Standard Bank

Master Financial Lease Agreement

The Standard Bank of South Africa Limited
Vat Registration Number: 4100105461

of:
6 Simmonds Street, Johannesburg

And

Metsimaholo Local Municipality
VAT number: 4000846594

of:
Civic Centre, Fichardt Street, Sasolburg

These are "standard terms and conditions" FOR JURISTIC OUT (NCA)

The terms and conditions of this Agreement apply to each schedule signed by the Bank and the Customer, and shall be incorporated therein by reference. Each signed schedule shall create an independent lease agreement in respect of the Goods described in that schedule. A breach of any one of the schedules may be treated by the Bank as a breach of that schedule or of all of the schedules.

Part B - Terms and conditions granted to a juristic person

1 **DEFINITIONS**

1.1 **"Account"** means the account in your name in our books in respect of this Agreement;

1.2 **"Agreed Term"** means the term of the Agreement referred to under "Term of this Agreement" of Part A or such other term agreed to by us in writing;

1.3 **"Agreement"** means the cost of credit section (Part A) of this agreement, attached to and read together with these terms and conditions (Part B) and all letters and notices relating to same;

1.4 **"Authority to Release the Goods"** means the authority signed by you confirming that you have inspected and received the Goods on our behalf from the Supplier;

1.5 **"Bank", "we", "us", "our"** or **"Standard Bank"** means The Standard Bank of South Africa Limited (Registration number 1962/000738/06) and/or its successors in title or assigns;

1.6 **"Business Days"** means any day/s other than a Saturday, Sunday or a statutory holiday in the Republic of South Africa;

1.7 **"Collateral"** means any security provided to us to secure the repayment of your obligations to us under this Agreement;

1.8 **"Collection Costs"** means the amount that may be charged by us in enforcing your monetary obligations under this Agreement, but excludes any Default Administration Charges;

1.9 **"Companies Act"** means the Companies Act 71 of 2008 and all regulations promulgated in terms of this Act;

1.10 **"Constitutive Documents"** means - in the case of a company, the memorandum of association, articles of association, certificate to commence business, certificate of incorporation and/or the memorandum of incorporation and registration certificate, as the case may be; or in the case of a close corporation, the founding statement; or in the case of a trust, the trust deed and letters of authority;

1.11 **"CPA"** means the Consumer Protection Act 68 of 2008 and all regulations promulgated in terms of that act;

1.12 **"Customer", "you"** or **"your"** means the person described as the customer in Part A;

1.13 **"Default Administration Charges"** means charges which you must pay if you default in any payment obligation under this Agreement;

1.14 **"FAIS Act"** means the Financial Advisory and Intermediary Services Act 37 of 2002 and all regulations promulgated in terms of that act;

1.15 **"FICA"** means the Financial Intelligence Centre Act 38 of 2001 and all regulations promulgated in terms of that act;

1.16 **"Goods"** means the asset(s) described in Part A;

1.17 **"Group"** means our affiliates, associates, subsidiaries and divisions together with our holding company and the affiliates, associates, subsidiaries and divisions of our holding company;

1.18 **"Guarantor(s)"** means a person(s) who undertake(s) to pay, in full or in part, the amount owing in terms of this Agreement in the event of a default by you under this Agreement;

1.19 **"Initiation Fee"** means the fee in respect of the cost of initiating this Agreement payable by you;

1.20 **"Interest Rate Change Letter"** means the letter sent to you stating the new interest rate applicable to the Agreement, following a Prime Rate change;

1.21 **"Juristic Person"** does not include a private individual and for purposes of this definition, a trust with less than 3 (three) trustees, all of whom are Natural persons;

1.22 **"Margin"** means the agreed number of percentage points interest charged by us above or below the Prime Interest Rate;

1.23 **"Natural Person"** means a private individual, and for purposes of this definition, a trust with less than 3 (three) trustees, all of whom are private individuals;

1.24 **"Parties"** means you and us and **"Party"** means any one of us as the context may indicate;

1.25 **"Personal Information"** means information relating to an identifiable, Natural Person or Juristic person, including but not limited to, information relating to race, gender, sex, marital status, nationality, ethnic or social origin, colour, sexual orientation, age, physical or mental health, religion, belief, disability, language, birth, education, identity number, telephone number, email, postal or street address, biometric information and financial, criminal or employment history as well as correspondence sent by the person that is implicitly or explicitly of a private or confidential nature or further correspondence that would reveal the contents of the original correspondence;

1.26 **"Prime Interest Rate"** means the publicly quoted variable base rate of interest per year ruling from time to time (as certified by any manager of the Bank, whose appointment it shall not be necessary to prove) at which the Bank lends, and such certification shall be binding on the Parties in the absence of an obvious error;

1.27 **"Principal Debt"** means the amount deferred in terms of this Agreement;

1.28 **"Process"** means any operation or activity, whether automated or not, concerning Personal Information, including: collection; receipt; recording; organisation; collation; storage; updating or modification; retrieval; alteration; consultation; use; dissemination by means of transmission, distribution or making available in any other form; merging, linking, as well as blocking, degradation , erasure or destruction of information and **"Processing"** will have a similar meaning;

1.29 **"Repayment"** means the monthly instalment made, or to be made by you to us and **"Repayment Due Date"** means the due date for payment of all amounts due and payable as advised by us;

1.30 **"Repayment Authorisation"** means the method by which you effect the repayment and includes a debit order;

1.31 **"Sanction List"** means the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control of the Department of Treasury of the United States of America (**"OFAC"**) and/or the United Nations Security Council (**"UNSC"**) list of persons or entities suspected to be involved in terrorist related activities or the funding thereof and/or any other list of Her Majesty's Treasury of the United Kingdom (**"HMT"**) and/or the European Union's Common Foreign and Security Policy (**"EU"**);

