

C

ID NO:
PHONE:
EMAIL:

VEHICLE RENTAL AGREEMENT

1	Lessee Name	[REDACTED]
2	Lessee Identification Number	[REDACTED]
3	Lessee Representative Name	N/A [REDACTED]
4	Lessee Physical Address	[REDACTED]
5	Lessee Postal Address	[REDACTED]
6	Lessee Tel Number	[REDACTED]
7	Lessee Email Address	[REDACTED]

8	Vehicle Description	[REDACTED]
9	Commencement Mileage	N/A [REDACTED]

10	Local Distance Radius	N/A [REDACTED]
11	Local Rate/Km	N/A [REDACTED]
12	National Rate/Km	N/A [REDACTED]

13	Commencement Date	[REDACTED]
14	Contract Duration	[REDACTED]
15	Payment Term	[REDACTED]

1. INTERPRETATION & DEFINITIONS

In this Agreement, unless the context otherwise indicates:

- 1.1. the singular shall import and include the plural and vice versa;
- 1.2. words indicating one gender shall import and include the other gender;
- 1.3. words indicating natural persons shall import and include artificial persons;
- 1.4. the head notes to this Agreement are used for the sake of convenience only and shall not govern the interpretation of the clause to which they relate;
- 1.5. the following words and expressions shall, in addition to their respective ordinary meanings, bear the following meanings assigned to each of them respectively:
 - 1.5.1. **“Agreement”** means this Agreement and all annexures thereto;
 - 1.5.2. **“Commencement Date”** means the date set out at item 13 of the Schedule;
 - 1.5.3. **“Lessee”** means the entity described at items 1 & 2 of the Schedule;
 - 1.5.4. **“Lessor”** means _____, _____
(ID Number);
 - 1.5.5. **“Law”** means any law of general application and includes the common law and any statute, constitution, decree, treaty, regulation, directive, ordinance, by-law, order or any other enactment or legislative measure of government (including local and provincial government) statutory or regulatory body which has the force of law;
 - 1.5.6. **“Party”** means any party to this Agreement; and **“Parties”** means both parties to this Agreement;
 - 1.5.7. **“the Schedule”** means the schedule appearing on the front page of this Agreement;
 - 1.5.8. **“the Signature Date”** means the date of last signature of this Agreement by the Parties;
 - 1.5.9. **“Vehicle”** means the vehicle described at item 8 of the Schedule;
- 1.6. if any provision in the aforesaid definitions is or contains a substantive provision imposing rights and/or obligations on a Party/ies, effect shall be given to such provision as if it were a substantive provision in the body of this Agreement;
- 1.7. any reference to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time;
- 1.8. when any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a Saturday, Sunday or public holiday, in which case, the last day shall be the next succeeding day which is not a Saturday, Sunday, or public holiday. The term “business day” shall mean any

day other than a Saturday, Sunday or public holiday;

- 1.9. where any term is defined within the context of any particular clause in this Agreement (other than definitions appearing in clause 1), unless it is clear from the clause in question that the term so defined has application to the entire Agreement, that defined term shall bear the meaning ascribed to it for the entire main parent clause wherein it is defined (i.e. clause 1 or 2 or 3 etc), including all sub-clauses thereto, and not for the entire Agreement;
- 1.10. a reference to a Party includes that Party's successors and permitted assigns;
- 1.11. in annexures to this Agreement that do not themselves contain their own definitions expressions defined in this Agreement shall bear the same meanings in such annexures;
- 1.12. the expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiration or termination, or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for such;
- 1.13. the use of the word "including" followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific example/s;
- 1.14. the rule of interpretation that a contract, or any part of a contract, is to be interpreted against the Party responsible for the drafting or preparation of the contract, shall not apply.

2. APPOINTMENT & DURATION

- 2.1. The Lessor agrees to Lease the Vehicle to the Lessee on the terms and conditions of this Agreement.
- 2.2. The Agreement will commence on the Commencement Date and will endure thereafter for the term listed in item 14 of the Schedule. On the Commencement Date the Lessor will place the Lessee in possession of the Vehicle.
- 2.3. This Agreement will commence on the Signature Date and will endure for term listed at item 14 thereafter.

