

**Fynbosstrand Shareblock Company (Pty) Ltd.
Registered Owner of the Farm: Portion 14 of Farm
Grootzervarkensfontein No. 461, in extent 425,6964 hectares.**

"The rights, obligations and conduct of the shareholders of the Company and the Company itself are governed by:

- 1. The Memorandum of Incorporation (MOI) of Fynbosstrand Share Block Company (Proprietary) Limited (registration number 1988/006726/07) certificate of registration date: 03/08/2015), hereinafter referred to as the Company;*
- 2. The Share Block Plan, Annexure A to the MOI;*
- 3. The Use Agreement, Annexure B to the MOI; and*
- 4. The Management Rules of the Company as established and maintained in terms of clause 18 of the Use Agreement.*

Any rightful amendments to the MOI of the Company, including Annexure A and B require a Special Resolution to be adopted by the shareholders in accordance with clause 18 of the MOI, i.e. 75% support of the votes exercised on such resolution.

Any amendments to the Management Rules require a majority of the total number of 58 shares issued, i.e. a minimum of 30 votes in favour of such amendments in accordance with clause 18 of the Use Agreement."

FYNBOSSTRAND MANAGEMENT RULES

(UPDATED DECEMBER 2018)

The Management Rules (referred to in clause 18 of the Use agreement) are as enacted from time to time by the shareholders of Fynbosstrand Shareblock Company (Pty) Ltd and are binding on all owners of shares.

The rules governing the commencing of new buildings at Fynbosstrand are defined in the document, "**Procedure for Building Plan Approval**" contained in Annexure I to these Management Rules. Furthermore, the "**Rules for Building Alterations**" are contained in Annexure II to these Management Rules. Thirdly, the "**Penalties for Transgression of Management Rules**" are contained in Annexure III to the Management Rules.

Lastly, Annexure IV to the Management Rules, incorporates the Construction Management Agreement that is required to be signed between the Company and the building contractor of a shareholder prior to commencement of any construction.

Fynbosstrand Management Rules

1. Visitors

Should the shareholder be renting out his/her house to visitors then a levy of R150 per day per house will be applicable plus the shareholder shall also pay to the Company 15% of the rental income so charged.

2. Every shareholder shall receive one main gate key. The gate must always be locked , and the gate keys shall not be left at obvious hiding places for visitors of the shareholders.

3. No dogs allowed. The restriction on dogs is a condition of the Fynbosstrand resort establishment and cannot be amended by merely a majority of shareholders' votes but requires additional approval from the relevant Authorities.

4. No perlemoen(abalone), alikreukel or octopus shall be removed by any shareholder or his visitors.

5. No visitors or family or friends of a shareholder may fish or remove any marine life without the shareholder or some of his immediate family members present at Fynbosstrand.

6. The South African angling rules must be obeyed - licences for fishing and bait removal are required; bag limits, size limits and restricted seasons apply.

7. Household refuse shall be removed by the Company on a weekly basis during school holidays and less frequently during the rest of the year. Refuse must be placed in refuse bags of at least 28 microns thickness. Refuse bags must not be left on or next to the roads but must be placed inside a refuse bin (wheelie bin or normal bin) and can then be left at the side of the road for collection. After collection, the Farm Manager will place the bins back where they are stored at the shareholders' houses.

8. The Shareholder is invoiced twice annually, once in September on a provisional basis, and finally in January the following year. The final levy will include the metered water charges. Interest at the rate of 24% will be charged on accounts outstanding for longer than 90 days.

9. Water is pumped from boreholes and should be used responsibly. The water usage is metered individually and will be charged to the shareholder's account with the final levy in January.

