

Example of agreement

PARTNERSHIP AGREEMENT

entered into between

.....

(Identification Number: _____)
(hereinafter referred to as "Investor")

And

George Potgieter
(Identification Number: 7704095090080)
(hereinafter referred to as "George")

WHEREBY IT IS AGREED AS FOLLOWS:

1. INTERPRETATION AND PRELIMINARY

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 modification nor amplifying the terms of this Agreement nor any clause hereof. In this Agreement, unless a contrary intention clearly appears:

1.1 words importing

1.2

1.1.1 any one gender include the other two genders;

1.1.2

1.1.3 the singular include the plural and *vice versa*; and

1.1.4

1.1.3 natural persons include created entities (corporate or noncorporate) and *vice versa*.

1.2 the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have the corresponding meanings, namely:

1.2.1 "Agreement" means this agreement together with all annexures hereto;

1.2.2 "Invetsor" means with identification number _____;

1.2.3 "Effective Date" Means the date of delivery of the Sable breeding herd as specified in section 4;

1.2.4 "Participation

Ratio"

means 50:50, 50% Investor and 50%

George Potgieter

1.2.5 "Partners" means Investor and George Potgieter or any of them as the context may require;

1.2.6 "Partnership" means the partnership constituted on the

Effective Date between the Partners, the terms of which are recorded in this Agreement;

1.2.7 "George" means George Potgieter with identification number 7704095090080,.

1.3 any reference to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time;

1.4 if any provision in a definition is a substantive provision conferring rights or imposing obligation on any party, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision in the body of the Agreement;

1.5 when any number of days is prescribed in this Agreement, 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;

1.6 where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail;

1.7 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.

2. CONSTITUTION OF PARTNERSHIP

The Partners agree with effect from the Effective Date to carry on the business of breeding with Sable Antelope in partnership under the name of Schoongezicht Sable Breeding Program (or such other name as they may agree upon from time to time.

3. DURATION

The Partnership will commence on the Effective Date and shall continue for an initial period of 5 (five) years and thereafter indefinitely subject to the right of any Partner to withdraw from the Partnership by giving not less than 12 (twelve) months written notice to the other Partner:

3.1 No Partner shall be entitled to renounce the Partnership or give notice to dissolve it save as expressly provided for in this Agreement and a repudiation shall not dissolve the Partnership;

3.2 The Partnership shall not terminate by reason of the death of any Partner but shall continue between the surviving Partner and the estate of the deceased Partner.

4. CONTRIBUTIONS AND RESPONSIBILITIES

The contributions and responsibilities due by the Partners are as follows:

4.2.1 Investor

4.2.1.1 capital contribution of approximately R1 300 000 (One Million three Hundred Thousand Rand) buy 8 females which contribution shall be made on by electronic transfer as and when the animals are purchased or deposits are required by the seller of the said animals.

4.2.1.2 to share any veterinarian costs with the other party (George) that may be incurred from time to time, either for the translocation of animals to another area on the same property, or for health and immunization purposes.

4.2.2 George

4.2.2.1 provide the infrastructure by way of an intensive breeding camp of approximately 30 hectares of the farm Looplaagte in the Thabazimbi area, to breed with Sable Antelope, an enclosed area which is electrified sufficiently, food, water, supervision and care.

4.2.2.2 to increase the breeding camp as the number of animals in the breeding camp requires a bigger area or to split the breeding herd in order for the partnership's animals to occupy a possible second breeding camp.

4.2.2.3 all feeding cost and providing high quality feed.

4.2.2.4 providing of sufficient and quality breeding bull.

5. OWNERSHIP OF ASSETS IN THE PARTNERSHIP

5.1 Investor shall remain the legal owner of the initial purchased breeding herd as specified in paragraph 4.2.1.1 above.

5.2 George will remain the owner of the farm Looplaagte 565KP, the property utilised for the purpose of the Sable breeding program.

6. GOOD FAITH

Each of the Partners shall owe to the others a duty of the utmost good faith and be obliged to devote itself to the progress and welfare of the Partnership; provided that nothing herein contained shall oblige any Partner to devote its full time and attention to the day to day management and administration of the affairs in the Partnership unless expressly so provided herein.

7. MANAGEMENT

7.1 The management of the business shall be vested in George. The managing partner shall not be entitled to any remuneration for undertaking such management.

7.2 No individual Partner shall, notwithstanding that same may be within the scope of the Partnership business, be entitled to bind the Partnership in any way in any contracts.

