

CONTINUOUS SERVICE AGREEMENT

BETWEEN

AND

BERSALOM (Pty) Ltd T/A

NASHUA

"CUSTOMER" KAREEBERG MUNICIPALITY
 NAME:
 ADDRESS: HANAU STREET 10
CARNAVON
 TEL NO: 053 3823012 FAX NO: 053 3823142

Equipment to be serviced:

DESCRIPTION: MP 201 SPF
 SERIAL NUMBER:
 DATE OF INSTALLATION:
 START METER READING:

Schedule of Charges (excluding V.A.T.):

FIXED MONTHLY AMOUNT: R
 OPERATING ENVIRONMENT/
 SOFTWARE SUPPORT: R @ HOUR

Schedule of Copy Charges: (VAT EXCL)

COPY VOLUMES

_____ TO _____	COPIES AT _____	CENTS _____
_____ TO _____	COPIES AT _____	CENTS _____
_____ TO _____	COPIES AT _____	CENTS _____

Danwryksula

TONER INCLUDED
 TONER EXCLUDED

Signed on behalf of Nashua:

Signature: _____
 Name: (Capitals) _____
 Capacity: _____
 Date: _____

Signed on behalf of Customer:

Signature: X Nicolaas Van Zyl
 Name: (Capitals) Nicolaas Van Zyl
 Capacity: Head of Corporate (Being duly authorised hereto)
 Date: _____

Debit Order Authorization

Authority is hereby granted to debit my/our account in the name of: _____ currently at:
 Name of Bank _____ Branch _____
 Account No _____ Clearing No _____
 from time to time in payment of monies of whatever nature and/or any obligation, all of which may now or in the future become owing by the customer for any reason whatsoever, to Nashua or its cessionary.
 AUTHORIZING
 SIGNATURE 1 _____ 2 _____ Date _____

Surety

I/We hereby bind myself/ourselves as surety/ies and co-principal debtor in accordance with the suretyship terms and conditions set out in clause 16.

Full name and address _____	Signature _____
Full name and address _____	Signature _____
Full name and address _____	Signature _____

Resolution

Extract of the minutes of meeting of the Directors/Members/Committee of the Customer held at _____ on this the _____ day of _____
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 Resolved: That the customer enters into a All-In Maintenance Service Agreement with Nashua for the renting of the equipment as specified above and any further Schedules upon such terms and conditions as are usually applicable to All-In Maintenance Service Agreements and as may be agreed upon.
 that _____ in his capacity as _____ of the customer be and is hereby authorised to sign, endorse and execute all documents for on behalf of the customer to give effect to this resolution.
 Full Name: _____ Signature: _____
 Capacity: _____ Date: _____

1. NASHUA agrees to:

- a) Maintain the equipment in efficient operating condition. Nashua shall not be liable for any loss, including consequential loss, arising from the malfunction or failure of the equipment to function or damage to the equipment, if the damage is due to the negligence, misuse or causes other than the ordinary use by the Customer or its employees or person who have access to the equipment, or from any other cause what so ever.
- b) Supply consumables at Nashua's preferred prices applicable at the date of delivery of such consumables to customer with continuous service agreements.
- c) Not charge an additional traveling charge. In respect of the maintenance to be provide by it in terms hereof provided the equipment is situated within Nashua's standard service radius of 50km from any authorized Nashua Service Centre. Maintenance of equipment outside this radius is subject to additional traveling and time charges.

