Scheme is managed by WILD DOG ESTATE (PTY) LTD REG NO 2003/029461/07 and money relating to the share block Scheme will be entrusted to the Management Company.

2.4. The borrowing powers of the company are exercisable by the Directors as follows: "Subject to the restrictions contained in the Share Blocks Control Act 1980 and to the provisions of the Use Agreements and to any other agreement existing from time to time between the company and any shareholder or shareholders:

2.4.1. The directors may in their discretion and without limitation borrow any sums of money for the purposes of the Company and without affecting the generality hereof, the Directors shall be entitled to cause the Company to borrow money from any third party, secured by way of a mortgage bond or any other way, for the purpose of financing the erection of improvements on the Property and/or the Directors may cause the Company to borrow such sum or sums of money for the purposes of the Company, only to finance any shortfall or deficit in the levy fund as contemplated by Section 13 of the Share Blocks Act and notwithstanding anything to the contrary contained in the Articles of the company, the members shall be obliged to permit the Directors to cause the Company to secure repayment of any sum or sums or the performance of any obligation referred to herein, by means of any mortgage charge or other security on the undertaking or the assets of the Company at any time, and no other mortgage charge or security which in contravention therewith shall be valid.

2.4.2. 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.

2.5. The Scheme is under management of the Developer who:

2.5.1. may appoint a Managing Agent for purposes of such management;

2.5.2. has determined that moneys of and belonging to the Scheme be entrusted to the Managing Agent.

2.6. ACCOUNTING OFFICER

2.7. Name:- Price Waterhouse Coopers

2.8. Address:- Block C, 21 Cascades Crescent  
Cascades,  
Pietermaritzburg  
3202

2.9. SECRETARY

2.9.1. Name:- Price Waterhouse Coopers

2.9.2. Address:- Block C, 21 Cascades Crescent  
Cascades,  
Pietermaritzburg  
3202

2.10. Property Description:- see definition of "Property" in the Agreement of Sale.

2.11. The Developer: Wild dog Estate (Pty) Ltd Reg No 2003/029461/07 (or its successors in title)

2.12. No application has been made (at the date of conclusion of this Agreement) for the opening of a register in terms of the Sectional Title Act. The Seller is not aware of any reason why the register cannot be opened and neither warrants nor represents that a register will or will not be opened.

2.13. Details of mortgage bonds (if any) are furnished in Appendix 4, dealing with the long term liabilities of the Company.

2.14. The Company has acquired the Property and the right to take transfer thereof. Transfer of the Stands will be effected as and when Units are to be constructed. The Units are as described in the Use Agreement. The Company intends to use the Units for a Property Time-Sharing scheme in combination with a Share Block Scheme.

2.15. The Purchaser's entitlement of use shall be as per the Use Agreement, subject to the provisions of this Agreement.

**2.16. SHARES**

2.16.1. The authorised share capital of the company is the sum of R1000,00 (ONE THOUSAND RAND) being 1000 shares divided into 1000 ordinary par value shares of R1.00 each. The issued share capital consists of 960 ordinary shares of R1.00 each blocked in 96 share blocks of 10 shares each.

2.16.2. The numbers of share blocks held by and not held by the Seller at the time that this Agreement is entered into, is as set out in the Offer Document.

**2.17. CONTRIBUTIONS TO THE LEVY FUND (2010)**

Contributions to the levy fund shall be as per the Use Agreement, each member being liable for a share of the total budget of the Company on the following basis:

Where **A** = Number of share blocks held by the Member in respect of which Occupation Certificates have been issued.

Where **B** = Total number of Members who have been issued Occupation Certificates.

Where **C** = Total annual budget of the Company (as revised by the Directors monthly).

$$\text{Levy payable monthly in advance} = A \times \frac{C}{B} \times \frac{1}{12}$$

**2.18. LOAN OBLIGATIONS**

The company has (will have) the following loan obligations:-

- 2.18.1. As the Developer will be erecting the Units and other improvements on the Property for the Company, the value of which will be allocated to the Initial Loan Obligation. The cost of constructing Units and other improvements will be financed in a manner to be agreed between the Developer and the Company. The Initial Loan Obligation shall at all times remain the liability of the Seller and the Purchaser shall not incur any obligation in regard thereto.
- 2.18.2. The Company may require members to make contributions in respect of the Further Loan Obligation for the purposes of clause 8 of the Agreement of Sale and clause 13 of the Use Agreement.
- 2.18.3. The latest available financial statements of the Company are annexed to the Agreement of Sale as Appendix 4.

**2.19. INSURANCE**

- 2.19.1. The immovable property owned by the share block company is insured by B-Sure Insurance Brokers, or other short term brokerage firm as appointed by Wild Dog Estate (Pty) Ltd from time to time.

- 2.19.2. The Units will, once constructed, be insured at replacement value in respect of the buildings and the contents against the following risks: fire, earthquake, storm and other risks against which residential buildings are normally insured.

**2.20. DOCUMENTS ATTACHED TO THE AGREEMENT OF SALE**

- 2.20.1. Appendix 1 – This information schedule
- 2.20.2. Appendix 2 - Use Agreement – a uniform agreement binding on the Company and all members, conferring certain rights and imposing certain obligations on each member, with the following annexures:
- 2.20.2.1. Annexure A: being a schedule of Days in each Calendar Year that are available to be booked by members, and showing booking periods;
- 2.20.2.2. Annexure B: being description of Stands comprising the Property and Units on those Stands;
- 2.20.2.3. Annexures C: being Plans showing the Units and related exclusive use areas for the benefit of members;
- 2.20.2.4. Annexure D: being a schedule of movables in the Units that members are entitled to use;
- 2.20.2.5. Annexure E: being a schedule reflecting the number of share blocks, the number of shares in each share block, the number of votes per share and each member's proportional share of the total levy and other contributions due, and
- 2.20.2.6. Annexure F: being a schedule of initial share block rules;
- 2.20.3. Appendix 3 – Architect's Certificate
- 2.20.4. Appendix 4 – Financial Statements

**2.21. COPIES OF DOCUMENTS**

Copies of all documents relating to the Scheme which do not form part of the Agreement of Sale shall be available for inspection at the offices of the Company at WILD DOG ESTATE (PTY) LTD, c/o Mr R. Santini 1, Berg Road Underberg 3257.



**2.22. PARTIES TO THE AGREEMENT**

The parties to the agreement and their respective addresses are as cited in the Agreement of Sale.

**2.23. PURCHASE PRICE**

The purchase price and amounts payable in addition thereto, the interest rates, the due dates and the place of payment are as set out in the Agreement of Sale.