



AGREEMENT NUMBER
REFERENCE NUMBER

MASTER RENTAL AGREEMENT

Xtec KZN (Pty) Ltd
VAT Reg No. 4940196266
P O Box 275, Pietermaritzburg, 3200
Telephone: (033) 816 1500

entered into by and between Xtec KZN (Pty) Ltd
Reg. No. 2000/022030/07
(hereinafter referred to as the "Supplier")
342 Boom Street Street, Pietermaritzburg, 3200
(physical address at which the Supplier chooses domicilium citandi et
executandi)

and
RICHMOND LOCAL MUNICIPALITY

I/We: _____

Reg/ID. No _____
(hereinafter referred to as "The User")

Of **57 SHEPSTONE ROAD - RICHMOND - 3780**

(Physical Address at which The User chooses Domicilium Citandi et
Executandi Do hereby offer to rent the equipment on the terms contained in
this document)

RENTAL	DESCRIPTION OF EQUIPMENT
R <u>53 680.00</u> plus VAT	Make/Product Type: <u>XEROX</u>
Payable on the <u>31</u> day of _____ every month.	Model: <u>AS PER ANNEXURE</u>
	Serial No: <u>AS PER ANNEXURE</u>
Rentals payable in terms of this agreement will escalate by <u>0%</u> per annum (exclusive of VAT)	
Contract Charges (incl VAT) N/A payable by customer with 1st rental payment	

Fixed



Linked



Minimum Period: 36 Months Effective Date 1/9/2025 Due Date of First Rental 30/9/2025

SPECIAL CONDITIONS

This constitutes a Master Rental Agreement and each item to be rented by the User shall be recorded in a separate annexure and each item shall be governed by the terms and conditions of this Master Rental Agreement as though it were a separate rental agreement commencing from the date reflected on such annexure and which terms and conditions the User by his/her signature acknowledges having read and understood

XTEC KZN (PTY) LTD (THE SUPPLIER)

Thus done and signed at <u>RICHMOND</u> on this <u>13</u> day of <u>AUGUST</u> year <u>2025</u>
By <u>DARRYN MERRINGTON</u> in his/her capacity as <u>General Manager</u>
(Full Name)
<u>[Signature]</u>
Signature: For and on behalf of Xtec (Pty) Ltd
<u>[Signature]</u>
(Witness)

THE USER ACKNOWLEDGEMENTS

I/We the USER, do hereby acknowledge and agree:

- that this document constitutes an offer which only upon signature by the Supplier (which shall constitute acceptance) shall be binding on the Supplier, and
- that, subject to any amendments approved in writing by the Supplier, this document contains the entire agreement and any representations or statements not recorded herein shall not be binding on the Supplier, and
- that we have read, considered and hereby agree to be bound by the provisions printed overleaf.

Thus Done and Signed at RICHMOND on this 13th day of AUGUST year 2025

By BHEKANI ERKOL MSWANE in his/her capacity as _____
(Full Name)

[Signature]
Signature: For and on behalf of the User
(Who warrants that he/she is duly authorised to sign)

[Signature]
Witness Name

[Signature]
Witness Signature

TERMS AND CONDITIONS

DEFINITIONS

Unless the context otherwise indicates, defined words and expressions shall have the meaning ascribed to them below:

- 1.1 "administration charges" means the legal costs of and incidental to the negotiation, preparation, setting, signing and implementation of this agreement.
- 1.1.1 "agreement" means this agreement and the annexures to it, which annexures are deemed to form an integral part of this agreement. Where this agreement is a Master Rental Agreement, the terms and conditions of this agreement shall apply mutatis mutandis to each and every equipment schedule and annexure which the parties may enter into and the goods described in any such equipment schedule shall be rented in accordance with the terms of the agreement.
- 1.1.3 "certificate of acceptance" means the certificate signed by the User in terms of which the User acknowledges receipt of the equipment delivered to the User's premises, which equipment has been inspected by the User and the User acknowledges that the equipment is installed in good working order and condition and free of defects.
- 1.1.4 "contract charges" means the contract charges incidental to this agreement, the amount of which are set out on the front page of this agreement or in the annexures, as the case may be;
- 1.1.5 "effective date" means the date of signature of the Certificate of Acceptance.
- 1.1.6 "equipment" means the equipment reflected in this agreement or in the annexure to this agreement (as the case may be), which shall include any accessories or modifications that may be added to or made to the equipment from time to time.
- 1.1.7 "insurance policy" means a casualty insurance policy issued in respect of the equipment in terms of which cover is provided for losses arising due to the theft, loss of, damage to, or destruction of the equipment;
- 1.1.8 "minimum period" means that period (exclusive of the broken period) reflected as such in this agreement, or in the annexure to this agreement (as the case may be). For the avoidance of doubt, the minimum period excludes the broken period, in respect of which rentals shall nevertheless be payable.
- 1.1.9 "Supplier" means Xtec (Pty) Ltd, registration number 2000/022030/07, or any cessionary of the Supplier;
- 1.1.10 "payment date" means the due date for payment specified in the agreement or in the annexure. Where the payment is in advance, the first business day of the month/quarter/half-year/year, or where payment is in arrears, the last business day that falls within the agreed payment month/quarter/half-year/year or such other day as specified in the agreement;
- 1.1.11 "prime rate" means the publicly quoted prime rate of interest per annum (as certified by any manager or accountant of the Supplier) at which the Supplier will lend without security to their most favoured customers on overdraft, expressed in nominal annual compounded monthly terms.
- 1.1.12 "pro rata rental" means the rental payable in respect of the broken period;
- 1.1.13 "rental" means the monthly/quarterly/half-yearly/yearly amount charged to and payable by the User to the Supplier for the use and enjoyment of the equipment as specified in this agreement, or in the annexure to this agreement (as the case may be).
- 1.1.14 "User" means the lessee of the equipment in terms of this agreement or cessionary;
- 1.1.15 "User's premises" means the premises at which the equipment will be installed and located, or any other premises to which the equipment may have been moved with the prior written consent of the Supplier;
- 1.1.16 "VAT" means the tax leviable in terms of the Value Added Tax Act, 89 of 1991, as amended.
- 1.2 The headings of the various clauses contained herein shall not form part of this agreement or be used for their interpretation and have been inserted for reference purposes only.
- 1.3 The masculine gender shall include the other genders and vice versa, the singular shall include the plural and vice versa and reference to a natural person shall be capable of being construed as a reference to a juristic person and vice versa, unless contrary or other intentions are clearly indicated.
- 1.4 Any reference to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation as at the date of signature of the agreement by the User, and as amended or substituted from time to time.
- 2 **GRANT OF USE AND ENJOYMENT OF EQUIPMENT AND SOURCE OF SUPPLY**
- 2.1 The Supplier hereby grants to the User the use and enjoyment of the equipment. The User hereby accepts such grant of use and enjoyment of the equipment, subject to the provisions of this agreement and the certificate of acceptance.
- 2.2 The parties record that the Supplier purchased the equipment from an authorised distributor and at the User's specific request for the purpose of renting the equipment to the User. The User acknowledges its sole responsibility to ensure that the equipment is suitable for the purpose of its intended use.
- 2.3 To the extent legally possible, the Supplier assigns to the User the benefit of all manufacturer warranties which may be given to the Supplier, in relation to the equipment for the duration of the applicable manufacturer warranties or for the period of this agreement, whichever is the sooner. The User may not waive any of the Supplier's common law rights, as purchaser of the equipment (in particular with regard to the common law warranties of the supplier) and/or as to any other warranty furnished in place of any common law warranty.
- 3 **INSTALLATION AND COMMISSIONING OF EQUIPMENT**
- 3.1 The User shall take delivery of the equipment at the User's premises on behalf of the Supplier when such delivery is tendered by the supplier and the User shall, at its own cost and expense, ensure that the installation area/s, electrical outlet/s, connection requirements/s and access way/s are suitable for the installation, passage and electrical connection of the equipment when it is delivered for installation and thereafter. If special lifting tackle or rigging operations are necessary for the installation of the equipment, all charges connected therewith shall be paid for by the User. The Supplier accepts no responsibility in respect of or liability arising out of such installation.
- 4 **PERIOD OF USE AND ENJOYMENT**
- 4.1 Upon the signature by the User of this agreement, this agreement shall constitute an offer by the User, which offer shall be irrevocable.
- 4.2 This agreement commences on the effective date and, unless terminated earlier under the provisions of clauses 15 and 17, continues for the minimum period until terminated by either the Supplier or the User by either party giving 90 days written notice of termination to the other, which notice of termination operates before the expiry of the minimum period and should written notice of termination not be given on the expiry of the minimum period, the agreement continues on a month-to-month basis until terminated by either party on one month's written notice to the other.
- 4.3 Any notice of termination shall be sent by prepaid registered post to the other party at the *domicilium citandi et executandi* of that party set out in this agreement.
- 4.4 The provisions of clause 4 shall not be construed as precluding the Supplier from:
- 4.5.1 refusing to conclude this agreement without giving any reason therefore; or
- 4.5.2 cancelling this agreement as a consequence of a request by the User to terminate this agreement, provided that, in that event, the terms and conditions attaching to the cancellation shall be on such terms and conditions as may be mutually agreed upon, and failing agreement within 5 (five) days of a request by the User to terminate this agreement, by the Supplier in the Supplier's sole and absolute discretion.
- 5 **RENTAL FOR THE USE AND ENJOYMENT**
- 5.1 The rental payable by the User to the Supplier for the use and enjoyment of the equipment shall be -
- 5.1.1 in respect of the broken period, an amount calculated in accordance with the following formula:

$$A = \frac{B \times C \times D}{E}$$

A = pro-rata rental payable;
B = monthly/quarterly/half-yearly/yearly rental which amounts shall be paid on presentation of the invoice in relation thereto;
C = the number of days in the broken period;
D = 30 (thirty) where the rentals are payable monthly; 90 (ninety) where the rentals are payable quarterly; 180 (one hundred and eighty) where rentals are payable half-yearly; and 360 (three hundred and sixty) where the rentals are payable annually which amounts shall be paid on presentation of the invoice in relation thereto; and
E = after the broken period, the User shall pay to the Supplier monthly/quarterly/half-yearly/yearly rental as specified in this agreement, on the payment date specified in the agreement, or in the annexure, as the case may be;
- 5.1.2 Rentals stated in this agreement have been calculated after taking into consideration: current supplier list prices, all bona fide importation costs including but not limited to freight, clearing, rigging, handling, packaging, insurance, transport and sales/customs/duties, rates of exchange, the then current prevailing short to medium term money market rates, any increase in the prevailing weighted average cost of funding to the Supplier, costs of conforming to statutory obligations and / or regulations and all other similar costs (hereinafter referred to as "the rental costing factors").
- 5.3 If at any stage after the date of signature hereof by the User and during the subsistence of this agreement the prime rate changes, other than for a fixed rental transaction, then without derogating from anything aforementioned, the Supplier may adjust the rentals so that the Supplier maintains the internal rate of return it enjoyed immediately prior to the said change. Any adjustment to the rentals may be made with effect from the date of the change, but in any event shall, if adjusted, be made not later than the first day of the month/quarter/half-yearly following the date of the change. Any variation in the rental in terms of this agreement due to a variation in the prime rate shall be effective notwithstanding any failure on the part of the Supplier to notify the User of such variation in the prime rate or any failure of the Supplier to recover from the User any amounts owed to the Supplier by the User as a result of such adjustment. The User shall be obliged to pay the adjusted rentals from the date of such change. If the User requests the Supplier to terminate a fixed rental transaction and/or to change to a transaction linked to the prime rate, then the User shall pay to the Supplier the costs incurred by the Supplier as a result thereof.
- 5.4 The User shall not be entitled to withhold any payments from the Supplier or deduct any amount from any rental payable in terms of this agreement for any reason whatsoever including impending disputes, nor shall the User set off against any rental and any other amount payable, any present or future claim which the User may have against the Supplier from any cause whatsoever arising.
- 5.5 All moneys paid by the User in terms hereof shall be applied in the first place to the payment of any additional amounts payable by the User to the Supplier and the balance shall be applied to the payment of the rental set out in this agreement. The Supplier may, notwithstanding the above, in its own discretion and without notice to the User, apply any moneys received by it from the User, in payment of any other amount due by the User to the Supplier, whether in respect of equipment sold, services rendered, moneys advanced or any other debt whatsoever. The User shall forthwith settle any shortfall in the amounts due in terms of this agreement which may arise in this manner.
- 5.6 It is expressly agreed that the rentals do not include any payment in respect of maintenance of the equipment.
- 5.7 The User shall pay contract charges and administration charges as amended from time to time in respect of this agreement, which charges shall be invoiced together with the rental due for the broken period. Where this is a Master Rental Agreement, then the contract charges shall apply to each annexure to the Master Rental Agreement.
- 6 **INTEREST ON ARREARS**
- 6.1 The User shall pay to the Supplier interest at the prime rate plus 2% (five per centum) on all amounts overdue in terms of this agreement, calculated on a daily basis from the due date of payment until the actual date of payment.
- 6.2 The User will, in the absence of any manifest error, be bound by the Supplier's calculations in the determination of any interest due to the Supplier.
- 7 **NON WAIVER OF RIGHTS**
- 7.1 Any latitude or extension of time which may be allowed by the Supplier to the User in respect of any payment or other performance provided for in this agreement or any other indulgence which may be extended by the Supplier to the User, shall not prejudice any of the rights of both parties under this agreement or operate as a waiver or novation of such rights.
- 8 **LIABILITY OF THE SUPPLIER AND INDEMNITY**
- 8.1 The Supplier shall not, except where losses are incurred as a result of its own intentional or negligent act or omission, under any circumstances be liable to the User in respect of any damage to person or property of whatsoever nature and whatsoever arising, whether direct or indirect or consequential or special or general, resulting from -
- 8.1.1 the use or possession of the equipment; or
- 8.2 The User agrees that the Supplier shall not be liable for, and the User hereby indemnifies and holds the Supplier harmless from, any and all loss including loss of business profits, injury, damage, fines, penalties and claims of whatsoever nature and whatsoever arising from or connected with the equipment, the installation and commissioning of the equipment and/or the use or possession thereof and whether or not such claims are caused by any act or omission of the User or anyone else.
- 9 **OWNERSHIP OF EQUIPMENT**