1.32 **"Sanctioned"** means listed on all or any one of the Sanctioned Lists and/or subject to any Sanctions;

1.33 **"Service Fee"** means the fee levied by us in connection with the routine administration costs of maintaining this Agreement;

1.34 **"Settlement Date"** means the date on which all amounts due and payable to us are paid;

1.35 **"Settlement Value"** means the full amount owing to us under this Agreement together with any unpaid interest and all other legally permissible costs, fees and charges as at the Settlement Date;

1.36 **"Statement"** means the document reflecting the transactions made on your Account up to the date of the statement; the full amount due to us (including any legally permissible interest, costs, fees and charges that may be levied); the Repayment; and the Repayment Due Date;

1.37 **"Supplier"** means the party who supplies the Goods;

1.38 **"Surety(ies)"** means a person(s) who undertake(s) to pay, in full or in part, the amount owing in terms of this Agreement in the event of a default by you under this Agreement; and

2 **"VAT"** means value added tax charged in terms of the Value-Added Tax Act 89 of 1991 and all regulations promulgated in terms of this act.

INTERPRETATION

2.1 We have defined some words for consistency. These words will begin with a capital letter.

2.2 Where any number of days is referred to in this Agreement, it will include only Business Days and will exclude the first day and include the last day.

2.3 If we are required to exercise our discretion in this Agreement, we will exercise such discretion in a reasonable manner.

2.4 The singular includes the plural and vice versa and any gender includes the other gender.

2.5 All headings are for convenience only and are not to be taken into account for the purposes of interpreting these terms and conditions.

2.6 If any provision in the definitions section is important and gives rights to or imposes obligations on a Party, then effect will be given to that provision as if it were a provision in the body of this Agreement.

2.7 All legislation and subordinate legislation mentioned in this Agreement includes legislation or subordinate legislation at the date of signature of this Agreement and as changed or re-enacted from time to time.

2.8 Important clauses which may limit our responsibility or involve some risk for you will be in bold.

3 **LEASE**

We hereby lease the Goods to you and you lease the Goods from us on the terms and conditions set out in this Agreement.

4 **OWNERSHIP OF THE GOODS**

4.1 **We will be the owner of the Goods for the duration of this Agreement.**

4.2 On the expiry date of this Agreement and if you have settled all your obligations to us, you may return the Goods to us, at your expense, to enable us to sell the Goods for you, or you may become the owner of the Goods at nil value, or you may request us to enter into a new lease agreement with you in respect of the Goods on terms to be negotiated at that time.

4.3 The proceeds received from any sale contemplated in 4.2, less any disposal costs, will be paid to you.

4.4 You will be responsible for any income tax implications and we recommend that you obtain independent tax advice when you exercise your end of lease options.

5 **DELIVERY AND RISK IN THE GOODS**

5.1 You have selected the Goods from the Supplier and we have no knowledge of the purpose for which the Goods are to be used.

5.2 You must inspect the Goods on our behalf and if you are satisfied that the Goods are free of defects, you must sign the Authority to Release the Goods and give it to the Supplier. By doing this, you are instructing us to pay the Supplier for the Goods.

5.3 You will act as our agent when taking delivery of the Goods, so that we become the owner of the Goods. The Supplier will act as our agent for the purpose of delivering the Goods to you.

5.4 The Supplier and you will only act as our agent for the purposes set out in this Agreement.

5.5 Subject to your rights in the CPA, you agree that we have made no warranties or representations to you as to the state, condition or fitness of the Goods. We are not the manufacturer of the Goods, and we have not inspected the Goods and could therefore not reasonably have discovered any defects in the Goods.

5.6 The risk in the Goods will pass to you when you take delivery of the Goods or when you sign this Agreement, whichever is earlier.

6 USE AND MAINTENANCE OF THE GOODS

6.1 You must:

6.1.1 use the Goods with care and not do anything that may affect our rights in respect of the Goods, and you may not alter or modify the Goods without our consent;

6.1.2 comply with all laws relating to the possession, operation, licensing, registration, insurance and use of the Goods at your expense;

6.1.3 keep the Goods in your possession and under your control and not sell or part with possession of the Goods or allow the Goods to be removed from the Republic of South Africa without our prior written consent,

6.1.4 maintain and service the Goods in accordance with the manufacturer's specifications, keep them in good working order and condition and ensure that they are only used by qualified and licensed drivers and operators;

6.1.5 ensure that the Goods are not permanently attached to, or form part of, any other property (movable or immovable) and provide us with a written waiver from any person from whom we may require such waiver;

6.1.6 not use or allow the Goods to be used in an illegal manner or for an illegal purpose or in a manner which may invalidate any insurance claim, nor use the Goods for the transportation of persons or goods for reward nor for any racing or dangerous activity;

6.1.7 not allow the Goods to become subject to any lien (a right by a third party to take possession of the Goods to satisfy any debt owing to them by you), hypothec (a right by a landlord to take possession of the Goods to satisfy any amounts owing to them by you) or attachment by a third party by way of an order of any court. In the event of a third party attaching the Goods as part of any lien, hypothec or any other encumbrance, you undertake to immediately obtain the release of the Goods from the third party.

6.2 All replacement parts and accessories that you add to the Goods will form part of the Goods and become our property without payment of any compensation to you.

6.3 We, or our representatives, may at all reasonable times inspect the Goods on any premises where they are kept.

6.4 If you store the Goods on premises that you do not own, you must notify us in writing of the name and address of the landlord or the owner of the premises and inform us of any changes in respect thereof during the currency of the Agreement. You must also inform the landlord or the owner of the premises that we own the Goods.

