

OFFER TO PURCHASE THE BUSINESS OF THE SELLER BEING A
FOOTBALL CLUB KNOWN AS “ROYAL AM FC”

I / we the undersigned,

Mr / Ms / Messrs. _____ *[Full names to be inserted by Offeror]*

Identity Number(s): _____ *[to be inserted by Offeror]*

or

Registration Number: _____ *[to be inserted by Offeror]*

do hereby offer to purchase the business of the Seller in terms of the sale of
business agreement below.

SALE OF BUSINESS AGREEMENT

Between

ROYAL AM FOOTBALL CLUB (PTY) LTD

Registration Number: 2019/412459/07

(*“the Seller”*)

duly represented by Willem Jacobus Venter *N.O.*, in his capacity as Curator *Bonis*, appointed by an order of the High Court (KwaZulu Natal Division, Durban) under case number D13795/2024 on 21 November 2024 and who is duly authorised by an order of the High Court dated 17 February 2025 to conclude an agreement of this nature.

And

_____ [*Entity / full names to be inserted by Offeror*]

Identity / Registration Number: _____ [*to be inserted by Offeror*]

(herein referred to as the *“the Purchaser”*)

A. RECITALS

1. The Seller is the owner of the Business referred to below.
2. The Curator *Bonis* wishes to sell the Seller's right, title and interest(s) in the Business to the Purchaser who is desirous of purchasing same with effect from the Effective Date.
3. The Parties wish to record the terms of their agreement in writing. The Parties agree as follows –

B. DEFINITIONS

4. In this agreement, the following expressions bear the meanings given to them below, and equivalent expressions will have similar meanings:

<i>Expression</i>	<i>Meaning</i>
Assets	The assets owned by the seller and used for in connection with the business of a football club, Royal AM FC, being its membership to the National Soccer League (<i>"the NSL"</i>), trading as the Premier Soccer League and the right to participate in the competitions and divisions of the league as a member of the NSL, Goodwill, any right and/or entitlement(s) to any grant funds which may be advanced by the NSL to Royal AM FC, Business names, Contracts, Slogans, Emblems, Logos and Trademarks.

Business The business of the seller is that of a football club, which includes, Membership to the NSL, trading as the Premier Soccer League and the right to participate in the competition and divisions of the league as a member of the NSL. A reference to Royal AM FC is also a reference to the business of the Seller.

Business All liabilities, whether contingent or otherwise, guarantees
Liabilities and agreements of the Seller and arising from the conduct of the Business prior to the Effective Date and/or transfer of ownership.

Club The football club known as “*Royal AM FC*”, the Business of the Seller.

Curator Willem Jacobus Venter *Nomine Officio* in his capacity as
Bonis curator *bonis* appointed by an order of the KwaZulu- Natal Division of the High Court (“*the High Court*”), Durban under case number D13795/2024 on 21 November 2024 and who is duly authorised by an order of the High Court under case number D13795/2024, on 17 February 2025, to conclude an agreement of this nature.

Effective Date The date on which the suspensive condition has been complied with and on which ownership will be transferred from the Seller to the Purchaser.

Executive Committee The Executive Committee elected by member clubs of the NSL in terms of the NSL Handbook.

The League The National Soccer League as ascribed below.

Merx The object of the sale referred to as “*Royal AM FC*”, “*the Business*”, “*the Club*” and includes all the rights associated with Royal AM FC and all the obligations of Royal AM FC, irrespective of whether the rights and obligations have been identified or specified herein, but excludes any rights, title and obligations accruing to the Seller.

National Soccer League / NSL The National Soccer League, trading as the Premier Soccer League, an association of professional football clubs which promotes, administers, controls, governs all professional football in South Africa in accordance with the prescripts of, *inter alia*, the South African Football Association and who is responsible for regulating and controlling the Premier and National First Divisions.

NSL Handbook Refers to the document titled, “*National Soccer League Handbook (as adopted and approved on 12 December 2023)*” which incorporates the Constitution and Rules of the League.

Object of the sale The *Merx*.

Provisional Preservation Order The order of the KwaZulu-Natal Division of the High Court, Durban under case number D13795/2024 on 21 November 2024.

Purchaser _____ [to be inserted by Offeror]

Purchase Price _____ [to be inserted by Offeror], excluding Value-Added-Tax, free from deductions or bank costs and/or charges.

Royal AM FC The football club known as “*Royal AM FC*” (a “*Member Club*” of the NSL) owned by the Seller and includes the assets. The business of the Seller.

Seller Royal AM Football Club (Pty) Ltd, a company with registration number 2019/412459/07, duly registered and incorporated in terms of the relevant laws of the Republic of South Africa.

Suspensive Condition The suspensive condition that the Executive Committee of the NSL must approve the transfer of Royal AM FC from the Seller to the Purchaser as contemplated in Article 14 of the NSL Handbook.

