

MEMORANDUM OF LIFE TIME ACCOMMODATION AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN

PLETTENBERG BAY RETIREMENT APARTMENTS (PTY) LTD TRADING AS

QUARTET HOTEL

(of the first part)

“The OWNER”

and

(of the second part)

“THE CLIENT”

1. INTERPRETATION AND PRELIMINARY

1.1 The headings of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Agreement nor any clause hereof. Unless a contrary intention clearly appears:-

Words importing –

1.1.1 Any one gender includes the other two genders;

1.1.2 The singular includes the plural and *vice versa*; and

1.1.3 natural persons include created entities

1.2 In this agreement, unless a contrary intention appears, the following words and phrases shall have the meanings assigned to them hereunder:

1.2.1 ACCOMMODATION LIFE

RIGHT

shall mean the **ACCOMMODATION LIFE RIGHT** granted to the **CLIENT/S** to occupy the **RETIREMENT GARDEN ESTATE UNIT** as provided for in terms of this Agreement which **ACCOMMODATION LIFE RIGHT** shall include the right to the use of and enjoyment of **COMMUNAL FACILITIES**.

1.2.2 HOUSE RULES

shall mean rules as prescribed by the **OWNER** from time to time which rules shall regulate *inter alia* the use of the **RETIREMENT GARDEN ESTATE UNIT** and **COMMUNAL FACILITIES**, a copy of which Rules are annexed hereto as **Annexure "A"** and which rules may at the discretion of the **OWNER** be amended from time to time.

1.2.3 Hotel lodging Cost

shall mean amounts including but not limited to charges in respect of security ,insurance, rates and taxes, water consumption and costs in maintaining the **RETIREMENT GARDEN ESTATE UNIT** and **COMMUNAL FACILITIES** including management fees and consumable expenses incurred by the hotel for meals and housekeeping services more comprehensively detailed in Annexure “A”, payable monthly to the **OWNER** by the **CLIENT**. The amount charged is inclusive of VAT, and shall be calculated from the effective date, or such other date agreed to should the unit be rented to a third party by the Life Right owner.

1.2.4 HOTEL SERVICE PACKAGE

shall be a service package (annexure “**A1**”) as offered by the **OWNER** as more fully set out in the **HOUSE RULES**, to the **CLIENT** as detailed in **Annexure “A“** hereto to include but not be limited to housekeeping services and meals.

1.2.5 COMMUNAL FACILITIES

shall mean those facilities common to all **CLIENTS** including but not limited to the reception area, gardens, the administration and management offices, kitchen, dining rooms, entertainment areas, lifts and corridors.

1.2.6 PARTIES

shall mean the **PARTIES** to this Agreement;

1.2.7 CLIENT

shall be the signatory to this agreement who shall be a minimum age of 60 or as otherwise agreed to in writing.

1.2.8 JOINT CLIENTS

shall mean where there is more than one **CLIENT** signing this Agreement.

1.2.9 REFUND shall mean the amount to be refunded by the **OWNER** to a person/s as nominated by the **CLIENT** upon the termination and/ or cancellation of the **ACCOMMODATION LIFE RIGHT** as contemplated and provided for in this Agreement by the redemption of the **NON-INTEREST BEARING REDEEMABLE DEBENTURE** as more fully provided for in Clause 5 of this Agreement

1.2.10 ADDITIONAL SERVICES

shall mean all **SERVICES** provided by the **OWNER** including but not limited to Health and Medical Services, laundry, telephone, hairdressing salon, spa facilities and any other **SERVICES** as be made available by the **OWNER** from time to time excluding catering services included in the Hotel Lodging Cost as described in **Annexure "A"** to this agreement.

1.2.11 CLIENT'S SPOUSE

shall mean _____

1.2.12 CLIENT'S SUBSEQUENT SPOUSE

shall mean a person who may become a spouse of the **CLIENT** during the currency of this Agreement and as provided for in terms of this Agreement.

1.2.13 RETIREMENT GARDEN ESTATE UNIT

shall mean **RETIREMENT GARDEN ESTATE UNIT** number __ (a Furnished/Unfurnished suite) owned by the **OWNER** which **RETIREMENT GARDEN ESTATE UNIT** corresponds with Section Number/s

in the Palatino Sectional Title Development scheme PALATINO SS No. 496/1998 situate on Portion 33 of the farm Ganse Vallei No. 444 in terms of the Sectional Titles Act 95 of 1986 as chosen by the **CLIENT** as one of the sections listed in **annexure “B”** once measured and registered.

