

## Trade Asset Placement Agreement

Between

5907399  
Account Payer ("User" SAP code)

BUSINESS LEADERSHIP SOUTH AFRICA  
(hereinafter referred to as the "User")

5907399  
Functional Location ("User" SAP code)

And  
**Nestlé (South Africa) (Pty) Ltd**  
(Hereinafter referred to as the "Company")

The User represented herein by X ..... being duly authorized hereto and who hereby warrants that he/she has the authority to enter into this agreement on behalf of the User.

**Section A:** the agreement period will be for a period of 24 months, commencing on .....

**Section B: Equipment ("unit/s") Details**

Material number	Unit description	Serial No	Monthly Billing excl. VAT
	MILANO FTS 60		R 1 620.00
	MILANO FTS 60		R 1 620.00
	MILANO FTS 60		R 1 620.00
			R
			R
			R
Total Billing over the minimum period excluding VAT (a)			R 116 640.00

**\*\* On-going rates will be reviewed annually**

**Section C: The expected minimum throughput per unit will be 50 per day, equivalent to 1050 cups per month.**

The NESTLÉ -approved product mix (cups per drink per day) is estimated hereafter:

Drink	Estimated mix	Estimated cups / day
ESPRESSO	14%	7
BLACK COFFEE	14%	7
WHITE COFFEE	14%	7
CAPPUCINO	14%	7

Drink	Estimated mix	Estimated cups / day
LATTE	14%	7
MOKACHINO	14%	7
HOT CHOCOLATE	14%	7

**Section D: Consumer-preferred serving recipes & NESTLÉ-approved ingredients in kg for equipment:**

Description	NESTLÉ approved product mix								Estimated minimum purchases
	BEVERAGE 1	BEVERAGE 2	BEVERAGE 3	BEVERAGE 4	BEVERAGE 5	BEVERAGE 6	BEVERAGE 7	BEVERAGE 8	
BEANS									1 Kg
MILK									3 Kg
HOT CHOCOLATE									3 Kg
									Kg
									kg
Recipes are based on tested Consumer preference. 5% deviations in gram-throws are deemed acceptable and do not affect standardized in-cup profiles. The Company reserves the exclusive right to amend such recipes from time to time. The estimated minimum monthly throughput is based on a 250ml serving at 21 working-days per month									
Total minimum ingredient value** over the minimum period excluding VAT --(b)									R 67 200.00

**Section E: Value of the agreement:**

Total Billing ** + minimum ingredient value** over the agreement period, excluding VAT (a+b)	R 183 840.00
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**Section F: Installation Address and Contact Number:**

**On-going rates will be reviewed annually**

Initials  X
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- 1 The Company hereby:
- 1.1 Lets to the User who hereby hires from the Company the equipment set out in Section B (hereinafter referred to as the "unit/s"); and
  - 1.2 Undertakes to sell the products stipulated in Section D to the User who undertakes to purchase those products in accordance with section D and the applicable provisions of this agreement.
- 2 The unit/s will be supplied to, and installed at the User's installation address, as specified in section F, subject to the terms and conditions contained in this agreement. Installation is free of charge (excluding fittings as set out in clause 15.1)
- 3 This agreement shall, in respect of each particular unit/s, commence on the commencement date specified in section A and shall remain in force for the period as stipulated in section A, ("The Initial Period"), and there after run on a month to month basis until the contract is cancelled by the User in writing, by giving a 30days written notice to the Company. Notwithstanding anything to the contrary in this agreement, the company may terminate this agreement by giving the User 10 (ten) day's prior written notice of termination.
- 4 In the event that an agreement in respect of any unit/s is terminated by the User in any way inconsistent with this agreement, the User shall be liable for the equivalent of a minimum of one third of the total value of the contract as stipulated in section E.
- 5 **Landlord's Tacit Hypothesis**
- 5.1 The unit/s shall at all times remain the property of the Company, who shall at all times remain the owner of the unit/s, and shall accordingly be exempt from any attachment by, pledge to, undertaking or transfer to, any third party under which the unit/s is purportedly bound under an obligation or contract. For the avoidance of doubt, the User shall never become the owner of the unit/s.
  - 5.2 The contact details of the User's landlord are set out below:

Name: ..... Address: .....

Tel: ..... Email: .....

