

ELECTRICITY DISTRIBUTION BUSINESS

PREPAYMENT SALES AGREEMENT

1. **Parties**

1.1 Camdeboo Municipality

1.2 **VENDOR**

(Name of Vendor)

..... INXS INVESTMENTS PTY LTD

(Trading address) ... SH-94 CHURCH STREET

ID Number of Vendor ... 1995/00472/07

Notwithstanding the provisions of Section 200A of the Labour Relations Act the Vendor considers him/herself to be an independent contractor and not an employee of Camdeboo Municipality.

2. **Definitions**

2.1 **“The Vendor”** means the party set out in 1.2 above.

2.2 **“Equipment”** means a credit-dispensing unit (“CDU”) USED BY Camdeboo Municipality for the supply of tokens to the public.

2.3 **“Tokens”** means prepaid tokens sold by Camdeboo Municipality for the supply of electricity.

2.4 **“The premises”** means the address set out in 1.2 above.

3. **Duration of agreement**

3.1 The agreement shall commence on 27 July 2014..... and shall continue for a period of THREE years subject to an extension on a month to month basis being approved by both parties.

3.2 Camdeboo Municipality may summarily cancel the agreement and remove Camdeboo Municipality’s assets as soon as practical after termination:

3.2.1 if the Vendor damages or tampers with the equipment to the detriment of Camdeboo Municipality;



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- 3.2.2 in the event that the Vendor is placed under provisional or final liquidation, sequestration, or juridical management, as the case may be, or voluntarily surrenders his Estate, or otherwise commits any acts of insolvency;
- 3.2.3 if the equipment is attached by any creditor of the Vendor;
- 3.2.4 if the Vendor has any final judgment entered against him/her and fails to satisfy that judgment within 14 (fourteen) days thereof;
- 3.2.5 if the area of the Vendor becomes prone to robbery and other crime and risks detrimental to the business of Camdeboo Municipality;
- 3.2.6 if the Vendor closes or discontinues vending without just cause, for a period in excess of 48 hours;
- 3.2.7 if the Vendor sells liquor on or from the premises;
- 3.3 Upon termination of the agreement, all monies due and owing to Camdeboo Municipality, shall become immediately payable.

4. Place of sale of tokens

4.1 The Vendor may sell tokens and receipt cash, only from the premises and shall do so at least during all hours set below:

4.1.1 Monday – Friday
From: 0h00 To: 24h00

4.1.2 Saturday
From: 0h00 To: 24h00

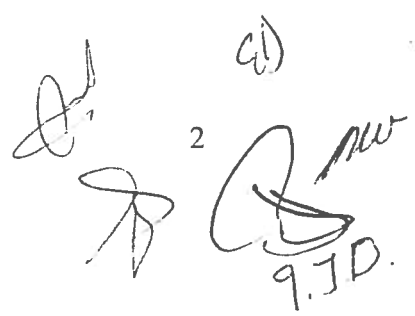
4.1.3 Sunday
From: 0h00 To: 24h00

4.1.4 Public Holidays
From: 0h00 To: 24h00

4.2 No refund of the amount tendered for the purchase of electricity credit at the point of sale will be given after initiation of the process by which the pre-payment token is produced and no wrong tokens will be reversed.

