

VTS CONNECTIVITY SOLUTIONS

Application Form



This Rental Agreement between VTS COMMUNICATIONS (PTY) LTD, Reg No. 2007 / 012153 / 07
(hereinafter referred to as "VTS COMMUNICATIONS")
29 Diaz Business Park, 1 Beach Boulevard West, Mossel Bay | PO Box 2820, Mossel Bay, South Africa, 6506

CONTRACT No:

and
NAME & SURNAME

of
PHYSICAL ADDRESS

Comp Reg No. VAT No.

Tel No.

Email:

VTS Communications hereby agrees to rent to the Renter, who takes on hire from VTS Communications, the equipment described in the Schedule of Equipment below at the rental and for the period and upon the terms as set out in this agreement and in the conditions of hire as set out overleaf.

NOTE: The following documents MUST be submitted

1. A cancelled cheque OR copy of latest bank statement.
2. ID or Company Registration Document and ID of Company Director.
3. Proof of Residence / Business (copy of Water & Lights or Telephone Account, etc.)

SIGNATORIES TO THE AGREEMENT

Signed on behalf of VTS Communications at MosselBay on.....

Signed on behalf of VTS Communications at MosselBay on.....

Signature:
The signatory warrants by placing his/her signature that he/she is duly authorized thereto.

Signature:
The signatory warrants by placing his/her signature that he/she is duly authorized thereto.

Name of Signatory:.....

Name of Signatory:.....

Witness:.....

Witness:.....

SCHEDULE OF FEES

Initial Period:

Commencement Date:

Monthly Fee:

Agreed Monthly Rental:

15% VAT:

Total Monthly Fee:

DEBIT ORDER AUTHORISATION

Name of Bank & Acc No:.....

Type of Account:

Name of Account Holder:.....

Bank Branch Code:.....

Date of Debit Order: 31 1 5 7 15

Authorized Signatory:

The signatory warrants by placing his/her signature that he/she is duly authorized thereto.

SIGNATORIES TO THE AGREEMENT

The Renter hereby irrevocably declares to the Renter that:

- i. The equipment described in the schedule of equipment has been delivered and installed in accordance with all the conditions of the agreement ("the Agreement");
- ii. The equipment has been installed and tested satisfactorily;
- iii. No representations, undertakings or warranties not specifically contained herein are binding on VTS Communications. The Renter acknowledges that the equipment was purchased from a Supplier at the Renter's instance and request. Accordingly, the Renter hereby indemnifies VTS Communications and holds it harmless against any claim that may be made against VTS Communications or for any loss that VTS Communications may sustain arising out of or in relation to the purchase by VTS Communications of the equipment from the Supplier or any harm caused wholly or partly by the equipment; and that
- iv. The serial numbers on the equipment corresponds with the serial numbers on the schedule and the equipment has been insured in accordance with clause 7.

Signed on behalf of the renter at on the day of 20.....

Name of Signatory:..... Authorised Signatory:.....

*** SCHEDULE OF EQUIPMENT ATTACHED HERETO ***

Internet Connectivity Packages

VTS is unique in offering a pure 1:1 internet connectivity to you.

Our internet is Uncontended, Uncapped, Unshaped, Unthrottled! TRUE Symmetrical Bandwidth!

Residential INTERNET CONNECTIVITY

GREAT DEAL!

	2Mb	4Mb	6Mb	8Mb	10Mb	>10Mb
Connectivity Cost <small>Excluding hardware & installation charges.</small>	R680	R1099	R1800	R2250	R2710	R.....
Contention Ratio	1:2	1:2	1:2	1:2	1:2	1:2
Please select Connectivity Option	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Commercial INTERNET CONNECTIVITY

	2Mb	4Mb	6Mb	8Mb	10Mb	>10Mb
Connectivity Cost <small>Excluding hardware & installation charges.</small>	R1499	R2800	R3900	R5499	R6600	R.....
Contention Ratio	1:1	1:1	1:1	1:1	1:1	1:1
Please select Connectivity Option	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

VOIP (Voice Over Internet Protocol)

Our Voice Over Internet Protocol (VoIP) solution allows for crystal-clear internal and external communication within business, estate, retail and residential developments.

