

CPD

Crawford Property Developers(PTY)LTD

34 years of building excellence

Construction, Electrical, Plumbing, Gas and Civil's

Letter of Intent

of

Crawford Property Developers

Letter of Intent

This Letter of Intent (“Lol”) is entered into by and between

[name & surname] _____

[contact numbers] _____

[address] _____

(hereinafter referred to as the “**Silent Partner**”)

and

Crawford Property Developers PTY(Ltd)

[company registration number] **2013/085481/07**

[address] **992 Kromdraai Road**

Fearie Glen

Pretoria

South Africa, 0081

(Hereinafter referred to as the “**Partner**”)

(Hereinafter referred to individually as “Party” and collectively as “Parties”)

1. Background

1.1 The Lol (Letter of Intent) summarizes the Parties' understanding regarding the contemplated formation of a Partnership to develop (procure, design, construct, market and sell) "Property".

1.2 The purpose of the Lol is to establish a basis for future discussions regarding a definitive agreement for the formation of the Partnership ("Definitive Agreement"). The Lol does not create any binding obligation, expressed or implied, on the Parties, except as set forth in Articles 3 through 8 hereof.

2. Key Terms

The Parties shall form a Partnership or other entity, located in Pretoria with the sole purpose of developing property, including designing, construction, marketing and selling the property developed. The Silent Partner shall own the share as per the Partner ROI and the Partner the remainder, taking into consideration the 25% fee, based on the Silent Partners ROI.

The initial formation and paid-in capital of the Partnership shall be as per the Business Plan/Viability Report, of which the Silent Partner will contribute the amount of Input Cost in money and the Partner will contribute Management and Construction expertise, the day to day Management of the Partnership and the Project.

The Silent Partner shall contribute its expertise if necessary and the Partner shall contribute its full expertise to the Partnership. The Parties shall dedicate such time and effort to the formation and operation of the Partnership as is reasonably necessary to secure a solid platform for growth.

- 2.1 The Partnership shall have a board of partners responsible for the overall and strategic management of the Partnership where more than three partners are involved in a partnership. The board shall consist of all Partners. The day to day management of the operations shall be done by CPD (Crawford Property Developers). The General Manager of the board of Partners shall be one of the Directors of CPD.
- 2.2 All decisions of the general meeting of the Partnership shall be taken by a simple majority. All decisions of the board of Partners of the Partnership shall be taken by a simple majority vote with the chairman having a casting vote in case of an equality of votes.
- 2.3 A valid decision of the general meeting or of the board of partners of the Partnership requires the presence of more than 50 % of the share interest of the partners. The Parties commit to attending all general meetings and all meetings of the board of partners unless prevented by special circumstances.
- 2.4 The Parties shall have a mutual right of first refusal on any sale or other transfer of shares (interest) in the Partnership. The price of the shares(interest) subject to a right of first refusal shall be equal to the price offered by a third party in good faith or, in the absence of a third party offer, the market value of the shares as determined by an independent auditor.
- 2.5 If a Party wishes to sell all of its shares in the Partnership pursuant to a good faith third party offer, the other Party shall, upon request, be required to sell all of its shares in the Company to such third party on the same terms and conditions.

2.6 The Silent Partner shall select one or more properties as displayed on CPD's website and list them below with reference numbers as displayed and the amount that the Silent Partner will contribute, as the subject matter of this Lol:

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____
- 6) _____

3. Definitive Agreement

3.1 Promptly after execution of the Lol, the Parties shall enter into good faith negotiations for a Definitive Agreement containing such terms and conditions as are customary for the formation of a jointly owned Partnership of the contemplated nature, including, without limitation, a business plan for the Partnership.

4. Exclusivity

4.1 Until the date of termination of the Lol (Letter of Intent), the Parties shall not enter into discussions with any third party regarding a cooperation to design, construction, marketing and selling of the developed property/ies.

5. Confidentiality

5.1 Except as required by law, each Party agrees that it shall not disclose any Confidential Information to any third party except its advisors who are bound by a duty of confidentiality and that it shall not use any Confidential Information other than in connection with its evaluation of the contemplated formation of the Partnership.

5.2 For purposes of Article 5.1 hereof, "Confidential Information" means any information about the other Party provided hereunder, the contemplated formation of the Partnership, and the Lol except information which: (i) is generally available to or known by the public other than as a result of improper disclosure by a Party, or (ii) is obtained by a Party from a source other than the other Party, provided that such source was not bound by a duty of confidentiality to the other Party with respect to such information.

6. Costs and Expenses

6.1 Except as may be set forth in any Definitive Agreement, each Party shall bear its own costs and expenses incurred in pursuing or consummating a Definitive Agreement and the formation of the Partnership, including, but not limited to, legal and other professional fees.

7. Term and Termination

7.1 The Lol shall enter into force when it has been signed by both Parties and shall terminate on the earlier of: (i) the date of execution of any Definitive Agreement, and (ii) 30 Calendar Days after the signing of the Lol unless the Parties agree to extend the date. The Parties shall have no claim against each other as a result of termination of the Lol for any reason.

8. Miscellaneous

8.1 The Lol contains the entire understanding of the Parties with respect to the contemplated formation of the Partnership. The Lol may not be amended except in writing signed by both Parties.

Any disputes arising out of or in connection with the Lol which cannot be settled amicably shall be resolved by a court of competent jurisdiction in accordance with the laws of the Republic of South Africa excluding conflict of law principles.

8.2 The provisions of Articles 5.1, 5.2, 6.1, 7 and last sentence, 0 hereof shall survive termination of the Lol for any reason.

8.3 If the foregoing is satisfactory, please indicate your agreement with the foregoing by countersigning a copy of this letter and returning it to our attention. We look forward to proceeding together on this transaction.

For and on behalf of

For and on behalf of

Silent Partner

Partner (CPD)

Name: _____

Name: _____

Date: _____

Date: _____