



MASTER RENT-TO-OWN AGREEMENT

(Agreement Number – TQ - _____)

Between:

LESSAN ENGINEERING (PTY) LTD t/a TURF-QUIP

Registration No. 1967/003182/07

VAT No: 4610104947

Address: _____

e-mail address: allen@turfquip.co.za; lessan@turfquip.co.za; lessan@turf-quip.co.za;

Herein represented by its duly authorised Director, Allen Worms

Identity Number: 710915 5065 08 1

Cell No: 083 259 9634

("the Company")

and

_____ **PTY LTD / CC / TRUST**

Registration No. _____

VAT No: _____

Address: _____

e-mail address: _____

Herein represented by its duly authorised Director, Member, Trustee _____

Identity Number: _____

Tel No: _____

("the Renter")

***NB* PLEASE READ & SIGN EVERY PAGE AND RETURN THE ORIGINAL
AND DEBIT ORDER FORM TO allen@turfquip.co.za.**

A COPY WILL BE RETURNED TO YOU.

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1. **INTRODUCTION**

- 1.1 The Company hereby rents the Goods to the Renter, all as detailed in **Schedule “A”** hereto, upon the terms and conditions of this Agreement.
- 1.2 The duration of this Agreement from the Commencement Date until the Expiry Date is as set out in **Schedule “A”** hereto.
- 1.3 This Agreement shall commence on the Commencement Date and shall continue for the Rental Period until the Expiry Date or such extended Expiry Date as may be provided for in this Agreement.
- 1.4 Rentals shall be paid by Debit Order in respect of which a Debit Order Authorisation shall be completed, signed and annexed hereto as **Schedule “B”**.
- 1.5 The conditions of this Agreement shall apply to each and every Schedule hereto as if incorporated in such Schedule.

2. **RENTAL AND INTEREST:**

- 2.1 The Renter shall pay the rental payments, as set out in **Schedule “A”**, to the Company for the Rental Period as detailed in **Schedule “A”**.
- 2.2 The Rental payments are fixed for the duration of the rental period and shall be payable by the Renter to the Company, punctually, free of exchange and without any set-off, deduction or demand.
- 2.3 Payment shall be made monthly in advance on or before the 1st day of each month for the duration of this Agreement.
- 2.4 All amounts overdue for payment shall accrue interest at the maximum rate allowed in respect of incidental credit agreements in terms of the National Credit Act No.34 of 2005 (currently 2% per month), compounded monthly, charged on the reducing balance from the date upon which payment should have been made, until date of final payment by the Company.
- 2.5 The rental shall be payable monthly in advance. Should this Agreement commence on a day other than 1st day of a month, the first rental payment shall be for an amount equal to the *pro rata* share of the rental based on the number of days from the

Commencement Date to the end of the previous month, plus the rental payment for the following month.

3. **PAYMENT BY DEBIT ORDER**

3.1 The Renter shall make payment by means of Debit Order.

3.2 The Renter shall sign a Debit Order Authorisation in terms of which the Company shall be authorised to deduct the rental payments directly from the Renter's bank account (the Account Holder's bank account). The duly completed and signed Debit Order Authorisation form shall be attached hereto as **Schedule "B"**.

This condition is mandatory and if not complied with, will result in this agreement being null and void.

3.3 The first debit will be processed on the debit order date, being the 1st day of the month after the Commencement Date and thereafter on the 1st day of each successive month.

3.4 In the event that the debit order date falls on a Sunday or recognised South African public holiday, then the debit order date will fall on the business day immediately before such Sunday or public holiday.

4. **OWNERSHIP**

4.1 The Company warrants that it is the owner of the Goods and that it has valid and absolute title to the Goods which are fit for the purpose for which they are intended.

4.2 The Company shall at all times during the term of this Agreement, remain the owner of the Goods.

4.3 Upon expiry of this Agreement at the end of the Rental Period, the Renter shall make payment of the final purchase payment amount, on the final purchase payment date (as specified in **Schedule "A"**) and take ownership of the Goods.