- 9.1 It is expressly agreed that the equipment shall at all times be and remain the sole and absolute property of the Supplier. At no stage during the period of this agreement or thereafter will the User or any person on its behalf acquire ownership of the equipment in terms of this agreement. On the termination of this agreement, for any reason whatsoever, the equipment shall be collected by the Supplier hereof and neither the User nor any person on its behalf shall after termination of this agreement be entitled to retain the possession, use or enjoyment of the equipment, except where both parties have agreed in writing to extend the possession, use or enjoyment of the equipment.
- 10 **RISK AND MAINTENANCE OF EQUIPMENT**
- 10.1 Subject to the provisions of this agreement, the User shall not during the period of this agreement or after the expiry thereof be liable for or guarantee any amount in respect of the value of the equipment, but shall not be entitled to cancel this agreement as a result of any diminution in the value of the equipment, howsoever caused.
- 10.2 No guarantees, warranties, representations undertakings or promises of whatsoever nature (excluding warranties as to the fitness of the equipment) other than those expressly contained herein shall be of any force and effect or binding as against the Supplier.
- 10.3 The User is entitled to inspect the equipment on receipt of the equipment and should there be any defect with the equipment that renders it not appropriate for the purpose for which it was intended, the User is entitled to advise the Supplier of this and for the equipment to be removed and replaced accordingly by the Supplier.
- 10.4 The User shall not be entitled to any suspension, remission and/or withholding of the monthly rental in respect of any period during which the equipment is not in proper working order or not working at all, provided that the Supplier's services are within the agreed upon service level agreement, failing which the Supplier will provide a replacement loan unit within 2(two) to 4(four) working days.
- 10.5 On termination of this agreement, the Supplier shall collect the equipment in the same condition as existed at the effective date, fair wear and tear excepted.
- 11 **USER'S OBLIGATIONS**
- 11.1 The User shall not, without the prior written permission of the Supplier, which permission shall not be unreasonably refused:
- 11.1.1 cede, delegate, sell, transfer, pledge, and/or hypothecate all or any of its rights and/or obligations under this agreement;
- 11.1.2 remove or allow the equipment to be removed from the User's premises. Such permission may be granted subject to the requirement that the equipment be moved at the User's expense, by the Supplier's agents, who shall require 14 (fourteen) days prior written notice thereof.
- 11.2 The User shall:
- 11.2.1 use the equipment with care and subject to any instructions issued by the supplier or manufacturer of the equipment from time to time, which instructions shall be deemed to have been issued by the Supplier;
- 11.2.2 keep the equipment free from the claim of third parties and from attachment, and shall not alienate or transfer the equipment, encumber the equipment, either in part or as a whole, nor allow any lien or hypothec to arise in respect thereof and should the User allow the equipment to become subject to any lien, hypothec or attachment or other encumbrance of any nature prior to the User making payment of all the rental plus VAT in respect of such equipment for the broken period plus the minimum period, and the Supplier pays the amount due for the release thereof, then such amount shall constitute a debt owing to the Supplier by the User and shall become payable on demand. The User's responsibility shall, inter alia, include the repairing or replacing of all damaged, broken or worn parts, where this is caused by negligence, misuse or neglect by the User;
- 11.2.3 keep the equipment dry, clean, and free from dust, extreme temperature and harmful fumes and install adequate lightning and/or surge protection to the relevant connection points, which would be supplied by the Supplier;
- 11.2.4 permit the Supplier and/or its authorised agents to have access to and to inspect and/or maintain the equipment at all reasonable times;
- 11.2.5 provide adequate accommodation and all other facilities necessary for the installation and maintenance of the equipment as laid down in any specification issued by the relevant authority;
- 11.2.6 immediately on the effective date, advise the Supplier and the landlord of the User's premises in writing or any new landlord and/or new Supplier of such premises of the fact that the equipment is the property of the Supplier and will remain such throughout the subsistence of this agreement and thereafter;
- 11.2.7 the User shall similarly immediately notify the landlord and Supplier and any new landlord and/or new Supplier of any subsequent premises at which the equipment is located or installed, of the Supplier's ownership of the equipment.
- 11.2.8 The User shall notify the Supplier of any new address where the equipment is kept if the equipment is moved;
- 11.2.9 not interfere with or allow any interference with any identification which may be affixed to the equipment by the Supplier or the supplier from time to time;
- 11.2.10 not use the equipment in contravention of this agreement or the terms and conditions of any insurance policy relating to this agreement;
- 11.2.11 not use or allow any person to use illegal or pirated software on or in connection with the equipment;
- 11.2.12 not, without the prior written consent of the Supplier, make any alteration to the equipment other than the repair or replacement of broken, damaged or worn parts. The User acknowledges that all replacements and renewal parts and accessories and all additions, modifications and alterations to the equipment during the currency of this agreement, shall be deemed to form part of the equipment and shall accede to the equipment and become the property of the Supplier without compensation to the User;
- 11.2.12.1 keep the equipment in its own possession and control and shall not permit the equipment to be used by any unqualified operator or in any other manner contrary to the law or the terms and conditions of any insurance policy relating to the equipment;
- 11.2.13 pay and bear all VAT on rentals and all other amounts properly chargeable with VAT, payable in terms of or pursuant to this agreement;