Use one of our industry-leading Internet Connectivity packages to make voice calls too.

SOLUTION	LINE	TERM	TOTAL	SELECT
HOME	Single	12	R99 ^{pm}	<input type="checkbox"/>
	BUSINESS	Single	12	R99 ^{pm}
	Multi	12	R250 ^{pm}	<input type="checkbox"/>

Equipment & Installation Cost as per quotation supplied to client.



LINE PORTING

Requirements for Line Porting supplied on separate document.

TERM	TOTAL	SELECT
Once Off	R250 ^{pm}	<input type="checkbox"/>

Terms & Conditions

By signing an application or accepting these General Terms and the applicable Specific Terms (online or by phone), you make an agreement with us to provide you with telecommunications products and services (Services). These General Terms, the Specific Terms and the information on your application (or the information you provided online or by phone), in any relevant brochures and specific plan terms on our website (www.vtsconnect.net) apply to the Services and form part of this agreement (Agreement).

- Hardware remains the property of VTS Communication when taking the 24 months rental option.
- All Prices (excl. VAT) @ 15%.
- 1st month fee payable upfront.
- Mandatory debit order required.
- Installation and prices are subject to a physical site survey if necessary.
- Additional equipment and labour required apart from Standard Installation will be charged and invoiced separately.
- A more comprehensive install e.g. multiple storey house or large business, cost will be depended on a physical site survey.

1. INTERPRETATION, INCLUSIVITY, VARIATIONS AND INDULGENCES

- 1.1 The definitions on the facing page of this document are also applicable to the conditions set out below.
- 1.2 Reference to the singular shall be deemed to include the plural and vice versa and reference to the one gender shall be deemed to include the other genders.
- 1.3 The "Prime Rate" means the publicly quoted rate of interest per annum at which VTS Communications's commercial bankers ("the Bank"), will lend on overdraft to its most favored customers in the private sector, from time to time, as certified by a Manager of the Bank whose appointment it shall not be necessary to prove.
- 1.4 This agreement is the sole rental agreement between the parties hereto relating to the equipment. No representations, undertakings or warranties, given orally or otherwise by VTS Communications, which are not specified in this agreement, shall be of any force or effect unless reduced to writing and signed by the parties. Any warranties implied by common law, but which are not expressly included in this agreement, are excluded here from and shall not be applicable to this agreement.
- 1.5 No variation, amendment or consensual termination of this agreement shall be of any force or effect unless reduced to writing and signed by both parties and this clause may not be amended unless reduced to writing and signed by both parties.
- 1.6 No indulgence granted by VTS Communications to the Renter in respect of the enforcement of any of VTS Communications's rights under this agreement shall be construed as a waiver of such rights (unless expressed as such a written document signed by VTS Communications) not shall it in any way prejudice VTS Communications from strictly enforcing its said rights in the event of a subsequent breach thereof.
- 1.7 This rental agreement shall be governed by and interpreted in accordance with the laws of the Republic of South Africa.

2. DURATION

The initial Rental Period of rental shall be as per the Schedule of Rental. After the initial period this agreement shall continue to the next anniversary and shall continue to do so indefinitely until terminated by either party giving the other written notice of termination provided that such notice shall not be effective if given less than 90 (ninety) days before the end of the initial period or of any anniversary date, as the case may be. Should the Renter request termination of this agreement any time before the expiry date of the initial period, all unpaid rentals up until the end of the initial period, including any escalations, and arrears will become due and payable to VTS Communications. Each such notice of termination shall be sent by registered post to the other party at the domicilium citandi et executandi set out on the front page of this rental agreement.