5. **LOCATION OF GOODS AND LANDLORDS HYPOTHEC**

5.1 Throughout the Rental Period and until such time as the Company uplifts the Goods from the Premises, alternatively, until the Renter takes ownership of the Goods:

5.1.1 the Goods shall be kept at, and the Goods shall not without the Company's prior written consent be moved or relocated from, the Premises as detailed in **Schedule "A"** hereto;

- 5.1.2 the Renter shall keep the Company apprised and immediately notify the Company of any changes in the whereabouts of the Goods;
- 5.1.3 If at any time the Goods are to be kept or stored at premises not owned by the Renter, the Renter shall immediately notify the Company in writing of the name and address of the owner of such premises;
- 5.1.4 in the event of the Goods being kept at a leased Property, the Renter shall notify the landlord of the Company's ownership of the Goods and ensure that the Goods are never subjected to a landlord's hypothec;
- 5.1.5 the Renter shall not allow the Goods to become subject to any lien, hypothec, pledge or other encumbrance or judicial, attachment, nor lease, part with possession of nor abandon same, nor offer nor attempt to do any of the foregoing;
- 5.1.6 the Renter has no right to sell the Goods.
- 5.2 The Renter undertakes, upon request, to provide the Company with a written waiver of accession / hypothec / right of retention etc. from any person from whom the Company may require such waiver.
- 5.3 Should the Goods become subject to any lien, hypothec, pledge or other encumbrance, the Renter shall immediately, and at its own cost, procure the release of the Goods from attachment.
- 5.4 The Company, its servants and/or agents may at all reasonable times inspect the Goods at the Premises or wherever they may be kept.

6. **RISK**

- 6.1 The risk in the Goods shall pass to the Renter upon delivery of the Goods to the Renter and remain with the Renter throughout the duration of this Agreement and until such time as the Goods are returned to the Company. The Renter shall mitigate its risks by insuring the Goods as provided for in Clause 7 below.
- 6.2 In the event of damage to or the loss or destruction of the Goods, during the term of this Agreement the Renter shall make payment to the Company of the Agreed Replacement Price of each item (incl. VAT) as set out in the description of the Goods in **Schedule "A"** hereto. The Renter shall use any insurance money received, as contemplated in Clause 7 below, firstly for this purpose.

- 6.3 In the event of the insurer failing to indemnify the Renter for the loss of the Goods, the Renter shall remain liable to make payment to the Company.
- 6.4 Upon receipt of such payment the Renter shall replace the Goods with similar Goods to enable the continuation of this Agreement.
- 6.5 Upon the Company's replacement of the Goods, this Agreement shall be amended (with the necessary changes in respect of the consequential extension of the Term of the Agreement, descriptions of Goods, replacement values etc.) and this Agreement shall resume, on such amended terms and conditions, as if the replacement Goods were the original Goods.
- 6.6 Irrespective of whether the Goods are lost or stolen during the Rental Period, and/or whether the Goods were insured or not and/or whether the insurer acknowledged the Renter's claim and/or paid the Renter out for the loss of the Goods and/or for any other reason or should any other circumstances whatsoever arise, or irrespective of whatever other circumstances may arise, the client's obligation to pay all of the rental payments in terms of this Agreement until the end of the Rental Period will continue unhindered.

7. **INSURANCE**

- 7.1 The Renter shall insure the Goods for a value of no less than the Agreed Replacement Price of each item (incl. VAT) as set out in the description of the Goods in **Schedule "A"** hereto.
- 7.2 The Renter shall not use operate, store or deal with the Goods in any manner that the terms and conditions of any insurance policy may be breached or repudiated;
- 7.3 The Renter shall ensure that the terms of any insurance policy make provision for the terms of this Agreement and any breach of the terms and conditions of any insurance policy which may result in a repudiation of the insurance agreement, or non-payment by the Renter's insurers, or in the loss of or damage to the Goods, the Renter shall be liable to the Company for such loss as it may suffer.
- 7.4 If the Goods are damaged, destroyed or lost the Renter shall immediately notify the Insurer and the Company in writing.