10. Shareholders are obliged to insure their houses adequately against fire. All houses must have fire extinguishers to the specification of the Insurance Company. Fire extinguishers must be serviced at least once a year .
11. No fires may be started outside the shareholder's exclusive area without express permission from both a member of the Company's Board and the Farm Manager.
No fires may be made on the beach without express permission from a member of the Company's Board. Fires on the beach are allowed only under the following conditions:
 - The shareholder being present at Fynbosstrand;
 - No wind present;
 - Fires are made below the high-water mark;
 - Fires are extinguished afterwards, and any remaining ash and wood are removed by the shareholder.
12. It is the responsibility of the shareholders to inform their visitors of the Management Rules. Ignorance of the rules will not be accepted as an excuse for non-compliance.
13. No quad bikes or motorcycles may operate on the Lower Farm, except from the entrance gate to the shareholder's house and back, without written permission of a member of the Company's Board.
14. The bins on the beach are to be used for depositing debris washed up on the beach and not for private disposal of any articles the shareholder has taken to the beach, or bait, or empty bait containers. Cigarette butts must not be left on the beach.
15. In the event of the clearing of any bushes or rooikrans by a shareholder, the branches shall be removed from the residential area immediately to the designated burning area or to a place that the Farm Manager shall indicate to that shareholder or his contractor.
16. No builder or his workers/sub-contractors shall angle or take out any marine life and, if caught, the shareholder shall forfeit his refundable deposit. Thus, shareholders are advised to include this penalty in their building agreement with their building contractor.
17. Shareholders must apply to the Aesthetics Committee (AC) before commencing with any alterations. A provisionally refundable deposit of R 10 000 must be paid with submission of plan/s of alterations to the AC. A Fine of R 20 000 will be applied to any unauthorized construction work on the shareholders stand (i.e. within 5m of the outside walls of the house) or on common property (outside of 5m from the walls of the house).
Rules for Building Alterations appear in more detail in Annexure II to the Management Rules.

18. A set of penalties appears in Annexure III **Penalties for Transgression of Management Rules**. Where penalties are discretionary to the decision of the AC. A shareholder has the right to petition the Company's Board for a review. The decision of the Company's Board is however final. Payment of penalties are treated the same as payment of levies.
19. Shareholders should limit their water usage to 1000 litres per day during peak season 15 Dec – 20 Jan. Gardens should not be watered during these times. The Company encourage shareholders to water gardens from rainwater tanks.
20. The shareholder must inform the Chairman of the Company of any private work required to be performed by any Fynbosstrand employee. The Company has the right to prevent the shareholder from using any Fynbosstrand employee for private work if the Chairman is of the opinion that the work will conflict with Company work or that the work cannot be done in Company time. Any work done by a Fynbosstrand employee in Company time will be billed to the shareholder. The private use of Fynbosstrand employees for any private purpose during normal office hours, including transport assistance, is strongly discouraged.
21. Shareholders are not permitted to construct external fences without approval from the Aesthetics Committee.
22. Shareholders must inform the Farm Manager of the time and purpose of a contractor's visit to the farm so that the Farm Manager can provide access and oversee the visit.
23. Contractors are not permitted to remain on the Company premises after working hours without consent from the Board of Directors. In the case of the shareholder being physically resident at the house, the shareholder may allow the contractor to stay overnight provided he is housing the contractor within his living space.
24. Contractors must remain within the contracting shareholder's exclusive area and not wander around the farm. With regard to new houses, the area to be used by the contractors needs to be fenced off with shade netting and no operations outside the demarcated area are allowed.
25. Shareholders are not permitted to cut vegetation outside their exclusive area without express permission from the Board of Directors. If such permission is granted, such vegetation must be cleared to the area for burning.
26. Anglers are permitted to fish across the boundaries of the farm but not to collect bait or shell fish on the neighbouring farms.
27. Shareholders renting their houses will be responsible for a R150 per day levy plus 15% of the rental income charged. The renters must complete a

document acknowledging that they understand and will abide by the rules of Fynbosstrand.

28. Firewood at houses must be stacked away neatly and washing lines may not be in public view.
29. No shareholder or contractor may leave rubble or equipment at Fynbosstrand. The Board may give 30 days' notice for rubble or equipment to be removed, failing which the Company will organize removal and the shareholder will be billed for the costs.
30. Wind Generators are not permitted.
31. Shareholders not attending the AGM may request that another shareholder represent them by sending a proxy to the Chairman or Secretary in advance of the meeting. The instruction should state whether the shareholder represents them in all matters or only on specific issues. These proxies will be read to the meeting at the start of the AGM.
32. No shareholder or his/her associates may cut, damage, kill, remove, transplant any protected indigenous tree or plant on Fynbosstrand without the written permission of the Board of Directors who shall only consider granting such permission if the applicant has obtained the necessary permits as required by law.

In addition to the penalties that may apply to the transgressor in terms of legislation, the Fynbosstrand Share Block Company shall levy additional penalties for any transgression of this rule (see Annexure III).