3. DELIVERY

- 3.1 It is recorded that the equipment has been or will be purchased by VTS Communications from the supplier of the equipment at the Renter's request and solely for the purpose of renting the equipment to the Renter in terms of this agreement. The equipment has been selected by the Renter and VTS Communications makes no warranties or representations whatsoever as to the condition of the equipment.
- 3.2 VTS Communications shall, upon approval of the Renter's Rental Application and receipt of the contract administration fee, arrange for the installation of the equipment at a VTS Communications installation center or at additional optional cost at the installation address specified on the front page hereof. The Renter shall, in this respect, take delivery of the equipment on VTS Communications's behalf so that ownership of the equipment shall pass to VTS Communications with such delivery and the Renter shall hold the equipment on VTS Communications's behalf (or on behalf of its cessionary, as the case may be) for the duration of this rental agreement.
- 3.3 The Renter shall, upon taking delivery and installation of the equipment from VTS Communications, sign VTS Communications's delivery/installation note and shall procure that a copy of the delivery note is given, without delay, to VTS Communications. By signing the said delivery/installation note, the Renter confirms that it has inspected the equipment and has satisfied itself that the equipment is free from any defect and is operating satisfactorily.

4. NATURE, CONDITION, MAINTENANCE, USE AND RETURN OF EQUIPMENT

- 4.1 Acceptance of the delivery and installation of the equipment as provided for in clause 3 above shall be deemed to be acknowledgement by the Renter that it has inspected and approved the equipment and that same is in every way satisfactory for the purpose of this agreement, the Renter acknowledging that VTS Communications does not warrant the fitness of the equipment for the Renter's purposes.
- 4.2 The Renter shall utilize the equipment in a proper, appropriate and reasonable manner and shall be responsible for the safety and security of the equipment during the duration of this agreement.
- 4.3 The Renter shall at all times keep the equipment in its possession and under its control and it shall, at its own expense, procure that the equipment is properly maintained in good working order throughout the duration of this agreement.
- 4.4 It is recorded that this agreement applies only to the hiring of the equipment and that the rentals stipulated in the schedule do not include any payment in respect of maintenance. The maintenance in respect of the equipment shall be separate and distinct from this agreement. The Renter shall not be entitled to withhold compliance with its obligations under this agreement because of any dispute in relation to the maintenance agreement and/or because of any non-performance in terms of maintenance and/or because of any defect in the equipment.
- 4.5 The Renter shall keep the equipment free from attachment, hypothec or other legal charge or process and shall not part with possession of the equipment to any third party without the prior written consent of VTS Communications.
- 4.6 The Renter may not materially alter or modify the equipment without the prior written consent of VTS Communications. Any part or accessory added to the equipment shall become VTS Communications's property without any compensation and without prejudice to any of VTS Communications's other rights under this agreement.

Terms & Conditions (cont)

- 4.7 The Renter shall at all reasonable times permit VTS Communications and/or its representatives to inspect the equipment.
- 4.8 The Renter shall be responsible for complying with any legislation, regulations or by laws pertaining to the use of the equipment.
- 4.9 The Renter acknowledges that the equipment is movable, is intended to remain movable and shall under no circumstances accede to any immovable property.
- 4.10 The Renter shall not upgrade the equipment or any part thereof without the prior written consent of VTS Communications (or its cessionary, as the case may be).
- 4.11 The Renter shall not remove the equipment without the prior written notice to VTS Communications of the details of such removal. In any event, the equipment shall not be moved outside of the Republic of South Africa.
- 4.12 On termination of this agreement, the Renter shall return the equipment to VTS Communications (or its cessionary, as the case may be) in good repair and working order, fair wear and tear excluded.

5. RISK AND OWNERSHIP

- 5.1 Risk in and to the equipment, and the obligation to insure it (see clause 7 below) shall pass to the Renter upon delivery of the equipment as provided for in clause 3 above.
- 5.2 Ownership in and to the equipment shall at all times vest in VTS Communications (or its assignee, as the case may be) and nothing in this agreement shall be construed as conferring ownership of the equipment on the Renter. The Renter acknowledges that ownership in and to the equipment will not pass to it in consequence of the payment of the rentals due under this agreement.