- 6 Notwithstanding the User's notification to the Landlord (above), the Company reserves the right to confirm with / inform the Landlord of the premises where the unit/s will be installed in writing, that the unit/s is/are the property of the Company and is/are not subject to the Landlord's lien.
- 7 The unit/s shall remain installed at the installation address and location at all times, unless the Company agrees in writing to relocate it to an alternative address or specific location within the premises thereof.
- 8 All risk of loss or damage to the unit/s, arising from any cause whatsoever, shall pass to, and vest in, the User upon physical delivery of the unit/s to the User. The User undertakes to insure the unit/s at his/ her own cost for the User's use of the unit/s, damage or destruction of the unit/s and loss or theft of the unit/s.
- 9 The Company shall not be responsible for any loss or damage, whether consequential or otherwise, sustained by the User or any other person, caused by the unit/s, or the operation thereof, or any products supplied in terms of this agreement either directly or indirectly, and the User accordingly indemnifies the Company against, and shall hold the Company harmless from, any such claim instituted against the Company
- 10 The User agrees to pay the Billing/s as set out in section B, no later than the 25<sup>th</sup> day of the month immediately following the month to which the relevant invoice relates.
- 11 All products stipulated in section D (specific dispensing-approved SKUs) shall be purchased exclusively from the Company or from the Company's appointed distributor and from no other supplier. The User agrees to purchase on a monthly basis, per unit, the minimum volume stipulated in section D at on-going rates. Should the User for any reason be in breach of this clause or be unable to purchase the minimum volume of products as required in terms of this agreement or in respect of any unit/s, the Company shall be entitled (either itself or through any of its duly appointed agents or service providers) but not obliged, to immediately, terminate the agreement, and re-take possession of the unit/s.
- 12 All risk of loss or damage to the products stipulated in section D arising from any cause whatsoever, shall pass to, and vest in, the User upon physical delivery of the products to the User. Ownership of the products stipulated in section D shall only pass to the User on the full payment of the purchase price for those products.
- 13 The User shall not be entitled to withhold payment of any amounts due in terms of this agreement for any reason whatsoever. In the event of any dispute between the parties, the User shall nevertheless be obliged to continue making payment of the monthly amounts due in terms of this agreement pending the determination of such dispute.
- 14 The User agrees and undertakes, at its own cost, to:
- 14.1 Provide and supply the necessary fittings and services which may be required for the effective and secure installation and operation of the unit/s as follows:
    - 14.1.1 **Electrical:** a standard 3 pin electrical outlet located within 1 meter of the Unit/s.
    - 14.1.2 **Water:** A cold water supply with minimum pressure of 2 bars. A plumbed in pipe terminating with a 15mm stop valve (female) within 1 meter of the unit/s.
  - 14.2 Maintain the unit/s functioning, operational in good and proper working order and under clean, safe and hygienic conditions, fair wear and tear excepted.
  - 14.3 Provide the Company with a copy of: (i) the periodic pest control plan of the premises, which confirms, inter alia, that preventative measures are in place against pests including, but not limited to, ants, cockroaches and rodents; and (ii) the latest pest control certificate, upon signature of this agreement and whenever the Company's agents, service providers or employees require it for hygiene and quality assessment/matters. Should any of the units become infested in any manner whatsoever, such unit should be DE infested by the Company service provider for the users cost,
  - 14.4 Allow the Company's agents, service providers or employees reasonable access to the premises and unit/s for periodic preventive maintenance and user training visits, for commercial inspections and for ad-hoc corrective maintenance requirements raised to the Company's call center (NESTLE PROFESSIONAL -NP- call center 0800 001 648).
  - 14.5 Strictly comply with the instructions and recommendations provided by the Company's agents, service providers or employees regarding the exclusive use of the ingredients and recipes as defined in sections C and D of this agreement, the daily usage and filling of products in the unit/s, hygiene best practice programs and cleaning instructions, daily routine care and eventual repairs of the unit/s.
  - 14.6 Not affix or use in relation to the unit/s any parts, accessories or extras except those supplied by the Company.
  - 14.7 Not remove, deface or cover up logos, point of sale material or recommended selling prices placed upon the unit/s by the Company
  - 14.8 Not service, relocate or repair the unit/s or cause the unit/s to be serviced, relocated or repaired other than by a duly authorized repairer as approved by the Company.
  - 14.9 Immediately notify the Company (NP call center 0800 001 648) of any apparent faults in the unit/s which the Company undertakes to resolve through its appointed agents, service providers or employees within 48 hrs. Or less if the service is deemed necessary, within 100kms of major urban areas and at the Company's own expense. Areas beyond this perimeter will be evaluated and agreed separately. Repairs exclude prescribed cleaning routines which are to be planned and performed by the User on a regular basis as instructed during training sessions and described in the unit/s manuals.