- . No shareholder or his/her associates may hurt, kill, poison, trap or in any way disturb or interfere with any indigenous wild life, protected by law or not, on Fynbosstrand without the written permission of the Board of Directors who shall only consider granting such permission if the applicant has obtained the necessary permits as and if required by law.

In addition to the penalties that may apply to the transgressor in terms of legislation, the Fynbosstrand Share Block Company shall levy additional penalties for any transgression of this rule (see Annexure III).

ANNEXURE I - Procedure for Building Plan Approvals

To ensure that shareholders keep to their signed agreements in the interest of all at Fynbosstrand and to ensure that all shareholders are informed about the procedures that apply to the construction of houses the following procedures that are in place are listed below.

- 1) The placing of the houses (i.e. the setting out on the designated pegs) must be approved in writing by the Board of Directors (Use Agreement clause 3). Should the shareholder proceed to build without such approval then he/she shall forfeit the refundable deposit and will be forced to stop all building work and have the house replaced by the Board of Directors – without any claim against the Company.
- 2) The building plans must be stamped and signed by the Aesthetic Committee even if it is an exact duplication of the standard plans, plans A, B, or C, in the contract documentation.
- 3) ANY deviation from the standard plans, window sizes, width of stoep, or any other deviation whatsoever **must be listed** and must accompany the plans submitted for approval. Only listed deviations shall be considered for approval. Plans shall not be approved by the Aesthetic Committee if the deviations on the plans are not listed. The scrutinizing of building plans by the Aesthetic Committee can be expedited if couriered or posted to the Chairman and the assisting member simultaneously.
- 4) The Local Authority has a firm agreement with the Company that no plans will be considered by them for approval purposes should the plans not bear the stamped and signed approval of the Aesthetic Committee.
- 5) Water shall not be supplied to the building operation prior to the approval of building plans by the Local Authority **AND** proof of payment of the R 5 000,00 non-refundable plus the R50 000,00 refundable deposits to the Share Block Company. Furthermore, the shareholder's contractor must sign a Construction Management Agreement (Annexure IV) with the Share Block Company. Only when an approved building plan (received from the Local Authority as per 6 hereunder) together with proof of the above payments and a copy of the signed Construction Management Agreement are submitted to the Aesthetics Committee and after the contractor has fenced off the building site shall an instruction be given to the Farm Manager to supply water to the building operation.
- 6) The Local Authority requires three building plans to be submitted for approval. One is for the building contractor, one for their records and one for the Aesthetic Committee.

- 7) Should there be any deviations from the approved plans (or approved deviations) for whatever reasons during the building process, without the approval of the Aesthetics Committee, then water supply to the building operation shall be cut and the Local Authority shall be informed.
- 8) Once the building has been completed according to the approved plans, the Local Authority must issue an Occupancy Certificate, which will permit occupation of the house. The Local Authority will only issue an Occupancy Certificate if the Aesthetic Committee signs off the completed buildings as per the approved plans. The Aesthetic Committee will not sign off on completed buildings if there are any unauthorized deviations from the approved plans, hence no occupation of the house will be permitted as no Occupancy Certificate will be issued and thus no water needs to be supplied to the house.
- 9) The non-refundable deposit is mainly for maintenance of the roads which service the building operation. The R 50 000,00 (Fifty thousand Rand) refundable deposit shall be paid back only if:
 - (i) The shareholder has requested and received written approval from the Aesthetics Committee that the building complies with the plan and deviations agreed with the Company.
 - (ii) The Shareholder, or his contractors, has not damaged the Company property and if he/she has complied with all the terms and conditions and deviations agreed with the Company.
- 10) A scrutinizing fee will be charged by the Company (donated to the Aesthetics Committee) to pay for faxes, postage and telecom and for the time of the two members of the Committee. A time fee of R 180 per hour for the time spent by members of the Aesthetics Committee will be charged.