6. RENTAL

- 6.1 With effect from the commencement date, the Renter shall pay to VTS Communications (or its cessionary, as the case may be) the monthly rental, plus VAT, as specified in the Schedule of Rental.
- 6.2 The rental shall be payable monthly in advance, commencing on the commencement date and, thereafter, on or before the first day of each following month.
- 6.3 Without in any way limiting any of the rights of VTS Communications, if any rental due in terms of this agreement is not paid timeously, interest shall accrue thereon at the rate equivalent to 6 (six) percentage points above the prime rate, as from the date that the said payment fell due until the date of payment thereof.
- 6.4 Unless otherwise agreed in writing between the parties, payment of rental shall be effected pursuant to the debit order authorization provided for on the face hereof. It shall be the responsibility of the Renter to ensure that its banker's requirements in respect of the debit authorization are complied with and, to the extent that alternative or additional authorizations are required in order to implement the debit order, the Renter undertakes to procure diligent compliance therewith in order to give effect to the terms of this agreement.
- 6.5 The monthly rentals payable in terms of this agreement shall escalate annually with effect from each anniversary of the commencement date at the annual escalation rate specified in the Schedule of Rental.
- 6.6 Should the Prime Rate (see clause 1.3 above) be increased or reduced at any time above or below (as the case may be), the Prime Rate ruling at the date upon which this agreement is concluded, VTS Communications shall be entitled (but not obliged) at any time thereafter, without prior notice to the Renter to increase or reduce the rentals specified in the Schedule of Rental (on the facing page) so as to maintain the same margin in relation to the Prime Rate which existed at the date of signature of this agreement.
- 6.7 It is recorded that the rentals stipulated in the Schedule of Rental are based on or have been calculated by VTS Communications after taking into account various factors which would influence VTS Communications's after tax rate of return on its investment therefor. Accordingly, if at any time or times after the conclusion of this agreement:
- 6.7.1 there is any change in the rate, method or nature of taxation, or deduction levied on VTS Communications's income in terms of the South African Income Tax legislation; or
- 6.7.2 there is the introduction of or a change in the interpretation of any law or government regulation or the monetary requirements of any authority; or
- 6.7.3 VTS Communications for any reason fails to receive, in respect of the rental equipment, any initial investment and/or other allowance as set out in the South African Income Tax legislation, to the extent and in the manner taken into account by VTS Communications in the determination of the rentals payable in terms of this agreement; or
- 6.7.4 there is any change in the capital requirements of banks resulting in an increase to the cost of VTS Communications (if the cessionary of VTS Communications is a bank): then, on each occurrence of any of the aforesaid events, VTS Communications shall be entitled (but not obliged) to increase or reduce (as the case may be) all or any of the rentals payable in terms of this agreement after the date of such occurrence, by such amounts as VTS Communications reasonably considers necessary so as to give it no greater after tax return on its investment that was anticipated by VTS Communications at the date of the conclusion of this agreement (but after taking into account any variation brought about by the application of clause 6.6 above). Any adjustment to the rentals may be made with effect from the date of such occurrence, where after all subsequent rentals shall be paid in terms of the adjusted rentals. In the event of any such adjustment, written notice thereof will be given to the Renter together with details as to how the adjustment is computed.
- 6.8 The Renter acknowledges that the total monthly rental as indicated in the Schedule of Rental has been determined by reference to VAT determined at the rate applicable at the time that the agreement was entered into. In the event of any change in the rate at which VAT is payable and/or in the amount of VAT payable in respect of the rental payments, the rentals which fall due on or after the date of the said change shall be recalculated accordingly and the said recalculated rentals shall substitute the rentals which were calculated at the previously prevailing rate.
- 6.9 A certificate signed by any manager of VTS Communications or of its cessionary (which appointments need not be proved) specifying the amount due and/or owing by the Renter in terms of or arising out of this agreement shall be prima facie proof thereof.

