

Addendum to Agreement of Sale

Formation of a Company

1. It is recorded that the purchaser is acting for a company to be formed. The purchaser:-
 - 1.1 undertakes to effect registration of a company on the basis that section 35 of the companies act 1973 is fully complied with;
 - 1.2 undertakes to obtain adoption or ratification of this agreement by the company within seven (7) days after it has obtained a certificate to commence business;
 - 1.3 undertakes to procure the necessary bank or financial institution guarantee for payment of the balance of the purchase price complying with the terms of clause * within seven (7) days of the company adopting or ratifying this agreement, should the institution which issued the guarantee in terms of clause * require a new guarantee to be issued as a result of the adoption or ratification of this agreement by the company;
 - 1.4 in the event of the adoption and ratification referred to above binds himself as surety and co-principal debtor with the company for the due and faithful observance by the company of all the terms, conditions and stipulations of this agreement;
 - 1.5 undertakes that in the event of registration of the company and the obtaining of its certificate to commence business not being effected within forty five (45) days of the date of signature of this agreement by the purchaser or within such extended period as may be allowed in writing by the seller, or should the company, when registered and entitled to commence business, fail to adopt and ratify the terms of this agreement within the period provided for herein, he in his personal capacity will accept transfer of the property and take over the purchase of the said property and pay the purchase price as if this agreement had been made in his personal capacity.

NB "Trust

Please note it is not possible for a property to be purchased by a trust which has not yet been registered, as any contract entered into by a trustee who has not been formally appointed by the Master of the High Court is void in terms of the Trust Property Control Act and cannot subsequently be ratified".