8. **USE**

- 8.1 The Renter shall ensure that the Goods are only used with due skill and care and in accordance with the manufacturer's specifications.

9. **MAINTENANCE OF GOODS**

- 9.1 The cost of maintenance of the Goods is **NOT** included in the rental payments.
- 9.2 Daily maintenance, servicing, greasing, checking water and oil levels, cleaning and bolt checks, are the responsibility of the Renter and shall be attended to at the Renter's cost.
- 9.3 All scheduled services, periodic maintenance, the replacement of scheduled serviceable parts (as recommended by the manufacturer's specifications for the Goods) and the labour and parts shall be arranged by the Renter and shall be for the Renter's account.
- 9.4 The Renter shall be liable for, and pay, the costs of tyres, batteries, fuel, and/or for all repairs pursuant to damages to the Goods not covered by the Warranty, including but not limited to the damages caused by the use of contaminated fuel and abusive use of the Goods.

10. **WARRANTY**

- 10.1 The Company hereby provides a Warranty on the Goods for the period as stipulated in **Schedule "A"** hereto.
- 10.2 The Warranty on the Goods shall be in respect of any repairs to be effected to the Goods, during the warranty period, which repairs shall be the responsibility of the Company. Only the Company and/or its agents may attend to such services or repairs, the costs of which shall be for the Company's account.
- 10.3 In the event of the Goods requiring repairs covered by this Warranty, the Company may, in its sole discretion elect to replace the Goods with similar Goods and this Agreement shall resume, as if the replacement Goods were the original Goods.
- 10.4 In the event of a Warranty Claim, the Company shall make the necessary consequential changes to the Agreement in respect of the Rental Period of the Agreement, descriptions of Goods, replacement values etc.
- 10.5 This Warranty shall not cover breakdowns or repairs caused by misuse or abuse of the Goods. Such repair costs shall be for the account of the Renter.
- 10.6 All normal maintenance issues, and wear and tear repairs to the Goods shall be the responsibility of the Renter.

11. **RETURN OR PURCHASE OF GOODS**

- 11.1 Provided the Renter shall have complied fully with all of its obligations in terms of this Agreement, the Renter may elect to purchase the Goods from the Company upon expiration of the Rental Period. In this event the Renter shall take ownership of the Goods, by making payment of the final purchase payment amount to the Company, on the final purchase payment date. All as detailed in **Schedule "A"**.
- 11.2 The Renter bears an obligation to maintain the Goods throughout the Rental Period (see Clause 9 above). Should the Renter elect not to purchase the Goods, as contemplated in Clause 11.1 above, the Renter shall, upon demand, make payment of the Company's costs of repairing any damages and / or mechanical repairs which may be necessary to refurbish the Goods into the same condition that it was at the commencement of this Agreement, fair wear and tear excepted.

12. **ASSIGN, CESSION OR DELEGATION**

- 12.1 The Renter shall not assign, cede, or delegate any of its rights or obligations in terms of this Agreement, to anyone else without the Company's prior written consent;
- 12.2 The Company may, on written notice to the Renter, assign, cede or delegate any of its rights and/or obligations in this Agreement and/or transfer ownership of the goods to any person whatsoever. Unless the context indicates otherwise, any reference to the Company in this Agreement shall then be deemed to include its cessionary or delegate or other successor in title.