7 LOSS OF OR DAMAGE TO GOODS

7.1 If the Goods are damaged, destroyed or lost, you must immediately notify us in writing and do everything necessary to ensure payment to us of the proceeds under any insurance policy.

7.2 If so required by us, you shall repair and replace the Goods at your cost and continue to discharge all of your obligations under this Agreement on due date.

7.3 If the Goods are lost, damaged or destroyed and we or the insurer of the Goods determine that the Goods are incapable of economic repair, we shall be entitled to terminate this Agreement and to claim in terms of 19.3.2 as if an event of default had occurred.

8 INSURANCE

8.1 You must ensure for the duration of this Agreement, that:

8.1.1 the Goods are comprehensively insured against all risks for which such Goods are normally insured, for no less than the total of your obligations to us under this Agreement from time to time with an insurance company in terms of a policy acceptable to us; and

8.1.2 we are provided with proof of such insurance on our request for same, from time to time. This proof of insurance must include that our interest as owner of the Goods has been noted.

8.2 We may propose an insurance company to you and, at your request, arrange insurance on your behalf. If we do so we will provide you with an insurance disclosure (that is, a disclosure of the cost of the insurance arranged by us and the amount of any fee, commission, remuneration or benefit which we may receive in respect of the insurance policy).

8.3 You may arrange your own insurance cover with an insurer of your choice. If we find the insurance unacceptable, we will notify you of the reason and we may then exercise our right to take up insurance with any insurer on your behalf and at your expense.

8.4 You confirm having been informed of your right to waive a policy of insurance proposed by us and to substitute it with a policy of your own choice.

8.5 Irrespective of whether you exercise your right to substitute it with an insurance policy of your own choice or not, you must give us a written nomination and authority: -

8.5.1 to pay any premium on any insurance policy taken out by you or us in connection with this Agreement and debit your Account on a monthly/ yearly basis in respect of such premiums which will become payable by you and which will bear interest at the same rate as reflected in Part A.

8.5.2 nominating us as the first loss payee under the insurance policy (that is the recipient of the proceeds of a claim under that policy) and requiring the insurer to use the proceeds of any claim to settle your obligations to us under this Agreement on your behalf as a first charge against the policy to us;

8.5.3 authorising the insurer concerned to make payment if an insured event occurs, to settle your obligations to us under this Agreement as a first charge against the proceeds of that policy at any time during the term of this Agreement.

8.6 You consent to us, enquiring from your insurer at any time if your insurance policy is still in place and fully paid.

8.7 Where you fail to insure the Goods or provide proof that the Goods are insured as required in terms of clause 8.1 we will have the right, but not an obligation, to insure the Goods in our name and/or your name, at your expense, with an insurance company nominated by us. This may be as specified or deemed necessary by us at our sole discretion.

8.8 If we request you to do so, you must insure the life of your directors, members, trustees or partners to the full amount of the Principal Debt with a registered insurer of your choice. You cede all your rights to any such life insurance policy to us as security for all your obligations to us in terms of this Agreement.

8.9 If any insurer rejects an insurance claim for any reason or if the replacement cost of the Goods is more than the benefits under your insurance policy, you will have no recourse against us for any loss directly or indirectly incurred, unless the Bank or any person acting for or controlled by us acted with gross negligence.

8.10 You understand and acknowledge that the required insurance in terms of this Agreement does not constitute a formal insurance assessment. It is your responsibility to ensure that your insurance risk is adequately covered.

9 SURRENDER OF THE GOODS

9.1 You may terminate this Agreement by advising us that you wish to surrender the Goods to us and by delivering the Goods to us within 5 (five) Business Days of the date of the surrender notice with a request to us to sell the Goods.

9.2 We will appoint a valuator to value the Goods and advise you of the estimated value within 10 (ten) Business Oays of being placed in possession of the Goods.

9.3 Within 10 (ten) Business Days after receipt of the estimated value, you may (unless you are in default under this Agreement) unconditionally withdraw the notice of surrender of the Goods and you may resume possession of the Goods. If you are in default, you may only resume possession of the Goods if you have brought your Account up to date and no arrear amounts reflect on the Account.

9.4 If you do not withdraw the notice, we will sell the Goods as soon as practicable for the best price reasonably obtainable and:

9.4.1 credit or debit you with a payment or charge equivalent to the proceeds of the sale, less any expenses reasonably incurred by us in connection with the sale of the Goods;

9.4.2 give you a written notice stating:

9.4.2.1 the Settlement Value of the Agreement immediately before the sale;

9.4.2.2 the gross amount realized by the sale;

9.4.2.3 the net proceeds of the sale after deducting permitted default charges, if applicable, and reasonable costs incurred in selling the Goods; and

9.4.2.4 the amount credited or debited to the Account.

9.5 If the amount credited to your Account is less than the Settlement Value immediately before the sale or an amount is debited to your Account, we may demand payment from you of the remaining Settlement Value.

9.6 If you:

9.6.1 fail to pay the amount demanded by us within 10 (ten) Business Days after receipt of the demand, we may commence legal proceedings for judgment enforcing this Agreement; or

9.6.2 pay the amount demanded before judgment is obtained, this Agreement will be terminated upon such payment, it being agreed that in either event you shall pay interest at the prevailing interest rate on any outstanding amount demanded by us, from the date of demand until the date on which the outstanding amount is paid in full.

9.7 If the proceeds of the sale of the Goods are more than sufficient to settle your full liability to us, leaving a credit in your favour, we will pay this to you provided that no other credit provider has a credit agreement in respect of the Goods with you.