CONTACT DETAILS of Aesthetic Committee:

Chair: William Farrenkothen (share36)

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ANNEXURE II – Rules for building alterations

PREAMBLE

- 1.1 The land, infra-structure and fixed improvements on the land (including individual houses built on stands) at Fynbosstrand (the **Property**) are in the ownership of the Fynbosstrand Share Block Company (Ltd) (**the Company**);
- 1.2 The **Company** is managed by a Board of Directors duly elected by the shareholders and this Board is responsible to the shareholders for the effective and efficient operation of the **Company**;
- 1.3 The individual shareholders have a right of use of their allocated stand and improvements thereon (the house and outbuildings plus a 5-meter exclusive use zone around the outer walls of the buildings) in terms of the Use Agreement, the Management Rules and any other rule or regulation that the **Company** may determine from time to time;
- 1.4 Any transgression by a shareholder in terms of the agreements and rules and regulations referred to in 1.3 above constitutes a breach of contract by the individual shareholder and the **Company** may determine the course of action to be taken to remedy such transgression including the levying of penalties or in extreme circumstances the cancellation of the contract with the shareholder, thereby terminating his use of the **Property**;
- 1.5 Due to an increase in transgressions by individual shareholders with regard to the built environment in the past, the Annual General Meeting of shareholders unanimously decided on 28 December 2008 to establish a new Management Rule (**Management Rule No. 17**) in order to govern the actions that the **Company** shall undertake in future to deal with any transgressions with regard to the built environment over and above the remedies already stipulated in the Use Agreement and Management Rules;
- 1.6 Therefore the following **Penalty Clause** shall apply in future:

2.0 PENALTY

- 2.1 No person may add, alter, change, demolish, remove, displace or construct anything on/of the **Property** without prior written approval from the **Company** (see also clause 3 of the Use agreement). To this end a complete plan illustrating in detail any alterations intended together with a refundable deposit of R10 000.00 should be submitted to the Aesthetics Committee.
- 2.2 Notwithstanding clause 2.1 hereof, a person may construct a wall or other structure not exceeding 500 millimetres in height within the exclusive use zone around the buildings erected on the "shareholder's stand". The exclusive use zone being defined as the area of open land surrounding the buildings to a maximum of 5 meters from the buildings;

- 2.3 In respect of clause 2.2 hereof, the limitation with regard to paved or hard surfaces constructed on the ground may not exceed 10 square metres, thereafter the provisions of clause 2.1 shall apply.
- 2.4 Any transgression by a shareholder with regard to clauses 2.1 and 2.3 hereof shall invoke a penalty of R20 000 per transgression payable on demand to the **Company** by the shareholder. The shareholder shall be notified by the **Company** in writing about his transgression and the shareholder shall abide by the directives of the **Company** to remedy the transgression, apart from paying the R20 000 penalty;
- 2.5 Should the shareholder fail to remedy the transgression as directed by the **Company** within a period of 12 months from the date of notification as contemplated in clause 2.4 hereof, then the transgression shall be regarded as a new transgression and the provisions of clause 2.4 shall be applied afresh.
- 2.6 Should the **Company** become aware of any unapproved building and/or other operation as contemplated in clause 2.1 and 2.3 hereof, the **Company** shall have the right to stop the unapproved operation with immediate effect and refuse entry permission to any contractor for the purposes of working on such unapproved works.

3.0 REFUNDABLE DEPOSIT

- 3.1 The following provisions must be complied with before any construction is commenced with:
- 3.1.1 A refundable deposit of R10 000 (ten thousand rand) is paid by the shareholder to the Company; and.
- 3.1.2 A Construction Management Agreement is signed by the shareholder's contractor with the Company, obtainable from the Aesthetics Committee.
- 3.2 Should the shareholder execute the alterations on an owner-builder basis, the shareholder in effect becomes the contractor for the purposes of clause 3.1.2 hereof and is required to sign the Construction Management Agreement in place of the contractor.
- 3.3 The R 10 000,00 (ten thousand Rand) refundable deposit shall be paid back only if:
- 3.3.1 The shareholder has requested and received written approval from the Aesthetics Committee that the building alterations complies with the approvals given by the Company;
- 3.3.2 The Shareholder, or his contractor, has not damaged the Company property and if he/she has complied with all the conditions and deviations agreed with the Company.

ANNEXURE III – Penalties for Transgression of Management Rules

The rules and penalties may change as circumstances dictate, but only after consultation and shareholder approval.