1.2.14 TRUST

shall mean the **TRUST** known as the PALATINO SECURITY TRUST registered in accordance with the provisions of the Trust Property Control Act 57 of 1988, the first Trustees of such **TRUST** being Stewart Hiscox ID 6304175175082 Michael Herman Steyn...ID 7150245206081 Willie Smit ID 8401195177086... which **TRUST** the **CLIENT** shall be a class beneficiary.

1.2.15 OWNER

shall mean the **PLETTENBERG BAY RETIREMENT APARTMENTS (PTY) LTD TRADING AS QUARTET HOTEL**, a Company duly registered in accordance with the laws of South Africa herein represented by **R.H.J. Stevens in his capacity as a director** he being duly authorised to act by virtue of a Resolution of the **OWNER**, a copy of which Resolution is annexed as **Annexure “C”** and having its principal place of business at 1 Ganse Vallei Farm, Portion 33, Plettenberg Bay.

1.2.16 PAYMENT CONSIDERATION

shall be the sum of to be paid by the **CLIENT** to the **OWNER** for the grant of the

ACCOMMODATION LIFE RIGHT more fully dealt with in terms of this Agreement and in **annexure “D”** which details the manner and timing of the payment.

1.2.17 EFFECTIVE DATE shall mean the date upon which the **PURCHASE CONSIDERATION** has been paid in full by the **CLIENT** to the **OWNER**

1.2.18 NON-INTEREST BEARING REDEEMABLE DEBENTURE shall mean the debenture issued to the **CLIENT** by the **OWNER** upon receipt of the **PAYMENT CONSIDERATION** for the **ACCOMMODATION LIFE RIGHT** in terms of this Agreement bearing an issued value equivalent to the **PAYMENT CONSIDERATION**.

1.2.19 REDEMPTION VALUE shall be the amount equal to 100% (*one hundred per centum*) of the value for which the Debenture has been placed with a new **CLIENT**.

1.2.20 CLIENT’S NOMINEE shall mean The Client’s Estate as nominated by the **CLIENT** to receive the **REDEMPTION VALUE**

1.2.21 INITIAL PERIOD shall mean the period ending 31st December 2018 .

1.3 When any number of days is prescribed in this Agreement, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or Public Holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or Public Holiday and shall be calendar days.

1.4 Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.

1.5 Expressions defined in this Agreement shall bear the same meanings in schedules or annexures to this Agreement which do not themselves contain their own definitions.

1.6 Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this interpretation clause

PREAMBLE

WHEREAS the **OWNER** owns the **RETIREMENT GARDEN ESTATE UNIT** and the land upon which the **RETIREMENT GARDEN ESTATE UNIT** is situated

and

WHEREAS the **OWNER** is desirous of granting the **ACCOMMODATION LIFE RIGHT** to the **CLIENT** or **JOINT CLIENTS** as against payment by the **CLIENT** or **JOINT CLIENTS** of the **PAYMENT CONSIDERATION**

and

WHEREAS the **OWNER** has agreed as against payment of the **PURCHASE CONSIDERATION** to issue to the **CLIENT** and/ or **JOINT CLIENTS** the **NON-INTEREST BEARING REDEEMABLE DEBENTURE**

and

WHEREAS the **CLIENT** and/or the **JOINT CLIENTS** are desirous of acquiring the **ACCOMMODATION LIFE RIGHT** to occupy a chosen **RETIREMENT GARDEN ESTATE UNIT** for the lifetime of the last surviving of either the **CLIENT** or the **CLIENT'S SPOUSE** (whichever is the later)

and

WHEREAS the **CLIENT** and **OWNER** have reached agreement regarding the **PURCHASE CONSIDERATION**, the granting of the **ACCOMMODATION LIFE RIGHT**, the redemption of the **NON-INTEREST BEARING REDEEMABLE DEBENTURE** and matters ancillary thereto

and

WHEREAS the **PARTIES**, are desirous of recording the Agreement so reached in writing.

NOW THEREFORE IT IS AGREED BETWEEN, THE PARTIES, AS FOLLOWS:

2. GRANT OF RIGHT

- 2.1** With effect from the **EFFECTIVE DATE** the **OWNER** hereby grants to the **CLIENT** who accepts the **ACCOMMODATION LIFE RIGHT**, subject to the terms and conditions hereinafter stated,
- 2.2** The **ACCOMMODATION LIFE RIGHT**, so granted by the **OWNER** to the **CLIENT** applies to and for the lifetime of the **CLIENT** or in the event of there being **JOINT CLIENTS** on the death of the last of the **JOINT CLIENTS**.
- 2.3** The **ACCOMMODATION LIFE RIGHT** herein granted entitles the **CLIENT** to the **ACCOMMODATION LIFE RIGHT** as contemplated in terms of this Agreement.
- 2.4** The **ACCOMMODATION LIFE RIGHT** so granted by the **OWNER** to the **CLIENT** applies, subject to the terms and conditions hereinafter stated to a **SUBSEQUENT SPOUSE**

3 COMMENCEMENT OF AGREEMENT

- 3.1** This Agreement shall commence on the **EFFECTIVE DATE** and shall continue indefinitely unless and until terminated as provided for in Clause 4 below alternatively cancelled as provided for in terms of Clause 20 of this Agreement.

4 TERMINATION OF AGREEMENT

4.1 The **ACCOMMODATION LIFE RIGHT** granted in terms of this Agreement shall terminate upon the happening of one of the following events;

4.1.1 The death of the **CLIENT** or should there be **JOINT CLIENTS** on the death of the last such **JOINT CLIENT**.

4.1.2 The death of the **CLIENT** or should there be a **CLIENT'S SPOUSE** on the death of the **CLIENT'S SPOUSE** if the **CLIENT'S SPOUSE** lives longer than the **CLIENT**.

4.1.3 By written consent between the **PARTIES**.

4.1.4 In the event of the **CLIENT**, or the **CLIENT'S SPOUSE** or **SUBSEQUENT SPOUSE** occupying the **RETIREMENT GARDEN ESTATE UNIT** breaching this Agreement as provided for in Clause 20 below.

4.1.5 In the event of the **CLIENT**, the **CLIENT'S SPOUSE** as the case may be, as a result of frailty as more fully dealt with in Clause 14 below, being unable to continue to care for himself/herself in occupying the **RETIREMENT GARDEN ESTATE UNIT**.

5 CONSEQUENCES UPON TERMINATION AND REFUND TO CLIENT

5.1 Upon termination of this Agreement, the **OWNER** shall redeem the **NON-INTEREST BEARING REDEEMABLE DEBENTURE** at the **REDEMPTION VALUE** and shall make payment of the **REDEMPTION VALUE** in a single payment to that person as nominated by the **OWNER** to receive the **REDEMPTION VALUE** as defined in Clause 1.2.20 above.

5.1.1 In the event of there being a dispute as to the value of the **RETIREMENT GARDEN ESTATE UNIT** then and in that event the **OWNER** shall appoint an Estate Agent of not less than 10 (Ten) years standing with experience in the property market in Plettenberg Bay to value the **RETIREMENT GARDEN ESTATE UNIT**, "the **OWNER'S** valuation"; and

5.1.2 The **CLIENT** or the **CLIENT'S** duly authorised representative shall appoint an Estate Agent of not less than 10 (Ten) years standing with experience in the property market in Plettenberg Bay to value the **RETIREMENT GARDEN ESTATE UNIT**, "the **CLIENT'S** valuation".

5.1.3 The value of the **RETIREMENT GARDEN ESTATE UNIT** shall be the mean average of the **OWNER'S** valuation and the **CLIENT'S** valuation, shall be binding on the **PARTIES** to this Agreement and shall be the value used in the determination of the **REDEMPTION VALUE** as referred to in this Agreement.

5.2 As against the redemption of the **NON-INTEREST BEARING REDEEMABLE DEBENTURE** the Pledge referred to in Clause 7 shall be cancelled and the Title Deed in the possession of the **TRUST** shall be returned by the **TRUST** to the **OWNER**

6 UNDERTAKING BY OWNER

6.1 The **OWNER** undertakes;

6.1.1 Simultaneously with the signature of this Agreement to sign the Pledge as more fully dealt with in Clause 7 below.

6.1.2 Not to encumber in any manner whatsoever the **RETIREMENT GARDEN ESTATE UNIT** as chosen by the **CLIENT** in terms of which the **ACCOMMODATION LIFE RIGHT** is to be exercised.