10 CHANGE IN CONTROL OF A COMPANY, CLOSE CORPORATION, PARTNERSHIP OR TRUST

10.1 You must let us know in writing as soon as you become aware of any proposed or actual change in the direct or indirect ownership and/or control and/or management of:-

10.1.1 the company, close corporation, partnership or trust that has entered into this Agreement; and/or

10.1.2 any Surety/Guarantor or mortgagor for your debt to us.

10.2 Any change taking place in terms of clause 10.1 above will not affect any Collateral held by us nor will it release any Surety/Guarantor (if any) from a suretyship/guarantee.

10.3 In the event of any proposed or actual change referred to in this clause 10.1 we reserve the right to reconsider the terms and conditions of this Agreement.

11 PAYMENTS

11.1 If you are required to pay a deposit, you must pay the deposit as detailed in Part A.

11.2 If you have indicated that you will pay the Initiation Fee upfront into your Account and if you fail to pay such fee or any part thereof on the date on which you sign this Agreement, you agree that we may debit the unpaid Initiation Fee to the Account as part of the Principal Oebt.

11.3 If you have indicated that you will not pay the Initiation Fee separately, this fee will be added to the Principal Debt and be debited to your Account on your signature of this Agreement.

11.4 **You must pay all Repayments on or before the Repayment Due Date, by debit order instruction unless otherwise agreed to by us in writing, without any deduction or demand, for the duration of this Agreement.**

Initial(s)

11.5 **Each Repayment will be credited to your Account on date of receipt firstly to satisfy any due or unpaid interest, secondly to satisfy any due or unpaid costs, fees and charges, and thirdly to reduce the amount of the Principal Debt.**

11.6 We will notify you in the event of an increase in any legally permissible fee, charge, insurance premium or interest rate, in accordance with this Agreement, and you agree to increase your Repayment accordingly. In the event that you have a debit order instruction in place, you authorise us to increase the Repayment amount under your debit order instruction to ensure that your indebtedness to us will be repaid within the Agreed Term

11.7 You have the right at any time to pay any amounts owed to us in advance without notice or penalty, irrespective of whether or not the amounts are due. You agree that any advance payments made by you under this Agreement will result in the Repayments being reduced proportionately so as to not change the term of this Agreement. If you want any advance Repayment to have the effect of shortening the Agreed Term of this Agreement rather than reducing the Repayments, you must contact us to advise us of this.

11.8 If a third party takes possession of the Goods, you will remain responsible for the Repayments.

11.9 You will not be entitled to deduct any amount which we may owe to you, from any amount owing or which may become owing by you to us, arising from the terms of this Agreement.

11.10 If applicable, the monthly Service Fee will be debited to the Account.

11.11 We reserve the right, in our sole discretion, to accept Repayments made other than by way of debit order.

12 STATEMENTS

12.1 We will provide you with a periodic Statement of your Account.

12.2 You may dispute (i.e. query) all or part of the Statement delivered to you by sending us written notice of your query.

12.3 You should contact our Customer Contact Centre if you do not receive a Statement or if you require any additional Statements. Failure to receive a Statement will not entitle you to refuse or fail to pay any amount that is due to us.

12.4 Subject to the provisions of clause 23.1of this Agreement, a transfer from or a credit to your Account, will be processed on the date on which the transaction is effected.

12.5 We may subsequently adjust debits or credits to your Account so as to accurately reflect both your and our legal obligations.

13 COLLATERAL

13.1 The Collateral, as detailed in the "Collateral" clause of Part A, is governed by the specific conditions applicable to each item.

13.2 Where the Collateral held or required relates to a bond over property, the following additional conditions apply:-

13.2.1 you and/or the mortgagor must maintain the property in a good state of repair;

13.2.2 the property must meet the requirements of any competent public or other authority;

13.2.3 **you and/or the mortgagor must not make any material alterations or improvements to the property, or remove the building(s) or any part thereof, without obtaining our prior written consent (which will not be unreasonably withheld or delayed);**

13.2.4 we, or our duly appointed agents, will be entitled at all reasonable times to enter and inspect both the internal and external parts of the property;

13.2.5 you and/or the mortgagor must pay, on or before the due date, all amounts which may become due and payable to the body corporate and/or to any competent public or local authority or any creditor of the body corporate in respect of the property. At our request, you and/or the mortgagor must produce proof of having done so. If any amounts which are due and payable remain unpaid after the due date, you agree that we will be entitled, but not be obliged, to pay such amounts on your/the mortgagor's behalf without notice to you and/or the mortgagor. All such amounts will be debited to your Account and will bear interest as reflected in this Agreement. It is your or the mortgagor's responsibility to notify us, in writing, of any arrears in respect of any amounts due in terms of this clause 13.2.5;

13.2.6 on registration of the bond you and/or the mortgagor must deposit, with us, the title deeds endorsed with the bond and any diagrams, licences and leases on the property, and during the period of the bond, hand to us copies of the policies of insurance, all leases relating to the property and insurance premium receipts and receipts for levies paid. We will retain all title deeds and documents in safe custody;

13.2.7 you and/or the mortgagor may not, without our prior written consent (which will not be unreasonably withheld or delayed), sell, dispose of or otherwise alienate the property under a deed of sale or contract ("contract") in terms of which the purchase price or consideration is payable in more than 2 (two) instalments extending over more than 1 (one) year;

13.2.8 if you and/or the Mortgagor do not obtain our prior consent as required in clause 13.2.7 above then, without affecting any of our other rights, you and/or the mortgagor cede, assign and transfer to us all your or the Mortgagor's rights, title and interest in and to:-

13.2.8.1 all the instalments and other sums payable under the contract;

13.2.8.2 collect and receive the instalments, with power to give proper receipts and acceptances; and

