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Automotive Equipment International (Pty) Ltd.
Reg. No.: 1955/001302/07

APPLICATION FOR CREDIT FACILITIES

CONFIDENTIAL

COMPANY NAME:

TRADING ADDRESS:

COMPANY STAMP

APPLICATION FOR CREDIT FACILITIES

AUTOMOTIVE EQUIPMENT INTERNATIONAL (PTY) LTD

(hereinafter referred to as AEI)

I/We the undersigned (Name) _____ (“the Applicant”) hereby apply for credit facilities to AEI, Reg No. 1955/001302/07, and represent and warrant that the particulars given in Annexure A are true and correct. I/We acknowledge that should the credit be granted to me/us in terms of this application, I/We shall be liable to AEI. I/We further accord that my/our obligations which may arise from this Application if accepted by any AEI subsidiary or trading division, shall extend to AEI. I/We agree that should the applications be granted, the following terms and conditions will apply:-

1. **PURCHASES** – All goods purchased by me/us will be deemed to have been sold by you/yourself, under AEI Standard Conditions of Sale as revised the contents of which I/we have read and to which I/we agree to be bound, as if I/we was/were an original signatory thereto.
2. **TERMS** – AEI shall notify the Applicant in writing of its acceptance or rejection of the applicant’s application for credit facilities in terms hereof within a reasonable time after receipt by AEI of such application. Such notice by AEI shall also set out any further terms and conditions applicable to such credit facilities which terms and conditions shall be determined by AEI in its sole and absolute discretion and shall be in addition to the terms and conditions set out in this Application. The Applicant shall notify AEI in writing within a reasonable time after receipt of such notice from AEI of its acceptance or rejection of such terms and conditions provided that no acceptance of such terms and conditions shall be binding on AEI unless such acceptance is notified to AEI in writing by a duly authorized representative of the Applicant and received by AEI within the aforementioned period. The Applicant hereby give permission to AEI to do credit and reference checks as deemed necessary.
3. **VARIATION OF TERMS** – AEI shall be entitled at any time to add to, vary, supplement or amend the terms and conditions referred to in 2 by written notice to the Applicant.
4. **WITHDRAWAL OF FACILITY** – AEI may, at its discretion, terminate the Applicant’s credit facilities in terms hereof by giving the Applicant written notice of termination of the facilities, and such termination shall be effective on receipt of such notice by the Applicant.
5. **PAYMENT** – The Applicant will only be considered to have paid any amount owing to AEI when the Applicant’s payment is actually received by AEI. If the Applicant posts a payment to AEI, the Applicant bears the risk that the payment will be lost or stolen in the post.
6. **APPROPRIATION OF PAYMENT** – AEI may allocate payments made by the Applicant to whichever of the Applicant’s debts AEI chooses.
7. **INTEREST** – All amounts not paid by the Applicant hereunder in full on the due date for payment thereof shall bear interest at the publicly quoted basic rate of interest per annum which Nedbank (a division of Nedcor Bank Limited) lends to its most favoured corporate customers on unsecured overdraft, as certified by any general manager of that bank, whose appointment or authority it shall not be necessary to prove, plus 3%.
8. **PROOF OF DEBT** – A certificate signed by AEI (or by its financial manager or any one of its directors, whose appointment, qualification and/or authority shall be presumed unless the contrary is proved) as to the amount of the Applicant’s indebtedness hereunder shall be at face value evidence of the amounts of indebtedness shown in that certificate and shall be binding on the Applicant (unless the Applicant proves the incorrectness thereof) in any proceedings instituted by AEI in any competent court for the purpose of obtaining provisional sentence or judgment against the Applicant.
9. **CONSENT TO JURISDICTION** – If AEI has a claim against the Applicant under or in respect of credit facilities granted by AEI to the Applicant in terms hereof, the Applicant consents to AEI at its option, bringing that claim in the Magistrate’s Court which has jurisdiction over the Applicant even if the amount of the claim exceeds the jurisdiction of the Magistrate’s Court.
10. **COSTS** – If AEI takes any action against the Applicant (whether this action includes instituting legal action or not) to recover money owing by the Applicant in terms hereof, the Applicant shall be liable for all AEI’s costs of any nature, including legal costs on an attorney and own client basis and collection commission of 10% incurred by AEI in taking that action.
- 11.1 **NOTICES AND DOMICILIUM** – Each party chooses the address set out in the application form as its chosen address at which all notices, legal processes and other communications must be delivered for the purposes of these Conditions.
- 11.2 Any notice or communication required or permitted to be given in terms of these Conditions shall be valid and effective only if in writing, but it shall be competent to give notice by telefax.
- 11.3 Any party may by written notice to the other parties change its chosen address to another physical address and/or its chosen telefax number to another telefax number, provided that the change shall become effective on the 10th Business Day after the receipt of the notice by the addressee.