4.3 The Vendor shall bear the risk of all monies collected on behalf of Camdeboo Municipality until banked.

4.3.1 The takings for each day (0h00 to 24h00) will be banked by 10h00 on the following day.



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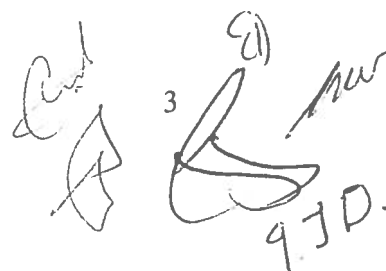
- 4.3.2 A copy of the deposit slip will be delivered to the Treasury office immediately after banking, by 11h00.
- 4.3.3 Failure to comply strictly and punctually with these provisions will render the Vendor liable to be blocked from issuing tokens.
- 4.4 If the Vendor intends to close or discontinue the Vending for a period in excess of 48 hours he shall give Camdeboo Municipality prior notice and justification of such closure or discontinuance.
- 4.5 In the event of the Vendor being unable to give personal supervision of the business for any period in excess of 48 hours, then he/she shall make satisfactory arrangements for the proper carrying on of the Vending. The Vendor shall immediately notify Camdeboo Municipality of the person who will supervise the Vending in his/her absence and the duration of such supervision.

5. Obligations of Camdeboo Municipality

Camdeboo Municipality shall:

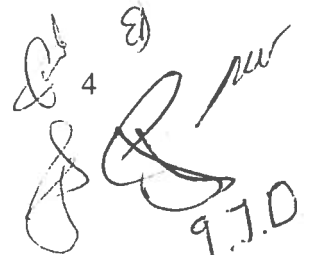
- 5.1 At its discretion, supply and install the equipment.
- 5.2 Carry out the electrical connection of the equipment.
- 5.3 Maintain the equipment in good working order.
- 5.4 Train the Vendor in the utilization of the equipment, and reconciliation for banking purposes, before operating the business.
- 5.5 Provide reasonable stocks of tokens, documents for bank reconciliations and stationery for printing, when required by the Vendor.
- 5.6 Operate a banking account for the banking of all monies.
- 5.7 Reconcile Cash banked by Vendor with system on a daily basis.
- 5.8 Provide the Vendor with such marketing materials as it deems fit.
- 5.9 Insure all Equipment as scheduled.

6. Obligations of the Vendor

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Unless otherwise agreed in writing with Camdeboo Municipality, the Vendor undertakes at his/her own cost to:

- 6.1 Sell tokens with minimum value of R 10-00.....
- 6.2 Will be responsible for any shortages discovered by the Camdeboo Municipality while reconciling the cash banked by Vendor with the system. ANY SHORTAGES WILL BE PAYABLE IMMEDIATELY.
- 6.3 Keep the equipment in a clean and safe condition.
- 6.4 Not tamper with the system in any way and will not allow the equipment to be used for any other purpose except that of selling prepaid electricity.
- 6.5 Take care of the equipment and ensure that it is used according to the set procedures.
- 6.6 Not remove the equipment from its premises or from its place of installation.
- 6.7 Immediately notify Camdeboo Municipality in writing of any loss of tokens or monies and of any equipment operating problems/damages.
- 6.8 Validate and receive payment for tokens in Cash only.
- 6.9 Maintain adequate stock of tokens, and to obtain and utilize only tokens provided by Camdeboo Municipality.
- 6.10 Receipt on behalf of Camdeboo Municipality all amounts paid and to keep such monies in a safe and secure place until the daily bank deposit is done.
- 6.11 Allow Camdeboo Municipality access to the premises at all times, with authority to enter the premises if the Vendor cannot be contacted for more than 24 hours.
- 6.12 Provide a good customer care service.
- 6.13 Allow Camdeboo Municipality at any time to make inspections of equipment, money held, tokens in stock and to remove faulty equipment.
- 6.14 Ensure that a person able to operate the equipment is on the premises during working hours.
- 6.15 Pay all costs of equipment relocated at the instance of the Vendor.
- 6.16 Have a valid account in his/her own name into which the Vendor's commission can be paid.

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Account number: ... ABSA Nr 4-062837708

Bank: ... ABSA

Branch Code: ... 632005

7. Payable to Vendor

7.1 To be paid by Camdeboo Municipality to the Vendor:

Percentage rate on Monthly Amount Banked: 3,35%

7.2 The fee payable in terms of 7.1 shall be paid by the Camdeboo Municipality to the Vendor monthly in arrears within thirty days after the end of the month during which the fee was incurred.