13.2.8.3 institute any legal proceedings for recovery of the instalments if payment is not made in accordance with the default procedure described in the "Default" clause in this Part B;

13.2.9 you and/or the mortgagor may not, without our prior written consent (which will not be unreasonably withheld or delayed) let, mortgage or in any way further alienate, burden, encumber or give up occupation of the property or any part of it, or use the

property or any part thereof for purposes other than the intended use as advised to us at the time that this Agreement was entered into;

13.2.10 you and/or the mortgagor must, at all times, comply with the conditions of title, the rules of the body corporate, the Sectional Titles Act, the provisions of all servitudes and town planning schemes, all laws, by-laws, ordinances, proclamations and regulations applicable to or incumbent on you and/or the mortgagor or the property; and/or

13.2.11 if the whole or any part of the property is lawfully expropriated (evicted for a public purpose by lawful means) by any competent authority, or subject to a land claim in terms of the Restitution of Land Rights Act and such claim is settled by negotiation between you and/or the Mortgagor and the Land Claims Commissioner, any compensation payable must be used to reduce or repay the amount outstanding under this Agreement.

13.3 We have the right to ask you to provide us with additional collateral, within a reasonable period of time after our written request, to secure repayment of the Agreement if the value of any Collateral held by us to secure your obligations in terms of this Agreement is no longer adequate or in our reasonable opinion, your conduct on the Account increases our risk under the Account or any other amount owing to us in terms of any other agreement.

13.4 The Collateral may be realised in part or in full:-

13.4.1 if you are subject to the NCA – and you give written notice to us to terminate this Agreement and request that we sell (realise) any Collateral held by us for your obligations in terms of this Agreement. We may realise the Collateral in accordance with the procedures of the NCA and credit your Account with the proceeds from the realisation of the Collateral. If the amount credited to your Account exceeds the Settlement Value prior to the realisation of the Collateral, and if there is another credit provider with a registered credit agreement in respect of the same Collateral, we are required by the NCA to pay the excess to the National Credit Tribunal; or

13.4.2 if you are not subject to the NCA – and you give written notice to us to terminate this Agreement and request that we sell (realise) any Collateral which is held by us for your obligations in terms of this Agreement. We may realise the Collateral and credit your Account with the proceeds from the realisation of the Collateral; and / or

13.4.3 if you are in default in terms of this Agreement and we exercise our rights in terms of this Agreement in accordance with the "Default" clause in this Part B; and/or

13.4.4 where a court has issued an attachment order in our favour.

13.5 If the proceeds realised exceed the amount owing by you, the excess will be paid to you, or to any Surety/Guarantor or mortgagor, whose supporting Collateral has been realised and has resulted in the receipt of excess funds.

13.6 Any Collateral required by us in respect of the Agreement will not affect any other collateral that we may already hold or any rights that we may have in terms of this Agreement.

14 COSTS, FEES AND CHARGES

14.1 We may charge and recover fees in respect of this Agreement provided that the amount of any fee charged and recovered does not exceed the legal maximum permissible amount.

14.2 Unless stated otherwise, the costs, fees and charges referred to in this "Costs, fees and charges" clause are inclusive of VAT. All costs, fees and charges in respect of this Agreement will be debited to the Account.

14.3 Where there is a change in the frequency or time for payment of a fee or charge, we will give you written notice of at least 5 (five) Business Days, setting out the particulars of the change.

14.4 If we charge a fee in respect of this Agreement which is less than the prescribed legal maximum, then we may at any time increase it by giving you written notice of the increase no later than 5 (five) Business Days following the date on which the relevant fee changed, setting out the amount of the new fee.

14.5 You must pay to us all applicable costs, fees and charges set out in this "Costs, fees and charges" clause together with the Principal Debt and interest on the Principal Debt as set out in this Agreement.

14.6 The total of the amounts in Part A, in respect of the Initiation Fee, the Service Fee, the insurance and interest, where applicable, as well as Default Administration Charges and Collection Costs, which accrue when you are in default, may not exceed the unpaid balance of the Principal Debt at the time the default occurs

14.7 We may immediately amend the pricing structure applicable to the Principal Debt if there is a change in law or the issue of a directive with which we must comply and/or market conditions resulting in an increasing cost to us. If we do so we may advise you accordingly.

15 LEGAL COSTS AND CHARGES

15.1 Default Administration Charges

15.1.1 If you default in any payment obligation under this Agreement, we will charge you Default Administration Charges in respect of each letter sent to you. Default Administration Charges will be equal to the amount payable In respect of a registered letter of demand in undefended actions (i.e. legal action which is not defended by you) in terms of the Magistrates Court Act 32 of 1944, in addition to any reasonable and necessary expenses incurred in delivering the letter.

15.1.2 If you are in default of your Repayment obligations, you may at any time before cancellation of the Agreement by us, pay us all amounts that are overdue, together with Default Administration Charges, Collection Costs and/or reasonable legal

costs incurred up to the date of payment in terms of this clause, and we may reinstate this Agreement.

15.2 **Collection Costs**

15.2.1 We will charge you in respect of the enforcement of your payment obligations under this Agreement, all costs incurred by us in collecting any amount due and/or payable by you in terms of this Agreement.

15.2.2 Collection Costs will not exceed the costs incurred by us in collecting the debt, to the extent limited by law and in terms of the Supreme Court Act 59 of 1959, the Magistrates Court Act 32 of 1944, the Attorneys Act 53 of 1979, or the Debt Collectors Act 114 of 1998, whichever is applicable to the court approached by us to enforce this Agreement.