6.1.3 Not to encumber in any manner whatsoever any land upon which the **RETIREMENT GARDEN ESTATE UNIT** and **COMMUNAL FACILITIES** are situated

6.1.4 To ensure that the **RETIREMENT GARDEN ESTATE UNITS** and all **COMMUNAL FACILITIES** are adequately insured as against fire, theft and public liability.

6.1.5 During the currency of this Agreement that no Director, shareholder, employee or advisor of the **OWNER** shall seek to become a Trustee of the **TRUST**

6.1.6 To ensure that the Medical Suite Facilities be in place and operational to provide the required care to all **CLIENTS** in terms of this Agreement resident in **RETIREMENT GARDEN ESTATE UNITS** by 1 July 2018.

6.1.7 When open, to ensure that the Medical Suite and Doctors Rooms are competently staffed and ensure that medical staff be on the premises during normal office hours and available on call after hours.

6.1.7.1 To ensure that there be a qualified Nursing staff available, for clients taking up temporary residence in the medical suites providing occupancy is available, failing which full time care will be made available in their own units as this service would then satisfy the condition of residence detailed in Clause 14

6.1.7.2 To provide for the **CLIENT'S** account, the services as defined in Clause 1.2.10 above, as "**ADDITIONAL SERVICES**"

7 PLEDGE TO THE TRUST AS SECURITY FOR PAYMENT OF THE REDEMPTION VALUE

7.1 Simultaneously with the signature of this Agreement the **OWNER** agrees and undertakes to pledge the title deed of the **RETIREMENT GARDEN ESTATE UNIT** for which the **ACCOMMODATION LIFE RIGHT** has been granted to the **TRUST**:

7.2 In the event of the **OWNER** failing, refusing and or neglecting to make payment of the **REDEMPTION VALUE** due to the **CLIENT** or the **CLIENTS NOMINEE** as provided for in terms of Clause 5.1 above, then and in that event, the **CLIENT** as a beneficiary of the **TRUST**, shall be permitted to instruct the **TRUST** to return the Title Deed held as security by the **TRUST** to the **CLIENT**, in which event the **CLIENT** shall be permitted to sell the **RETIREMENT GARDEN ESTATE UNIT** on auction or by private treaty and shall furthermore be entitled to retain from such sale, the **REDEMPTION VALUE**.

7.3 Any Surplus due after payment of the **REDEMPTION VALUE** to the **CLIENT** as calculated above shall be paid by the **TRUST** to the **OWNER**.

8 WARRANTIES BY OWNER

8.1 The **OWNER** hereby warrants unto the **CLIENT** as follows;

8.1.1 As at the date of signature of this Agreement, the **OWNER** is the owner of the **RETIREMENT GARDEN ESTATE UNIT** and land upon which the **RETIREMENT GARDEN ESTATE UNIT** are situate.

8.1.2 As at the date of signature of this Agreement, neither the land, nor any **RETIREMENT GARDEN ESTATE UNIT** as owned by the **OWNER** over which a life right has been granted has in any way been encumbered.

8.1.3 The **OWNER** has the requisite authority to enter into this Agreement.

9 LEGAL FORM AND NATURE

9.1 The **ACCOMMODATION LIFE RIGHT** granted in terms of this Agreement is an accommodation right and is granted by the **OWNER** to the **CLIENT** against payment of the **PAYMENT CONSIDERATION** and the issuing of the **NON-INTEREST BEARING REDEEMABLE DEBENTURE** by the **OWNER** to the **CLIENT**

9.2 Nothing contained in this Agreement shall be interpreted as meaning or construed as meaning that the **CLIENT** acquires any claim to ownership in respect of the **RETIREMENT GARDEN ESTATE UNIT** capable of being transferred into the name of the **CLIENT** or any other person, in terms of the Deeds Registry Act 47 of 1937

10 POSSESSION AND OCCUPATION OF RETIREMENT GARDEN ESTATE UNIT

10.1 The **CLIENT** will not be entitled to take possession, occupation and/or control of the **RETIREMENT GARDEN ESTATE UNIT** before and until, the **CLIENT** will have paid the **PURCHASE CONSIDERATION** in full to the **OWNER** for the **ACCOMMODATION LIFE RIGHT**

11 OCCUPATION BY CLIENT'S SPOUSE

11.1 To the extent this Agreement is signed by a **CLIENT** who is married and whose wife/husband is not a **JOINT CLIENT**, the rights and obligations of the **CLIENT'S SPOUSE**

herein created and provided for, are subjected to such **SPOUSE** (where applicable) having counter signed this Agreement with such counter signature being deemed, by virtue of this clause to have signified the acceptance by the **SPOUSE** of the benefits and to be bound by the obligations contained herein.