Value-Added-Tax / VAT Any taxes levied and/or are payable in accordance with the Value-Added-Tax Act 89 of 1991 ("the VAT Act").

VZLR Inc. An incorporated company of attorneys with registration number 1989/001203/21 and registered address at Block 3, Floor 1, Corner of 71 Steenbok Avenue & Elephant Road, Monument Office Park, Monument Park, Pretoria.

**VZLR Inc.
Trust**

The trust account of the said attorneys with the following details:

Account

Bank Name: ABSA Bank

Account name: VZLR INC S86(2)

Account number: 0-3014-7774

Account type: Section 86(2) Trust

Branch Name: ABSA TSHW NRT2 PR Branch

Code: 632005

Swift Code: ABSAZAJJ

C. THE PARTIES

Description of the parties

5. The Seller is:

5.1. Royal AM Football Club (Pty) Ltd, a company with registration number 2019/412459/07, duly registered and incorporated in terms of the relevant laws of the Republic of South Africa.

5.2. The *domicilium citandi et executandi* of the Seller is that of the Willem Jacobus Venter *Nomine Officio*, in his capacity as the

curator *bonis* of Royal AM Football Club (Pty) Ltd situated at 778
Skukuza Street, Faerie Glen, Pretoria.

6. The Purchaser is:

6.1. _____ [Details to be inserted].

6.2. The *domicilium citandi et executandi* of the purchaser is details to
be inserted

Representation of the parties and authority of the parties' representatives

7. The seller is represented by Willem Jacobus Venter *Nomine Officio* in his
capacity as curator *bonis* appointed in terms of the provisional
preservation order and who is duly authorised by an order of the High
Court under case number D13795/2024, on 17 February 2025, to
conclude an agreement of this nature.

8. The purchaser is duly represented by _____ with identity
number _____ in his capacity as a
_____ of the Purchaser.

9. The signatories to this agreement warrant that they are authorised to sign
this agreement and to bind the parties to the terms and conditions set out
herein.

D. THE MERX

10. The Seller's business is a football club known as "*Royal AM FC*" (a "*Member Club*" of the *National Soccer League*) and includes, but is not limited to, the following:

10.1. The assets owned by the Seller and used for and/or in connection with the business of the football club, Royal AM FC, as follows, namely its –

10.1.1. Membership to the NSL and the right to participate in the competitions and divisions of the League as a member;

10.1.2. Professional football players registered with the NSL and employed by the Seller, in terms of employment contracts, for the purposes of the Seller's participation in the competitions and divisions of the League;

10.1.3. Goodwill;

10.1.4. Business names;

10.1.5. Brand names;

10.1.6. Contracts;

10.1.7. Slogans;

10.1.8. Emblem;

10.1.9. Sponsorship(s) relating to the Club that are in law capable of being ceded to the Purchaser;

10.1.10. Logos; and

10.1.11. Trademarks.

11. The Seller sells the Business to the Purchaser against payment of the purchase price set out hereunder. Without limiting the generality of the aforesaid, the Seller sells to the Purchaser its interest in the football club called "*Royal AM FC*" subject to the suspensive condition stated below.

E. THE PURCHASE PRICE AND THE PAYMENT THEREOF

12. The Purchaser undertakes to pay the Seller the Purchase Price in the amount of _____, exclusive of VAT, minus any deposits that have been paid.

13. The Purchase Price excludes VAT, which must be added to the Purchase Price, and which amount the Purchaser agrees to pay in accordance with this agreement:

13.1. The Club is an enterprise which is capable of separate operation, The Assets necessary to run the enterprise are being sold and transferred to the Purchaser;

13.2. It is the parties' intention that the Seller sells the *Merx* to the Purchaser as a going concern, which transaction may therefore be zero-rated for VAT in accordance with the VAT Act; and

- 13.3. In the event that the transaction is not zero-rated, the Purchaser agrees that it is liable for and shall pay VAT over and above the Purchase Price to the Seller, in cash as set out below. The Seller undertakes to render a standard rated tax invoice to the Purchaser in accordance herewith.
14. The payment of the Purchase Price shall be made by the Purchaser in cash and in accordance with the below:
- Cash Payment
15. The Purchaser shall make payment of the _____, by effecting the aforementioned amounts into the trust account of VZLR Inc., whereupon:
- 15.1. Before ownership is transferred and the suspensive condition is fulfilled, the Purchase Price, the VAT and the deposit will be held in trust in favour of the Purchaser pending the fulfilment of the suspensive condition; and
- 15.2. At the fulfilment of the suspensive condition and transfer of ownership taking place, the Purchase Price, the VAT and the deposit held in trust, will automatically fall to and for the benefit of the Seller.
16. Insofar the suspensive condition is not fulfilled, this agreement shall lapse, and the Purchaser, as the trust creditor, shall become entitled to claim reimbursement of the entire Purchase Price and VAT from the trust account of VZLR Inc.

