

# CPD

Crawford Property Developers(PTY)LTD

28 years of building excellence  
Construction, Electrical, Plumbing, Gas and Civil's

Crawford Property Development

Partner Agreement

## SILENT PARTNERSHIP AGREEMENT

This Partnership Agreement (**the Agreement**) is made effective as of the signature of the General Partner and the First Silent Partner to this Agreement (**the Effective Date**), by and between,

### PARTNER IDENTIFICATION

#### GENERAL PARTNER

Crawford Property Developers PTY LTD  
992 Kromdraai Road  
Fearie Glen  
Pretoria  
0081

**And**

#### SILENT PARTNER

FULL NAMES AND SURNAME: \_\_\_\_\_

ID NUMBER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

Known collectively as the "**Partners**"

WHEREAS, the Partners desire to enter into a business partnership;

WHEREAS, the Silent Partner(s) showed an interest in joining the business venture silently and the General Partner has accepted this partnership proposal.

NOW, THEREFORE, in consideration of the foregoing of the mutual covenants and conditions contained in this Agreement, the Partners to this Agreement agree to the following:

#### I. **PARTNERSHIP NAME, PLACE and BUSINESS.**

The business partnership will be known as **STAND 123** (the Partnership). However, the business of the Partnership may be conducted, in compliance with all applicable laws, under any other name determined to be appropriate or advisable by the General Partner. The Partnership's primary place of business will be **992 Kromdraai Road, Fearie Glen, Pretoria, 0081.**

## II. TERM

The Partnership shall commence on the Effective Date and shall continue thereafter until the objective of the Partnership is achieved. The objective of the Partnership is the Development of STAND 123 and the successful sale and distributions as stated in Clause III below, of the property(s).

## III. CONTRIBUTIONS

The Partner(s) will contribute to the Silent Partnership as follows;

- i. Crawford Property Developers: The Construction, Development, Sale and or Rental of the Property which is the objective of the Partnership as stated in Clause III.
- ii. Silent Partner(s): The Amount required as INPUT COST as per Annexure A to this agreement, **or**
- iii. the Amount of \_\_\_\_\_  
(in words) \_\_\_\_\_  
as a Pro-Rata Portion of the INPUT COST.

If a Silent Partner cannot contribute the full INPUT COST, then it is agreed that additional Partners will contribute to this Partnership as Silent Partners and they will be Partners to this Partnership.

The Initial Capital amount as per either sub-Clause ii. or iii. above, deposited into Crawford Property Developers account by the Silent Partner and the final Return on Investment as per the Final Account will be paid to the Partner(s) 14 Days after all the Partnership's Obligations has been settled and once the Bank and/or Attorneys has paid the moneys into Crawford Property Developers Bank account. All dues by the Partnership to 3<sup>rd</sup> parties had to be settled.

All contributions by the Silent Partner(s) will be deposited into Crawford Property Developers Bank Account located at, ABSA, Account Number xxx xxxx xxxx.

## IV. ADDITIONAL CONTRIBUTIONS

At any time throughout the Partnership it is determined by a consensus of the Partners that additional capital is required by the Partnership. The Partners shall contribute their share of the necessary amount.

## V. INTEREST ON CONTRIBUTIONS

No Partner's contribution to the capital of the Partnership shall bear interest in his or her favour. All interest earned on any contribution shall be payable in its entirety to the Partnership capital account.

## **VI. OWNERSHIP INTEREST IN THE PARTNERSHIP AND AUTHORITY**

**Crawford Property Developers** (Difference between Partners Proposed ROI in Annexure A and 100%).

**Silent Partner** (The percentage proposed ROI in Annexure A).

The Partners authority will be defined by the following unless otherwise stated in the Agreement;

No Silent Partner(s) is authorized to act on their own in obtaining contracts, financial, or other obligations on the Partnership. The General Partner will act on behalf of the Partnership after giving Notice to the Silent Partner(s). If objections are raised by the Silent Partner, then this will first be settled. In the case of a dead log the General Partner's vote will be decisive.

## **VII. DUTIES OF THE GENERAL PARTNER**

The General Partner shall be responsible for the complete management, control and policies related to the operation and conduct of the business, including all personnel, bond(s), purchasing, sales, rental and contractual matters.

The General Partner undertake to keep the Silent Partner up to date with all matters of the Partnership, throughout the Partnership. The General Partner undertake not to obligate the Partnership without prior notice to the Silent Partner(s).

## **VIII. DUTIES OF THE SILENT PARTNER**

The Silent Partner shall make the payment as elected in par. III above.

The Partners agree that the Silent Partner(s) shall be "silent" in the Partnership. The Silent Partner(s) shall not participate in or interfere in the operations of the Partnership and are not restricted from engaging in any other business or form entering into any other partnership.