7. INSURANCE

- 7.1 The Renter shall insure the equipment for the duration of this agreement with an insurer registered in terms of the Short Term Insurance Act 53 of 1998, on a comprehensive basis for the replacement value of the equipment plus VAT, under an appropriate policy of insurance. The Renter shall also procure that VTS Communications's (or its cessionary, as the case may be) interests in respect of the equipment are endorsed on the said policy, and shall at all times comply with all the terms and conditions of such policy. The Renter hereby cedes to VTS Communications (or to its cessionary, as the case may be) as security for the Renter's obligations under this agreement, all of the Renter's rights, title and interest in and to the said policy. In the event of the Renter failing to furnish VTS Communications with proof of such insurance or in the event of the policy becoming of no force or effect for any reason whatsoever, VTS Communications shall be entitled (but not obliged) to insure the equipment and to reclaim the amount of such premiums and/or excesses from the Renter upon demand.
- 7.2 The Renter shall notify VTS Communications and insurer immediately in writing if the equipment or any part thereof is lost, stolen or damaged and shall do all that is necessary for the successful submission of a claim to the relevant insurer.
- 7.3 If any of the equipment is lost or stolen and not recovered within a period of 14 (fourteen) days after such loss or theft or, in VTS Communications's sole discretion, is damaged beyond repair, this agreement shall terminate forthwith in respect of such equipment provided that such equipment may, at VTS Communications's election, be replaced, in which event this agreement shall be deemed to apply, mutatis mutandis, to such replacement equipment as though it were the original equipment under this agreement.

Terms & Conditions (cont)

- 7.4** On termination of this agreement in terms of clause 6.3, the Renter shall forthwith pay to VTS Communications all rentals which would have fallen due in terms of this agreement from the date of termination until the earliest possible date on which this agreement could have been terminated by notice, together with any amounts then due less any amount which VTS Communications receives from the insurer of the equipment pursuant to the cession of the policy provided for in clause 7.1 above.
- 7.5** The Renter is hereby given notice of its right of free choice in connection with its insurance obligations under this clause 7 in terms of Section 43 of the Short Term Insurance Act 53 of 1998. The Renter represents and warrants that it has read, understood and is fully acquainted with the aforesaid provision. By signing this agreement, the Renter acknowledges that:
- 7.5.1** it has been given prior written notice of its entitlement to the freedom of choice referred to in the said Act;
- 7.5.2** it exercised that freedom of choice; and
- 7.5.3** it was not subject to any coercion or inducement as to the manner in which it exercised that freedom of choice.

8. WARRANTY BY THE RENTER

The Renter warrants that:

- 8.1** all information supplied by it to VTS Communications concerning the Renter's business, including all information so supplied to VTS Communications during its investigation prior to the commencement date and including also the information on the Renter's balance sheets, income statements, cash flows, profit forecasts and other financial information provided by the Renter, is true and correct in all material respects;
- 8.2** the Consumer Protection Act 68 of 2008 does not apply to this agreement

9. CESSION AND ASSIGNMENT

- 9.1** The Renter shall not cede any of its rights nor delegate any of its obligations under this agreement, without the prior written consent of VTS Communications nor shall the Renter be entitled to relinquish possession of or sub-let the equipment or any part thereof.
- 9.2** VTS Communications may cede any or all of its rights in terms hereof and/or transfer its ownership of the equipment, to any third party without prior notice to the Renter. The Renter agrees and undertakes that on receiving notice of any such cession and/or transfer, it will hold the equipment on behalf of the cessionary and/or transferee, as the case may be, and wherever appropriate, reference to VTS Communications in terms hereof shall thereupon be deemed to denote the said cessionary/transferee.
- 9.3** VTS Communications hereby cedes to the Renter all claims which VTS Communications may have against the supplier of the equipment arising out of any express or implied guarantee, warranty or undertaking as to the condition or quality of the equipment or as to the suitability thereof for any purpose whatsoever, including any claims arising out of latent or patent defects in the equipment. The cession in terms hereof shall operate as a complete and absolute discharge of any liability of VTS Communications to the Renter in respect of any claim, which the Renter may otherwise have had against VTS Communications in respect of the condition or quality of the equipment. On termination of this agreement,