12 COHABITATION

12.1 The survivor in the case of **JOINT CLIENT'S**, may with the prior written consent of the **OWNER**, allow a **SUBSEQUENT SPOUSE** or civil life partner, as defined in the Civil Union Act 2006 (Act No 17 of 2006) to cohabit with him or her in the **RETIREMENT GARDEN ESTATE UNIT** subject at all times to the following conditions;

12.1.1 The **CLIENT** will lodge with the **OWNER** a written undertaking signed by such **SUBSEQUENT SPOUSE** or civil life partner that he or she will observe all of the **HOUSE RULES** as may be in force from time to time; and

12.1.2 It will be a condition of such cohabitation that such use and occupation will be automatically terminated, upon the termination of the **ACCOMMODATION LIFE RIGHTS** as provided for herein.

12.2 Notwithstanding any other provisions herein contained, the **OWNER**, will be entitled, in its discretion, but not be obliged, to offer the **LIFETIME ACCOMMODATION RIGHT**, in respect of the **RETIREMENT GARDEN ESTATE UNIT** to the **SUBSEQUENT SPOUSE** or life partner at the reasonable prevailing market value thereof, providing the partner is of the minimum age of 60 (Sixty years).

13 SHORT TERM ABSENCE FROM RETIREMENT GARDEN ESTATE UNIT

13.1 In the event of the **CLIENT** absenting himself from the **RETIREMENT GARDEN ESTATE UNIT** for a period of longer than 30 (thirty) days, he/she shall, in writing notify the **OWNER** of his intended absence and the date of his intended return.

14 INABILITY TO OCCUPY RETIREMENT GARDEN ESTATE UNIT AS A RESULT OF ILLNESS or FRAILITY

14.1 Should the **CLIENT** become too frail to exercise the **ACCOMMODATION LIFE RIGHT**, then the **ACCOMMODATION LIFE RIGHT** so granted in terms of this Agreement shall be terminated.

14.2 For the purpose of this clause a **CLIENT** shall be deemed too frail and therefore incapable of exercising his **ACCOMMODATION LIFE RIGHT** if a written report is received from a medical practitioner, who has consulted with and examined the **CLIENT** which report shall determine that the **CLIENT** cannot exercise his or her independent ability to occupy the **RETIREMENT GARDEN ESTATE UNIT** without full-time, resident, assistance other than the **CLIENTS SPOUSE** .**Full-time residential medical assistance would be for the clients account.**

15 **USE**

15.1 The **RETIREMENT GARDEN ESTATE UNIT** shall be utilised by the **CLIENT** or such other persons entitled to use the **RETIREMENT GARDEN ESTATE UNIT** as prescribed in terms of this Agreement, and shall be used only for accommodation purposes and shall at all times be used in compliance with the **HOUSE RULES** as prescribed by the **OWNER** in **Annexure "A"** as amended from time to time by the **OWNER**.

15.2 By his signature hereto the **CLIENT** confirms that he has read and understood the **HOUSE RULES** and agrees to be bound to such **HOUSE RULES**

16 **RISK OF LOSS**

16.1 Neither the **OWNER** nor any person employed and/or appointed by the **OWNER** shall be responsible for any loss or damage which the **CLIENT** or person occupying under the **CLIENT** may suffer as a result of any loss, damage or theft of property.

16.2 By his signature hereto, the **CLIENT**, hereby waives all and any claims of whatsoever nature as against the **OWNER**, the **OWNER'S** employees and all or any persons appointed by the **OWNER** and further the **CLIENT** undertakes to indemnify the **OWNER**, the **OWNER'S** employees and all or any persons appointed by the **OWNER** against any claim which the **CLIENT** may have arising out of personal injury or loss or damage to property.

16.3 The **OWNER** shall insure all the **RETIREMENT GARDEN ESTATE UNITS** and **COMMUNAL FACILITIES**. By his signature hereto the **CLIENT** agrees and undertakes not

to do or permit anything to be done which may affect any insurance premium payable by the **OWNER** in respect of the **RETIREMENT GARDEN ESTATE UNITS** and **COMMUNAL FACILITIES**.