16 **INTEREST**

16.1 The variable interest rate applicable to this Agreement is linked to the Prime Interest Rate by a Margin related to the Prime Rate that is determined by us and has been disclosed in the "Variable interest rate" clause of Part A

16.2 The interest rate applicable to this Agreement will change if the Prime Rate fluctuates, provided that the new rate does not exceed any legal maximum permissible rate. If we do amend the interest rate, we will advise you in writing within at least 30 (thirty) Business Days after the change becomes effective.

16.3 Any amendment to the Prime Interest Rate will also result in an amendment to the amount reflected under the "Total cost of this Agreement" clause of Part A.

16.4 You may apply for a fixed interest rate by concluding a Fixed Interest Rate Option, however the granting of such a fixed interest rate will be at our discretion.

16.5 The interest payable by you is calculated on a daily basis on the outstanding capital balance and calculated on a 365-day year, irrespective of whether the relevant year is a leap year charged monthly in arrears and is due and payable on the Payment Due Date and debited to your Account.

16.6 We will be entitled to add any unpaid interest to the outstanding balance of the Principal Debt.

16.7 We may charge and recover interest on and in respect of any unpaid interest, insurance premiums, costs, fees and charges referred to in this Agreement from you, which interest will be charged at a rate not exceeding the highest interest rate applicable in terms of this Agreement, provided that the amounts that accrue during the time you are in default will not in total exceed the unpaid balance of the Principal Debt at the time of default.

16.8 The default interest rate applicable to any amount by which you are in default and any amount which is not paid on its due date shall be the maximum interest rate prescribed by law.

16.9 If the Prime Interest Rate, increases or decreases, the rate of interest payable by you may also decrease or increase by the same number of percentage points provided that this new rate does not exceed the legal maximum permissible rate. We shall in such event have the right to increase or reduce the Payments, as the case may be, to such an amount as the Bank determines, so as to ensure that your indebtedness to the Bank is repaid within the term of this Agreement.

17 **TERMINATION OF THIS AGREEMENT BY YOU**

17.1 You may terminate this Agreement and settle the amount owing to us at any time with or without advance notice to us. The amount required to settle this Agreement will be the total of:

17.1.1 the unpaid balance of the Principal Debt as at the Settlement Date;

17.1.2 unpaid interest and all other costs, fees and charges payable by you to us up to and until the Settlement Date; and

17.1.3 an early termination charge in an amount equal to no more than the interest which would have been payable under this Agreement for a period equal to the difference between 3 (three) months and the period of notice of settlement, if any, given by you.

17.2 If you would like a Settlement Value, we will provide it to you orally or, in writing, within 5 (five) Business Days of your request to do so.

18 **WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS**

18.1 You warrant and represent to us on the date on which you sign this Agreement and for the duration of this Agreement that:–

18.1.1 you have the full capacity to effect and carry out your obligations in terms of this Agreement and that the terms of this Agreement do not conflict with and do not constitute a breach of the terms of any other agreement or undertaking or act that is binding on you;

18.1.2 if applicable, you and any person who has provided Collateral, have advised us if there are any requirements in your/their Constitutive Documents, which amend any alterable provisions of the Companies Act, particularly relating to your entering into this Agreement, and if applicable your/their power to provide Collateral, and that you/they have taken all necessary steps, fulfilled all formalities and obtained all approvals required by your/their Constitutive Documents as well as the Companies Act;

18.1.3 all information that you provided to us in connection with this Agreement is in all aspects true, complete, current and accurate, and you are not aware of any material facts or circumstances not disclosed to us which, if disclosed, would adversely affect our decision to enter into this Agreement;

18.1.4 you are not in default in respect of any of your material obligations in connection with the Agreement and no default as specified in the "Default" clause has occurred or is occurring;

18.1.5 if applicable, you will advise us in writing of any change to your status as a VAT vendor and / or if your use of the Goods changes from private use to business use or vice versa;

18.1.6 you will ensure that you, at all times, comply with the formalities required in terms of your Constitutive Documents as well as all legislation and regulations applicable to this Agreement and your business activities, including but not limited to, where applicable:-

18.1.6.1 delivering on time to the Companies and Intellectual Property Commission, your annual returns together with payment of your yearly fees, in respect of each financial year, in accordance with the provisions of the Companies Act or any other applicable laws;

18.1.6.2 all environmental laws and responsibilities, and/or

18.1.6.3 all exchange control regulations, rulings and requirements applicable to this Agreement from time to time.

18.2 You must tell us immediately if you are placed under an administration order, dissolved, deregistered wound up or liquidated, in any event, whether provisionally or finally and whether voluntarily or compulsorily, or you pass a resolution providing for any such event; and/or are you are deemed to be unable to pay your debts; and/or you resolve that to begin business rescue proceedings or have any business rescue proceedings commenced against you, or you become subject to any form of legal disability. On application for your liquidation, any amount outstanding under this Agreement will immediately become due, owing and payable to us.

18.3 To the maximum extent permitted by law, you hereby indemnify (hold us harmless) against any loss or damage suffered by us as a result of our reliance on any warranty, representation or information given by you in relation to this Agreement.

18.4 You must at our request, which will normally be made annually, provide us with your latest financial statements, contingent liability details and any other reasonably required information of or relating to you and/or any Surety/Guarantor, signed in each case by you, the Surety/Guarantor, auditors, directors or other persons that we consider acceptable.