The limitation on the Silent Partner is that there should be no conflict of interest with this Partnership. If the Silent Partner conducts any other business, then the Silent Partner undertake not to conduct a similar business as this Partnership is conducting without the permission of the General Partner. The Silent Partner further undertake not to conduct a similar business, without the consent of the General Partner, for a period of 1 (one) year after the Silent Partner seized to be a Partner with Crawford Property Developers.

The Silent Partner(s) is not authorised to present the Property of the Partnership as collateral in any way or to obligate the Partnership Property as security in his/her personal capacity.

#### **IX. LIMITED LIABILITY**

The Silent Partner(s) shall not be personally liable for any debts of the Partnership.

#### **X. PROFITS AND LOSSES**

All Partners, including Silent Partner(s), shall share all items of income, gain, loss, deduction or credit as set out in Annexure A of this agreement taking into account that all of the items referred to in this paragraph will be allocated finally as per the "**Final Account**" for this Project and the Silent Partner will accept it as full and final payment to the Silent Partner. Profits and losses shall be computed in accordance with generally accepted accounting principles, consistently applied.

The above paragraph shall apply pro-rata to all Partners to this agreement.

The presentation in Annexure A is based on a Viability done and the Silent Partner(s) take cognisance of the fact that the final outcome as per the Final Account can differ from the Viability.

#### **XI. ENTIRE AGREEMENT**

Except as otherwise expressly provided in this Agreement, this Agreement contains the entire agreement of the Partner(s) with respect to the terms and conditions of the Silent Partnership and supersedes all prior agreements, certificates and understandings, oral or otherwise, among the Partners with respect to these matters.

#### **XII. WAIVERS**

Except as otherwise expressly provided in this Agreement, no purported waiver by any Partner of any breach by another Partner of any of his or her obligations, agreements or covenants shall be effective unless made in writing subscribed by the Partner or Partners sought to be bound and no failure to pursue or elect any remedy with respect to any default or breach of any provisions of this Agreement shall be deemed to be a waiver of any other subsequent default or breach, or any election of remedies available, nor shall the acceptance or receipt by any Partner of any money or other consideration, due to him or her under this Agreement, with or without knowledge of any breach under this agreement, constitute a waiver of any provision of this Agreement with respect to that or any other breach.

### **XIII. SEVERABILITY**

Each provision of this Agreement shall be severable. If, for any reason, any provision or any part of a provision is determined to be invalid and contrary to any existing or future applicable law, the invalidity shall not impair the operation of or affect those portions of this Agreement that are valid, but this Agreement shall be constructed in all respects as if the invalid or unenforceable provision or provisions had been omitted.

### **XIV. COUNTERPARTS**

This Agreement may be executed in one or more counterparts. Each counterpart shall be deemed for all purposes to be an original, but all the counterparts together shall constitute but one and the same instrument binding on all Partners.

### **XV. SETTLING DISPUTES**

All Partners agree to enter into mediation before filing suit against any other Partner or the Silent Partnership for any dispute arising from this Agreement or Silent Partnership. Partners agree to attend one session of mediation before filing suit. If any Partner does not attend mediation, or the dispute is not settled after one session of mediation, the Partner are free to file suit. Any law suits will be under the jurisdiction of the High Court of Gauteng.

### **XVI. CANCELLATION OF THE PARTNERSHIP**

The Partnership can be Cancelled through a mutual Agreement of all the Partner(s), after such a request has been tabled, depending on the circumstances of the particular case. The details of which are to be agreed at that stage.

The Partnership will be cancelled if the Silent Partner(s) cannot deliver its obligations within 14 Days from the the Effective Date, as per this Agreement, except if otherwise agreed and recorded under Clause XVIII.

### **XVII. COMMUNICATIONS**

All Partners to this Agreement agrees to respond to all communications within 48 Hours after a communication has been communicated. If the lack of a Partner in communicating timeously incurs additional cost, then the Partner being in default will be liable for the additional cost.

### **XVIII. DOMICILIUM CITANDI ET EXECUTANDI**

The legal address where all Parties will deliver and accept, to one another, any legal notifications and or any legal documents. These addresses are set out in the Partner identification at the start of this Agreement. Any other Notices or Information sharing can take place via email.

**XIX. ANY ADDITIONAL TERMS AND CONDITIONS AGREED TO BY THE PARTNERS**

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**IN WITNESS WHEREOF, this agreement has been executed and delivered by all Partners.**

**Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019**

**Signature: General Partner, Crawford Property Developers.**

\_\_\_\_\_, and

**Signature: Silent Partner(s)**

**1. Name and Surname** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**2. Name and Surname** \_\_\_\_\_

**Signature** \_\_\_\_\_