13. **CANCELLATION**

- 13.1 The parties may agree to amend this Agreement to make provision for the cancellation thereof in the event of the Renter finding itself in a position where it cannot make payment of the monthly rental payments.
- 13.2 In the event of the cancellation of this Agreement, for whatever reason:
- 13.2.1 the Renter shall immediately make the Goods available for upliftment by the Company;
- 13.2.2 the Goods shall be returned to the Company in the same condition in which they were received by the Renter at the commencement of this Agreement (fair wear and tear excepted);
- 13.2.3 in the event of the Goods not being in the same condition as contemplated in Clause 13.2.2, they shall be refurbished by the Company and/or its agents, the costs of which refurbishment shall be for the account of the Renter;

- 13.2.4 the Renter shall be responsible for:
- 13.2.4.1 payment of the transport and upliftment costs;
 - 13.2.4.2 the aforesaid refurbishment costs of the Goods;
 - 13.2.4.3 arrear rentals; and
 - 13.2.4.4 any other damages which may have been suffered by the Company as a consequence of the cancellation,
- payable directly to the Company upon demand.

14. **HOLDING OVER**

- 14.1 If the Company cancels this Agreement and the Renter disputes such cancellation, The Renter shall continue to pay the rental payments whilst the Renter remains in possession of the Goods. The acceptance of such payments by the Company shall not in any way Prejudice the Company's claim for cancellation or any other claim which the Company may have.

15. **BREACH**

- 15.1 In the event of the Renter breaching this Agreement in any way and failing to rectify same within 14 (fourteen) days' of having received notice to rectify such breach from the Company, the Company may, at its election and without prejudice to any other remedy which it may have in terms of this Agreement or may be entitled to in law –
- 15.1.1 without notice cancel this Agreement and obtain possession of the Goods and recover from the Renter payment of all amounts due in terms hereof which are in arrear at the date of cancellation, and/or
 - 15.1.2 to claim from the Renter such damages, including consequential damages, as it may have suffered; and/or
 - 15.1.3 to claim specific performance under this Agreement, plus the costs of uplifting and refurbishing the Goods (fair wear and tear excepted).
- 15.2 The Renter shall be deemed to have breached the Agreement in the event of the Renter committing an act of insolvency, as contemplated in the Insolvency Act, 24 of 1936, or allowing any judgment against it to remain unsatisfied for a period of 7 (seven) days unless an appeal has been noted against such judgment, or

compromising or attempting to compromise or defer payment of any debt owing by the Renter to any of its creditors, or be provisionally or finally liquidated or placed under Debt Review.

16. JURISDICTIONS AND COSTS

16.1 The Renter consents to the jurisdiction of the Magistrate's Court having jurisdiction over its person, but the Company has the discretion to institute proceedings from the High Court, irrespective of the amount in dispute.

16.2 The Renter agrees to pay any costs which may be awarded against it on the scale as between attorney-and-own-client.

16.3 Should the Company choose to institute action in the High Court, the Company shall not be limited to recovering costs on any Magistrate's Court scale.

17. GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the Republic of South Africa.

18. VALUE ADDED TAX

In terms of Value Added Tax Act 89 of 1991, as amended, VAT at the prevailing rate as at date of signature hereto has been included in each rental. If at any time during the currency of this Agreement there is any change in the rate at which VAT is levied, and or in the amount of VAT payable in respect of the rentals. The Company shall recalculate the rentals which fall due on or after the date of said change accordingly and shall substitute the recalculated rentals for the previous rentals.

19. DOMICILIUM

19.1 The Parties respective *domicilium citandi et executandi* addresses ("domicilium") shall be physical addresses in the Republic of South Africa or e-mail addresses. The Parties choose their domicilium for all purposes at the physical and e-mail addresses as recorded on the face of this Agreement.

19.2 A postal address shall not constitute a domicilium for purposes of this Agreement.

19.3 Either Party may change its domicilium by written notice delivered by hand or sent by e-mail to the other Party.

19.4 Any notice delivered by hand or sent by e-mail to the other Party's domicilium shall be deemed to have been received, on the first business day after delivery thereof.

