**DEMONSTRATION/COURTSEY VEHICLE AGREEMENT**

entered into by and between

**MAN AUTOMOTIVE (SOUTH AFRICA) PROPRIETARY LIMITED**

**Registration No 1975/004250/07**

The Views, Founders Hill Office Park, 18 Centenary Way, Modderfontein, 1613

(“**MAN**”)

and

**Click here to enter text.**

Registration No: **Click here to enter text.**

Address: **Click here to enter text.**

(“**Customer**”)

hereinafter jointly referred to as the “**Parties**”

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1. DESCRIPTION OF VEHICLE/S

MAN will supply the Customer with the following Vehicle/s subject to the terms and conditions of this Agreement:

MAKE: **Click here to enter text.**

MODEL: **Click here to enter text.**

YEAR: **Click here to enter text.**

CHASSIS NUMBER: **Click here to enter text.**

ENGINE NUMBER: **Click here to enter text.**

REGISTRATION NUMBER: **Click here to enter text.**

VALUE OF VEHICLE/S: **Click here to enter text.**

(“**Vehicle/s**")

1. PERIOD

The Customer will utilize the above-mentioned Vehicle/s for the period from **Click here to enter text.** to **Click here to enter text.** both days inclusive (“**Usage Period**”).

1. OWNERSHIP AND POSSESSION OF THE VEHICLE/S
   1. Ownership of the Vehicle/s remains vested with MAN at all times.
   2. The Customer undertakes to use the Vehicle/s for the purpose for which the Vehicle/s was/were designed and in accordance with the terms and conditions of this Agreement;
   3. The Vehicle/s must be used exclusively by the Customer and its employees and/or contractors provided that only persons who are qualified to operate the Vehicle/s are allowed to operate it.
   4. The Customer must not part with possession or control of the Vehicle/s or remove the Vehicle/s from the Republic of South Africa without the prior written consent of MAN.
   5. The Customer is responsible for the acts and omissions of all of its employees, contractors and any third parties in respect of the Vehicle/s.
2. INSURANCE
   1. The Customer must, at its own cost, insure and keep the Vehicle/s insured against all insurable risk from the date on which the Vehicle/s is delivered to the Customer until the date on which the Vehicle/s is returned to MAN in accordance with this Agreement.
   2. The Customer must cause the interest of MAN in the Vehicle/s to be endorsed on the policy of insurance to the effect that MAN must be recognized by the insurer as the only person entitled to claim and receive payment under such policy of insurance and must forthwith provide proof, to the satisfaction of MAN, of such endorsement.
   3. MAN is entitled to require that the Customer provide proof of payment of all premiums payable in terms of the insurance policy, and in the event of such proof not being provided within 2 (two) days of such request, MAN is entitled to insure the Vehicle/s with an insurer of its choice and any premium paid by MAN to such insurer must be refunded to MAN by the Customer upon demand.
   4. Notwithstanding the provisions of clause 4.1 to 4.3 above the Customer may elect to utilize MAN’s insurance for the Vehicle/s during the Usage Period. In the event that the Customer makes such an election, MAN will insure the Vehicle/s during the Usage Period and invoice the Customer for the premiums payable in terms of the Vehicle/s.
3. INDEMNITY

The Customer will have no claim for any loss or damage of whatever nature including consequential damages against MAN and further indemnifies MAN against any claim which may be made against MAN by any third party as a result of consequential damages, death or injury caused by the use of the Vehicle/s.

1. COMPLIANCE WITH SA LAWS

The Customer must ensure that the Vehicle/s is operated as prescribed in the Road Transport Quality legislation or any other road transport legislation and accepts liability for the contravention in any way of any of the provisions of the legislation, including any penalties or fines levied. The Customer hereby indemnifies MAN against all penalties, fines and/or claims of whatsoever nature which may arise while the Vehicle/s is in possession of the Customer or its employees, agents and/or contractors.