16.4 The insurance for all and any personal effects of the **CLIENT** shall be the sole responsibility of the **CLIENT**.

17 **ADDITIONAL SERVICES OFFERED BY OWNER**

17.1 The **CLIENT** shall be entitled to and subject to the **HOUSE RULES** as prescribed from time to time be entitled to enjoy all the **ADDITIONAL SERVICES** as offered by the **OWNER**.

17.2 All **ADDITIONAL SERVICES** for which a payment is required shall either be;

17.2.1 Paid for by the **CLIENT** or such other person occupying the **RETIREMENT GARDEN ESTATE UNIT** at the time of utilising the **ADDITIONAL SERVICE**; or

17.2.2 Signed for by the **CLIENT** or such other person occupying the **RETIREMENT GARDEN ESTATE UNIT**, in which event the **CLIENT'S** account will be debited for the use of such **ADDITIONAL SERVICES**. All and any payments due shall be made by the **CLIENT** in accordance with the provisions of Clause 19.2 below.

18 **HOTEL SERVICES PACKAGES**.

18.1 Simultaneously with the signature of this Agreement the **CLIENT** may elect a **HOTEL SERVICE PACKAGE**, which may during the currency of this Agreement be amended, provided that such amendment is in writing and signed by both parties.

19 **RATES AND TAXES, and those amounts detailed in the THE HOTEL LODGING COST and ELECTRICAL CONSUMPTION AND PAYMENT THEREOF.**

19.1 The **CLIENT** will be liable for all **HOTEL LODGING COST** applied from time to time by the **OWNER** and subject to the following;

19.1.1 The **HOTEL LODGING COST** as defined in 1.2.3 shall include all specific maintenance incurred by the **CLIENT'S** occupied unit including amounts set aside in a fund for any future major maintenance required when the unit changes hands at the termination of the life right as allowed for in this agreement and its Percentage Quota Ratio (P.Q) share of the common property asset and garden maintenance.

19.1.2 The **CLIENT** shall be responsible for a share of the water, sewerage charges, rates and taxes which shall be calculated as in a PQ ratio of the **RETIREMENT GARDEN ESTATE UNIT**, calculated in square meters and the management fee required to provide the services detailed in the **HOTEL SERVICE PACKAGE** chosen. In this regard a detailed statement reflecting the amounts due by the **CLIENT** and the **OWNER** will be furnished by the **OWNER** to the **CLIENT** on a monthly basis.

19.1.3 All electricity consumed by the **CLIENT** in the **RETIREMENT GARDEN ESTATE UNIT** shall be for the account of the **CLIENT** and paid for through the metering system provided in the **CLIENT'S** unit directly through a service provider or in the case of an in-house unit by the Hotels energy management allocation calculation.

19.2 The **HOTEL LODGING COST** , **HOTEL SERVICE PACKAGE**, and **ADDITIONAL SERVICES** as defined in Clauses 1.2.3, 1.2.4 and 1.2.10, due by the **CLIENT** to the **OWNER** shall be paid by the **CLIENT** to the **OWNER** within 7 (Seven) days of receipt by the **CLIENT** of an account as prepared by the **OWNER** for and on behalf of the **CLIENT**.

19.3 All **AMOUNTS** including the **HOTEL LODGING COST** and the chosen service package shall be agreed with the **CLIENT** and confirmed in writing by the **OWNER** on signature of this agreement and shall remain in place for the initial period without change. Thereafter the **HOTEL LODGING COST** shall be increased by the percentage increase in actual fixed and municipal charges charged to the owner and in respect of other service package charges by the increase in the published CPI with the exception of the maintenance charge as detailed in Clause 1.2.3.

19.3.1 The initial **HOTEL LODGING COST** is a net amount of R5000 plus VAT (R5700.00). This initial amount is an opening concession by the **OWNER** and will be fixed until 31st December 2018 arrived at by discounting the management fee of R3 500.00 which covers all services provided by the hotel including cleaning and food services.

20 **BREACH**

20.1 Should the **CLIENT** breach the terms of this Agreement by failing to pay the **LEVIES** for a period of 3 (Three) months following receipt of the account and should the **CLIENT** remain in breach after having received 30 (Thirty) calendar days written notice to remedy such breach, the **OWNER** will be entitled to cancel this Agreement and require the **CLIENT** to forthwith vacate the **RETIREMENT GARDEN ESTATE UNIT**.