7.3 Any shortfall of monies may be offset against any fees properly due to the Vendor.

7.4 The Vendor shall not withhold any amount from monies collected, it being understood that the consideration is payable only by Camdeboo Municipality from the total monies banked by the Vendor.

7.5 In the event of the Vendor being a registered vendor, VAT at the current VAT rate will be added to the fees.

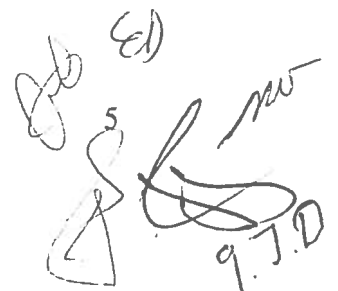
8. Cession and assignment

The Vendor may not sublet, cede, assign, pledge, transfer or hypothecate any of his rights under this agreement, unless as agreed with Camdeboo Municipality.

9. Jurisdiction

The parties consent to the jurisdiction of the Magistrate's Court in the event that a dispute between them may exceed the monetary jurisdictional limit applicable to the Magistrate's Court.

10. Notices and *domicilium citandi et executandi* (the address at which each party shall be deemed to have received any notice or legal process delivered to it);

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- 10.1 For the purpose of this agreement, including the giving of notices and the serving of legal process, the parties choose *domicilium citandi et executandi* ("*domicilium*") as follows:

Camdeboo Municipality (Physical Address)

..... CHURCH SQUARE

..... GRAAFF REINET

..... 6280

The Vendor (Physical Address)

..... KUDU CAFE

..... 84-94 CHURCH STREET

..... GRAAFF-REINET

- 10.2 A party may at any time change that party's *domicilium* by notice in writing, providing that the new *domicilium* is the Republic of South Africa and consists of, or includes, a physical address at which process can be served.
- 10.3 Any notice given in connection with this agreement shall be sent by telefax or delivered by hand or be sent by prepaid registered post to be *domicilium* chosen by the party concerned.
- 10.4 A notice given as set out above shall be deemed to have been duly given, if delivered, on the date of delivery or if sent by post, 7 days after posting.

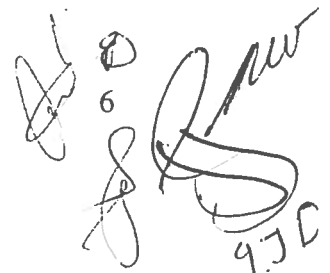
11. General

11.1 Whole agreement

This agreement constitutes the whole agreement between the parties as to the subject matter hereof and no agreements, representations or warranties between the parties other than those set out herein are binding on the parties.

11.2 Relaxation

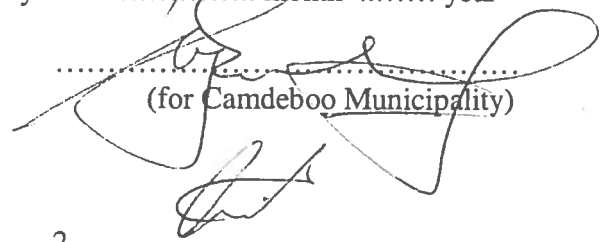
No latitude, extension of time or other indulgence which may be given or allowed by either party to any other party in respect of the performance of any obligation hereunder, or the enforcement of any right arising from this agreement and no single or partial exercise of any right by any party shall under any circumstance be construed to be an implied consent by such party or operate as a waiver or a notification of, or otherwise affect any of that party's rights in terms of or arising from this agreement or stop such party from enforcing, at any time and without

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notice, strict and punctual compliance with each and every provision of the terms hereof.

Signed at Graaff-Reinet on this 08 day of JULY month 2014 year

Rev. M N Petersen
.....
(Print Name)


.....
(for Camdeboo Municipality)

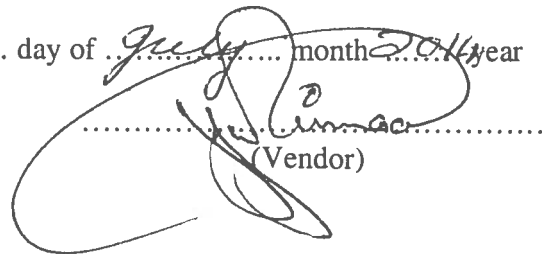
As witness:

1. 