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11.2.14 advise the Supplier forthwith of any loss of or damage to the equipment and shall, during the continuance and/or upon termination of this agreement reimburse the Supplier for all costs and expenses incurred to restore the equipment to good and proper order and repair, if the cause of loss or damage is attributable to the negligence or wilful misconduct of the User. The User hereby undertakes to look after and care for the equipment in a proper, diligent and careful manner, and

11.2.15 advise the Supplier of any intended change in the location of the User's premises at least 30 (thirty) days prior to such change.

12. **INSURANCE**
The Supplier will be responsible for taking out the insurance policy. The User shall comply with all reasonable conditions imposed by the Supplier's insurers or their agents with regard to the location and use of the equipment.

13. **ALTERATION AND EXTENSION TO EQUIPMENT**
Should the User or any competent authority determine, either before, during or after the installation of the equipment, that any alterations or additions are required to the equipment or to the User's premises to ensure the proper installation and functioning of the equipment, then such alterations or additions to the equipment shall be carried out only by such technicians as may be approved by the Supplier, at the User's sole cost and expense. Such technicians shall be deemed to be the agents of the User in carrying out such alterations and additions and no liability of whatsoever nature shall attach to the Supplier in respect of such alterations or additions or in the manner in which these are carried out.

14. **CESSION AND ASSIGNMENT**
Both parties agree and consent that the User or Supplier is entitled, on a mutually written agreement to the Supplier/User, to cede, delegate, sell, transfer, pledge, and/or hypothecate all or any of its rights and/or obligations under this agreement. If such cession, delegation, sale, transfer, pledge and/or hypothecation takes place, the Supplier/User shall, from the date of such cession, delegation, sale, transfer, pledge and/or hypothecation hold the equipment on behalf of any such cessionary, delegate, purchaser, transferee, pledgee or other person ("Recipient") in place of the Supplier and, if so required by any such Recipient, comply with the instruction and directions of any such Recipient. The User consents to any splitting of claims which may result from any cession, delegation, sale, transfer, pledge or hypothecation contemplated in this clause.

15. **LOSS OR DESTRUCTION OF EQUIPMENT**
15.1 If any equipment, leased in terms of this agreement, is lost or stolen, after such loss or theft or, in the Supplier's sole discretion, is damaged beyond economical repair, this agreement shall terminate forthwith in respect of such equipment, and, the User shall pay all lease payments (plus VAT if applicable) outstanding and/or in arrears in respect of the period to such termination; provided that such equipment may at the Supplier's election, be replaced, in which event, the terms and conditions of this agreement shall apply to such replacement equipment.

15.2 In the event of loss or destruction of the equipment, the User shall notify the Supplier within 1 (one) business day of such loss or destruction.

15.3 In the event of abovementioned loss and Destruction the Supplier will initiate an insurance claim in accordance with the terms a condition of the insurance annexure for replacement or repair of said equipment. The User will not be liable for any cost under said insurance claim.

16. **INFORMATION ABOUT THE USER**
16.1 The User warrants, such warranties being material and going to the root of this agreement, that all information supplied to the Supplier by the User or anyone on its behalf concerning the User's business in whatever form, is true and correct in all material respects in particular the User warrants that, all information so supplied to the Supplier during its investigation prior to the effective date including balance sheets, income statements, cash flow, profit, forecasts and other financial statements or accounts ("the information"). The User further warrants that all such information as may be presented to the Supplier in the future will be true at the relevant time, and will remain true and correct in every material respect. The User undertakes to provide the Supplier with the information forthwith after the commencement of this agreement upon receipt of the Supplier's written request for such information. The User warrants that all rental payments due in terms of this agreement are wholly or partly deductible from the User's income under Part 1 of Chapter II of the Income Tax Act, 58 of 1962.

17. **BREACH OF AGREEMENT**
17.1 Should the
17.1.1 User fail to make any payment due in terms of this agreement on due date thereof, or
17.1.2 User or Supplier commit any other breach of its obligations in terms of this agreement (which breach shall be deemed to be a material breach); or
17.1.3 User or Supplier have made any misrepresentations to the Supplier in connection with this agreement or any matter relevant thereto; or
17.1.4 User or Supplier be convicted of any criminal offence relating to fraud, theft, forgery, embezzlement and related crimes; or
17.2 Should the User or Supplier breach any of the provisions of this agreement in terms of clause 17.1 and fail to remedy such breach within 7(seven) days of receiving notice from the User or Supplier calling upon it to do so, the Supplier shall be entitled forthwith, without prejudice to any other rights which it might have against the User, -
17.2.1 to demand payment of the total outstanding balance of the rentals plus VAT for the entire minimum period and the broken period plus the notice period as referred to in clause 4.3, and any other amounts payable by the User in terms hereof, whether due for payment or not. In such circumstances and without prejudice to the Supplier's rights, if the User pays to the Supplier all such outstanding amounts in full, the User shall be entitled to use, enjoy and possess the equipment until the expiry of the notice period only. If the User fails to make immediate payment as provided herein, the rights of the Supplier shall not be exhausted and the Supplier shall notwithstanding the election to claim immediate payment in terms of this sub-clause, be entitled to claim and recover the relief set out in clauses 17.2.2, 17.2.3 and 17.2.4, or
17.2.2 to cancel this agreement; and
17.2.3 to retake possession of the equipment; and
17.2.4 to recover from the User -
17.2.4.1 all amounts due and/or in arrears as at the date of cancellation together with interest thereon plus VAT (as provided in clause 6 hereof), and
17.2.4.2 all damages suffered by the Supplier as a result of the cancellation of the agreement which damages the User agrees shall be no less than the total of all amounts which but for such cancellation would have been payable from the date of cancellation of the agreement until the date upon which this agreement would otherwise have terminated by effluxion of time, that is, the last day of the notice period including but not limited to any costs as a result of its terminating any financial transactions entered into for the purpose of securing a fixed rental (where the agreement is a fixed rental transaction).

17.3 The provisions of clause 17.2 above, shall not be construed as precluding the Supplier from enforcing performance by the User under the terms and conditions of this agreement.

17.4 Whenever it may be necessary to determine the value of the equipment, the User agrees that the Supplier shall have the right in its discretion to nominate and appoint the value for said valuation the User has the right to appoint its own valuer in the event that it is not in agreement with the valuation. In the event of conflicting valuations the matter will be referred for arbitration.