1. LIABILITY FOR FINES AND TOLL FEES
   1. MAN will invoice the Customer for all fines and toll fees incurred during the Usage Period.
   2. All transportation permits and the costs thereof during the period are the responsibility of the Customer. If the Vehicle/s is impounded for any reason by the Road Traffic Authorities, the Customer must ensure the expeditious release thereof back to MAN.
   3. The Customer acknowledges that the Vehicle/s is registered in the name of MAN and that in accordance with the Administrative Adjudication of Road Traffic Offences (“**AARTO**”), fine values for juristic persons are tripled.
2. ONGOING MAINTENANCE COSTS

All normal daily maintenance of the Vehicle/s, including fuel, engine oil, gearbox oil, grease, brake fluid, antifreeze for cooling and heating installations, oil filters, fuel filters, air filters, gaskets, tyres and small consumable items will be for the account of the Customer.

1. SERVICING AND MAINTENANCE

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The Customer undertakes to present the Vehicle/s to MAN or to an MAN-authorized workshop for service at the necessary intervals and failure to do so will result in MAN switching the Vehicle into limp mode.

Initial

1. DEPRECIATION

The Customer will not be held liable for any reasonable depreciation and reasonable wear and tear on the Vehicle/s during the period of this Agreement. The Customer is liable for depreciation in the value of the Vehicle/s which is caused other than by normal usage of the Vehicle/s as provided for in this Agreement and/or as a result of the failure of the Customer to have the Vehicle/s presented to MAN, alternatively and MAN‑authorized workshop for services as detailed in clause 9. The Customer is also liable for any damage caused to the Vehicle/s during the period of this Agreement.

1. COST OF USE

The use of the Vehicle/s, for the period referred to in this Agreement, will be at no charge to the Customer, save for the costs referred to in this Agreement for which the Customer will be liable.

1. RETURN OF THE VEHICLE/S

The Vehicle/s must be returned at the end of the period referred to in this Agreement to the address stipulated by MAN. If the Customer fails to return the Vehicle/s on the due date, MAN will invoice the Customer at a rate of R3,500.00 (three thousand five hundred rand) per day or part thereof, excluding VAT and will switch the Vehicle onto limp mode.