20. **WHOLE AGREEMENT AND NON- VARIATION**

20.1 This is the entire agreement between the parties relating to the Goods. There are no oral or collateral terms or agreements which in any way vary or modify this Agreement or suspend the operation of same and there are no implied or tacit terms or conditions to be read into this Agreement.

20.2 **Schedules “A” and “B”** hereto were fully completed prior to the signing of this Agreement and the particulars therein are correct.

20.3 This Agreement may not be amended, cancelled or novated except and only to the extent that such amendment, cancellation or novation is reduced to writing and signed by both parties.

20.4 No relaxation by the Company of any of the terms of this Agreement shall be deemed to be a waiver of the Company’s rights and the Company may enforce the terms of this Agreement strictly at any time.

SIGNED at _____ **on** _____ **20** ____.

AS WITNESSES:

1. _____
_____ **For THE COMPANY**

2. _____

SIGNED at _____ **on** _____ **20** ____.

AS WITNESSES:

1. _____
_____ **For THE RENTER**

2. _____

SCHEDULE "A"
CONTRACT INFORMATION

1. **The Goods:**

No.	Item	Quantity	Serial Number	Agreed Replacement Price of each item (incl. VAT)
1.	Jacobsen Greenking	2		R.....,00
2.	Kubota ZD28EC	1		R.....,00
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

("the Goods")

2. **Duration ("Rental Period"):**

2.1 Commencement Date: _____;

2.2 Expiry Date: _____;

2.3 The Rental Period is accordingly for **48 / 60 / 72 / 84** (_____) months, unless amended in terms of the Agreement;

2.4 This Agreement shall commence on the Commencement Date and shall continue until the Expiry Date or such extended Expiry Date as may be agreed between the Parties in writing.

3. **Premises Addresses:**

The addresses of the Premises at which the Goods shall be used and stored by the Renter during the Rental Period, and the Landlord's (if any) details are as follows:

Use address: _____

Storage address: _____

Full details of the Landlord/owner of the Premises:

4. **Payment:**

4.1 The Renter shall pay rent for the Goods, as set out in the Table in Paragraph 1 above, in the amount of R_____ (____) (excl. VAT) per month, for the Rental Period.

4.2 The cost of repairs and maintenance, other than Warranty Repairs, shall be for the Renter's account and shall NOT be included in monthly rental payments.

4.3 The total monthly rental amount shall according be an amount of R_____ (inclusive of VAT) fixed for the duration of the Rental Period.

5. **Final purchase payment amount:**

R 250,00 (two hundred and fifty rand) (VAT inclusive).

6. **Final purchase payment date:**

_____ 20 ____.

7. **Warranty Period:**

The Goods shall be subject to a warranty from the Company for a period of 12 (twelve) months from the Commencement Date on the terms and conditions as set out in Clause 10 of the Agreement.

SCHEDULE "B"

DEBIT ORDER AUTHORISATION (TO BE COMPLETED AND ATTACHED)

DEBIT ORDER AUTHORISATION FOR PAYMENT OF RENTALS (to be completed electronically)

Given by: (ACCOUNT HOLDER) ("the Account Holder")

Account type (select ONE)	Current	<input type="checkbox"/>	Savings	<input type="checkbox"/>	Transmission	<input type="checkbox"/>
Monthly payment Date	1 st	<input checked="" type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
Start Month:	Click here to enter text.					
End Month (if applicable):	Click here to enter text.					
Account holder's name:	Click here to enter text.					
Account number:	Click here to enter text.					
Bank:	Click here to enter text.					
Branch code:	Click here to enter text.					
Amount:	Click here to enter text.					
Cellular Telephone number:	Click here to enter text.					
E-mail address:	Click here to enter text.					
Address:	Click here to enter text.					
	Click here to enter text.					
Turf-Quip Ref. No (as per statement):	TQ-					
Debit Order Authorisation date:	Click here to enter text.					