18. **JURISDICTION AND COSTS**
18.1 The User consents to the jurisdiction of any competent Magistrate's Court in respect of any action to be instituted against the User by the Supplier in terms of this agreement, provided however that nothing herein shall preclude the Supplier from proceeding against the User in any court of competent jurisdiction or, at the Supplier's election, by way of arbitration referred to in clause 19, in which event the User or Supplier shall be entitled to recover the cost of the proceedings in the said court of competent jurisdiction or arbitration forum. Should the Supplier elect to proceed against the User in the High Court, the User consents to the jurisdiction of the Pietermaritzburg High Court of South Africa.

18.2 All legal fees, charges and disbursements of whatsoever nature (including, without limiting the generality of the foregoing, costs on the party and/or parties costs as taxed and allowed by court in accordance with the fee parameters/guidelines of the relevant Society of Advocates) incurred by the User or Supplier in enforcing any of the provisions of this agreement either by way of arbitration or court proceedings and recovering possession of the equipment and costs and disbursements incurred in tracing the User and/or the equipment and in collecting or endeavouring to collect all or any amounts payable by the User to the Supplier, hereunder or otherwise, and all collection commissions, storage charges, costs of evaluation of the equipment and restoring the equipment to a saleable condition, selling commissions, dismantling and removing charges and all other fees and charges of a like nature, shall be for the account of the User and shall be payable on demand.

19. **ARBITRATION**
19.1 This clause is a separate, divisible agreement from the rest of this agreement and shall remain in force even if the agreement terminates or is cancelled.
19.2 Any dispute arising out of or in connection with this agreement or the subject matter of this agreement including, without limitation, any dispute concerning
19.2.1 the existence of the agreement apart from this clause,
19.2.2 the interpretation and effect of the agreement,
19.2.3 the parties' respective rights or obligations under the agreement,
19.2.4 the rectification of the agreement,
19.2.5 the breach, termination or cancellation of the agreement or any matter arising out of the breach, termination or cancellation,
19.2.6 damages in delict, compensation for unjustified enrichment or any other claim, whether or not the rest of the agreement apart from this clause is valid and enforceable, shall be decided by arbitration as set out in this clause.

19.3 The parties shall agree on the arbitrator who shall be an attorney or advocate on the panel of arbitrators of the Arbitration Foundation of Southern Africa ("AFSA"). If consensus is not reached within 10 (ten) days after either party in writing calls for arbitration, the arbitrator shall be an attorney or advocate nominated by the Registrar of AFSA for the time being.

19.4 The request to nominate an arbitrator shall be in writing outlining the claim and any counterclaim of which the party concerned is aware and, if desired, suggesting suitable nominees for appointment, and a copy shall be furnished to the other party who may, within seven days, submit written comments on the request to the addressor of the request.

19.5 The arbitration shall be held in a mutually agreed upon location within KwaZulu Natal, South Africa and the parties shall endeavour to ensure that it is completed within 60 (sixty) days after notice requiring the claim to be referred to arbitration is given.

19.6 The arbitration shall be governed by the Arbitration Act, 1965 or any replacement Act and shall take place in accordance with the Commercial Arbitration Rules of AFSA.

19.7 Nothing in this clause shall preclude any party from seeking an urgent interdict or urgent relief from a court of competent jurisdiction.

20. **UPGRADE OPTION**
20.1 User shall be entitled to upgrade the equipment or any part thereof, subject to the following conditions:
20.1.1 the User has complied with and can reasonably be expected to continue to comply with all the terms and conditions of this agreement;
20.1.2 the Supplier may, at its sole discretion, consent in writing to the upgrade, which consent shall be given within a period of 30 (thirty) days of receipt of the User's written request for an upgrade; and
20.1.3 the User shall then sign and accept all documents and/or contractual amendments to this agreement as are then deemed necessary by the Supplier.
20.1.4 If the Supplier has assigned any or all of its rights and/or obligations (or any part thereof) under this agreement, and the assignee has agreed to such upgrade.

21. **GENERAL**
21.1 All payments to be made by the User in terms hereof shall be made to the Supplier at the address of the Supplier indicated on the front cover of this agreement, or at any such other address, which the Supplier may designate for such purpose from time to time.
21.2 Any notice sent by prepaid registered post to the User/Supplier at its *domicilium citandi et executandi*, shall be deemed to have been received by the User/Supplier on the fifth day following the posting thereof.
21.3 This is the entire agreement between the parties relating to the equipment. The parties acknowledge that there are no oral or collateral agreements which in any way vary or modify this agreement or suspend the operation of same.
21.4 No variation, alteration, consensual cancellation or novation of, or addition to (having read and understood the contents of this agreement), and no waiver by the Supplier of any of its rights hereunder, and no latitude or indulgence by the Supplier, shall be of any force or effect unless reduced to writing and signed by both the Supplier and the User.
21.5 No oral *pactum de non petendo* shall be of any force or effect.
21.6 A certificate signed by a director, head of department, manager or accountant of the Supplier (whose appointment as such need not be proved by the Supplier) as to:
21.7.1 the amount of any rental or other payment in terms of this agreement;
21.7.2 the amount of any arrears of rental plus VAT; and/or
21.7.3 the total outstanding balance or any part thereof of the rentals plus VAT for the broken period, the entire minimum period plus the notice period as referred to in clause 4.3, and/or
21.7.4 the amount of any payments made for the account of the User as authorised by this agreement, and/or
21.7.5 any other matter relevant to this agreement,
shall be prima facie proof of the matters therein stated and sufficient for the purpose for which the certificate is issued, and especially for the purpose of obtaining judgment and/or provisional sentence and for the purpose of pleadings or any trial action against the User, for the amount or amounts reflected in such certificate.

21.8 The User warrants that any signatory who signs/ has signed a certificate of acceptance or delivery receipt on behalf of the User has been duly authorised to do so, and that the Supplier shall not be obliged to enquire into the authority of such signatory.

21.9 The User acknowledges that all information inserted in the agreement is, to the best of the User's knowledge, correct, unless the User notifies the Supplier to the contrary within 7 (seven) days of receipt by the User of a copy of this agreement.

21.10 Should any provision of this agreement be, or be retrospectively rendered, unlawful, then that unlawful provision only shall be deemed to be modified to the extent and in the manner necessary to render it consistent with the enactment rendering it unlawful, or if such modification is impossible, be deemed to be severable from the remaining provisions hereof and *pro non scripto*. In either such event, notwithstanding anything to the contrary in this agreement, the Supplier and the User shall have all the rights conferred upon them by the law rendering such provision unlawful.

21.11 If 2 (two) or more Users sign this agreement, their liabilities shall be joint and several. If this agreement is not signed by all persons named as the User above, or by all partners of the User (if a partnership) or by all members of a close corporation (if a close corporation), this agreement shall nonetheless be and remain binding on the Users who have signed this agreement or on a User being a partnership or close corporation (as the case may be).

21.12 Any change in the manner of payment requested by the Supplier from the User in terms of clause 23 below, shall not be construed as being a novation and the Supplier reserves its rights at all times to change or alter the manner of payment of any rental payable by the User in terms of this agreement.

21.13 The User consents to:
21.14.1 the Supplier performing a credit information search on the User at a credit information bureau ("CIB") of the Supplier's choice;
21.14.2 monitoring payment behavior by researching the User's record at one or more CIB's;
21.14.3 using new information and data obtained from a CIB in respect of future rental applications;
21.14.4 recording and transmitting details of how the User has performed in terms of this agreement, reflecting how the account has been conducted by the User in meeting its obligations in terms of this account to any creditor of the User.

21.15 The User acknowledges and agrees that any information regarding its creditworthiness, defaults in payments to the Supplier, and details of how the User has conducted its account with the Supplier may be disclosed to any other creditor of the User and/or to one or more CIB's.

21.16 The User authorises the Supplier to complete any blank spaces in an equipment schedule relating to the effective date and the serial numbers and other identification of the equipment. The User also authorises the Supplier to rectify any manifest errors contained in an equipment schedule.

22. **GOVERNING LAW**
This agreement shall be governed by and construed in accordance with the laws of the Republic of South Africa and all disputes, actions and other matters arising in connection with this agreement shall be determined in accordance with such law.

23. **MANNER OF PAYMENT**
23.1 The User shall upon demand by the Supplier following signature of this agreement, effect payment to the Supplier in the form of an electronic funds transfer, in respect of the monthly rental payments in terms of this agreement covering the full term of this agreement (being the broken period, the minimum period plus the notice period).
23.2 The User shall be liable for and pay to the Supplier on demand an amount equal to the aggregate of the amount charged by the Supplier's Bankers in respect of any of the User's payment instructions being dishonoured by the User's bankers plus a penalty equivalent to 50% (fifty per centum) of that amount.

Am
B.E

ANNEXURE TO MASTER RENTAL AGREEMENT NO: _____
 ENTERED INTO BY AND BETWEEN
 THE "OWNER", XTEC KZN (PTY) LTD
 COMPANY REGISTRATION NUMBER: 2000/022030/07
 OF 342 Boom Street, Pietermaritzburg, 3201
 AND
 THE "USER" RICHMOND MUNICIPALITY
 COMPANY REGISTRATION NUMBER: _____
 PHYSICAL ADDRESS: 57 SHEPSTONE ROAD -RICHMOND 3780



ITEM NO.	DESCRIPTION	ESC %	RENTAL EXCL VAT PAYABLE ON THE 1ST LAST DAY OF EACH MONTH/QUARTER	SERIAL NUMBER	MINIMUM PERIOD	EFFECTIVE DATE	DUE DATE OF FIRST RENTAL	AGREEMENT NO.	REFERENCE NO.
1	Xerox Col MFP C8170	0%	R 14 270.00	3743021761	36 months	01 Sep			
2	Xerox Col MFP C8170	0%	R 14 270.00	3743021974	36 months	01 Sep			
3	Xerox Col MFP C6255	0%	R 5 425.00	3050369470	36 months	01 Sep			
4	Xerox Col MFP C6255	0%	R 5 425.00	3050369454	36 months	01 Sep			
5	Xerox B&W MFP B8270	0%	R 3 780.00	3749899483	36 months	01 Sep			
6	Xerox B&W MFP B8270	0%	R 3 780.00	3749899602	36 months	01 Sep			
7	Xerox B&W MFP C1125	0%	R 3 365.00	3948338873	36 months	01 Sep			
8	Xerox B&W MFP B1135	0%	R 3 365.00	3749680155	36 months	01 Sep			
TOTAL RENTAL			R53 680.00						