2. The CUSTOMER agrees to:

- a) Use only paper and consumables approved by Nashua, failing which, Nashua shall have the right to summarily and without notice suspend the supply of service, parts and consumables (without prejudice to any or all of Nashua's other rights and/or remedies)
- b) Pay Nashua as set out in the schedule of charges. This charge includes service, charge and labour, but excludes any parts and in particular the print head, scanner unit, laser unit and drum, unless specified otherwise in writing. This rate may vary from time to time in accordance with Nashua's current pricing schedules. These rates will be maintained at competitive levels. Should the customer not make use of the equipment for any reason whatsoever then in such case the customer shall always be liable for the basic monthly charges for the duration of the contract.
- c) Provide two persons as "principal operators" for the equipment and Nashua will train them in its/their use. The customer shall notify Nashua, in writing of any changes to these personnel. In the event of the Customer requiring further instructions and/or training in respect of the use of the equipment, then Nashua agrees to attend to such further instruction and/or training where reasonably possible and the Customer agrees that it shall be liable for and shall pay to Nashua, Nashua charges in respect of such instructing and/or training at the then prescribed rate that Nashua so charges therefor.
- d) Provide access at any time or times during normal working hours to any authorised representative of Nashua for any purpose of this agreement.
- e) Accept liability for damage to the equipment if damage is due to negligence on the part of the Customer or its employees or persons who have access to the equipment.
- f) Pay amounts due to Nashua on receipts of invoice, failing with which Nashua may summarily and without notice suspend the supply of service and consumables until all outstanding amounts due to Nashua are paid.
- g) The reading of meters will be the responsibility of the Customer who undertakes to supply Nashua with monthly meter readings upon telephonic requests made by Nashua. In the event of a break or malfunction of the copy meters, monthly volumes for billing purposes shall be established by reference to the average copy volume over the previous months.
- h) Comprehensively insure the equipment at its own cost against all risk including acts of God, power surges and lightning, and maintain such insurance policy for the duration of this contract.
- i) Refrain from moving the equipment from the site without the written approval of Nashua.
- j) Accept liability of damage to the drum in the copier(s) if damage is due to negligence on the part of the Customer or its employees or persons who have access to the copier(s). In the event of the drum being replaced, Nashua reserves the right to charge the Customer therefor at its then current price to customers.
- k) Accept that consumables and user replaceable PM parts as specified by the manufacturer are excluded.
- l) Pay for any operating environment/software support, excluding hardware failure of the equipment at the hourly rate agreed.
- m) If applicable, upgrade or acquire additional back-up equipment from Nashua should the maximum allowable monthly volume be exceeded and conversely, in the event of the Customers billing not exceeding Nashua's billing in any month, it is an agreed term of this contract that the Customer shall be liable for and shall pay Nashua the minimum charge of R Plus VAT, per month in respect of such month, which minimum billing charges may be changed by Nashua from time to time and which rate shall be kept at market related levels.

3. Duration of agreement:

This agreement shall commence on installation of the equipment and shall continue for a period of 160 months end thereafter for an indefinite period subject to the right of the Customer or Nashua to terminate the agreement upon not less than 90 days written notice to expire only at the termination of the initial period and thereafter only on an anniversary of the date of installation of the equipment.

4. In the event of any amount due in terms hereof not being paid on due date or in the event of the Customer breaching any of the terms of this agreement (all of which shall be deemed material and going to the root of this agreement) Nashua shall be entitled to forthwith cancel this agreement, claim all amounts which are in arrears at the date of cancellation and claim (without prejudice to any other relief which it may have against the customer in lieu of the relief provided to Nashua in this clause, and whether in common law and otherwise and whether for damages or otherwise) as pre-estimated, liquidated damages either:

- a) The total amount of all Nashua minimum billing charges referred to in paragraph 2(n) hereof above, that would have been paid by the Customer to Nashua's for that portion of the prescribe initial period still remaining of the aforesaid cancellation; or
 - b) The monthly average of the monthly amounts that Nashua has billed the Customer in terms of this agreement for the period prior to the aforesaid cancellation multiplied by the number of months remaining in respect of that portion of the prescribed initial period still remaining after the aforesaid cancellation, which ever is the greater.
 - c) Where toner is included in a copy charge, NASHUA will supply toner free of charge for the copier equal to the copy yield, as per the manufacturers specifications at a rate of 6% coverage, being one toner cartridge for every 1200 copies. Any extra toner that may be required for the machine will be for the customer's account at Nashua's applicable pricing at the time.
5. a) This agreement comprises the entire agreement between the parties. The Customer confirms save as recorded herein no representations or warranties of any nature have been made by Nashua to it;
- b) No amendment, variation or waiver of any of the terms and conditions herein contained shall be valid and binding unless reduced to writing and signed by or on behalf of the parties hereto;
- c) Should Nashua instruct an attorney to collect any overdue amount, or take any other action in terms of this agreement for the enforcement of its rights hereunder, the Customer shall be liable to pay such attorneys collection fees and other charges on the scale between attorney and own client, whether court proceedings have been instituted or not;
- d) The Customer hereby consents to the jurisdiction of the Magistrates Court in respect of the proceedings arising out of this agreement;
- e) A certificate signed by any Director or Manager of Nashua who's appointment need not be proved as to any amounts facts stated there in and shall be sufficient to enable Nashua to obtain judgement against the Customer in any court having jurisdiction in terms hereof;
- f) The parties hereto agree that each and every clause in this agreement is to be construed as separate and divisible from each and every other clause herein and in the event of one or more of such separate and divisible clauses to be found to be invalid or to be found unenforceable for any reason what so ever, the validity of the other clauses and/or provisions generally of this agreement shall not be affected thereby;
- g) The Customer chooses at its domicile citandi et executandi th address stated herein. Such domicile may be changed by written notice and sent by, the Customer to Nashua by facsimile or register mail. Any notice delivered to the Customers chosen domicile shall be deemed to have been received on the date of physical delivery or within (3) three days from date of posting.

6. This agreement further excludes,

- 1) Service or repairs necessitated by or arising out of maintenance or repairs performed without the authorization of Nashua,
- 2) Service or repairs necessitated by or arising out of tampering with the equipment by any person not authorized by Nashua,
- 3) Consumables,
- 4) Service or repairs necessitated by or arising from unsuitable environmental influences.

7. Notwithstanding anything herein contained, Nashua will not be responsible for any loss or damage of what so ever nature, whether direct or consequential which the Customer may suffer by virtue of any acts of omissions by Nashua and/or its representatives. Further, Nashua shall to the best of its ability endeavor to safeguard data contained in the subscribers data storage devices (in the event that the equipment specified herein containing such devices) however in the event of loss of data, Nashua shall bear no liability in respect thereof.

8. The Customer shall not be entitled to cede any of its rights under this agreement without Nashua's is prior written consent which shall not unreasonably be withheld.

9. Suretyship. Terms and Conditions:

I/We the sureties listed in the suretyship section of this agreements overleaf, do hereby bind myself/ourselves jointly and severally as sureties and co-principal debtor/s in solidum for all amounts which are now or might in the future become payable by the Customer to Nashua or its cessionary in the event of a cession in terms of this agreement arising out of or incidental to this agreement and the schedule/s hereto, both current and future. I/We renounce the benefits of excussion, division and cedendarum actionem, the nature and extent of which I/We acknowledge myself/ourselves to be aware. No extension of time or indulgence that may be granted to the Customer at any time, nor any release of any other security shall in any way affect my/our liability hereunder. I/We consent to the jurisdiction of the Magistrate's Court provided Nashua shall be entitled to institute action in any other court. I/We agree to make payment of any legal costs that may be awarded against me/us on an attorney and client scale. I/We choose as my/our domicile citandi et executandi for all purpose arising out of this suretyship, the address/es set out in the surety section overleaf along side my/our respective signature/s. I/We indemnify and hold Nashua and its cessionary in the event of a cession harmless against any claim arising out of or incidental to this agreement, to its breach or its termination from any reason whatsoever. I/We warrant and represent that I/We have received and will continue to receive adequate value for the granting of this suretyship. I/We hereby agree that where it is contemplated that more than one person will sign as surety, I or any of us who may have signed as sureties shall be bound in solidum, irrespective of whether or not the other or others referred to will have executed this document or become bound in terms hereof. I/We agree that no termination, cancellation or variation of my/our obligations in terms of this suretyship shall be of any force of effect unless it is agreed to in writing and signed by the Managing Director of Nashua or its cessionary, in the event of a cession in terms of this agreement.