

## **B. INTRODUCTION**

1. ALL PARTIES TO INITIAL EACH PAGE OF THIS AGREEMENT AND **THE VENDOR TO INITIAL PARAGRAPH 1.1.6** AS WELL.
2. The Vendor wishes to obtain from the Service Provider purchase order financing for certain merchandise which is guaranteed by a purchase order from a government department/parastatal or private entity or organisation and the Service Provider is willing to provide such purchase order financing to the Vendor.
3. The Service Provider and the Vendor now wish to record their agreements with the terms and conditions upon which such purchase order financing shall be provided to the Vendor by Mila Azania Holdings.
4. **NOW THEREFORE**, in consideration of the mutual agreement herein the parties agree as follows:

## **C. DURATION**

1. This Agreement is a continuing covering security for the Secured Obligations and shall only terminate after all of the Secured Obligations have been completely discharged or fully and finally settled and there are no contingent obligations in existence. Accordingly, the provisions of this Agreement shall continue to be of full force and effect and binding on the Vendor notwithstanding:
  - 1.1. any cancellation or termination of or any variation or amendment to Section D of this Agreement or other undertaking for the time being in existence between the Vendor and/or the Service Provider and/or any other person;
  - 1.2. any fluctuation in or temporary extinction of any of the Secured Obligations;
  - 1.3. any indulgence which may be shown or given by the Service Provider to the Vendor;
  - 1.4. the Service Provider's receipt of any dividend or other benefit in any liquidation, business rescue, curatorship, compromise or composition; or
  - 1.5. the Service Provider's whole or partial release or abandonment of or failure to acquire or perfect any other security (including the Service Provider's release of any surety or other guarantor or of any mortgage, pledge, cession, lien or hypothec).
2. Upon such discharge or final settlement, any and all agreements, contracts, or instruments entered into or executed in conjunction with this Agreement shall automatically terminate and cease to have any further force or effect.

## **D. PURCHASE ORDER FUNDING AGREEMENT**

### **1. QUALIFYING PURCHASE ORDER**

- 1.1. The transaction must involve a request for purchase of finished goods.
- 1.2. The purchase order must have been issued by a genuine government Department or parastatal and private entity with good commercial credit standing and payment records.
- 1.3. The purchase order must not be cancellable.

## **E. APPLICATION REQUIREMENTS THAT ARE ATTACHED TO THIS AGREEMENT**

### **1. Authority to appoint Signatories on Vendor**

#### **1.1. Account**

- 1.1.1. The Vendor hereby authorises the Service Provider and/or its appointed administrator to be added as sole signatories on its nominated banking account. This account shall be conducted as a controlled account for the receipt of funds from the issuer of the Purchase Order and for distribution to honour contractual commitments. The Vendor understands that adding the Service Provider and/or its appointed administrator, as a signatory on its banking account is a pre-requisite and condition for the engagement between the