1. PAYMENT
   1. In the event of the Customer failing to pay any amount payable by it to MAN on due date, then notwithstanding any other remedies available to MAN in such event in terms of this Agreement or at law, such overdue payment will bear interest, subject to the National Credit Act, 2005 ("**NCA**"), if applicable at the prime overdraft lending rate being charged from time to time by MAN’s bank to borrowers in the private sector plus 3% (three percent) which interest shall be reckoned from the date on which the payment in question became due and shall be reckoned on the amount thereof on a compounded daily basis until the amount in question is paid.
   2. If a dispute arises between MAN and the Customer concerning the prime overdraft lending rate being charged by the said bank to borrowers in the private sector at any time, a certificate issued by a manager of such bank (whose authority it will not be necessary to prove) will be final and binding.
2. INTEREST IN LATE PAYMENT
   1. If any amount due to MAN, for example the purchase price for any goods delivered or the charges in respect of any services provided by MAN, is not paid to MAN on the due date for such amount, then –
   2. all amounts owing to MAN for whatever reason will become immediately due and payable, notwithstanding the fact that portions of such amounts might otherwise not yet be due and payable;
   3. the total amount which is due, owing and payable to MAN will, without prejudice to any of MAN's rights under this Agreement and/or at law, bear interest from such due date to the date of actual receipt of such amount by MAN in full (both dates inclusive) at 3% above the Prime Rate, or at the maximum prescribed interest rate if this Agreement is subject to the National Credit Act 34 of 2005 (“NCA”) and the total amount plus interest will be payable on demand. The term “Prime Rate” means the prime overdraft rate of interest as publicly quoted by Nedbank Limited (or its successor in title), as certified by any manager of that bank whose appointment, designation or authority it will not be necessary to prove; provided however that for all purposes under this clause 14.1, such interest (expressed as a percentage rate per annum) will be calculated on the basis of a 365‑day year and shall be compounded monthly in arrears.
   4. If the Customer is in default and this Agreement is subject to the NCA, MAN may -
      1. give the Customer written notice of such default and may propose that the Customer refer this Agreement to a debt counsellor, alternative dispute resolution agent, consumer court or ombudsman with jurisdiction, with the intent that the parties resolve any dispute under this Agreement or develop and agree on a plan to bring repayments up to date;
      2. commence legal proceedings to enforce this Agreement including exercising its rights in terms of any of the securities and recover collection costs and default administration charges as defined in the NCA if -
      3. it has given the Customer notice as referred to in clause 1.3.1 above or it has given notice to terminate any debt review process under section 86 of the NCA which may then be underway in respect of this Agreement;
      4. the Customer is and has been in default under this Agreement for at least 20 (twenty) business days; and
      5. at least 10 (ten) business days have elapsed since MAN delivered the notice contemplated in clause 1.3.2.1 ; and
      6. in the case of a notice in terms of clause 14.4.1, the Customer has not responded to that notice; or responded to the notice by rejecting MAN's proposal.
   5. If the Customer is in default of this Agreement and this Agreement is not subject to the NCA MAN may exercise its rights, as may be permissible in law and without prejudice to any of MAN's other rights, which include any one or more of the following -
      1. suspending the delivery and provision of goods and services;
      2. demanding immediate payment of all outstanding amounts;
      3. terminating of this Agreement; and
      4. enforcing any security furnished in respect of the Agreement.
   6. The Customer will be liable for all legal costs, as may be permissible in law, in recovering any amount that the Customer owes MAN.
   7. A certificate signed by a manager of MAN specifying the amount owing by the Customer and further stating that such amount is due, owing and payable by the Customer, shall be sufficient (prima facie) proof of the amount thereof and of the fact that such amount is so due, owing and payable for the purpose of obtaining provisional sentence or other judgment against the Customer in any competent court. It shall not be necessary to prove the appointment of the person signing any such certificate.
3. BREACH AND TERMINATION
   1. If the Customer commits a breach of the provisions of this Agreement or –
      1. allows any judgment against it to remain unsatisfied for a period of 7 (seven) days from the date of its grant;
      2. allows the Vehicle/s or any part thereof to be seized under legal process;
      3. abandons the Vehicle/s
      4. makes any false statements in connection with this Agreement;
      5. effects or endeavors to effect a compromise with its creditors;
      6. commits any act of insolvency;
      7. is placed under judicial management, whether provisionally or finally;
      8. in the sole discretionary opinion of MAN, uses the Vehicle/s beyond normal operations and conditions or abuses it in any way;
      9. causes to be done any act or thing which may prejudice MAN's rights under this Agreement; or
      10. fails to present the Vehicle/s for service as per clause above; MAN may terminate this Agreement with immediate effect.
   2. Where MAN terminates this Agreement in accordance with clause 15.1 above, MAN will, without prejudice to any other rights MAN has in terms of this Agreement or in law, be entitled to –
      1. cancel this Agreement and obtain return of the Vehicle/s or activate the remote engine cut-out system;
      2. claim immediate payment of all amounts payable in terms of this Agreement, irrespective of whether or not such amounts are due at that time; and
      3. retain all payments already made in terms hereof, and recover payment of such damages as it will be entitled to in the circumstances.
4. GENERAL
   1. This Agreement constitutes the entire Agreement between the Parties. No variation of this Agreement will be of any force or effect unless reduced to writing and signed by both parties.
   2. The Customer may not cede this Agreement, or any part of it, without the prior written consent MAN.
   3. If the NCA applies to this Agreement, then any of the rights of the MAN in terms hereof will be subject to the NCA.
   4. The Customer must not sell, let, loan, pledge, transfer or otherwise encumber the Vehicle/s in any way nor permit any lien or hypothec to arise in respect of the Vehicle/s nor part with the possession of the Vehicle/s.
   5. The Customer herewith indemnifies MAN against any claims, losses or liabilities that MAN may incur in terms of section 60 and 61 of the Consumer Protection Act, 68 of 2008 (“CPA”) pursuant to the supply and delivery of the Vehicle/s and holds MAN harmless against any and all costs that MAN may incur in responding to or defending a subsequent claim in respect of the Vehicle/s.
   6. For all purposes of this Agreement the parties hereto choose their *domicilium citandi et executandi* as set out on the front page of this Agreement.

***FOR MAN AUTOMOTIVE (SOUTH AFRICA) (PROPRIETARY) LIMITED, warranting that they are duly authorised to sign on behalf of the entity***

Signed at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on the \_\_\_\_day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20 \_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CAPACITY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ CAPACITY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***FOR* Click here to enter text.*, warranting that they are duly authorised to sign on behalf of the entity***

Signed at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on the \_\_\_\_day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20 \_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CAPACITY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ CAPACITY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_