- 15 The Company reserves the right at any time to request a holding deposit in an amount considered by the Company to be sufficient to cover 3 (three) months rental and purchases of consumables. Such deposit may, without prejudice to the Company's rights, be applied in whole or in part, towards the discharge of any amounts due by the User to the Company. The Company shall be entitled to increase the amount of the holding deposit required from time to time at its discretion.
- 16 The User may have access to sensitive, confidential and proprietary information relating to the Company and its commercial, operational, financial and other activities. The User agrees to keep all such information strictly confidential and not disclose it to any third party whatsoever, unless instructed by the Company or in compliance with a law. This clause shall survive the termination of the agreement.
- 17 The User consents to the Company making enquiries and obtaining information from a registered credit bureau or other credit provider in order to conduct a credit/affordability assessment in respect of and/or to trace the User.
- 18 Should the User breach any term or condition of this agreement, and fail to remedy such breach within 7 (seven) days of receipt of a notice from the Company calling upon it to remedy such breach, the Company shall be entitled to, without prejudice to any other rights or remedies that it may have in law or otherwise, terminate this agreement and to treat as immediately due and payable all rentals and other sums then in arrears in terms of the agreement. Any overdue amounts claimed pursuant to this clause shall attract interest at the rate exceeding prime lending rate charged by the Company's bankers from time to time by 2% (two percent), compounded monthly.
- 19 Upon termination of the agreement for any reason whatsoever, the Company shall be entitled (either itself or through any of its duly appointed agents or service providers) to immediately re-take possession of the unit/ which shall be in good order and repair excluding fair wear and tear only. Any costs that the Company might have to incur in order to restore the unit/s to good order, shall be for the account of the User. This clause shall survive the termination of this agreement.
- 20 A certificate signed by any of the Company managers (whose designation and appointment need not be proved), in which the amount of the User's indebtedness to the Company is stated, shall be accepted as sufficient (prima facie) proof of the User's indebtedness in any legal proceedings.
- 21 Signature of the Company's delivery note by a representative of the User shall be acceptance by the User that the Unit/s and products reflected in such delivery note have been properly and completely delivered.
- 22 No indulgence which either of the Parties ("the Grantor") may grant to the other party ("the Grantee") shall constitute a waiver of any rights of the Grantor, which shall not thereby be precluded from exercising any rights against the Grantee which might have arisen in the past or which might arise in the future.
- 23 The User shall not be entitled to cede, assign, delegate or transfer its rights and obligations in terms of this agreement without the prior written consent of the Company.
- 24 This Agreement shall be construed in accordance with South African Law. Notwithstanding the amount that may at any time be owing by the User to the Company in terms of this agreement, the parties hereby consent to the jurisdiction of the Magistrate's Court for the determination of any action or proceedings which may be brought in terms of this agreement. All costs in any action brought by the Company against the User in any competent court, including costs as between attorney and client, an including attorney's collection commission, will be paid by the User.
- 25 This document and the Annexures hereto contain the sole record of the Agreement between the Parties in regard to the subject matter of this Agreement.
- 26 No addition to, variation or consensual cancellation of this Agreement shall be of any force or effect unless in writing and signed by or on behalf of both parties.
- 27 Domicilium / Address for Service:
- 26.1 The Parties hereby select the address respectively set out opposite its name below as its address at which all notices, legal processes and other communications must be delivered to it for the purposes of this Agreement.

8 Anslow Crescent  
Bryanston  
2021  
For Attention: The Company Secretary

The User: .....

26.2 Any notice or communication required or permitted to be given in terms of this Agreement will be valid and effective only if in writing and delivered by hand or by post or telefax.

26.3 Either party may, by written notice to the other party, change its chosen address to another physical address, provided that the change will become effective on the fourteenth (14th) calendar day after receipt of the notice by the addressee.

27 The User confirms that neither it, nor the person signing this agreement, lacks the necessary legal capacity to conclude this agreement.

Signed and accepted subject to the terms and conditions set out in this agreement.

The Company: **Nestlé (South Africa) (Pty) Ltd**

Signed at ..... on the .....

Signed at ..... on the .....

The User (Sign):.....  
x

The Company (Sign):.....

Name:.....  
x

Name:.....

Designation:.....  
x

Designation:.....