- 11.4 Any notice to a party contained in a correctly addressed envelope and-
11.4.2 sent by prepaid registered post to it at its chosen address: or
11.4.3 delivered by hand to a responsible person during ordinary business hours at its chosen address, shall be deemed to have been received, in the case of 11.4.1, on the seventh Business Day after posting (unless the contrary is proved) and, in the case of 11.4.2, on the day of delivery.
- 11.5 Any notice by telefax to a party at its telefax number shall be deemed unless the contrary is proved, to have been received within 2 hours of transmission where it is transmitted during normal business hours or within 2 hours of the opening of business on the first Business Day after it is transmitted where it is transmitted outside those business hours.
12. **ACCELERATION** – If the Applicant fails to pay a debt to AEI in terms hereof when it is due then all other amounts owed to AEI by the Applicant from any cause shall become immediately due and payable even if payment of those amounts is only due in the future.
13. **OWNERSHIP** – Despite anything to the contrary in any other agreement between AEI and the Applicant, ownership of goods sold by AEI to the Applicant will not pass until the Applicant has paid the purchase price for those goods in full. The risk of loss or damage in the goods shall pass on delivery to the Applicant.
14. **CHANGE IN CIRCUMSTANCES** – The Applicant undertakes to notify AEI in writing immediately there is any material change in the Applicant’s circumstances, including but not limited to a change in ownership of the Applicant, or in the Applicant’s business, name, address or financial circumstances.
15. Any latitude or extension of time which may be allowed by AEI shall not under any circumstances whatsoever act as an estoppel or be a waiver of AEI’s rights hereunder.
16. No alteration or variation to, or consensual cancellation of, this Application shall be of any force or effect unless it is recorded in writing and signed by both parties to this application.
17. The validity of this Application, its interpretation, the respective rights and obligations of the parties and all other matters arising in any way out of this undertaking or its performance shall be determined in accordance with the laws of the Republic of South Africa.
- 18.1 This Application constitutes the entire contract between the parties relating to the subject matter hereof and no other conditions, warranties, guarantees and representations shall be of any force or effect other than those which are included herein.
- 18.2 The Applicant shall not be entitled to cede its rights or delegate its obligations under this Application without the prior written consent of AEI.
- 18.3 For the purposes of this Application unless the context otherwise indicates the word “Application” means this application for credit facilities together with the information furnished in Annexure A and B attached.
- 19.1 In addition to AEI’s rights of termination referred to in 4, AEI may terminate any credit facilities granted to the Applicant in terms of this Application forthwith and on notice in writing to the Applicant if the Applicant commits any breach of this Application specified in 11.2, and either party may terminate any credit facilities granted to the Applicant in terms of this Application forthwith and on notice in writing to the other party if the other party breaches any other term of this Application and fails to remedy such breach within 21 days of having been given written notice calling for such breach to be remedied.
- 19.2 For the purposes of 19.1, AEI may terminate any credit facilities granted to the Applicant in terms of this Application forthwith and on notice in writing if the Applicant:
 - 19.2.1 is placed under judicial management or liquidation or is sequestrated (whether provisionally or finally) or takes any steps for the surrender of his/its estate or composition with his/its creditors (except to the extent that the same is effected pursuant to a genuine re-organisation of the Applicant);
 - 19.2.2 has any judgement taken against him/it and fails to satisfy the same within 14 days thereof;
 - 19.2.3 dies;
 - 19.2.4 should be or come to be owned, controlled or managed by any persons or organizations other than those persons and organizations owning, controlling and managing the Applicant at the time of signature of this Application, unless such change in control, ownership or management has been approved by AEI in writing beforehand, which approval shall not be unreasonably withheld after the Applicant has given AEI all information reasonably requested by AEI in connection therewith, and which change in ownership, control or management shall be promptly notified by the Applicant to AEI.
- 19.3 The parties remedies under this clause 19 shall not be in addition and without prejudice to any other remedies they may have whether for damages or otherwise.

Signed at _____ on this _____ day of _____ 20_____

For: _____ (Company Name)

Signatory: _____ Capacity: _____

Name: _____

PLEASE RETURN THIS APPLICATION IN IT'S ORIGINAL FORM FAXED APPLICATIONS WILL NOT BE CONSIDERED.

NB: Please attach copies of the following documents: Copies of I.D. Book(s), Certificate of Incorporation, VAT REGISTRATION CERTIFICATE.