19 DEFAULT

19.1 Default in terms of this Agreement will occur if:-

19.1.1 you fail to pay any amount payable to us under this Agreement on the Repayment Due Date;

19.1.2 the Goods are lost damaged or destroyed as contemplated in clause 7.3;

19.1.3 you fail to comply with legislation and/or regulations applicable to the Goods;

19.1.4 you breach any of the terms and conditions of this Agreement and you fail to remedy the breach within the timeframe provided for in the written notice to do so;

19.1.5 you are dissolved, deregistered, wound up, or liquidated in any event, whether provisionally or finally, and whether voluntarily or compulsory or pass a resolution providing for any such event; and / or are deemed to be unable to pay your debts; and / or resolves that you voluntarily begin business rescue proceedings or have any business rescue proceedings commenced against you;

19.1.6 you compromise or attempt to compromise with your creditors generally or defer payment of debts owing by you to your creditors;

19.1.7 any representation, warranty or assurance made or given by you in connection with your application for this Agreement or any information and/or documentation supplied by you is, in our opinion, materially incorrect or false;

19.1.8 you generally do or omit to do anything which may affect our rights in terms of this Agreement;

19.1.9 you do not comply with any of the provision of the Municipal Finance Management Act no. 56 of 2003 as amended from time to time;

19.1.10 you fail to keep the Goods licenced and registered with the relevant authorities; and

19.1.11 judgement of a competent court against you, for the attachment of assets or for payment of any amount remains unsatisfied for more than 7 (seven) days after the date on which it is issued.

19.2 If you are in default of this Agreement, we may give you written notice of such default requesting you to rectify the default; by giving you 10 (ten) Business Days written notice of the default; and / or review the terms and conditions applicable to this Agreement; and / or increase the rate of interest charged; and/ or commence legal proceedings as set out hereunder.

19.3 If you fail to respond to us or reject our proposals set out in the written notice referred to in clause 19.2 and you remain in default for 20 (twenty) Business Days after the date of the written notice. We may commence legal proceedings against you to:

19.3.1 claim payment of all Repayments and any other amounts, whether due or not; provided, however, that if you do not make immediate payment we may, notwithstanding the election to claim immediate payment in terms of this sub-clause, claim the relief set out in 19.3.2 below;

19.3.2 cancel this Agreement, obtain possession of the Goods and recover from you as pre-estimated liquidated damages, the total amount of Repayments not yet paid by you and any other amounts owing, whether due or not, less the value of the Goods as at the date on which we obtain possession of same or the proceeds of the of any insurance policy paid to you in respect of the Goods. If we do not obtain possession of the Goods, the value of same will be nil.

19.4 We may exercise our rights in terms of this "Default" clause and if you dispute our right to do so, you must continue the Repayments. Our acceptance of such amounts will not affect any of our rights in terms of this Agreement or in law.

19.5 If you are in default under this Agreement, you may at any time before cancellation of the Agreement by us, pay us all amounts that are overdue, together with Default Administration Charges, Collection Costs and/or reasonable legal costs incurred up to the date of payment

in terms of this clause, and we may reinstate this Agreement.

19.6 The above default clauses and default procedure will not apply if you generally do or omit to do anything which may cause us to suffer any loss or damage, reputational risk, you become or are likely to become Sanctioned, we in any way know or suspect that your Account is being used fraudulently, negligently, for illegal or for any terrorist activities, or for any purpose that does not comply with the law or you are involved in any illegal or terrorist activities. In these circumstances we may immediately terminate the Agreement, and call for immediate payment of all amounts owing by you to us.

19.7 If we close, restrict activity or suspend access to your Account for any reason, we will not be legally responsible (liable), directly or indirectly, for any damages arising as a result of such action that you or any third party may suffer, unless such damages are caused by our gross negligence or that of any person acting for or controlled by us.

19.8 You agree to us using any electronic means available to track and trace the Goods should you be in default under this Agreement.

20 CESSION BY THE BANK

20.1 To the maximum extent permitted by law, you hereby agree that we may, without further notice to you, cede all or part of our rights and/or delegate all or any part of our obligations under this Agreement, either absolutely or as collateral to any person, even though that cession and/or delegation may result in a splitting of claims against you.

20.2 You agree that you may not transfer your rights or delegate your obligations under this Agreement unless you have obtained our written consent.

21 INFORMATION SHARING

21.1 By entering into this Agreement you acknowledge and agree that we may provide any registered credit bureau with - details provided by you in this Agreement; and/or details of the conduct of your Account and /or any other details as may be required by any applicable law.

21.2 Based on their records, the credit bureaux may provide a credit profile and/or a credit score on your creditworthiness to other credit providers. You have the right to contact the credit bureaux to have your credit record with it disclosed and to request the correction of inaccurate information.

21.3 We may provide details to the South African Fraud Prevention Services ("SAFPS") of any conduct on your Account that gives us reasonable cause to suspect that the Account is being used for improper purposes. The SAFPS may in turn make this information available to other members of the SAFPS if they carry out credit or other checks on your name.

21.4 At the request of any Surety/Guarantor, you agree that we may provide them with a copy of this Agreement, together with any amendments thereto, and/or details of the conduct of your Account.

22 ADDRESSES FOR NOTICES

22.1 You choose, as the address for the serving of legal notices in terms of this Agreement ("notice address"), your address set out in Part A.

22.2 Any other notice or communication required or permitted to be given in respect of the provisions of this Agreement will be valid and effective only if in writing and sent to your notice address or the telefax number, email address or postal address provided in your application for finance, or any address advised in terms of clause 22.3 below, provided that the documents to be delivered in respect of legal proceedings in connection with this Agreement may only be served at your notice address.

22.3 You must give us written notice to change your notice address, the address of the premises on which the Goods in respect of this Agreement are ordinarily kept, in the event of a sub-lease, the name and address of any other person to whom possession of the Goods has been transferred, postal address, telefax number or email address. The change will be effective on the 10th (tenth) Business Day after receipt of the notice. Any notice - sent by prepaid registered post will be deemed to have been received on the 5th (fifth) Business Day after posting; or sent by ordinary mail will be deemed to have been received on the 7th seventh) Business Day after posting; or delivered by hand will be deemed to have been received on the day of delivery; or sent by telefax or email will be deemed to have been received on the 1st (first) Business Day after the date it was sent.