8. DUTIES OF PARTNERS

8.1 No Partner shall without the prior written consent of the other Partner:

8.1.1 employ any moneys, property or effects belonging to the Partnership or engage the credit thereof or contract any debt on account thereof except in the due and regular course of business and for the benefit of the Partnership;

8.1.2 compound, release or discharge any debt due to the Partnership;

8.1.3 do or knowingly suffer to be done any act or thing whereby the property or effects of the Partnership or any part thereof may be attached, seized or taken in execution;

8.1.4 assign, mortgage or charge its interests in the Partnership or in the profits thereof;

8.1.5 pledge or alienate or dispose of or in any other way deal with any asset of the Partnership to the detriment of the Partnership or any Partner

thereof.

8.2 Each Partner shall punctually pay and satisfy all its present or future private debts and engagements and each Partner indemnifies the other against all actions, proceedings, damages and expenses which may be incurred on account thereof.

9. VOTING AND RESOLUTIONS

9.1 Each Partner shall be entitled to that number of the total votes as its Participation Ratio bears to all the participation ratios.

9.2 Resolutions, in order to be of force and effect must be approved by a majority of the Partners.

9.3 If in terms of the foregoing provisions the required majority for the passing of a resolution of Partners cannot be obtained, any such deadlock shall not constitute a ground for the winding up of the Partnership.

10. PROFITS AND LOSSES

10.1 The partners agree to share profits on the offspring of the breeding herd by dividing the offspring on a 50/50 basis.

10.2 This 50/50 principle will refer to the monetary value of the offspring and will not refer to the numbers of animals to be allocated to each partner.

10.3 A guideline to be used to determine the monetary value will be the game auction prices as published from time to time in respect of the age and sex of every animal to be divided.

11. LIQUIDATION OF THE PARTNERSHIP

In the absence of any written agreement to the contrary between the Partners, upon the dissolution of the Partnership, the business and assets of the Partnership shall be liquidated in accordance with the following:

11.1 the liquidator shall be a member of the auditors of the Partnership or if the auditors are not willing to act, a registered accountant and auditor agreed upon between the Partners and failing such agreement appointed by the auditors of the Partnership. The liquidator need not furnish any security for his functions;

11.2 the liquidator shall:

11.2.1 demand an account from each Partner of the assets of the Partnership in its possession as well as any profits earned from the use or utilisation of those assets since the date of dissolution of the Partnership;

11.2.2 compile an account reflecting the assets and liabilities of the Partnership including amounts owed by the Partnership to the Partners;

11.2.3 collect all debts due to the Partnership by persons other than the Partners;

11.2.4 not realise the assets in the Partnership save to the extent necessary to discharge any liabilities of the Partnership to third parties and to discharge the expenses of realisation and liquidation and in that respect he shall be entitled to dispose of the necessary assets in whatever manner he deems fit, and whether to any one or more partners or any third party;

11.2.5 return to the Partner concerned any of its assets let to the Partnership or made available for use by the Partnership;

11.2.6 in the event of the proceeds of the realisation of the Partnership assets proving insufficient to meet the liabilities of the Partnership, levy a contribution upon the Partners to contribute that deficit, in their respective Participation Ratios;

11.2.7 discharge all the liabilities of the Partnership to its creditors other than its Partners insofar as the proceeds of the realisation of the Partnership assets and contributions (if any) permit;

11.2.8 compile and settle an account for the payment of claims owing by the Partnership to its Partners, the settlement of their claims against each other and the distribution of any assets remaining amongst the Partners in accordance with clause 10 with due account being taken of amounts owing by any of the Partners to the Partnership.

11.3 In the course of the liquidation of the Partnership's affairs, the liquidator shall be entitled in his sole discretion to allow a Partner to assume sole responsibility for a liability of the Partnership with the consent of the creditors concerned of the Partnership.

11.4 After discharging all the liabilities of the Partnership, the liquidator shall distribute any balance of Partnership assets or the proceeds thereof remaining after payment of the cost of liquidation as follows:

11.4.1 firstly, any debts due, whether on loan account or otherwise, by the Partnership to the Partners shall be satisfied, in the case of the loan accounts on a *pro rata* basis;

11.4.2 secondly, any debts due on capital account or otherwise by the Partnership to any of the Partners shall be satisfied on a *pro rata* basis;

11.4.3 thirdly, the distribution of any profits or losses in accordance with the provisions of clause 10 shall be made;

11.4.4 thereafter any assets remaining shall be distributed to the Partners in their respective Participation Ratios; provided that unless it is necessary to levy a contribution as contemplated above, any amounts due to the Partnership but shall be set-off in the course of distribution set out herein.