THIS ANNEXURE INCORPORATES THE TERMS AND CONDITIONS OF THE MASTER RENTAL AGREEMENT:

THE USER
 THUS DONE AND SIGNED AT Richmond
 THIS 13th DAY OF August 2025
 BY BE Mswane (FULL NAME) IN HIS/HER
 CAPACITY AS Municipal Manager

FOR AND BEHALF OF THE USER
BE Mswane
 Zanele Zuma
 FULL NAMES OF WITNESS

WITNESS SIGNATURE

THE OWNER
 THUS DONE AND SIGNED AT Pietermaritzburg
 THIS 27th DAY OF August 2025
 BY Danya Harrington (FULL NAME) IN HIS/HER
 CAPACITY AS General Manager

FOR AND ON BEHALF OF THE OWNER
Danya Harrington
 FULL NAMES OF WITNESS
Shelly
 WITNESS SIGNATURE

RESOLUTION

Extract of Minutes of Meeting of the User held at _____

on this the _____ day of _____ year

RESOLVED: "That the User enters into a Rental Agreement with Xtec KZN (Pty) Ltd for the renting of the Equipment as specified in the Rental Agreement and any future Rental Agreement upon such conditions as are usually applicable to Rental Agreements and as may be agreed upon". terms and

That _____ in his/her capacity as _____
of the User is hereby Authorised to sign, endorse and execute all documents for and on behalf of the User to give effect to this Resolution.

Date _____ Signature

Full Name _____ Capacity

PLEASE CONFIRM IF THIS CONTRACT REPLACES AN EXISTING CONTRACT

YES NO

IF YES PRODUCT REPLACED:

_____ **FINANCE HOUSE:**

ON CONTRACT:

_____ **SERIAL No.:**

CUSTOMER SIGNATURE



GENERAL INFORMATION PAGE

Basic requirements for completing the attached documents:

- Please ensure that all pages have been initialled
- If applicable, the upgrade block to be completed for settlement purposes
- Please ensure that the Certificate of Acceptance has the exact location address completed in full
- A witness is required to sign the Front page of the Agreement and initial all pages thereafter

What to expect from us after the approval of this contract

You will receive a call to confirm the installation of the equipment as well as the details of the transaction.

Supplier Information:

Physical Address:	195 Peter Kerchoff Street, Pietermaritzburg 3201
Postal Address:	P O Box 275, Pietermaritzburg, 3200
Switchboard Number:	(033) 816 1500
Contact Queries E-mail:	info@xtec.co.za
Website Address:	www.xtecpmb.co.za



Xtec KZN (Pty) Ltd
Reg. No. 2000/022030/07
VAT Reg. No. 4940196268
342 Boom Street,
Pietermaritzburg, 3200
P.O Box 275,
Pietermaritzburg, 3200 Tel:
(033) 816 1500

CERTIFICATE OF ACCEPTANCE

XTEC KZN (PTY) LTD

AND

RICHMOND LOCAL MUNICIPALITY

"THE USER"

AGREEMENT NO

"THE AGREEMENT"

The Effective Date of the Agreement, and thus the obligation to make payment commences on the date upon which the equipment is delivered and installed at the User's premises, as detailed in point 1 below.

1 It is hereby recorded that I, (FULL NAME)

Zanele Zuma

acting in my/our capacity as (Title)

Manager administration and Records

of the User, and duly authorized hereto, do hereby acknowledge and warrant that the equipment, namely

MAKE:

AS PER ANNEXURE

PRODUCT TYPE

AS PER ANNEXURE

MODEL:

AS PER ANNEXURE

SERIAL NO:

AS PER ANNEXURE

EXACT LOCATION /ADDRESS OF EQUIPMENT

AS PER ANNEXURE

has on the

01

or

September

or

2025

(the Effective Date) been

day

month

year

- a) delivered and installed at the above location, is in our possession and the equipment described above accords with the description of the equipment contained in the Agreement, and,
b) inspected and is in good order and condition, free of defects and ready for use in every respect. Notwithstanding anything to the contrary in the Rental / Master Rental Agreement or herein, the User warrants that any signatory who signs / has signed a Certificate of Acceptance or Delivery receipt on behalf of the User has been duly authorized by the User to do so, and that the Supplier shall not be obliged to enquire into the authority of such signatory.
C) this Certificate Of Acceptance was not signed prior to actual delivery of the equipment to the User.
D) the Supplier shall only effect payment in respect of the equipment as against signature by the User of this Certificate of Acceptance:

I further confirm that in the event that such equipment is or becomes subject to any cession, sale or other transfer of Ownership, from the date of such cession, sale or transfer, the User agrees to hold the equipment on behalf of any such cessionary, purchaser or transferee ('recipient') in place of the present Supplier of the equipment and, if so required by any such recipient, comply with the instruction and directions of any such recipient.

SIGNED AT

Richmond

ON

01

DAY OF

September

YEAR

2025

SIGNATURE

Kindly e-mail to info@xtec.co.za and return original by post to P O Box 275, Pietermaritzburg, 3200 at your earliest convenience