3. SERVICE FEES AND PAYMENT

- 3.1. In consideration for the rental of the Vehicle the Lessor will make payment of:
 - 3.1.1. a local rate per kilometre per day for all use within the radius set out in item 10 of the Schedule. The rate for local usage is set out in item 11 of the Schedule; and
 - 3.1.2. a national rate per day for all trips outside of the local radius will be payable by the Lessee. The national rate is set out in item 12 of the Schedule.
- 3.2. The Lessee will make payment of the amounts due to the Lessor within the payment term listed in item 15 of the Schedule.

4. **LICENSES**

- 4.1. The Lessor is responsible for ensuring that the Vehicle is licensed, and shall bear all costs associated with the licensing of the Vehicle.
- 4.2. The Lessee will not use the Vehicle for any purpose that is not authorised in terms of the Vehicle's license.
- 4.3. The Lessee is responsible for ensuring that all drivers of the Vehicle:
 - 4.3.1. have a valid drivers license in order to lawfully drive the Vehicle;
 - 4.3.2. are adequately trained and experienced in driving vehicles similar to the Vehicle.

5. **FINES**

- 5.1. The Lessee is responsible for the payment of all fines resulting from traffic Law infringements, overloading fines and all of the fines that are imposed in relation to the use and parking of the Vehicle.
- 5.2. All fines incurred in relation to the Vehicle are payable by the Lessee on demand.

6. **MAINTENANCE & DAMAGE TO THE VEHICLE**

- 6.1. The Lessee is responsible for general maintenance of the Vehicle. The Lessor will make the Vehicle available for servicing on 10 (ten) days notice.
- 6.2. If the Vehicle is damaged while it is in the possession of the Lessee, regardless of the cause of the damage, the Lessee will be liable for the costs associated with the repair of the Vehicle. All such costs are payable by the Lessee to the Lessor on demand.
- 6.3. The Lessee will not tamper with any aspect of the Vehicle and is not entitled to affix any item to the Vehicle without first having obtained the prior written consent of the Lessor.
- 6.4. The Lessee is responsible for:
 - 6.4.1. all running costs, including diesel, oil and other consumables;
 - 6.4.2. the employment and payment of driveres;
 - 6.4.3. the on-going care of the Vehicle, to the same standard that a careful vehicle owner would display in relation to its vehicle;
 - 6.4.4. storing the Vehicle when it is not in use in a safe and secure location;
 - 6.4.5. compliance with all Laws relating to the use of the Vehicle.

7. **INSURANCE**

- 7.1. The Lessor is responsible for taking out and maintaining comprehensive insurance on the Vehicle.

- 7.2. The Lessee is liable for all excess payments that are required in relation to insurance claims arising during the term of this Agreement.

8. TRACKING OF THE VEHICLE

- 8.1. A tracking device will be installed by the Lessor in the Vehicle. The Lessor is liable for all costs associated with the tracking of the Vehicle.
- 8.2. The tracking records will be used in order to generate mileage and trip reports.
- 8.3. The Lessee undertakes not to interfere in any way with the tracking device.

9. RETURN OF THE VEHICLE TO THE LESSOR

- 9.1. On the termination of this Agreement, for whatsoever reason, the Lessee irrevocably undertakes to return the Vehicle to the Lessor.
- 9.2. The Vehicle will be returned to the Lessor in the same condition that the Vehicle was received by the Lessee on the Commencement Date, fair wear and tear excluded.

10. OWNERSHIP

Ownership in the Vehicle will at all times remain vested in the Lessor.

11. BREACH & TERMINATION

- 11.1. If the Lessee breaches any term of this Agreement, then the Lessor shall be entitled to deliver a written notice to that effect to the Lessee, stating the nature of the breach and requiring that the Lessee remedies the breach to the Lessor's satisfaction within 10 (ten) days (or such shorter period as the Lessor may reasonably require in its written notice, depending on the nature of the breach and the amount of time that would normally be required to remedy a breach of that nature).
- 11.2. If a Lessee commits 3 (three) or more breaches in the course of any of its appointments during a 12 (twelve) calendar month period, the Lessor shall no longer be obliged to allow the Lessee to remedy a breach. Instead, the Lessor shall be entitled to terminate this Agreement in accordance with Clauses 11.3 and/or 11.4 below with immediate effect.
- 11.3. If the Lessee fails to remedy a breach within the time period reflected in the notice delivered in terms of Clause 10.1 above, the Lessor shall be entitled to claim specific performance, or to terminate this Agreement by delivering a written notice to that effect to the Lessee, in either event without prejudice to the Lessor's right to recover damages from the Lessee.
- 11.4. In addition to all other remedies set out either in this Agreement, or at law, including in respect of any rights which have accrued in its favour under this Agreement, to cancel the Agreement or Appointment by giving written notice to that effect to the party:

- 11.4.1. the Lessee takes steps to place itself, or places itself, or is placed, in liquidation, whether provisionally or finally; or
 - 11.4.2. the Lessee commits an act which would be an act of insolvency (as defined in the Insolvency Act, No. 24 of 1936) if committed by a natural person; or
 - 11.4.3. business rescue proceedings begin in respect of the Lessee, as contemplated in section 132(1) of the Companies Act, No. 71 of 2008;
 - 11.4.4. the Lessee proposes a general compromise with its creditors or any class of creditors or adopts or proposes a resolution for winding-up or any person applies for the winding-up of the Lessee or one of its major and essential suppliers or sub-contractors;
 - 11.4.5. the Lessee generally ceases to conduct its business or trade, or disposes of most or all of its material business assets to another person.
- 11.5. If the Lessor fails to remedy a breach within the time period reflected in the notice delivered in terms of Clause 10.5 above, the Lessee shall be entitled to claim specific performance, or to terminate this Agreement by delivering a written notice to that effect to the Lessor, in either case coupled with a claim for damages if applicable (but subject to clause 11.1 below).
- 11.6. In the event that either the Lessee or the Lessor is given notice of breach of any term of this Agreement, then the Lessee shall be entitled to suspend performance of its obligations under this Agreement until such time as the breach has been remedied and the Lessor shall desist from using the Vehicle until the breach has been remedied.

12. MISCELLANEOUS MATTERS

12.1. Limitation of Liability

The Lessor is not liable to the Lessee for indirect or consequential losses, howsoever arising, and including any such losses that arise from the negligence of the Lessor, or its agents or employees.

12.2. Liens

The Lessee waives any lien that it may otherwise have in relation to any improvements to and/or maintenance of the Vehicle.

12.3. Negotiated Terms

The Parties agree that the terms and conditions of this Agreement are the result of negotiations between them and that this Agreement shall not be construed in favour of or against any Party by reason of the extent to which any Party or its professional advisors participated in the preparation of this Agreement.

12.4. Entire Contract

This Agreement contains all the express provisions agreed on by the Parties relating to the subject matter of the Agreement and the Parties waive the right to rely on any express provisions not contained herein.

12.5. Variation, Cancellation & Suspension

No variation of any of the terms and conditions of this Agreement will be binding on the Parties unless committed to writing and signed by them respectively.

12.6. Waivers

No indulgence which any Party/ies may grant to any other shall prejudice or constitute a waiver of the rights of the grantor, who shall not thereby be precluded from exercising any rights against the grantee which may have arisen in the past or might arise in the future.

12.7. Cession

Except as specifically contemplated in this Agreement, no Party may cede any rights nor delegate any obligations in terms of this Agreement without the prior written consent of all of the other Parties.

12.8. Successors

The provisions of this Agreement shall be binding upon the successors-in-title and assigns of the Parties.

12.9. Governing Law

This Agreement and all matters or disputes arising therefrom or incidental thereto, shall be governed and construed in accordance with the laws of the Republic of South Africa.

12.10. Signature in Counterparts

This Agreement shall be capable of execution in two or more counterparts, each of which shall be deemed to be an original but which together shall constitute one document.

12.11. Notices

- 12.11.1. Any notices to be given to the Parties in terms of this Agreement or in terms of this Agreement shall be in writing and delivered: (1) by hand during ordinary business hours or (2) posted by prepaid registered post; or (3) where applicable by email, in each event to the address set out in the Schedule for such Party, which addresses the Parties choose as *domicilium citandi et executandi* for all purposes arising out of this Agreement.
- 12.11.2. Every notice shall be deemed to have been properly given:
- 12.11.2.1. if delivered by hand, on the date of delivery;
- 12.11.2.2. if sent by prepaid registered post 7 (seven) days after the date on which the notice is posted;
- 12.11.2.3. if sent by facsimile or email, upon the successful transmission thereof to the recipient.
- 12.11.3. Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a Party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen

domicilium citandi et executandi.

Signed at _____ on _____ 20__

Lessor Name _____

Lessor Signature: _____

Witness Full Name: _____

Witness Signature: _____

Signed at _____ on _____ 20__

Lessee Name _____

Lessee Signature: _____

Witness Full Name: _____

Witness Signature: _____