F. TRANSFER OF OWNERSHIP

Suspensive condition

17. This agreement is subject to the suspensive condition that the Executive Committee of the NSL shall approve the transfer of Royal AM FC from the Seller to the Purchaser as stipulated in Article 14 of the NSL Handbook namely that:

“Any proposed sale, transfer or disposition contemplated in [Article 14], or any transaction directly or indirectly having any of the effects referred to, must be submitted to the Executive Committee for prior written approval.”

18. The parties shall sign all necessary documents and take all the necessary steps to register the Purchaser as the owner of the Club with the NSL and to have its official information substituted in the records of the NSL in the place of the Seller's current records of the NSL.

19. The parties agree and undertake to co-operate with each other and to submit a duly signed copy of this agreement to the Executive Committee of the NSL within 3 (three) days after signature thereof, together with a request that the transfer of Royal AM FC from the Seller to the Purchaser be approved. In this regard, without derogating from the generality of the scope of these provisions, each party undertakes to:

- 19.1. Act and submit all necessary documents and requests for approvals jointly. However, nothing shall prevent either party from acting without input or collaboration of the other party, if to seek such co-operation will delay the fulfilment or compliance

with this condition;

- 19.2. Sign and/or execute all documents prescribed and/or required by the Executive Committee of the NSL immediately and without undue delay; and
- 19.3. Timeously and without delay, generally do all that is necessary to comply with the requirements of the Executive Committee of the NSL.

Transfer of ownership

- 20. The parties agree that upon obtaining approval by the Executive Committee of the NSL, this agreement shall have full force, effect and be binding on the parties. Thereafter, the Club shall be immediately and automatically transferred from the Seller to the Purchaser, in which event and from that moment forth:
 - 20.1. The Purchaser steps into the shoes of the Seller for all purposes of relevance to the football club, the League, and/or South African Football Association ("SAFA"), Confederation of Africa Football ("CAF") and Fédération Internationale de Football Association ("FIFA"). The purchaser shall assume responsibility for all the Club's obligations to the League and/or SAFA, CAF and FIFA;
 - 20.2. The League will deal with the Purchaser in accordance with the details provided by the Purchaser to the relevant departments and persons at the League, in respect of all matters relating to the League and/or the Club;

- 20.3. The Purchaser is responsible for and will deal with (and where necessary satisfy or otherwise comply with) any and all claims or matters that may exist or which have been or which are brought by or against the Club (whether by or in respect of the League, players, other participants in football, or third parties) and whether before a Disciplinary Committee; Dispute Resolution Chamber; or any other football or sports tribunal or Court; and
- 20.4. The Purchaser shall be responsible to provide the necessary warranties, guarantees and/or assurances that the Club will continue to meet its obligations as a member of the League.
21. Notwithstanding the signature date hereof, the Effective Date of this agreement shall be the date upon which the suspensive condition referred to above has been fulfilled.
22. From the date of approval by the Executive Committee of the NSL, the Purchaser shall have the right to apply to the NSL for approval to, *inter alia*:
- 22.1. Rename the football club and change the mark or logo of the Club;
- 22.2. Change the home venue(s) of the football club; and
- 22.3. Change the colours of the football club.

Indemnification

23. The Seller hereby indemnifies the Purchaser and holds it harmless against all and any claims which any party may make against the

Purchaser relating in any way to the Club purchased (i.e. the *Merx*), in respect of which the cause of action arose before the Effective Date and undertakes to pay all and any liabilities of and relating to the Club, accrued as at or relating to any period before the Effective Date.

Transfer of Players

24. Upon transfer of ownership of the Club from the Seller to the Purchaser on the Effective Date, all the professional football players contracted to the Club, shall become employed by the Purchaser. The registrations of the professional football players with the NSL shall be held by the Purchaser from that point onward.
25. The Purchaser shall pay all and any salaries, signing on fees, image right payments, bonuses, leave pay and/or other benefits due or accrued, to the professional football players, who are transferred to the Purchaser in accordance with this agreement and in particular paragraph 20.3.
26. Insofar as the NSL decides to retroactively make payment to the Club of any grant funds which may be due, in respect of any period prior to the Effective Date referred to above (specifically in relation to January 2025 and/or February 2025), the Purchaser agrees to pay said funds to the Seller and deposit into the ABSA account held by the curator *bonis* on behalf of the Seller.

G. BREACH

27. Insofar as either party commits a material breach of this agreement and fails to remedy same **within 3 (three) days of written notice** requiring it to do so, then the party giving the notice may:

- 27.1. Cancel this agreement and claim damages; or
- 27.2. Claim specific performance of all the defaulting party's obligations, together with damages, whether or not such obligations are due for performance.

