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## Terms and Conditions of Rental Contract- Schedule B

1. **Term.** Except as otherwise terminated at an earlier date in accordance with these Terms and Conditions, this contract shall commence on delivery to the Client of the equipment and shall continue in full force and effect until the equipment is returned in accordance with Section 4 below ('Term').
2. **Rental Payments.** Client agrees to pay the rental payments for the Term as specified in the Agreement, in immediately available funds, on the due date. No portion of any rental payment shall be deemed to constitute payment for any equity interest in the equipment. All payments of Rent shall be made directly by the Client in South African Rand. Each payment received will be applied first to the oldest charge due under the contract and then any current payments. If Client fails to pay any amounts as required under the contract when due, Client shall pay Contractor, in addition to such amounts, interest at an annual rate of 18% on any unpaid and delinquent balance. Should the Client default in respect of any one payment of the Rental for any reason the Client hereby consents, at the option of the Contractor, to the removal of the product from the Client's premises and to the cancellation of this agreement. The Contractor reserves the right to claim any damages occasioned by such a default.
3. **Return and Renewal.** Sixty (60) days prior to the expiration of the Term, Client shall give the Contractor written notice to terminate the contract; otherwise the contract is automatically extended. Nothing contained herein is intended to relieve Client of its obligation to return the equipment or restrict Contractor's right to recover the same in the event of termination of the contract. At the time of return, the Equipment will be (i) free and clear of all liens (other than Contractor liens) and rights of third parties under sublease or similar agreements or arrangements; and (ii) in as good operating condition as when delivered to Client hereunder, ordinary wear and tear excepted.
4. **Delivery of Equipment and Risk of Loss.** Client shall bear risk of loss, theft, destruction, or damage of the equipment from any and every cause whatsoever, regardless of whether or not insured. No loss of or damage to equipment or any part thereof shall impair any obligation of Client under this contract, which shall continue in full force and effect. In the event of damage or loss of any kind whatsoever to any item of equipment, Client at the option of the Contractor shall, at Client's expense, (i) place the same in good repair, condition and working order, or (ii) replace the same with like equipment in good repair, condition and working order. The Contractor undertakes to make any repairs necessary to the product consequent on normal wear and tear at no cost to the Client.

5. **Maintenance and servicing.** The Client agrees to inform the Contractor of any breakdown of the product within 24 hours. Failure to do so will disqualify any reduction in the cost of the Rental for any reason whatsoever. The Contractor shall be responsible for all maintenance and servicing of any product installed by the Contractor at Client's premises as may be requested by the Client or as may be prescribed by Vortech. Client shall not remove, alter, disfigure or cover up any numbering, lettering, or insignia displayed upon the equipment, and shall see that the equipment is not subjected to careless, un-usually or needlessly rough usage and hence Client would be liable for costs under these circumstances. Client may not alter, obliterate or obscure any trademarks or promotional material displayed on any product supplied in terms of this agreement.
6. **Title.** Contractor shall at all times retain ownership and title to the equipment (including for tax purposes) All documents of title and evidence of delivery shall be delivered to the Contractor. Client shall at its expense protect and defend Contractor's title against all persons, at all times keeping the equipment free from any legal process or encumbrance whatsoever, and shall give Contractor immediate written notice thereof and shall indemnify Contractor from any loss caused thereby. Client shall be responsible for advising the Client's landlord that the product is on loan to the Client and that the product is therefore excluded from the landlord's hypothec.
7. **No Subletting or Transfer.** This agreement is personal to the Client and may not be ceded, assigned, sub-licensed or disposed of in any way without the written consent of the Contractor. Further, Client may not transfer any Equipment out of South Africa without the prior written consent of the Contractor. Should the Client sell, sublet or transfer the business to a third party who is deemed to be the Newclient, the Rental agreement for the product shall be renegotiated with the Newclient of the business. It is the responsibility of the Client to inform the Contractor of any such sale or transfer of the business and will remain responsible for the Rental until such time as the Client advises the Contractor to enable the Contractor to negotiate a revised contract with the Newclient.
8. **Disclaimer of Warranties.** The Equipment is being delivered by contractor to client "AS IS, WHERE IS". Contractor has not made or shall not be deemed to have made, and hereby expressly disclaims, any representation or warranty, express or implied, as to the title, condition, design, operation, merchantability or fitness for particular purpose of any equipment or any part thereof, as to the absence of latent or other defects, whether or not discoverable, as to the absence of any infringement of any patent, trademark or copy-right, as to the absence of obligations based on strict liability in tort, or any other representation or warranty whatsoever, express or implied, with respect to any equipment or any part thereof.
9. **Taxes, Fees and Assessments.** This is a net Lease/contract and Client intends the contact payments hereunder to be net to the Contractor. Client shall pay all licence fees, assessments, and sales, use, property and excise, and other taxes or hereafter imposed, and relating to Client's use or possession of the equipment.