22.4 Despite anything to the contrary set out in this "Addresses for notices" clause, a written notice or communication actually received by you will be an adequate written notice or communication to you even though it was not sent to or delivered to your notice address, postal address, telefax number or email address. You hereby agree that where the post office does not effect street deliveries at your notice address, we may send any notices in terms of this Agreement to your postal address.

22.5 We choose the address set out on page 1 of Part A as the address at which all notices required to be delivered in terms of this Agreement, must be delivered by you ("our notice address").

23 GENERAL

23.1 If your date for Repayment or the charging of interest, costs, fees or charges does not fall on a Business Day, the item(s) will be processed on the 1st(first) Business Day after that day.

23.2 Where the value of the Goods must be determined for any purpose related to this Agreement, and in our opinion we are required to appoint an assessor/valuator, you authorise us to appoint an assessor/valuator of our choice. You agree and undertake to accept such assessment/valuation.

23.3 Unless specifically stated and agreed in writing, no amendment to this Agreement will create a new agreement.

23.4 Any translated version of this Agreement translated from this English version will be provided to you, upon request, for information purposes only. While the translated version of the Agreement describes the rights and obligations contained in this Agreement please note that

this English version of the Agreement signed by you constitutes the legally binding Agreement between us. Therefore, any enforcement procedures in respect of the Agreement will be based on this English version.

23.5 At our request you will be required to provide us with your latest financial statements, contingent liability details and any other reasonably required information of or relating to you and any Surety/ Guarantor.

23.6 This Agreement will be governed by and interpreted in accordance with the laws of the Republic of South Africa and you hereby consent in terms of section 45 of the Magistrate's Court Act 32 of 1944 of to us taking legal steps to enforce any of our rights in terms of this Agreement, to the jurisdiction of any Magistrate's Court having jurisdiction in the area in which you reside or work, despite the amount involved. You do not consent to the jurisdiction of the High Court if the Magistrate's Court has concurrent jurisdiction.

23.7 To the maximum extent permitted by law, any special consideration we may give you will not be seen as a waiver of any of our rights under this Agreement or in any way affect any of our rights against you.

23.8 On application for insolvency proceedings any amounts outstanding under this Agreement will immediately become due, owing and payable to us.

23.9 A certificate signed by any of our managers, whose appointment need not be proved, specifying the amount which you owe to us and stating that such amount is due, owing and payable by you to us, will on its mere production be sufficient proof of any amount due and/or owing by you in terms of this Agreement, unless the contrary is proved.

23.10 To the extent that this Agreement, or the Goods or services which are the subject of this Agreement, are governed by or subject to the CPA, no provision of this Agreement is intended to contravene the applicable provisions of the CPA. All provisions of this Agreement will be deemed to be qualified to the extent required in order to ensure compliance with the applicable provisions of the CPA and this Agreement must be interpreted and applied accordingly.

23.11 If any of the clauses (or any portion of the clauses) in this Agreement are found to be invalid, illegal or unenforceable this will not affect the remaining clauses in this Agreement which will continue with full force and effect.

23.12 Save as provided for in clause 14.3 above, any agreed changes to this Agreement will be made in writing and signed by both you and us or if the changes are recorded telephonically, we will provide you with written confirmation of the change. We will deliver to you a document reflecting the agreed amendment, no later than 20 (twenty) Business Days after the date of the agreed change to this Agreement.

23.13 You should contact us if you need further explanation of anything related to, or referred to in this Agreement. You may contact us at our Customer Contact Centre, email us at vaf@standardbank.co.za or speak to a consultant at any Standard Bank branch or at the Vehicle and Asset Finance call centre at 0860 000 000.

23.14 This Agreement constitutes the entire Agreement between the Parties in relation to the subject matter thereof. Each term of this Agreement is separate from the other. Neither Party shall be bound by any express, tacit or implied term, representation, warranty promise or the like not recorded herein. This Agreement supersedes and replaces all prior commitments, undertakings or representations, whether oral or written, between the Parties in respect of the subject matter hereof.

24 DATA PROTECTION

24.1 We may and you expressly consent to the collecting and Processing of your Personal Information by us, to - open, administer and operate your Account; provide any combination of services, analysis, advice or intermediary service linked to your Account, to you; monitor and analyse the conduct on your Account for credit, fraud, compliance and other risk- related purposes; carry out statistical and other analyses to identify potential markets and trends; and develop new products and services.

24.2 You hereby expressly consent that we may - Process and further Process your Personal Information within the Group for the above purposes; disclose your Personal Information to any person who provides services to us or acts as our agent or to whom we have transferred or propose to transfer any of our rights and duties in respect of your Account (some of these persons may be located in countries outside of the Republic of South Africa); and share your Personal Information with our service providers, locally and outside the Republic of South Africa, as necessary. We ask persons who provide services to us to agree to our privacy policies if they need access to any Personal Information to carry out their services.

24.3 You acknowledge that - we will at all times remain responsible for determining the purpose of and means for Processing your Personal Information; we are required by various laws, including FICA and the FAIS Act, to collect some of your Personal Information; without your Personal Information we may be unable to open or continue to offer services to you; and you are providing us with your Personal Information voluntarily.

Signed at Grootbaai on the 24th day of February 2016.

As witnesses:

1. _____

2. _____

Metsimaholo Local Municipality

Signed at Sasolburg on the 24th day of February 2016.

As witnesses:

1. _____

2. _____

The Standard Bank of South Africa Limited