11.5 The Partners irrevocably and *in rem suam* grant to the liquidator any authority or power of attorney he may require in order to give effect to the provisions of this clause.

11.6 Any costs incurred in dissolving the Partnership shall be borne by the Partners in their respective Participation Ratios.

12. BREACH

If any Partner breaches any material provision or term of this Agreement and fails to remedy such breach within 21 (twenty one) days of the date of receipt of written notice requiring it to do so (or if it is not reasonably possible to remedy the breach within 21 (twenty one) days, within such further period of time as may be reasonable in the circumstances or even if the provision or term is not material but a breach thereof has been again committed after 3 (three) warnings from the other Partner, then the aggrieved Partner shall be entitled without notice, in addition to any other remedy available to them at law or under this Agreement, including obtaining an interdict, to cancel this Agreement against the defaulting Partner and acquire the defaulting Partner's share of the assets and liabilities at fair market value determined by an expert of at least 10 (ten) years standing in breeding of Sable Antelope, but without affecting this Agreement insofar as any obligation whether or not the due date for performance has arrived, in either event without prejudice to the aggrieved Partner's rights to claim damages.

If any aforementioned breach is not capable of being remedied, it shall be deemed to have been remedied (but without prejudice to the aggrieved Partner's rights to claim damages) provided that the defaulting Partner has caused it to cease within the period aforesaid. If this Agreement is cancelled against the defaulting Partner and its share of the assets and liabilities acquired by the remaining Partner,

the remaining Partner shall be deemed to have taken delivery of the defaulting Partner's share of the Participation assets and to have assumed liability for his share of the Partnership debts with effect from the termination of the Partnership against the defaulting Partner.

13. WHOLE AGREEMENT

13.1 This Agreement constitutes the whole agreement between the parties relating to the subject matter hereof.

13.2 No amendment or consensual cancellation of this Agreement or any provision or term thereof or of any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this Agreement and no settlement of any disputes arising under this Agreement and no extension of time, waiver or relaxation or suspension of any of the provisions or terms of this Agreement or of any agreement, bill of exchange 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.

13.3 No extension of time or waiver or relaxation of any of the provisions or terms of this Agreement or any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this 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.

13.4 No party shall be bound by any express or implied term, representation, warrant, promise or the like not recorded herein, whether it induced the contract and/or whether it was negligent or not.

14. DOMICILIUM CITANDI ET EXECUTANDI

14.1 The parties choose as their *domicilium citandi et executandi* for all purposes under this Agreement, whether in respect of court process, notice or other documents or communications of whatever nature (including the exercise of any option) the following addresses:

14.1.1 Invetsor: _____

Fax no: _____

E-mail: _____

14.1.2 George: _____

Fax no: _____

E-mail: _____

14.2 Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing but it shall be competent to give notice by telefax or e-mail.

14.3 Any party may by notice to any other party change the physical address chosen as its *domicilium citandi et executandi vis-à-vis* that party to another physical address in South Africa or its telefax number or e-mail address; provided that the change shall become effective *vis-à-vis* that addressee on the 7th (seventh) business day from the deemed receipt of the notice by the addressee.

14.4 Any notice to a party:

14.4.1 sent by prepaid registered post (by airmail if appropriate) in a correctly addressed envelope to it at its *domicilium citandi et executandi* shall be deemed to have been received on the 7th (seventh) business day after posting (unless the contrary is proved);

14.4.2 delivered by hand to a responsible person during ordinary business hours at its *domicilium citandi et executandi* shall be deemed to have been received on the day of delivery; or

14.4.3 sent by telefax or e-mail to its chosen telefax number or e-mail address stipulated in clause 14.1 shall be deemed to have been received on the date of despatch (unless the contrary is proved).

14.5 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen *domicilium citandi et executandi*.

15. COSTS

The costs of and incidental to the preparation and execution hereof shall be borne by the Partners in their respective Participation Ratios.

SIGNED AT _____ ON THIS ____ DAY OF _____
_____ 2010 in the presence of the undersigned witnesses

WITNESSES:

1. _____
2. _____

Investor

SIGNED AT _____ ON THIS ____ DAY OF _____
_____ 2010 in the presence of the undersigned witnesses

WITNESSES:

1. _____
2. _____

George Potgieter