H. THE INSOLVENCY ACT

28. The Parties record and agree that notice of the purchase and sale of the Business in terms of this agreement shall not be published in terms of section 34 of the Insolvency Act, No. 24 of 1936 ("Insolvency Act"), as amended.

I. FACTS THAT ARE WITHIN THE CONTEMPLATION OF THE PARTIES
AND THEIR RESPECTIVE REPRESENTATIVES AND UPON WHICH
THE PARTIES CONCLUDE THIS AGREEMENT

29. The Commissioner for the South African Revenue Service has, in terms of the provisional preservation order, and the provisions of the Tax Administration Act 28 of 2011, an interest in this agreement, and as such will be consulted by the Curator *Bonis* prior to the conclusion of this agreement.
30. The business of the Seller, as an asset of the Seller, vests in the Curator *Bonis* in terms of the provisional preservation order.
31. The Curator *Bonis* cannot guarantee that the Seller has or will be able to provide any of the following financial or related documents:
- 31.1. Signed audited annual financial statements of the Seller relating

to the business for any financial year; and

31.2. Books of account, accounting records, or other financial information as required by the Companies Act 71 of 2008.

32. The Purchaser will be required to forthwith but by no later than the Signature Date of this agreement, provide the Curator Bonis with various due-diligence documents, including without limitation (where applicable):

32.1. The identity of the purchaser and insofar as same is a juristic entity, the identities of the shareholders, copies of the issued share certificates, and/or the identity(ies) of any beneficial owner(s) (if any);

32.2. The VAT registration number of the entity concerned;

32.3. The source, nature and proof of funds of the Purchaser; and

32.4. Any other information which would be of assistance to our client in the consideration of proposed terms of this agreement.

33. The NSL has suspended the fixtures of the Club in the League and other competitions as from 22 January 2025 until otherwise advised.

34. At the time of concluding this agreement, the Seller is the subject of a player transfer ban issued by FIFA's Football Tribunal in respect of non-payment of funds concerning Samir Nurkovic, disputes concerning applications for free agency with the NSL's Dispute Resolution Chamber in respect of: Marlon Heugh, Ayabulela Maxwele; Khulekani Shezi; Sabelo Sithole; Sbangazni Zulu and Shadrack Kobedi.

35. The Curator *Bonis* is advised by the management of Royal AM FC that the decision of the FIFA Football Tribunal in respect of Ricardo dos Santos Nascimento has been resolved by the Seller, who paid the professional football player concerned.
36. The Seller is also engaged in a dispute with the Democratic Alliance political party ("the DA"), in term whereof the DA seeks to review and set aside the sponsorship agreement between Club and Msunduzi Municipality. Furthermore, the DA seeks an order in terms whereof the Seller is ordered to repay any and all amounts advanced to the Club, with interest, in accordance with the aforementioned sponsorship agreement. The aforementioned matter was heard on Friday, 28 February 2025 in the High Court (Kwa-Zulu Natal Division, Pietermaritzburg) and judgement was reserved.
37. The transfer of ownership of the object of this agreement shall be submitted to the Executive Committee of the NSL for prior written approval.

J. GENERAL PROVISIONS

38. This Agreement shall be read together with the Invitation to Submit Offers (herein referred to as the "Invitation") and the Purchaser acknowledges that he/she/it has read and understood the contents of the Invitation and agrees to be bound by the provisions of the Invitation. Consequently, a breach by the Purchaser of any of the terms of the Invitation will result in there simultaneously being a breach of the terms of this Agreement.
39. If there is a conflict between the provisions of this Agreement and the

Invitation, the provisions of this Agreement will prevail.

40. This document and the Invitation are the exclusive recordal of the terms of the agreement between the Seller and the Purchaser and constitute the whole agreement between the parties.
41. This agreement can only be amended or varied through an express written agreement to amend, which agreement must be signed by the Purchaser's duly authorised representative and the curator *Bonis* on behalf of the Seller. No other person or representative, other the representatives mentioned herein has and will have the authority to amend this agreement.
42. This agreement cannot be amended through conduct (whether by act or omission), through a verbal agreement (whether express or tacit) or in any other informal manner.
43. No failure or delay of either party in exercising any right, power or privilege will operate as a waiver. Any single or partial exercise of any right, power or privilege does not prevent any other or further exercise of the right or the exercise of any other right, power or privilege.
44. The signature by any party of a counterpart of this agreement shall be as effective as if that party had signed the same document as all of the other Parties.

SIGNED AT PRETORIA ON THIS THE DAY OF MARCH 2025.

For: **ROYAL AM FOOTBALL
CLUB (PTY) LTD**

Duly Authorised

Name: **Willem Jacobus Venter N.O.**

Designation: Curator *Bonis*

SIGNED AT ON THIS THE DAY OF MARCH 2025.

For: _____

Duly Authorised

Name: _____

Designation: