CONTRACT CHECK LIST: CONTROL SHEET

SIGNING OF MASTER INSTALMENT SALE AGREEMENT ENTERED INTO BY AND BETWEEN MIDVAAL LOCAL MUNICIPALITY AND THE STANDARD BANK OF SOUTH AFRICA

13/5

Submitted by Finance Dept Date **07/06/2023**

Signed by line function ________ Date 07/06/2023

Signed by Director : ________ Date 07/06/2023

Signed by Executive Director : ________ Date 08/06/23

Received by Legal Services S Mhlawuli Date 08/06/23

Signed by: ________ Name & title N. Ameer-van Wyk

Received and returned by Legal Services:

~~Approved~~ Referred back Date 09/06/23

Rejected

Signed off by ED Corporate : ________ Date 12/6/2023

Received by line function ________ Name & Title ________

Submitted to MM's Office : Received ________ 12.6.2023

Signed ________ Date 13.6.2023

MASTER
INSTALMENT SALE AGREEMENT

The Standard Bank of South Africa Limited

VAT Registration Number: 4100105461

of:

Standard Bank Centre, 9th Floor, 5 Simmonds Street,
Johannesburg, 2001

and

Midvaal Local Municipality

VAT Registration Number: 4700193503

of:

25 Mitchell Street, Meyerton

The terms and conditions of this Agreement shall apply to each schedule signed by the Bank and the Customer, and shall be incorporated therein by reference. Each sale agreement so created, shall be separate and severable from the others.

Each signed schedule shall create an independent sale agreement in respect of each item of Goods described in that schedule.

Any breach of this Agreement may be treated by the Bank as a breach of one or more of all of the sale agreements created by this Agreement.

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 as set out in the schedule or such other term agreed to by us in writing;

1.3 **"Agreement"** means the cost of credit section as set out in the schedule of this agreement, attached to and read together with these terms and conditions and all letters and notices relating to same;

1.4 **"Applicable Laws"** means all national, provincial, local and municipal legislation or subordinate legislation, ordinances, regulations, by-laws, rules and/or other laws of any relevant regulatory authority and any other instrument having the force of law as may be issued and in force from time to time as well as common law, all as relating to or connected with the activities contemplated under this Agreement and as updated from time to time for example the MFMA;

1.5 **"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;

1.6 **"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;

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

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

1.9 **"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;

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

1.11 **"Compliance Laws"** means all Applicable Laws regarding compliance, tax evasion, money laundering, bribery, corruption, terrorism and sanctions;

1.12 **"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;

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

1.14 **"Customer", "you"** or **"your"** means the person described as the customer in the schedule;

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

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

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

1.18 **"Goods"** means the asset(s) described in the schedules;

1.19 **"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;

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

1.22 **"MFMA"** means the Local **Government**: Municipal Finance Management Act 56 of

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2003 including all schedules and regulations thereto;

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

1.24 **"Personal Information"** means information about an identifiable, natural person and where applicable, a juristic person, including, but not limited to information about: race; gender; sex; pregnancy; marital status; nationality; ethnic or social origin; colour; sexual orientation; age; physical or mental health; well-being; disability; religion; conscience; belief; culture; language; birth; education; medical, financial, criminal or employment history; any identifying number, symbol, e-mail, postal or physical address, telephone number; location; any online identifier; any other particular assignment to the person; biometric information; personal opinions, views or preferences of the person or the views or opinions of another individual about the person; 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; and the name of the person if it appears with other personal information relating to the person or if the disclosure of the name itself would reveal information about the person.

1.25 **"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;

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

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

1.28 **"Prohibited Activities"** means illegal or terrorist activities, money laundering or any activities which are subject to Sanctions or are not in compliance with Applicable Laws;

1.29 **"Regulatory Authority"** means any authority having jurisdiction over a Party or the activities covered by this Agreement, including:

1.29.1 any national, municipal, provincial, other local or administrative government, authority or department;

1.29.2 any agency, tribunal, commission, regulator, self regulatory body or other similar body (including the South African Reserve Bank);

1.30 **"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;

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

1.32 **"Sanctions"** means any restrictions set by a Sanctioning Body, including but not limited to diplomatic, travel, trade or financial sanctions or embargoes;

1.33 **"Sanctioning Body"** means the United Nations Security Council (**UNSC**), the Office of Foreign Assets Control of the Department of Treasury of the United States of America (**OFAC**), the European Union (**EU**), Her Majesty's Treasury (**HMT**), the Ministry of Economy, Finance and Industry (France) (**MINEFI**) or any other sanctioning body we recognise from time to time;

1.34 **"Sanctioned Entity"** means:

1.34.1 any natural or juristic person or country;

1.34.2 in the case of a juristic person, any person who (i) owns or controls it; or (ii) it owns or controls (and for these purposes, **owns** means holding any percentage of ownership or beneficial interest and **controls** means the ability, directly or indirectly and whether through the voting of shares, the appointment of directors or similar officers or through any other means, to control the business or policy of the juristic person);

1.34.3 in the case of any country, its ministries, departments, agencies or any other governmental organisations,

listed on any Sanctions List or who is subject to any Sanctions;

1.35 **"Sanction List"** means any list of Sanctioned Entities published by a Sanctioning Body, as updated from time to time;

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

1.37 **"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;

1.38 **"Standard Bank Group"** means Standard Bank Group Limited, its subsidiaries and their subsidiaries;

1.39 **"Statement"** means the document reflecting the transactions made on your Account up to the date of the statement; the full amount due

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to us (including any legally permissible interest, costs, fees and charges that may be levied); the Repayment; and the Repayment Due Date;

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

1.41 **"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

1.42 **"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.

2. 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. SALE

We hereby sell the Goods to you and you purchase 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 **Ownership of the Goods will only pass to you once you have paid all amounts due and complied with of your obligations in terms of this Agreement.**

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

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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 the schedule.

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 8.1.2, 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

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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 Days 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 the schedule of this Agreement.

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

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Initiation Fee to the Account as part of the Principal Debt.

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.**

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

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

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

12.2 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.

12.3 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.

12.4 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 the schedule, 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

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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 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

13.4.2 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 these terms and conditions; and/or

13.4.3 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 the schedule, 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. **Where the Bank is reasonably aware, in advance, of a change in law or the issue of a directive as stated herein, the Bank will notify you prior to any amendment of the pricing structure applicable to the Principal Debt.**

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 interest rate applicable to this Agreement is the Fixed Rate and has been disclosed in the "Fixed interest rate" clause of the schedule.

16.2 You may apply for a variable interest rate by concluding a Variable Interest Rate Option, however the granting of such a variable interest rate will be at our discretion In the event that a variable interest rate is applicable, then the interest rate applicable to the Agreement will change if the Prime Rate fluctuates, provided that the new rate does not exceed any legal maximum permissible rate. 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.

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

16.4 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.

16.5 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.

16.6 If applicable and 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.

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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.

18.5 You have complied with all the provisions of the MFMA in relation to this Agreement, and undertake that it will continue to do so for the currency of the Agreement;

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18.6 the Agreement constitutes and will continue to constitute legal, valid, binding and enforceable obligations against you;

18.7 Execution, delivery and performance in terms of the Agreement does not violate any law;

18.8 Your approved annual budget contains all of the information required under the MFMA;

18.9 The Agreement has been provided for in an approved budget, is properly approved in terms of the MFMA and that the Repayment will not result in the total amount of the budget being exceeded. These requirements will be met in future as well;

18.10 You will furnish us with proof to our satisfaction that the provisions of the MFMA, your supply chain management and procurement policies and all other applicable legislation have been complied with in relation to the hiring of the Equipment, the conclusion of this Agreement, the Rental Schedule and any security given, as applicable referred to herein;

18.11 That the persons who negotiated the Agreement on your behalf, as well as the person who signed the Agreement on your behalf, have made diligent investigations in order to ascertain all relevant information and that all such information has been disclosed to us, in writing;

18.12 There are no circumstances resulting in a Material Adverse Effect on your financial condition, operations or assets, presently pending or threatened, and in your reasonably exercised opinion no such circumstances are likely to arise;

18.13 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;

18.14 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.

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

19.1.10 judgment of a competent court against you, for the attachment of assets or for payment of any amount remains unsatisfied for more than 30 (thirty) 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 / or you remain in default for 20 (twenty) Business Days after the date of the written notice referred to in 19.2, 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;

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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 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, on reasonable~~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 the schedule.

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 the schedule as the address at which all

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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 You consent to us collecting your Personal Information from you and where lawful and reasonable, from public sources for credit, fraud and compliance purposes, as well as the purposes set out below.

24.2 If you give us Personal Information about or on behalf of another person (including, but not limited to, account signatories, shareholders, principal executive officers, trustees and beneficiaries), you confirm that you are authorised to: (a) give us the Personal Information; (b) consent on their behalf to the

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Processing of their Personal Information, specifically any cross-border transfer of Personal Information into and outside the country where the products or services are provided; and (c) receive any privacy notices on their behalf.

24.3 You consent to us Processing your Personal Information:

24.3.1 to provide products and services to you in terms of this agreement and any other products and services for which you may apply;

24.3.2 to carry out statistical and other analyses to identify potential markets and trends, evaluate and improve our business (this includes improving existing and developing new products and services);

24.3.3 in countries outside the country where the products or services are provided. These countries may not have the same data protection laws as the country where the products or services are provided. Where we can, we will ask the receiving party to agree to our privacy policies;

24.3.4 by sharing your Personal Information with our third-party service providers and insurers, locally and outside the country where the products or services are provided. We ask people who provide services to us to agree to our privacy policies if they need access to any Personal Information to carry out their services; and

within the Standard Bank Group.

24.4 You will find our Processing practices in the Standard Bank Group's and our privacy statements. These statements are available on the Standard Bank Group's websites or on request.

24.5 If you are unsure about your tax or legal position because your Personal Information is Processed in countries other than where you live, you should get independent advice.

25. SANCTIONS

25.1 You must not:

25.1.1 use the Accounts to finance any Sanctioned Entity;

25.1.2 make the proceeds of the Accounts available to any person who may use or intends to use the proceeds to finance a Sanctioned Entity's activities;

25.1.3 act in a way that benefits a Sanctioned Entity;

25.1.4 be involved in any Prohibited Activities; or

25.1.5 use any product or service provided by the Standard Bank Group (excluding Liberty Holdings Limited and its subsidiaries) for any Prohibited Activities.

25.2 You warrant (promise) that you are not being investigated for any activities relating to Sanctions.

25.3 You must let us know immediately in writing if you are being investigated for any activities relating to Sanctions.

25.4 You indemnify the Standard Bank Group (excluding Liberty Holdings Limited and its subsidiaries) against any fines, penalties, losses, damages, costs, actions, proceedings, claims or demands (**Losses**) which the Standard Bank Group (excluding Liberty Holdings Limited and its subsidiaries) may suffer because:

25.4.1 any funds are seized or withheld by any Sanctioning Body or any other third party (including by us); or

25.4.2 you breach this clause 25.

25.5 If we know or suspect that you are in breach of this clause 25 or you are about to become subject to Sanctions, we can immediately, in our sole discretion:

25.5.1 close, restrict activity or suspend access to the Accounts and any other product or service we provide you; and/or

25.5.2 cancel this Agreement and/or any other relationship which we have with you.

25.6 We are not liable (responsible) to you for any Losses you suffer if we cancel this Agreement or any other relationship which we have with you.

26. ANTI-BRIBERY AND CORRUPTION

26.1 You must comply with all Applicable Laws, including Compliance Laws.

26.2 You warrant that you have not pleaded guilty to or been convicted of an offence involving any Prohibited Activity or, as far as you are aware, are not disqualified from engaging in any government procurement programme.

26.3 You must notify Standard Bank immediately of any payments made in connection with this Agreement which may result in a breach of any Compliance Laws and must assist Standard Bank to investigate such breach .

26.4 If Standard Bank knows or suspects that you are in breach of the provisions of this clause 26, Standard Bank can in its sole discretion, request additional information from you regarding the breach, refuse to perform any of its obligations in terms of this Agreement, report the breach to the relevant Regulatory Authority and comply with the directions of the Regulatory Authority.

26.5 Standard Bank can terminate this Agreement immediately if you are in breach of this clause 26 or if you are in breach of any Compliance Laws.

26.6 You indemnify Standard Bank against any fines, penalties, losses, damages, costs, proceedings and claims (**Losses**) which Standard Bank my suffer from a breach by you of this clause 26.

26.7 Standard Bank will not be liable to you for any Losses you may suffer from a Sanctioning Body or Regulatory Body seizing or withholding any funds or Standard Bank terminating this Agreement or any other relationship which Standard Bank has with you.

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For the Bank: ______________________

Name of signatory ______________________

I.D number of signatory __________________

As witness__________________________

Name of witness ______________________

I.D number of witness ___________________

Date____________

For the Customer ______________________

Name of signatory Anton Mark Groenewald

I.D number of signatory 6906125187080

As witness______________________

Name of witness Madhoraile Queen Mai

I.D number of witness 8708300414083

Date 9/06/2023

VEHICLE & ASSET FINANCE

05 June 2023

Midvaal Local Municipality
25 Mitchell Street
Meyerton
1960

South Africa

Attention: Mr. A Groenewald

Dear Sir

CREDIT FACILITY

The Standard Bank of South Africa Limited (**"the Bank"**), is pleased to advise that it is agreeable to granting a Vehicle and Asset Finance Facility as more fully set out herein (**"the Facility"**), to you, Midvaal Local Municipality ("the **Customer**") in terms of TENDER: 8/2/3/98RE (2022) for the purchase of vehicles, plant and equipment by way of instalment sale agreements, repayable over a period of 60 months.

The Facility will be governed by the terms and Conditions of the Facility Letter, as well as the finance agreement that will be signed in respect of each finance transaction. **Each Facility Schedule signed shall be a separate and distinct agreement between the Bank and the Customer and the terms and conditions of this Facility Letter shall be deemed to be incorporated into the Facility Schedule.**

TYPE OF FACILITY:	Vehicle and Asset liquidating credit facility
FINANCE AGREEMENT :	Instalment Sale Agreement/s (Agreements)
INVOICES:	All invoices must be made out to:

Standard Bank

The Standard Bank of South Africa Limited, VAT Number: 4100105461

VALUATION: The Bank may require an independent specialist valuation of assets to be financed, which cost will have to be borne by the Customer.

INSURANCE: The assets must be fully insured for the duration of the finance agreement to the satisfaction of the Bank.

1. DEFINITIONS

1.1 In this Agreement, unless clearly inconsistent with or otherwise indicated by the context:

1.1.1 **Affiliates** means any of your subsidiaries, your holding company or any subsidiary of your holding company and all of its subsidiaries;

1.1.2 **Agreement/s** means the instalment sale agreement and/or lease agreement and/or rental agreement (as applicable) and applicable terms and conditions entered into between the Bank and the Customer, pursuant hereto, which terms and conditions shall be read and applied in conjunction with this Facility;

1.1.3 **Authorised Signatory** means a signatory duly authorized by the Customer in writing and in accordance with the provisions of MFMA for all purposes arising in connection with this Agreement, including but not limited to, the signing of Rental Schedules from time to time

1.1.4 **Collateral** means any security or undertaking provided to us to secure the repayment of the Facility obligations in terms of this Facilities Letter;

1.1.5 **MFMA** means the Municipal Finance Management Act 56 of 2003, the Schedules and Regulations thereto, as amended from time to time.

1.1.6 **Personal Information** means information about an identifiable, natural person and where applicable, a juristic person, including, but not limited to information about: race; gender; sex; pregnancy; marital status; nationality; ethnic or social origin;

colour; sexual orientation; age; physical or mental health; well-being; disability; religion; conscience; belief; culture; language; birth; education; medical, financial, criminal or employment history; any identifying number, symbol, e-mail, postal or physical address, telephone number; location; any online identifier; any other particular assignment of the person; biometric information; personal opinions, views or preferences of the person or the views or opinions of another individual about the person; 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; and the name of the person if it appears with other personal information relating to the person or if the disclosure of the name itself would reveal information about the person;

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

1.1.8 **Prohibited Activities** means illegal or terrorist activities, money laundering or any activities which are subject to Sanctions or are not in compliance with applicable laws;

1.1.9 **Sanctioning Body** means the United Nations Security Council (UNSC), the Office of Foreign Assets Control of the Department of Treasury of the United States of America (OFAC), the European Union (EU), Her Majesty's Treasury (HMT), the Ministry of Economy, Finance and Industry (France) (MINEFI) or any other sanctioning body we recognise from time to time;

1.1.10 **Sanctioned Entity** means:

1.1.10.1 any natural or juristic person or country;

1.1.10.2 in the case of a juristic person, any person who (i) owns or controls it; or (ii) it owns or controls (and for these purposes, owns means holding any percentage of ownership or beneficial interest and controls means the ability, directly or indirectly and whether through the voting of shares, the appointment of directors or similar officers or through any other means, to control the business or policy of the juristic person);

1.1.10.3 in the case of any country, its ministries, departments, agencies or any other governmental organisations,

listed on any Sanctions List or who is subject to any Sanctions;

1.1.11 **Sanctions** means any restrictions set by a Sanctioning Body, including but not limited to diplomatic, travel, trade or financial sanctions or embargoes;

1.1.12 **Sanctions List** means any list of Sanctioned Entities published by a Sanctioning Body, as updated from time to time;

1.1.13 **Standard Bank/Standard Bank Group** means Standard Bank/Standard Bank Group Limited and its subsidiaries and their subsidiaries, but excludes Liberty Holdings Limited and its subsidiaries.

2. CONDITIONS PRECEDENT

2.1 The granting of this Facility is subject to the fulfilment of the following conditions precedent to the satisfaction of the Bank, which conditions precedent must be fulfilled and/or waived by the Bank (at its sole discretion), prior to drawdown:

2.1.1 that the Bank is provided with a signed copy of the Facility Letter signed by the accounting officer of the Borrower, accepting the terms and conditions stipulated herein, in accordance with section 46(2)(b) of the MFMA

2.1.2 that the Bank is provided with a copy of the Master Instalment Sale Agreement signed by the accounting officer of the Customer, accepting the terms and conditions stipulated herein, in accordance with section 46(2)(b) of the MFMA;

2.1.3 that the Bank is provided with a signed copy of the Vehicle schedules linked to the Master Finance Lease Agreement / Instalment Sale Agreement signed by the accounting officer of the Borrower, accepting the terms and conditions stipulated herein, in accordance with section 46(2)(b) of the MFMA;

2.1.4 compliance with the Municipal Finance Management Act No. 56 of 2003 ("MFMA"), including all schedules and regulations thereto, as amended from time to time, in relation to the Facility to the satisfaction of the Bank;

2.1.5 provision of a certified copy of the Resolution passed by the Municipal Council and signed by the Mayor approving the Loan Facility and the agreement(s) relating thereto;

2.1.6 Confirmation that the Borrower has not made a written application to National Treasury for, nor has it been granted Municipal Debt Relief in terms of the Municipal Debt Relief Circular (no. 124) issued in terms of the MFMA and that there are no limitations on the borrowing powers of the Borrower;

2.1.7 the Customer to provide a written disclosure of whether the purpose of the Facility is to fund capital expenditure on property, plant or equipment as contemplated in section 46(1)(b) of the MFMA;

2.1.8 the Customer has provided the Bank with a letter of award, in form and substance acceptable to the Bank, in favour of the Bank, in terms of which the Customer informs the Bank that it has been successful in bidding to provide the Facility;

2.1.9 the Customer has undergone the Bank's Know Your Customer ("KYC") process pursuant to the provisions of the Financial Intelligence Centre Act 38 of 2001 ("FICA");

2.1.10 the Customer has provided the Bank with a copy of the adjustments budget tabled in terms of the MFMA and that the Bank is satisfied as to the manner in which the Facility has been dealt with in such adjustment budget, if applicable;

2.1.11 the Customer has provided the Bank with a certified copy of the information statement prepared in terms of section 46(3) of the MFMA in respect of the Facility, in form and substance acceptable to the Bank; and

2.1.12 the Customer has provided the Bank with the following, in form and substance acceptable to the Bank, the Customer's:

2.1.12.1 audited financial statements for the 3 (three) preceding financial years, together with an indication whether the audit deadline referred to in Section 126 of the MFMA has been met;

2.1.12.2 approved annual budget;

2.1.12.3 integrated development plan or multi-year business plan referred to in section 87(5)(d) of the MFMA, if applicable;

2.1.12.4 schedule of external loans as detailed in Annexure A to the financial statements pertaining to its existing short-term and long-term debt; and

2.1.12.5 the audit report prepared by the Auditor General in terms of section 126(3) of the MFMA in respect of the 2021/2022 financial statements;

2.1.13 That the Borrower has provided the Bank with written confirmation (in a form and substance acceptable to the Bank) from the Accounting Officer or any other duly authorized representative of the Borrower confirming:

2.1.13.1 That the Borrower is not in breach of any material contracts to which the Borrower is a party and

2.1.13.2 the absence of any material pending (which has a reasonable prospect of occurring) industrial action; litigation, investigation or proceeding against the Borrower.

2.1.14 That the Bank has been provided with written confirmation signed by the accounting officer of the Borrower, in a form and substance acceptable to the Bank, confirming that the Borrower has, in relation to the Loan Facility:

2.1.14.1 obtained all authorizations (including exemptions, approvals, consents) and no steps have been taken to revoke, adversely modify or cancel any such authorizations and the authorizations are not subject to any conditions which the Borrower does not expect to be satisfied and;

2.1.14.2 complied with all laws or regulations applicable to it, including but not limited to the provisions of the Municipal Finance Management Act No. 56 of 2003; the Preferential Procurement Policy Framework Act 5 of 2000, including all schedules and regulations thereto, as amended from time to time;

2.1.15 the Customer, being immediately, subsequent to entering into a finance agreement (instalment sale agreement) and prior to drawdown:

2.1.15.1 is solvent; and

2.1.15.2 any conditions or restrictions set out in the Customers founding documents and compliance with the MFMA have been satisfied; and

2.1.15.3 has provided the Bank with copies of approved orders/invoices for the assets/goods that form the subject matter of Agreement/s; and

2.1.15.4 has signed and returned the Agreement/s and applicable schedules related thereto to the Bank; and

2.1.15.5 has signed and accepted the applicable interest rate calculations related to the Facility and/or Agreement/s; and

2.1.15.6 has provided proof of comprehensive insurance for the assets, prior to payout and at any stage at the request of the Bank, throughout the duration of the Facility and/or Agreement/s.

2.2 The conditions precedent are inserted for the benefit of the Bank, which may in writing on or before the dates for fulfilment of the conditions set out above, extend the period for fulfilment or waive any of the said conditions precedent in its sole discretion. Unless and until the above conditions precedent are either waived or fulfilled, the Customer shall not be entitled to avail of the Facility.

2.3 Notwithstanding any provision to the contrary, if the Bank, in the erroneous belief that all the suspensive conditions and/or further conditions and/or warranties in the Facility have been fulfilled or waived (as the case may be), makes any advances or any portion of the Facility (the "**Advanced Amount**") available to the Customer and if it subsequently transpires that any one (or more) of the suspensive conditions and/or further conditions and/or warranties has in fact not been fulfilled or waived (as the case may be):

2.3.1 the terms and conditions of the Facility Letter shall apply in respect of the amount of the Advanced Amount (subject to clauses 2.3.2 and 2.3.3 below), notwithstanding that the suspensive conditions and/or further conditions and/or warranties, or any one of them, have not been fulfilled or waived (as the case may be);

2.3.2 the Bank shall be entitled to declare the amount of the Advanced Amount to be immediately due and payable by the Customer to the Bank; and

2.3.3 the Bank shall not be obliged to make any further advances to the Customer.

2.4 It is expressly recorded that the pre/suspensive conditions shall be determined in the Bank's sole discretion taking the Bank's credit risk requirements into account.

3. FURTHER CONDITIONS

3.1 Where applicable, the Customer will provide the Bank with copies of the following documents, prior to pay-out:

3.1.1 Founding and / or CIPC documents and/or applicable MFMA documents ;

3.1.2 Original Resolution and Sureties if applicable;

3.1.3 Landlord's Waiver (if applicable);

3.1.4 Proof of comprehensive insurance;

3.1.5 All signed collateral documents (if applicable).

3.2 Supplier/s of the assets that are to be financed are to be approved Standard Bank Vehicle and Asset Finance suppliers. If a supplier is not a Bank approved Supplier, the Bank may decline a finance application or may require the non-approved supplier and/or the Customer to provide the Bank with an indemnity.

4. ONGOING CONDITIONS

4.1 Customer will comply with applicable legislation including but not limited to the MFMA.

4.2 The non-compliance of any applicable legislation will not be used as defence for non-payment by the Customer.

4.3 The Borrower undertakes that during the currency of the Facility that it shall furnish the Bank with signed audited copies of the consolidated financial statements (prepared in compliance with the relevant Financial Reporting Standards) of the Customer annually within a period of 180 days from the end of the financial year to which they relate and any other information as the Bank may reasonably require. The signed audited financial statements (prepared in compliance with the relevant Financial Reporting Standard) submitted to the Bank shall not differ Materially from the signed audited financial statements in respect of the previous financial year.

4.4 All the vehicles, plant and/or equipment will be used within the borders of South Africa.

5. **SECURITY**

Not applicable, save for the assets related to the Agreement/s.

6. **WARRANTIES**

6.1 The Customer by its signature hereto warrants:

6.1.1 that it has complied with and will continue to comply with all the provisions of the MFMA, the supply chain management and procurement policies and all other applicable legislation in relation to the Agreement and assets related thereto, the conclusion of this Facility, the Agreement and any security given(if applicable) and undertake that it will continue to do so for the duration of this Facility and Agreement/s;

6.1.2 that it will furnish such proof as the Bank may require that the provisions of the MFMA, the supply chain management and procurement policies and all other applicable legislation have been fully complied with in relation to the Facility and Agreement/s and any security given(if applicable), as applicable; and

6.1.3 that it will immediately notify the Bank if the signatory to the Facility and/or Agreement/s on its behalf is at any time during the currency of this Facility and/or Agreement/s is no longer authorised in terms of the MFMA to sign the Agreement/s and applicable schedules related thereto; and

6.1.4 that any non compliance with the above warranties is a breach of this Facility and/or the Agreement and the Bank will be entitled immediately upon it coming to the Bank's attention that the above warranty/ies have been breached and the Bank having provided the Customer 14 (fourteen) days written notice to remedy such breach and the Customer failing to do so within such time period (save for where legislation precludes any remedy of a breach of the above warranties, then the Facility will be cancelled immediately, on notice), to cancel this Facility and /or Agreement and invoke the breach provisions of this Facility and/or Agreement in addition to any other rights which the Bank may have, whether in terms of this Facility and/or Agreement or otherwise; and

6.1.5 that it will, irrespective of any term and/or condition and enforceability provision of the Facility and/or Agreement, immediately settle the full outstanding balance of the Facility and/or Agreement/s, in the event of any non-compliance by it, of any applicable legislation that may/will render the Facility and/or Agreement unenforceable against it.

6.1.6 that no litigation, arbitration or administrative proceeding is presently in progress or, to the knowledge of the Customer, pending or threatened against it, or any of its assets or assets to be acquired which relate to the Facility or which would have a materially adverse effect on the financial condition of the Customer;

6.1.7 that it has disclosed to the Bank any and all material information which may have affected the Bank's decision to grant the Facility.

7. **DEFAULT**

7.1 For the purposes of the Facility Letter each of the following events shall be regarded as an event of default:

7.1.1 if the Customer fails to pay any sum due and payable by it to the Bank in terms of the Facility Letter on the due date therefore; and/or

7.1.2 the Customer commits a breach of any of the other terms and conditions of the Facility and such breach is not remedied within a period of 14 (fourteen) days of written notice having been given to the Customer to do so; and/or

7.1.3 the Customer defaults in the due and punctual performance of any other obligation including but not limited to any other agreement concluded between the Borrower and a third party and/or under any other written agreement between the Customer and the Bank and/or any suretyship and/or guarantee to which it is a party and (if such default is capable of being remedied) same has not been remedied to the satisfaction of the Bank within 14 (fourteen) days' from the date of any written notice given by the Bank to the Borrower to remedy the default; and/or

7.1.4 if any representation, condition or warranty or undertaking made or represented either in respect of the Customer or in connection with the Facility or in any documents delivered under the Facility Letter, is not complied with or in the Bank's reasonable opinion is Materially incorrect (or becomes incorrect at any time) in any respect. "Material" or "Materially" means material in the Bank's reasonable opinion; and/or;

7.1.5 if a resolution is taken by any party including but not limited to the Customer, and or of any surety or guarantor (Collateral Provider) for the Customer's indebtedness to the Bank, to voluntarily wind-up any of the said parties or if any of the said parties or any of their assets become subject to any sequestration, liquidation or business rescue order, whether provisional or final, or if any trustee, liquidator, curator, business rescue practitioner or any similar officer is appointed in respect of any of the said parties or any of their assets;

7.1.6 if the Customer or any surety or guarantor for the Customer's indebtedness to the Bank, is unable to pay its debts in accordance with the provisions of section 345 of the Companies Act, 1973 (as amended) and/or applicable legislation or is financially distressed as contemplated in Chapter 6 of the Companies Act, 2008 and/or applicable legislation or otherwise defaults generally in the payment of its liabilities, suspends or threatens to suspend payment of all or a material part of (or of a particular type of) its indebtedness to any other creditors, commences negotiations or takes any other step with the view to the deferral, rescheduling or other re-adjustment of all of (or all of a particular type of) its indebtedness to creditors (or of any part of such indebtedness which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or a moratorium is agreed or declared in respect of or affecting all or a part of the indebtedness of the Customer or of any surety or guarantor for the Customer's indebtedness to the Bank (as the case may be);and/or

7.1.7 if an attachment, execution or other legal process is levied, enforced, issued or sued out on or against any assets of the Customer or of any surety or guarantor for the

Customer's indebtedness to the Bank, and is not discharged or stayed within 30 (thirty) days; and/or

7.1.8 where applicable, the Customer (if a juristic), in terms of section 48 of the Companies Act, obtains any of the shares issued by it, or allows a subsidiary to obtain such shares, or in terms of which a payment will be made to shareholders in terms of section 46 of the Companies Act without the prior written consent of the Bank which consent shall not be unreasonably withheld; and/or

7.1.9 if at any time, the amount outstanding under the Facility granted to the Customer exceeds the maximum aggregate limit of the Facility; and/or

7.1.10 if this Facility Letter or any security (if applicable) given to the Bank in respect of the Customer's indebtedness to the Bank becomes illegal, invalid or unenforceable for whatever reason; and/or

7.1.11 if any other party which owes any obligations to the Bank in connection with the Facility (including but not limited to obligations in terms of negative pledges, undertakings, security or subordinations), breaches any of such obligations; and/or

7.1.12 the Customer's auditors or Auditor General(if applicable) in any financial statements of the Customer published after the date of the last set of audited financial statements furnished to the Bank or if none have been so furnished, after the date of signature of the Facility Letter by the Customer, materially qualifies that annual statement in any respects or inserts a note in the supporting documents to that financial statement relating to any material irregularity; and/or

7.1.13 if there is a Material deterioration in the Customer's financial position. **"Material deterioration"** shall mean Material deterioration in the Bank's reasonable opinion; and/or

7.1.14 if applicable, the whole or any part of the collateral furnished for the whole or any part of the indebtedness is judicially attached, or becomes subject to any lien, hypothec or other encumbrance without the Bank's prior written consent; and/or

7.1.15 the Customer and/or any surety and/or guarantor and/or Collateral Provider takes steps to deregister itself or is deregistered (if applicable); and/or

7.1.16 the Customer's and/ or any Collateral Provider's status as a company registered in terms of the Companies Act or Close Corporations Act 69 of 1984 is altered for any reason whatsoever (if applicable); and/or

7.1.17 where applicable, a compliance notice is issued by CIPC against the Customer and/ or any Collateral Provider; and/or

7.1.18 should the Bank become aware, at any time, of a fact or circumstance (whether present at, before or after acceptance of this Facility Letter by the Customer), which in the reasonably exercised opinion of the Bank has, or could in the future have, a material adverse effect on the business, operations, performance, assets or prospects and financial condition of the Customer or any of its affiliates or an adverse effect on the Customer's and/or Collateral Providers ability to perform any of its obligations to the Bank in terms of the Facility Letter and or any other written agreement with the Bank, or which could prejudice the Bank's position with respect to the Facilities in any other way("**Material Adverse Effect**"); and/or

7.1.19 should the Customer generally do or omit to do anything which may cause the Bank to suffer any loss or damage, including any reputational loss or damage; and/or

7.1.20 where applicable, should the ultimate beneficial Control (as defined below) of the Customer change, without the Bank's prior written consent, during the subsistence of the Facility, to the extent that the Control of the Customer vests in persons other than those who Control the Customer on the date that the Facility was accepted by the Customer and/or should the shareholders of the Customer as at date of acceptance hereof by the Customer change, without the Bank's prior written consent. **"Control"** for the purposes of this paragraph means with respect to any entity, the possession directly or indirectly, of the power to direct, or cause the direction of the management, or policies of such entity, whether through the ownership of voting securities (or other ownership interest), by contract, or otherwise; and/or

7.1.21 if any other indebtedness of any of the Customer's Group (being the Customer, and its subsidiary, associate and managed entities) is or is declared to be or is capable of being rendered due and payable before its agreed or normal maturity by reason of any actual or potential default, event of default or the like (however described) or is not paid when due or within any applicable grace period in any agreement relating to that indebtedness or, as a result of any actual or potential default, event of default or the like (however described), any facility relating to any such indebtedness is or is declared to be or is capable of being cancelled or terminated before its agreed or normal expiry date, or any person otherwise entitled to use any such facility is not entitled to do so.

7.2 The Bank may without prejudice to any other rights hereunder or at law, at any time after the happening of an event of default and while it is continuing, by written notice to the Customer:

7.2.1 decline any request by the Customer to enter into any finance agreement, and / or to further utilise or avail itself / themselves of the Facility or any portion thereof; and/or

7.2.2 require on demand the immediate repayment of all indebtedness under the Facility which is then outstanding and whether or not it is then due for payment, and upon any such demand all that indebtedness shall immediately become due and payable; and/or

7.2.3 require on demand payment of all breakage costs the Bank may have incurred or sustained, being all costs, losses and/or reduced receipts which the Bank may have sustained or incurred in relation to the termination or modification of any arrangements the Bank may have made on account of or in respect of funds borrowed, contracted for or utilised to fund any amount payable or advanced under the Facilities; and/or

7.2.4 increase the rate of interest charged; and/or

7.2.5 require on demand cash security for any contingent liabilities under the Facility Letter to the Bank.

7.3 The Bank's rights under this paragraph shall not be exhaustive but shall be in addition to and without prejudice to any other rights which it may have in this Facility Letter or in law.

7.4 The contents of this paragraph shall not derogate from the Bank's rights in relation to any Facility which is repayable and/or terminable on demand.

7.5 If any of the events specified in clause 8.1 (other than in clause 8.1.2) become applicable in respect of any Collateral Provider (and for such purpose, a reference to "Customer" in clause 8.1 shall be read and construed as a reference to such person), then, on the occurrence of such event, an event of default shall be deemed to have taken place for the purposes of the Facility thereby entitling the Bank to avail itself of the remedies specified in clause 8.2.

8. **INDEMNITY**

8.1 The Customer hereby indemnifies the Bank and holds it harmless against any claim, loss or expense (including consequential damages) loss of revenue and profits, legal costs on a scale as between an attorney and his own client, and any other costs arising out of or in connection with or which may be sustained or incurred by the Bank as a direct or indirect consequence of any breach by the Customer of the warranties contained herein including but not limited to any innocent or negligent misrepresentation by the Customer to the Bank.

8.2 Without prejudice to any other rights which the Bank may have in terms of this Facility Letter or otherwise, the Bank shall be entitled to exercise its rights under the indemnity immediately upon it coming to the Bank's attention that the Customer has breached the above warranty, and irrespective of the fact that the Bank was satisfied with the proof furnished in terms of this Facility Letter.

8.3 Notwithstanding any provision to the contrary, if the Bank in the erroneous belief that all the conditions precedent has been fulfilled and enters into any Agreement with the Customer and if it subsequently transpires that any one (or more) of the conditions precedent has in fact not been fulfilled or waived (as the case may be):

8.3.1 the terms and conditions of this Facility Letter shall still apply in respect of the Agreement so entered into notwithstanding that the conditions precedent, or any one of them, have not been fulfilled or waived (as the case may be);

8.3.2 the Bank shall be entitled to declare all amounts under the Facility Letter to be immediately due and payable by the Customer to the Bank; and

8.3.3 the Bank shall not be obliged to make any further advances to the Customer.

9. **COSTS**

All legal costs and fees (on the attorney and own client scale) and other charges and expenses in connection with the Facility including but not limited to all costs incurred by the Bank in the enforcement of any of its rights under this Facility Letter and/or under any of the Agreements, the preparation of this Facility Letter and any other documentation in relation hereto, and the premiums on any insurance policy/ies which may be ceded to the Bank will be for the account of the Customer and payable on demand.

10. **JURISDICTION**

The Bank and the Customer consent to the jurisdiction of the Magistrate's Court having jurisdiction over its person, irrespective of the amount in dispute. This, however, does not preclude either the Bank or the Customer from seeking relief in a High Court of South Africa.

11. **EARLY SETTLEMENT**

11.1 The Customer shall be entitled to pay the outstanding capital balance of any finance agreement in accordance with the early settlement provisions set out therein.

12. **ACCEPTANCE**

The Customer, to indicate its acceptance of the aforegoing, must initial each page of the attached duplicate of this Facility Letter (including any appendices hereto), sign the acknowledgement on the final page of the Facility Letter and return same to the Bank.

13. **REVIEW**

13.1 The Bank reserves the right to review the facility at any time should any change in the circumstances of whatever nature occurs that increases the Bank's risk linked to the facility including but not limited to change in legislation and/or Material Deterioration of the Customer's financial position.

13.2 Notwithstanding anything to the contrary, the Bank reserves the right to cancel the facility at any time by giving the Customer prior written notice thereof.

14. CONFLICT

14.1 The terms and conditions of this Facility Letter, any appendices to this Facility Letter and any separate terms and conditions (embodied in writing) or written Agreements relating to the Facility, shall be read together, provided that should a conflict exist or arise:

14.1.1 the separate terms and conditions of the Agreements concluded in relation to the Facility shall, unless otherwise indicated, prevail; and

14.1.2 subject to 14.1.1 above, the contents of this Facility Letter shall prevail over any appendices hereto.

14.2 To the extent there are any undertakings, warranties or the like by the Customer contained in this Facility Letter or any of its appendices, such undertakings, warranties or the like do not in any way prejudice or detract from the Bank's rights with respect to the Facility that are repayable or terminable in terms of any of the Agreements.

15. CHANGE IN OTHER LAWS AND/OR REGULATIONS

If any new laws are introduced or there are any changes to any existing laws (including but not limited to the Bank's Act and Basel II) or regulations or the interpretation thereof, resulting in an increase to the Bank to the cost of funding, providing or maintaining this agreement, the Bank shall be entitled to increase the Annual Finance Charge Rate (**"AFCR"**) and the payments payable to the Bank in terms of this Facility in order to recover any resultant increase in cost to the Bank. The Bank shall recalculate the instalments which fall due on or after the date of any increase at the new AFCR and shall substitute the recalculated instalments for the instalments calculated at the previous AFCR. A certificate signed by the Bank's auditors shall be conclusive proof of the percentage increase in the AFCR and/or the increase required in the instalments to cover such increased costs.

16. CERTIFICATE OF INDEBTEDNESS

A certificate signed by any manager or divisional director of the Bank (whose authority, qualification or appointment need not be proved) setting out the amount of any Indebtedness of the Customer to the Bank in terms hereof, the rates of interest and any other fact, shall, upon its mere presentation, be sufficient proof, unless the contrary is proved, of the Customer's Indebtedness and of such other facts contained therein.

17. DATA PROTECTION

17.1 You consent to us collecting your Personal Information from you and where lawful and reasonable, from public sources for credit, fraud and compliance purposes, as well as the purposes set out below.

17.2 If you give us Personal Information about or on behalf of another person (including, but not limited to, account signatories, shareholders, principal executive officers, trustees and beneficiaries), you confirm that you are authorised to: (a) give us the Personal Information; (b) consent on their behalf to the Processing of their Personal Information, specifically any cross-border transfer of Personal Information into and outside the country where the products or services are provided; and (c) receive any privacy notices on their behalf.

17.3 You consent to us Processing (as defined in POPIA) your Personal Information:

17.3.1 to provide products and services to you in terms of this agreement and any other products and services for which you may apply;

17.3.2 to carry out statistical and other analyses to identify potential markets and trends, evaluate and improve our business (this includes improving existing and developing new products and services);

17.3.3 in countries outside the country where the products or services are provided. These countries may not have the same data protection laws as the country where the products or services are provided. Where we can, we will ask the receiving party to agree to our privacy policies;

17.3.4 by sharing your Personal Information with our third-party service providers and insurers, locally and outside the country where the products or services are provided. We ask people who provide services to us to agree to our privacy policies if they need access to any Personal Information to carry out their services; and

17.3.5 within the Group (Standard Bank Group Limited, its subsidiaries and their subsidiaries).

18. SANCTIONS

18.1 You must not:

18.1.1 use the Facility to finance any Sanctioned Entity;

18.1.2 make the proceeds of the Facility available to any person who may use or intends to use the proceeds to finance a Sanctioned Entity's activities;

18.1.3 act in a way that benefits a Sanctioned Entity;

18.1.4 be involved in any Prohibited Activities; or

18.1.5 use any product or service provided by the Standard Bank Standard Bank Group for any Prohibited Activities.

18.2 You warrant (promise) that you are not [and if you are a company, none of your Affiliates are]:

18.2.1 a Sanctioned Entity; or

18.2.2 being investigated for any activities relating to Sanctions.

18.3 You must let us know immediately in writing if you [or one of your Affiliates] are being investigated for any activities relating to Sanctions.

18.4 You indemnify the Standard Bank/Standard Bank Group against (you are responsible for) any fines, penalties, losses, damages, costs, actions, proceedings, claims or demands (**Losses**) which the Standard Bank/Standard Bank Group may suffer because:

18.4.1 any funds are seized or withheld by any Sanctioning Body or any other third party (including by us); or

18.4.2 you breach this clause 18.

18.5 If we know or suspect that you are in breach of this clause 18 or you are about to become subject to Sanctions, we can immediately, in our sole discretion:

18.5.1 close, restrict activity or suspend access to the Facility and any other product or service we provide you; and/or

18.5.2 cancel these Terms and/or any other relationship which we have with you.

18.6 We are not liable (responsible) to you for any Losses you suffer if we cancel these Terms or any other relationship which we have with you.

19. COUNTERPARTS

19.1 This Facility Letter may be signed in counterparts and the copies signed in counterpart shall constitute the Facility Letter. This shall include faxed copies of this document.

19.2 We trust that this offer is acceptable and look forward to a continuing, mutually rewarding business relationship.

Yours faithfully

____

Name, Surname ANTON GROENEWALD

Title, Designation MUNICIPAL MANAGER

Signed at Mogwadi on this the 13th day of June 2023

For: The Standard Bank of South Africa Limited registration number 1962/000738/06

Signed at ________________ on this the ______ day of ________________ 2023

For: ____________________, Registration Number ________________

____

Duly Authorised

Name: ____________________

Capacity: ____________________

Standard Bank

FACILITY SCHEDULE

In accordance with the Facility Letter dated _____________ the Bank has agreed to grant the Customer a Facility as detailed below.

New transaction amount:	R7 105 000.00 (seven million one hundred and five thousand rand)
Agreement type:	Instalment Sale Agreement
Purpose:	To finance the purchase of: Vehicles, Plant and Equipment
Interest rate:	Rate to be fixed at date of disbursement based on the following: Prime plus 0.79% valid until 30 June 2023 The margin above prime to be reviewed in line with market conditions for drawdowns after 30 June 2023
Period:	60 months
Repayment structure:	Repayments to be made monthly
Method of payment:	Monthly debit order

Value added tax (Vat): Not applicable

Security: As held by the Bank

Documentation fee: None

Service fee: None

General This Facility is available for acceptance by the Customer for 3 (three) months from date of this Credit Facility Schedule. Should pay-out not occur within this time or arrangements made to extend the drawdown, the Facility will lapse.

Signed at ____________________ on this the _____ day of __________________2023

For and on behalf of The Standard Bank of South Africa Limited registration number 1962/000738/06

Duly Authorised	Duly Authorised
Name:	Name: ....
Capacity:	Capacity: ....

Signed at Meyerton on this the 13th day of June 2023

For and on behalf of : MUDVARHU LM , Registration Number: ______________

Who duly warrants his/her authority hereto

Name: ANTON GROENEWALD

Designation: MUNICIPAL MANAGER

Standard Bank

Midvaal Local Municipality
PO Box 9, Meyerton, 1960
Tel: 016 360 7400
Fax: 016 360 7519
www.midvaal.gov.za

MIDVAAL LOCAL MUNICIPALITY

Tel: 016 360 7482 * Email: dintleL@midvaal.gov.za

FINANCIAL SERVICES

Our Ref: 8/2/3/98RE (2022-2025)
Your Ref:(F. Jonas / 8/2/3/98RE (2022-2025))

Date: 24 April 2023

The Standard Bank of South Africa Limited
MAAA0065063
10 Cradock Avenue,
Rosebank,
Johannesburg,
2196

For Attention: Annette van Schalkwyk
Cell: 082 497 2912
Tel: 011 721 7825
Email: annette.vanschalkwyk@standardbank.co.za

Dear Sir / Madam

8/2/3/98RE (2022): BID FOR THE FINANCING OF R7 015 000.00 (SEVEN MILLION AND FIFTEEN THOUSAND RANDS) VAT INCLUSIVE, INSTALMENT SALE AGREEMENTS TO PURCHASE VARIOUS VEHICLES, PLANT, AND EQUIPMENT FOR MIDVAAL LOCAL MUNICIPALITY.

We hereby acknowledge receipt of your bid for the above mentioned and it is with great pleasure that we inform you that your bid has been approved by Midvaal Local Municipality.

The BAC at its 369th meeting held on Thursday; 20 April 2023 inter alia resolved as follows:

1. **That The Standard Bank of South Africa Limited** be appointed for the financing of R7 015 000.00 (seven million and fifteen thousand rands) VAT inclusive, instalment sale agreements to purchase various vehicles, plant, and equipment.

2. **That** the loan will be payable over a period of 5 years (60 months) on monthly instalments.

3. **That** the fixed interest rate of **11.29%** is applicable.

You are required to sign the performance management schedule that will be supplied by the head of department. Your company is requested to keep to the scheduled time frames, requests, and reporting processes.

The Occupational Health and Safety Act will apply for the duration of this contract and must be adhered to and applied at all times by all contractors and its employees. *(Where applicable)*.

For further details please contact Mr Fanny Jonas at (016) 360 7572 or fannyj@midvaal.gov.za

Please take note that you have seven (07) working days from date of receipt of this letter to accept/decline as indicated below, failure thereof we will deem that you have accepted the appointment.

Yours faithfully,

MR. P. MAGODI
CHAIRPERSON: BAC

pl **MR. Z.N. MHLONGO**
CHIEF FINANCIAL OFFICER

MR. A.M. GROENEWALD
MUNICIPAL MANAGER

DECLARATION BY BIDDER:

I/We declare that I/We have not approached or been approached or contacted or been contacted in any form or manner, to be awarded this bid or promise or undertaking of such award in exchange for any money, reward, gratuity or gratification, hospitality, gift, services, or any other benefit or promise thereof by any person, whether or not he/she is in a position of power or purporting to be so and whether or not he/she is in any way linked to the Midvaal Local Municipality.

If I/We have thus approached or been thus approached, or thus contacted or been contacted, I/We understand and acknowledge that I/We are compelled to make full disclosure thereof, which I/We hereby do in an annexure to this document.

I/We know and understand that failure to do so is a criminal offence and which may also result in the cancellation of this contract and with a consequential possible claim for damages.

Signed at Rosebank on the 25 day of April 2023.

SIGNATURE

ACCEPTANCE OF APPOINTMENT:

I, A van Schalkwyk in my capacity as Head: Public Sector Lending
Hereby confirm to be duly authorised to accept/~~decline~~ the appointment on behalf of
The Standard Bank of South Africa Limited.

I hereby acknowledge that I have read and understood the contents of this appointment letter and conform to adhere to the conditions set out in the appointment letter.

Note: As per our bid document of 14 December 2022 our rate will be fixed at the time of disbursement subject to capital market rates.

Signed at Rosebank on the 25 day of April 2023.

SIGNATURE