Rules	Explanation	Penalties
<p>Alikreukel (cockles):</p> <p>Removal of alikreukel is prohibited until further notice.</p>	<p>Passed at the 2004 AGM.</p>	<p>1st Offence: R500 per Alikreukel.</p> <p>2nd Offence and thereafter: R2 000 per Alikreukel.</p>
<p>Abalone:</p> <p>Removal of Abalone is prohibited until further notice.</p>	<p>Passed at the 1995 AGM.</p>	<p>1st Offence: R500 per Abalone.</p> <p>2nd Offence and thereafter: R2 000 per Abalone.</p>
<p>Octopus:</p> <p>Removal of Octopus is prohibited until further notice.</p>		<p>1st Offence: R500 per Octopus.</p> <p>2nd Offence and thereafter: R2 000 per Octopus.</p>
<p>Locking of gate:</p> <p>The main gate to be locked at all times.</p>	<p>Passed at 1995 AGM.</p>	<p>1st Offence: Verbal warning:</p> <p>2nd Offence and thereafter: R1 000 per transgression and replacement of any lost game for the shareholders account.</p>

<p>Dogs:</p> <p>No dogs allowed.</p>	<p>Part of original House Rules, re-confirmed at 1995 AGM.</p>	<p>1st Offence: R500 per transgression, per day per dog.</p> <p>2nd Offence and thereafter: R2000 per transgression per day, per dog.</p>
<p>Restriction on Visitors:</p> <p>Removal of marine life / fishing by shareholders' guests prohibited unless shareholder is present at Fynbosstrand. (Shareholders' guests are defined as anyone outside of the shareholders immediate family).</p>	<p>Passed at 1996 AGM.</p>	<p>1st Offence: R1 000 per transgression.</p> <p>2nd Offence and thereafter: R2 000 per transgression.</p>
<p>Rubble left on farm:</p>		<p>1st Offence: Warning and 30 days notice.</p> <p>2nd Offence and thereafter: Removal of rubble at cost of shareholder.</p>
<p>Exotic plants:</p> <p>Planting of exotic plants is prohibited. Only plants indigenous to the coastal region are allowed. Clarification on plants can be obtained from Jakkie Wessels at Stilbaai Nursery on (028) 754 2116 or 083 485 1414.</p>	<p>Part of original House Rules, re-confirmed at 1995 AGM. (Penalties will only apply on plants planted after the release of the penalties table).</p>	<p>1st Offence: Verbal warning.</p> <p>2nd Offence and thereafter: R100 per plant.</p>

<p>Contractors or his employees leaving plot or on beach:</p>		<p>1st Offence: R2,000 fine. Contractor may not continue until paid.</p> <p>2nd Offence and thereafter: R2,000 per transgression.</p>
<p>Removal of Refuse:</p> <p>Responsibility of removal of refuse outside the December school holidays is that of the shareholder unless a trailer is available for disposing refuse.</p>	<p>Passed at 1997 AGM.</p>	<p>1st Offence: warning</p> <p>2nd Offence and thereafter: R250 per refuse bag.</p>
<p>Unauthorised construction:</p> <p>Any unauthorized construction work on the Shareholders erf or on common property (outside of 5m from the walls of the abode).</p>	<p>Passed at 2008 AGM</p>	<p>Fine of R20,000 Annual fine of R20,000 for each year that the construction remains unremedied.</p>
<p>Protected Indigenous trees and plants (rule 32) and Indigenous wild life (rule 33)</p>	<p>Passed at 2014 AGM</p>	<p>1st Offense: R 500 2nd Offense: R 2 000 3rd Offense: R 5 000</p>

ANNEXURE IV

CONSTRUCTION MANAGEMENT AGREEMENT

Entered into between

FYNBOSSTRAND SHAREBLOCK COMPANY (PTY) LTD

(Registration number 1988/06726/07)

herein represented by

.....
In his capacity as Chairman of the Aesthetics Committee
duly authorised thereto by the Board of Directors
and hereinafter referred to as the "Company"

and

.....
(Registration number.....)
herein represented by

.....
In his capacity as
duly authorised thereto by
and hereinafter referred to as the "Contractor"

CONSTRUCTION MANAGEMENT AGREEMENT

1. PREAMBLE

- 1.1 The Contractor has been appointed byto undertake the construction of a house for who is a shareholder of the Company in terms of the Share Block Company's Act in respect of share no.:, Fynbosstrand.
- 1.2 The Company is the owner of Portion 14 (portion of portion 4) of the Farm Grootzervarkensfontein No. 461 in the district of Riversdale, hereinafter referred to as "Fynbosstrand" on which the house mentioned in clause 1.1 is to be constructed.
- 1.3 The Company agrees to give access to Fynbosstrand to the Contractor for the purposes of the construction of the house and no other purpose whatsoever and strictly in accordance with the terms and conditions as set out in this Agreement.
- 1.4 The Contractor agrees to the terms and conditions as set out in this Agreement failing which the Company shall have the right to deny the Contractor access to Fynbosstrand until such time as such failure to conform to the terms and conditions had been remedied.