2.

Signed at Graaff-Reinet on this 1 day of July month 2014 year

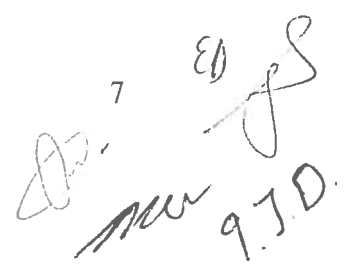
Johann Minnaar
.....
(Print Name)


.....
(Vendor)

As witness:

1. M. J. Jacobs

2. J. J. Dertling


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MS
9.7.14

ANNEXURE 1

1. Are you registered for VAT purposes? YES NO

2. If yes what is your VAT registration number?

4430150765

3. What is your business name and address per your VAT application form?

Inxs Investments Pty Ltd

Ela kudu Motors PO Box 399

84-94 Church Street Graaff-Reinet

Graaff-Reinet 6280

4. If you are registered for VAT, Camdeboo Municipality will (as per agreement with the Receiver of Revenue) issue a tax invoice on your behalf.

5. I confirm, that for the services mentioned in the attached contract, Camdeboo Municipality will issue the tax invoice on my behalf. As such I will not issue Camdeboo Municipality with a tax invoice for these services.

Johann Minnaar

NAME (PRINTED)

Johann Minnaar
SIGNATURE

01/07/2014
DATE

MW
9. J. D.

ANNEXURE 2

1. As a vendor, are you an INDIVIDUAL or a COMPANY?
 (Mark appropriate answer with a cross) INDIVIDUAL/COMPANY

X

2. COMPANY

2.1 If you are a company, please state:
 Trading name Kudu Motors
 Company registration number 1995/00472/07

2.2 Please note that the commission paid to a COMPANY is not classified as remuneration, and thus the COMPANY will receive the gross amount (i.e. no tax will be deducted by Camdeboo Municipality)

3. INDIVIDUAL



3.1 If you are an INDIVIDUAL, please state if you are self-employed or employed by somebody else.
 (Mark appropriate answer with a cross) SELF-EMPLOYED/ WORK FOR SOMEBODY

"Employment", for tax purposes means that the vendor is employed by an employer who will pay him a salary. "Employment" will not include income the vendor earns from interest, rent, etc.

3.2 If you are an INDIVIDUAL, please complete the attached IRP2 form.

3.3 If you are employed by somebody else, Camdeboo will deduct% PAYE from all payments made to you. An IRP5 will be issued to you at the end of the tax year.

3.4 If you are self-employed, you will, for income tax purposes, be deemed to be in standard employment, and thus any commission received will be subject to SITE which is a non-refundable taxation. Please note that, currently, only commission above R.....p.a. is subject to taxation. Thus should your annual commission not exceed R.....p.a. no tax will be deducted from payments made to you. However, should your annual commission exceed R....., SITE will be deducted from payments made to you. In this instance, an IRP5 will be issued at the end of the tax year.

 ^{EJ}

 M. J. D

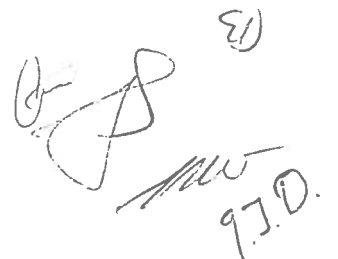
4. I/we hereby declare that this is a full, true correct reflection of my/our position at the date of signature of this statement.

Inxs Investments
E/a Kudu Motors

.....
VENDOR NAME (PRINT)


.....
SIGNATURE

01/07/2014
.....
DATE


.....
9.1.0.