10. **Inspection.** Client shall inspect the equipment within three (3) business days after receipt thereof. Unless Client, within said period of time, gives written notice to Contractor, specifying any defect in or other proper objection to the equipment. Otherwise, it is assumed and accepted Client has inspected the equipment and the equipment is in full compliance with the terms of this agreement, in good condition and repair. Contractor will have the right at any time to enter the premises occupied by the equipment and shall be given free access thereto and afforded necessary facilities for the purpose of inspection.
11. **Default; Remedies.** If Client (a) shall default in the payment of any rent or in making any other payment hereunder when due, or (b) shall default in the payment when due of any indebtedness of Client to Contractor independently of this contract, or (c) shall default in the performance of any other covenant herein and such default continues for five (5) days after written notice hereof to Client by contractor, (d) becomes insolvent or makes an assignment for the benefit of creditors, or (e) applies for or consents to the appointment of receiver, trustee, business rescue practitioner or liquidator of client or of all or a substantial part of the assets of Client under the insolvency/bankruptcy act or any amendment thereto or under any other law providing relief of debtors, then, if and to extent permitted by applicable law. Contractor shall have the right to under any other insolvency law or law providing for relief of debtors, then, if and to the extent permitted by applicable law. Contractor shall have the right to exercise any one or more of the following remedies:
- a. To declared the entire amount of rent hereunder immediately due and payable as to any or all items of the equipment, without notice or demand to the client.
  - b. To sue for and recover all rents, and other payments, then accrued or thereafter accruing, with respect to any or all items of the equipment;
  - c. To take possession of any and all items of the equipment without demand, notice, or legal process, wherever they may be located. Client waives any and all damages occasioned by such taking of possession. Any said taking of possession shall not constitute a termination of this contract as to any or all items of equipment unless Contractor expressly so notifies Client in writing;
  - d. To terminate this contract as to any or all items of equipment; and
  - e. To pursue any other remedy at law or in equality.

Notwithstanding any said repossession or any other action which Contractor may take, Client shall be and remain liable for the full performance of all obligations on the part of Client to be performed under this contract. All such remedies are cumulative, and may be exercised concurrently or separately.

12. **Governing Law.** This Agreement shall be governed in all respects by the laws of the Republic of South Africa. The parties agree that any dispute arising from this Agreement may be determined by the High Court or any other Court in Western Cape in the Republic of South Africa having the necessary jurisdiction to entertain such an action.

13. **Surety.** In the event that the Client is a legal *personae*, the person representing the Client in this agreement binds himself as surety and co-principal debtor in *solidum* for the due performance by the Client of all its obligations to the Contractor, whether presently due, owing and payable or becoming due, owing and payable in the future.
14. **Limitation of Contractor's Liability.** In NO event, regardless of form of claim or cause of action (Whether based in contract, infringement, negligence, strict liability, other tort or otherwise) shall Contractor's liability to Client and/or its customers and/or sub lessees exceed the fair market value of the equipment giving rise to the claim or cause of action. In NO event shall the Contractor's liability to the Client and/or its customers and/or sub lessees include incidental, consequential, indirect or punitive damages. The term "**consequential damages**" shall include, but not limited to, loss of anticipated profits, business interruption, loss of use, revenue, reputation and data, costs incurred, including without limitation, for capital, fuel, power and loss or damage to property or equipment.
15. **Indemnification.** Client shall indemnify, protect, save and keep harmless the Contractor, its agents, servants, successors and assigns from and against all losses, damages, injuries, claims, demands and expenses, including legal expenses, of whatsoever nature, arising out of use, condition (including but not limited to, latent and other defects whether or not discoverable by it), or operation of any item of equipment, regardless of where, how and by whom operated (including by reason of strict liability or infringement claims); or, in the event of material breach hereunder, arising out of or resulting from the condition of any item of equipment sold or disposed of after use by the client. Client shall be liable for the expenses of the defence and the settlement of any suit or suits or other legal proceedings brought to enforce all such losses, damages, injuries, claims, demands for shall continue in full force and effect notwithstanding the termination of this contract, whether by expiration of time, by operation of law, or otherwise. Client is an independent contractor and nothing contained in this contract shall authorize the client or any other person to operate any item of the equipment so as to incur or impose any liability or obligation for or on behalf of the Contractor.
16. **Force Majeure.** Neither party shall be liable to the other for any failure to perform any obligation under any Agreement which is due to an event beyond the control of such party including but not limited to any Act of God, terrorism, war, Political insurgence, insurrection, riot, civil unrest, act of civil or military authority, uprising, earthquake, flood or any other natural or man-made eventuality outside of our control, which causes the termination of an agreement or contract entered into, nor which could have been reasonably foreseen. Any Party affected by such event shall forthwith inform the other Party of the same and shall use all reasonable endeavours to comply with the terms and conditions of any Agreement contained herein.
17. **Entire Agreement.** The Terms and Agreement and other schedules attached hereto, represent the entire agreement between the Parties on the subject matter thereof and supersedes all prior discussions, agreements, and understandings of every kind and nature between them. No

Modification of this Lease will be effective unless it is (i) in writing; (ii) specifically refers to this lease; and (iii) signed by both parties.

18. **Severability.** In the event that any of the terms of this contract are in conflict with any rule of law or statutory provision or are otherwise unenforceable under the laws or regulations of any government or subdivision thereof which has jurisdiction over the interpretation and enforcement of the contract, but such invalidity or unenforceability shall not invalidate any of the other terms of this contract and the contract shall continue in force, unless the invalidity or unenforceability of any such provisions compromise an integral part of, or are otherwise inseparable from, the remainder of this contract.
19. **Expenses.** Client shall pay Contractor all costs and expenses, including attorney's fees and costs incurred by Contractor in exercising any of its rights hereunder or enforcing any of the terms or provisions of these Terms or the Agreement.
20. **Waiver.** No Failure by Contractor to take any action or assert any right hereunder shall be deemed to be a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.
21. **Notices.** Any Notice under this contract will be in writing and delivered by personal delivery, express courier, confirmed facsimile, confirmed email or certified or registered mail, return receipt requested, to the addresses set forth in the Agreement.