2. BUILDING PLANS AND WATER CONNECTION

- 2.1 The Contractor shall ensure that building plans are approved by the Aesthetics Committee of the Company ("Aesthetics Committee") and the Local Authority prior to commencement of construction of the house.
- 2.2 The Contractor shall build the house strictly in accordance with the building plans as approved by the Aesthetics Committee and the Local Authority.
- 2.3 Should any discrepancy become apparent between the plans approved by the Aesthetics Committee and that approved by the Local Authority before or during construction, the Contractor shall immediately cease construction or installation of the item relating to the discrepancy and refer the matter for resolution to the Aesthetics Committee. The Aesthetics Committee's decision shall be final and binding and the Contractor shall only continue with the construction or installation of the item relating to the discrepancy immediately after the announcement of the decision.
- 2.4 The Company shall use its best endeavours to supply the Contractor with water during construction to a maximum usage of 3 000 litres per day. Any additional requirement shall be arranged by the Contractor with the Company prior to such demand and will be at the sole discretion of the Company. The Contractor shall have no claim against the Company should the Company fail to supply water

- 2.5 Prior to commencement of any construction, and usage of any water, the Company shall install a water meter from a connection on the water mains. All water supplied to the Contractor shall be metered through this meter. The Contractor shall use no other water unless specifically agreed to in writing.
- 2.6 Prior to commencement of any construction, the Contractor shall ensure that all deposits due in connection with the construction of the house are paid to the Company and any other authority having jurisdiction over the construction of the house.
- 2.7 During construction, the Contractor shall arrange with the Local Authority for regular building inspections in accordance with the Local Authority's by-laws and any other inspections that may be required by any other authority who has jurisdiction over such construction activity.
- 2.8 At completion of the house the Contractor shall arrange with the Aesthetics Committee and the Local Authority for the inspection and signing off of the house as having been constructed according to the approved plans. After successful inspection and signing off of the house, the Chairman of the Aesthetics Committee shall give authorisation that an Occupancy Certificate be issued by the Local Authority. The Company must be supplied with a copy of the Occupancy Certificate.

3. WORK SPACE & ENVIRONMENT

- 3.1 The Fynbosstrand Farm Manager will indicate "Sensitive Areas" on site. These are "no-go" areas, which may include steep slopes and vegetation thickets and may not be entered except under special conditions as authorized by the Farm Manager.
- 3.2 Sensitive Areas must be adequately protected by demarcation or fencing at the costs of the Contractor to prevent unauthorized access by workers or others. These fences or barriers must be maintained during construction and removed by the Contractor at the completion of the project when the Farm Manager has indicated in writing that it is safe to do so.
- 3.3 Workspace, circulation and storage areas on the site are limited and the Contractor must establish what equipment and construction techniques will be used for the erection of the various project components. An area of 2m wide maximum around the building footprint may be used for workspace.

4. CONTRACTOR'S RESPONSIBILITY REGARDING SUB-CONTRACTORS

The Contractor is responsible for the actions of sub-contractors and any other external contractors supplying materials or services. He must ensure that these persons are always informed of the contents of this directive before entering the site and that they act within the parameters laid down for the environmental protection of the site.

5. EQUIPMENT, PLANT & VEHICLES

The Contractor must establish that the type of plant, machinery and vehicles used on the site or for deliveries are compatible with the site. Specific care must be taken with long multi-axle vehicles and vehicles such as back actors. No Ready-mix vehicles are allowed. The installation of services must be done by hand.

6. SITE CLEARING & FENCING

6.1 The Farm Manager will indicate area and the extent of site clearing on site. Machine operators must be well briefed on their tasks to avoid any accidental environmental damage.

6.2 The construction site shall be fenced off with shade netting to a minimum height of 1,8 meters around the structures to be built including an access gate prior to commencement of any construction. All building material and rubble shall be restricted to the enclosed area. The Farm Manager shall indicate the extent of the area to be fenced off. Prior written approval needs to be obtained from the Farm Manager before any construction material may be stored outside of the demarcated and fenced off area.

7. ROADS, MARSHALLING AREAS & CIRCULATION

Only existing roads will be used for access to construction sites. Cognisance must be taken of road widths for circulation, marshalling and access to construction sites. Suitable arrangements must be made with the Farm Manager for vehicle parking. Marshalling activities will be limited to demarcated areas only. No deviation will be allowed without prior written approval from the Farm Manager.