Full name of applicant _____

Co./CC Reg. No. _____

Sole proprietor

Partnership

Private Company

Public Company

Close Corporation

Delivery Address _____ Tel _____

Fax _____

Email Address _____ Creditors Name _____

Creditors Telephone Number _____ Creditors Email _____

Postal address _____ Code _____

Auditors name, address and telephone _____

Registered office _____

Landlord's name, address and telephone _____

Nature of business _____

When established _____ VAT No. _____

Details of directors/partners/members

Name	Residential Address	I.D. Number	Telephone

Bankers _____ Branch _____

Account No: _____ Branch Code: _____

Trade References:	Contact Name/Account No	Tel. No.
1		
2		
3		
4		
5		

Value of initial order _____ Expected monthly purchases _____

I/We acknowledge that

The statements and information given on this page and/or elsewhere are true and correct in every detail and that I/We have no knowledge of any facts which, if disclosed, may affect this application. Payment for all purchases will be made within 30 days nett.

Date _____ Name _____

Signature of applicant or person authorized to sign on behalf of applicant and company stamp _____

NAME _____ DATE _____

Suretyship

- I/We the undersigned
1. _____ (NAME IN FULL & I.D. No.)
 2. _____ (NAME IN FULL & I.D. No.)
 3. _____ (NAME IN FULL & I.D. No.)

Do hereby interpose and bind myself/ourselves jointly and severally and solely as Surety and Co-principal Debtor (s) unto and in favour of AEI, Reg No 1955/001302/07, ("hereinafter referred to as the Creditor") for payment on demand of all monies which

(REGISTERED NAME OF APPLICANT)

(hereinafter referred to as the Debtor) may now and from time in the future be due and become due and owing by the Debtor to the Creditor, its successor/s or assign/s whatsoever or howsoever arising from any cause of indebtedness.

- 1 The Creditor may at any time without the consent of or notice to me/us, assign or transfer and make over all or some of its rights in and arising out of this Suretyship or any part thereof or any actual, prospective or contingent obligation of the Debtor.
- 2 This Suretyship shall terminate and be of no further force or effect on the earlier of the date on which all amounts due by the Debtor(s) to the Creditor have been paid of the date on which the Creditor has been provided with alternative security to the Creditor's satisfaction for the Debtor(s)' obligations to the Creditor and as confirmed to us in writing by the Creditor.
- 3 This Suretyship shall be in addition to and without prejudice to any other Suretyship or Security now held or hereafter held by the Creditor from or on behalf of any or all of the Debtor(s).
- 4 The amount owing to the Creditor by any/all of the Debtors and/or by me/us hereunder at any time, the fact that it is due and payable, the rate of interest payable thereon and the date from which interest is reckoned, shall be deemed to be determined and prima facie proved by a certificate under the signature of any of the directors or general managers or secretary of the Creditor from time to time. It shall not be necessary to prove the appointment of the person signing any such certificate and such certificate shall be at face value binding upon me/us, be at face value proof of the amount due and payable by me/us to the Creditor hereunder and of the facts stated therein and be deemed to be a liquid document for the purpose of obtaining provisional sentence and/or any other judgement or order against me/us.
- 5.1 The Creditor may, at its option, institute action against me/us for any claim arising hereunder in any Magistrate's Court having jurisdiction notwithstanding that the amount of the claim may exceed the jurisdiction of that Court and I/we hereby consent to the jurisdiction of the Magistrate's Court having territorial jurisdiction in terms of the Magistrate's Court Act;
- 5.2 Notwithstanding the foregoing, the Creditor shall not be obliged to institute action against me/us in the Magistrate's Court and I/we hereby submit to the jurisdiction of the Supreme Court of South Africa (Witwatersrand Local Division) in respect of any action instituted against it by the Creditor.
6. Should the Creditor cede the whole of its right of action the Debtor(s) to any third party, then the Creditor's rights under this Suretyship shall be deemed to have been simultaneously ceded and transferred to the cessionary in question.
7. We renounce the benefits of excussion, division and cession of action, the full meaning and effect of which we know and understand.
8. This Suretyship constitutes the entire Agreement between me/us and the Creditor and I/we acknowledge and agree that there are no suspensive conditions suspending the operation of this Suretyship and no warranties, promises, representations of whatsoever nature and whether express or implied have been made, given or held out by the Creditor or any other person on behalf of the Creditor which have had the effect of directly or indirectly inducing me/us to sign this Suretyship. No agreement in any way varying or adding to the terms and conditions of this Suretyship or the consensual cancellation thereof shall be of any force or effect unless contained in writing and signed by both me/us and the Creditor. Any latitude or extension of time which may be allowed by the Creditor to me/us in respect of any payment due in terms hereof or any indulgences shown by the Creditor to me/us shall not prejudice the Creditor's rights under this Suretyship nor be deemed to be a waiver of any of the Creditor's rights in terms hereof, nor a novation of this Suretyship.
9. We shall be responsible for all charges and expenses of whatsoever nature incurred by the Creditor in securing the implementation of my/our obligations to the Creditor hereunder, including, without in any way limiting the generality of the foregoing, all legal costs (including attorney and client costs) incurred by the Creditor.
11. I/We hereby choose the following address.
 1. _____
 2. _____
 3. _____

being the address which I nominate for service for all documentation and processes arising out of this Suretyship.
12. I/we acknowledge and agree that all acknowledgements of indebtedness and admissions by or on behalf of any/all of the Debtor(s) shall be binding on me/us.