20.2 In the event of the **CLIENT** or any other person occupying a **RETIREMENT GARDEN ESTATE UNIT** under the **CLIENT** breaching any other provisions of this Agreement and failing to remedy same within a period of 21 (Twenty-one) days of receipt of written notice then and in that event the **OWNER** shall be entitled, but not obliged, either;

20.2.1 To claim performance of the alleged breach; or

20.2.2 To claim cancellation of this Agreement.

20.3 In the event that the Agreement is cancelled for all and any reasons as stipulated above, the **REFUND** to the **CLIENT** shall be made in terms of Clauses 4, 5 and 7 of this Agreement

21 **BINDING NATURE OF AGREEMENT**

21.1 This Agreement shall create an obligation and will be binding on and enforceable by the Estates, Heirs, Executors, Administrators, Trustees, permitted Assigns or Liquidators of the **PARTIES** as if such persons had signed the Agreement in the first instance and reference in this Agreement to any **PARTY** will be deemed to include such parties Estates, Heirs, Executors, Administrators, Trustees, permitted Assigns or Liquidators.

22 **DOMICILIUM**

22.1 The **PARTIES** choose as their *domicilia citandi et executandi* their respective addresses set out of or in connection with this Agreement at which addresses all processes and notices arising out of or in connection with this agreement, its breach or termination may validly be served upon or delivered to the parties.

22.2 The parties' respective addresses shall be:-

22.2.1 **OWNER** **1 Ganse Vallei Farm, Portion 33, Plettenberg Bay.**
TEL NUMBER **(044) 533 1347**
EMAIL ADDRESS **admin@quartethotel.co.za**

22.2.2 **CLIENT - UP AND UNTIL THE EFFECTIVE DATE**
ADDRESS

TEL NUMBER
EMAIL ADDRESS

22.2.3 **CLIENT - POST THE EFFECTIVE DATE**
ADDRESS

TEL NUMBER
EMAIL ADDRESS

Or at such other address, not being a post office box of poste restante, of which the party concerned may notify the others in writing.

22.3 Any correspondence transmitted by email shall be deemed to have been received by the addressee 1 (One) day after despatch.

22.4 Notwithstanding anything to the contrary contained in this agreement, a written notice or communication actually received by one of the parties from another shall be adequate written notice or communication to such party.

23 **WHOLE AGREEMENT, NO AMENDMENT**

- 23.1** This Agreement constitutes the entire Agreement between the **PARTIES** relating to the subject matter hereof.
- 23.2** No amendment or consensual cancellation of this Agreement or any provision or term hereof or of any agreement, no settlement of any disputes arising under this Agreement and no extension of time, waiver or relaxation or suspension of or agreement not to enforce or to suspend or postpone the enforcement of any of the provisions or terms of this Agreement or of any agreement, or other document issued pursuant to or in terms of this Agreement shall be binding unless recorded in a written document signed by the **PARTIES**. Any such extension, waiver or relaxation or suspension which is so given or made shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.
- 23.3** No extension of time or waiver or relaxation of any of the provisions or terms of this Agreement or any agreement shall operate as an estoppel against any party in respect of its rights under this Agreement, nor shall it operate so as to preclude such party thereafter from exercising its rights strictly in accordance with this Agreement.
- 23.4** No party shall be bound by any express or implied terms, representation, warranty, promise or the like not recorded herein, whether it induced the contract and/or whether it was negligent or not to the extent permissible by law.

24 **COSTS**

- 24.1** The costs occasioned in the preparation of this Agreement shall be borne and paid for by the **OWNER**.
- 24.2** Any independent advice taken by the **CLIENT** as regards this Agreement shall be borne and paid for by the **CLIENT**.

25 **GOVERNING LAW**

- 25.1** This Agreement shall be governed according to the laws of the Republic of South Africa.

THUS DONE AND SIGNED AT _____ THIS ____ DAY OF _____ 201_

CLIENT

WITNESSES:

- 1. _____
- 2. _____

THUS DONE AND SIGNED AT _____ THIS ____ DAY OF _____ 201_

CLIENT

WITNESSES:

- 1. _____
- 2. _____

THUS DONE AND SIGNED AT _____ THIS ____ DAY OF _____ 201_

OWNER (Duly Authorized)

WITNESSES:

- 1. _____
- 2. _____