8 DUMPING & STORAGE OF REFUSE & RUBBLE

No dumping of construction rubble, cut vegetation or any other material shall be permitted without written approval from the Farm. Refuse and rubble shall be removed regularly from the site to prevent unnecessary accumulation. Appropriate, durable and adequate litterbins shall be provided by the Contractor at designated areas on the construction site for storage of refuse and rubble.

9 AREAS FOR WORKMEN

9.1 Specific areas will be indicated on the site for the use of workmen. These areas shall be maintained in a clean and neat condition and access to adjacent "no-go" areas is not permitted. Specific areas will be demarcated for the placing of temporary chemical toilets, for cooking and for resting.

- 9.2 The Contractor is to ensure that toilet facilities are appropriately placed for easy access by workmen and that no defecation takes place in other areas of the site. The contractor must take into account the cultural requirements of workmen in this regard. Washing facilities for workmen shall also be suitably placed and run-off controlled by prior written agreement with Dawie Nomdoe.

10 USE OF POISONS & CHEMICALS ON SITE

- 10.1 The Contractor shall provide the Farm Manager with a list of poisons or chemicals to be used on the project prior to commencement.

- 10.1 Specific attention is to be paid to the following operations:

- Machine oils – leaks and changes
- Herbicides or pesticides (not permitted on site)
- Paints and solvents
- Cleaning of cement mixers
- PCB's

11. TEMPORARY STORM WATER DRAINAGE ON SITE

The Contractor shall provide details of temporary storm water drainage on site should the circumstances warrant this. The Contractor shall be directed in this regard by Dawie Nomdoe.

12. EROSION

All soils on the property are erodible (wind and water) and the Contractor shall be responsible for the reinstatement of any areas of the site that are eroded due to construction activities. Reinstatement of areas eroded will be as directed by the Aesthetics Committee

13. FIRES

- 13.1 No fires shall be permitted.

- 13.2 The Contractor shall be held responsible for damage caused by fire on site and shall include reinstatement of vegetation to the satisfaction of the Board of Directors.

14. DUST GENERATION

The Contractor shall ensure that excessive dust generation on site is kept to the minimum.

15. PENALTIES

15.1 Due to the importance of the protection of the environment and for the duration of the contract a system of penalties shall be imposed on the Contractor for any transgressions as follows:

- | | | | |
|---------|--|---|---|
| 15.1.1 | Litter | = | R1 000.00 per item; |
| 15.1.2 | Absence of worker's toilet | = | R1 000.00 per incident; |
| 15.1.3 | Entering "no go" areas
without permission | = | R5 000.00 per incident per person; |
| 15.1.4 | Damage to "no go" areas | = | Cost of reinstatement; |
| 15.1.5 | Driving off demarcated roads | = | R5 000.00 per incident and cost of
reinstatement; |
| 15.1.6 | Poaching | = | R5 000.00 per bird/animal or sea life; |
| 15.1.7 | Fishing | = | R5 000.00 per incident; |
| 15.1.8 | Unauthorised fires | = | R15 000.00 per incident and cost of
any repair of damages; |
| 15.1.9 | Damage to natural vegetation | = | R8 000.00 per incident; |
| 15.1.10 | Non-closing and locking of
main gate | = | R10 000.00 per incident and
replacement of any loss of wildlife. |

15.2 The Chairman of the Aesthetics Committee shall have the authority to impose penalties.

16. WORKING HOURS & ACCOMMODATION

16.1 All workers are to be accommodated outside the boundaries of Fynbosstrand. No worker may be present at Fynbosstrand outside the stipulated times.

16.2 Working hours are to be strictly adhered to and any relaxation of these are to be obtained in writing from the Chairman of the Aesthetics Committee. The following working hours shall apply

Weekdays: Mondays to Fridays: 07h00 – 18h00

Year: 15 January – 10 December

Holidays: No work on Public Holidays

17. DOMICILIUM

17.1 The Company chooses *domicilium citandi et executandi* for all purposes herein at:

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Fax: No: (0441).....