13. The Creditor shall be entitled to:
- 13.1 realise, abandon and release securities and/or any/all of the Debtor(s) and/or any other surety for any/all of the Debtor(s) and/or me/us, in each case in whole or in part; and/or
- 13.2 give time, compound, compromise or make any other arrangement in respect of the extent, amount, duration, reduction or postponement of liability to or with any/all of the Debtor(s) and/or any other surety/ies for any/all of the Debtor(s) and/or me/us and allow or grant any latitude or indulgence; and/or obtain any additional and/or other securities from any other person/s whatsoever in connection with the obligations of any/all of the Debtor(s) and/or myself/ourselves.
14. In the event of the insolvency, liquidation, sequestration or placing under judicial management as the case may be, of any/all of the Debtor(s) or a compromise between any/all the Debtor(s) and any/all of the Debtor(s)' creditors-
- 14.1 I/we will not prove a claim against such Debtor(s) estate for any amount I/we may be called upon to pay under this Suretyship until all amounts (including interest and costs) due by the Debtor(s) in question to The Creditor have been paid in full;
- 14.2 any dividend received by the Creditor in respect of its claim against the Debtor(s) in question shall be appropriated first to the payment of that part of the Debtor(s) indebtedness to the Creditor which is not covered by this Suretyship;
- 14.2.1 the creditor shall be entitled, without prejudicing its rights against me/us:
- 14.2.1.1 to prove a claim against the estate of the Debtor(s) in question for the full amount of the indebtedness of that Debtor to the Creditor: and
- 14.2.1.2 to claim from me/us the full amount of my/our indebtedness, provided that if –
- 14.2.1.2.1 I/we pay the full indebtedness of the Debtor in question to the Creditor, the latter shall cede its claim against that Debtor's estate to me/us;
- 14.2.1.2.2 I/we do not pay the Creditor's claim in full, the Creditor will pay over to me/us any amounts received by it in excess of its claim against the Debtor in question taking into account for that purpose any amount paid by us in terms of this Suretyship.
15. The Creditor is irrevocably authorized to apply any monies received by it from me/us in terms of this Suretyship against the indebtedness to it of any/all of the Debtor(s) in such manner as the Creditor in its discretion may think fit.
16. Should I/we at any time in defending any action based on this Suretyship allege that:
- 16.1 no money was paid over by the Creditor to any/all of the Debtor(s); and/or
- 16.2 there is no reason or cause for any/all of the Debtor(s) 's' obligations to the Creditor; and/or
- 16.3 errors have been made in calculation of the amount claimed, then the onus of proving such a defence will rest on me/us.
17. The stamp duty payable on this Suretyship shall be borne and paid by me/us. (R20 Revenue Stamp)
18. Any amount recoverable from me/us in terms hereof shall bear interest calculated from the date upon which such amount becomes due for payment by any/all of the Debtor(s) at the rate at which the Debtor in question is obliged to pay interest to the Creditor, or, at the Creditor's election, at 3% above the prime interest rate being quoted by Nedbank (a division of Nedcor Bank Limited) as that at which it is prepared to lend on an unsecured overdraft to its most favoured corporate customers in the private sector in the republic of South Africa.
19. It is further agreed and declared that if any payment which has effect to reducing or discharging my/our liability hereunder is set aside for any reason whatsoever, or if such payment is refunded to any/all of the Debtor(s) or such Debtor's trustee, liquidator or judicial manager we shall be liable to the Creditor as surety for any/all of the Debtor(s) in respect of any/all of the Debtors' indebtedness to the Creditor arising from or revived by the setting aside and/or refund of such payment notwithstanding that the same may take place after the termination of my/our liability hereunder in other respects. All references herein to the indebtedness of any/all of the Debtor(s) shall be deemed to include any indebtedness arising from or revived by the setting aside and/or refund of such payment.

Signed at _____ on this the _____ day of _____ 20____

SURETY

WITNESSES

- | | | |
|----|--------------------|------------|
| 1. | Signature: _____ | _____ |
| | Name Printed _____ | Name _____ |
| 2. | Signature: _____ | _____ |
| | Name Printed _____ | Name _____ |
| 3. | Signature: _____ | _____ |
| | Name Printed _____ | Name _____ |