To: Lessan Engineering (Pty) Ltd t/a TURF-QUIP ("the Company")

A. Authorisation

1. The Account Holder hereby verifies its authority in respect of the above-mentioned account and attaches a bank letter verifying the account details or a cancelled cheque for identification purposes¹.
2. The Account Holder hereby authorises the Company to issue and deliver payment instructions to the Company's banker for collection against the Account Holder's above-mentioned account at the Account Holder's above-mentioned bank (or any other bank or branch to which the Account Holder may transfer his/her/its account).

¹ Attach bank letter or cancelled cheque.

3. This Authorisation is conditional upon the sum of each such payment instructions never exceeding the Account Holder's obligations as agreed to in the Agreement.
4. This Authorisation shall commence on and shall continue until the Account Holder's indebtedness to the Company has been paid in full.
5. The individual payment instructions so authorised to be issued must be issued and delivered monthly, as per the date above.
6. The first debit will be processed on the debit order date, being the 1st day of the month after the Commencement Date and thereafter on the 1st day of each successive month. In the event that the debit order date falls on a Sunday or recognised South African public holiday, then the debit order date will fall on the business day immediately before such Sunday or public holiday.
7. The Account Holder will ensure that funds are always available on the debit order date. In the event of there being insufficient funds available in the Account Holder's bank account to fully satisfy the debit order, the Company's bankers shall continue to re-present the payment instruction to the Account Holder's bank until such time that all outstanding obligations are fully satisfied. The Account Holder and Renter shall be jointly and severally liable for all bank charges incurred in this event.
8. The Account Holder understands that the withdrawals hereby authorised will be processed through a computerised system provided by the South African Banks. The Account Holder also understands that details of each withdrawal will be printed on his/her/its bank statement.

B. Mandate

The Account Holder acknowledges that all payment instructions issued by the Company shall be treated by the Account Holder's abovementioned bank as if the instructions had been issued by the Account Holder personally.

C. Banking Details

Payment from the Account Holder's bank account, in terms of this Debit Order Authorisation, will be made directly to the Company's bank account, being:

Account Name: Lessan Engineering (Pty) Ltd t/a TURF-QUIP

Bank: First National Bank-Church Square Pretoria

Account No: 51050615315

Branch Code: 25 14 45

REF. TQ-_____ NB – THIS MUST BE INCLUDED

D. Cancellation

- 1. The Account Holder agrees that in the event of this Debit Order Authorisation being cancelled, for whatever reason, such cancellation will not cancel the Rent-to-Own Agreement. The Account Holder shall not be entitled to any refund of any amounts withdrawn while this Authorisation was in force, if such amounts were legally owing in terms of the Rent-to-Own Agreement.
- 2. Should the Account Holder’s bank, for any reason, reclaim from the Company’s bank any of the amounts paid in terms of this Authorisation, and decide to pay such amounts over to the Account Holder, the Account Holder undertakes to immediately refund such amounts to the Company.

3. Assignment

The Account Holder acknowledges that the Company’s rights and / or obligations in this Authorisation may be ceded, delegated or assigned to a third party, if the Company’s rights and / or obligations in the Agreement are also ceded, delegated or assigned to that third party, but in the absence of such assignment, this Debit Order Authorisation cannot be assigned to any third party.

4. Continuation

This debit order authorisation will remain in place for the duration of the Rent-to-Own Agreement.

Signed at _____ **on this** ____ **day of** _____ **20** ____.

SIGNATURE OF ACCOUNT HOLDER

NAME IN FULL
ID Number: _____

in his/her capacity as Director / Member / Trustee of _____(Pty) Ltd/CC/Trust².

If a Legal Entity is the Account Holder the full name of the Legal Entity must be shown and the authorised person(s) must sign indicating his/her/their capacity(ies).

Witnesses 1:

Signature

Witnesses 2:

Signature

² Delete whichever is not applicable.

Full Names: _____

Full Names: _____

SCHEDULE "C"
Bank Letter or Cancelled Cheque

(Attach bank letter verifying the account details or a cancelled cheque for identification purposes)