10. BREACH

10.1 An event of default shall occur if the Renter:

- 10.1.1** fails to make punctual payment of any of the rentals; or
- 10.1.2** breaches any term of this agreement or of any other agreement between the parties (all of which are agreed to be material); or
- 10.1.3** commits an act which would be an act of insolvency in terms of the Insolvency Act if it was a natural person; or
- 10.1.4** allows any judgement against it to remain unsatisfied for a period of 7 (seven) days unless an appeal has been noted against such judgement; or
- 10.1.5** compromises or attempts to compromise or defer payment of any debt owing by the Renter to any of its creditors; or
- 10.1.6** is provisionally or finally liquidated or placed under judicial management; or
- 10.1.7** being a partnership is dissolved or being a private company sustains a change of shareholding; or
- 10.1.8** generally does or omits to do anything which may prejudice VTS Communications's rights in terms of this agreement or cause VTS Communications to suffer any loss or damage, or if VTS Communications's rights to or under any security given in connection with this agreement are diminished, lost and/or prejudiced in any way.
- 10.2** Upon an event of default, VTS Communications may, as its election and without prejudice to any other remedy which it may have in terms of this agreement or otherwise:
- 10.2.1** terminate this agreement, repossess the equipment, claim all arrears owing at the date of termination and to immediately claim all outstanding rentals which, but for the termination would have been payable for the remaining period of this agreement (or until the earliest date upon which this agreement could lawfully have been terminated (otherwise than by agreement)) or (as an alternative to claiming the outstanding rentals) claims such damages which VTS Communications shall have sustained by reason of the Renter's said default; or
- 10.2.2** without terminating this agreement, to treat as immediately due and payable all rentals which would otherwise have become due and payable in terms hereof until the earliest date upon which agreement could lawfully have been terminated (otherwise than by agreement) and to claim and recover from the Renter forthwith the aggregate amount of such rentals as well as all rentals and other sums then in arrears in terms of this agreement. Pending payment, VTS Communications shall be entitled to take possession of the equipment and to retain possession thereof on condition that against such full payment, the equipment may, at the sole discretion of VTS Communications, be returned to the Renter who shall not be entitled to any rebate or abatement of rentals or other amounts by reason of its loss of possession and enjoyment of the equipment whilst the same will have been in VTS Communications's possession.

11. DOMICILIA

The Renter chooses domicilium citandi et executandi for all purposes at the Renter's physical address as specified on the facing page hereof. Any notice delivered by hand or sent by registered post to the Renter's domicilium shall be deemed to have been received on the date of delivery. If delivered by hand, or on the seventh day after posting, if sent by registered post whereas, if sent by telefax to the Renter's telefax number or by email to the Renter's email address, such notice shall be deemed to have been received on the day upon which it was transmitted to such address. The Renter shall be entitled from time to time to substitute its domicilium and/or telefax number and/or email address for the purpose of this agreement by written notice to VTS Communications advising it of the substitute address/number (as the case may be) provided that the domicilium address shall always be a physical address within the Republic of South Africa which is served by the Post Office.

12. JURISDICTION AND COSTS

- 12.1** The Renter consents to the jurisdiction of the Magistrate's Court having jurisdiction over its person, irrespective of the amount in dispute. However, should VTS Communications determine, it shall be entitled to institute proceedings in the High Court in which event it shall be limited to recovering costs on the Magistrate's Court scale.
- 12.2** In the event of VTS Communications instructing its attorneys to take steps to enforce any of its rights under this agreement in consequence of a breach thereof by the Renter, the Renter shall be liable to VTS Communications for such collection charges and commission

○ Terms & Conditions (cont)

SCHEDULE OF EQUIPMENT

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