

CITY OF JOHANNESBURG GUARANTEE NO. [●]

in respect of the obligations of Johannesburg Development Company (Proprietary) Limited (Registration No. 2001/005101/07) (the "**JDA**") in favour of creditors, from time to time, in the event that the **JDA** is called upon, either as a going concern or whilst under liquidation, to meet its claims to creditors pursuant to its business activities.

The City of Johannesburg Metropolitan Municipality (the "**CoJ**"), a sole shareholder and parent municipality hereby unconditionally guarantees that in the event that the **JDA** be called upon by any of its creditors, both present and future, to meet its liabilities and the **JDA** cannot do so, for whatever reason, including, that the **JDA's** assets are less than its liabilities, then the **CoJ** undertakes that it will pay creditors on behalf of the **JDA**, to the maximum amount of **R23 000, 000,00 (twenty three million rand)**.

This undertaking is given for the benefit of the creditors of the **JDA**, and the benefit is capable of express or implied acceptance by any or all such creditors who may then enforce any of its terms

Upon receipt by the **CoJ** of advice in writing from the **JDA** that the **JDA** is indebted to any creditor in respect of any claim, and that the **JDA** is unable to meet such obligation on due date, the **CoJ** will pay to the creditor on behalf of the **JDA** within 30 (thirty) days of receipt of such written advice, the amount in question limited to the amount of **R23 000, 000,00 (twenty three million rand)**.

This guarantee is irrevocable for so long as the **JDA's** liabilities (excluding **JDA's** liabilities to the **CoJ** which have been subordinated in favour of third party creditors) exceed its assets, fairly valued, and shall lapse immediately on the date that the assets of the **JDA** exceed its liabilities and shall not, except by further agreement in writing, be reinstated if thereafter the liabilities of the **JDA** exceed its assets, provided that the liabilities of the **JDA** shall be deemed to continue to exceed its assets unless and until the Auditor-General has certified in writing that he/she has been furnished with evidence which reasonably satisfies him/her that the **JDA's** liabilities do not exceed its assets.

Notwithstanding anything to the contrary in this guarantee, the **CoJ's** obligations shall be construed as principal and not accessory obligations.

This undertaking shall be subject to the laws of the Republic of South Africa.

SIGNED for and on behalf of the City of Johannesburg Metropolitan Municipality at JOHANNESBURG on this day of 2007

EXECUTIVE DIRECTOR: FINANCE

Being duly authorised by resolution of Council passed on

AS WITNESSES

1. _____

2. _____

SIGNED for and on behalf of the Johannesburg Development Agency (Proprietary) Limited at JOHANNESBURG on this day of2007

CHIEF EXECUTIVE OFFICER

Being duly authorised by resolution of the Board of Directors passed on

AS WITNESSES

1. _____

2. _____