17.2 The Contractor chooses *domicilium citandi et executandi* for all purposes herein at:

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Fax: No: (0441)

17.3 Any notices required to be given in terms of this Agreement shall be hand delivered or sent by registered post and -:

17.3.1 where given by the Company, shall be addressed to the Contractor at its *domicilium citandi et executandi*;

17.3.2 where given by the Contractor shall be addressed to the Company at its *domicilium citandi et executandi*;

17.3.3 shall be deemed unless proved otherwise to have been received by the respective addressee on the 7th (seventh) day after posting if sent by prepaid registered post to that addressee's chosen *domicilium citandi et executandi* ;

17.3.4 shall be deemed unless proved otherwise to have been received by the respective addressee on the date of delivery by hand to the addressee's chosen *domicilium citandi et executandi* .

17.4 The Company and the Contractor shall each be entitled, by notice in writing to the other, to change the address as set out herein respectively chosen by each of them.

17.5 Notwithstanding the foregoing, a written notice actually received by one of the parties from the other shall be deemed to be adequate written notice.

18. BREACH

18.1 Should the Contractor breach any of the terms and conditions of this Agreement, the following shall apply:

- 18.1.1 The Company shall give notice in writing to the Contractor of the terms and conditions so breached and the Contractor shall respond in writing within 24 hours after having been given notice to this effect regarding his planned actions to rectify the breach;
- 18.1.2 Should the breach carry any penalties as set out in clause 15 hereof, the Contractor shall simultaneously with the written response contemplated under clause 17.1.1 hereof pay the Company the amounts so stipulated;
- 18.1.3 Should the breach involve the rectification of any construction or any deviations from approved plans, the Contractor shall simultaneously with the written response contemplated under clause 17.1.1 hereof, pay to the Company a deposit of R25 000 (twenty five thousand rand), which deposit shall be held by the Company for the duration of the work to ensure that such rectifications are carried out in strict compliance with the terms and conditions of this Agreement.
- 18.1.4 Any deposits held by the Company shall be repaid to the Contractor, interest free, on the delivery to the Company of copies of confirmation by the Aesthetics Committee and the Local Authority as contemplated under clause 2.8 hereof, that the construction of the house was carried out in terms of the approved plans and specifications.
- 18.2 Should the Contractor fail to respond to the notification as set out under clause 17.1.1 hereof or fail to pay the amounts referred to under clause 17.1.2 and 17.1.3 hereof, the Company shall have the right to deny the Contractor access to Fynbosstrand with immediate effect.
- 18.3 Should the Contractor be denied access as contemplated under clause 17.2 hereof, the Company shall have the right to seize all plant, equipment, vehicles and any other assets of the Contractor on Fynbosstrand and sell the same on the following terms:
- 18.4 The proceeds of the sale shall be used by the Company to rectify the breach and pay the amounts as set out under clause 17.1.2 and 17.1.3 hereof;
- 18.5 Any surplus funds shall be held by the Company as a further deposit until completion of the house by the Contractor or others in accordance with the provisions of this Agreement and any shortfall shall be paid by the Contractor on demand.
- 18.6 The Company shall reinstate the Contractor's right to access to Fynbosstrand once the breach had been remedied and all amounts had been paid as set out under this clause.

19. NO VARIATION

- 19.1 This Agreement incorporates the entire agreement between the Company and the Contractor and no alteration, cancellation, or variation hereof shall be of any force or effect unless it is in writing and signed by both the Company and the Contractor, who hereby acknowledge that no representations or

warranties have been made by either the Company or the Contractor nor are there understandings or terms of Agreement other than those set out herein.

19.2 No relaxation or indulgence which either party may show to the other party shall in any way prejudice its rights hereunder and in particular no acceptance by the Company of any amount payable by the Contractor to the Company in terms hereof after the due date (whether on one or more occasions) nor any other act or omission by the Company including without limitation, the rendering of accounts after the due date, shall preclude or stop it from exercising any rights enjoyed by it hereunder by reason of any subsequent payment not being made strictly on the due date. Unless otherwise stated by the Company in writing, the receipt by the Company or its representatives of any amount shall in no way whatsoever prejudice or operate as a waiver, rescission or abandonment of any cancellation or right of cancellation effected or acquired prior to such receipt. The Company shall be entitled in its sole discretion to appropriate any amounts received from the Contractor towards payment of any cause, debt or amount owing by the Contractor to the Company whatsoever.

Thus signed atonday of 2.....

Witnesses: 1.....
2..... **Company**

Thus signed atonday of 2.....

Witnesses: 1.....
2..... **Contractor**