Overview

Entity Name
BLACKHOUND ENTERPRISES (PTY) LTD

CIS number	Account number	Application reference	Date submitted
600001907305	1212774191	76625190	16-08-2023

Dear Client

Offer of banking facilities

The purpose of this facility letter is to set out the terms and conditions on which we are prepared to make facilities available to you. They are as follows:

1 Borrower (you)

BLACKHOUND ENTERPRISES (PTY) LTD (Reg No 2020/784683/07).

2 Lender (us)

Nedbank Limited, registration number 1951/000009/06, its successors in title, assigns and/or nominees.

3 Facilities

☑ An additional fluctuating overdraft facility of R54000.00

Note: Overdraft facilities may be reviewed and are repayable on demand by us in accordance with normal banking practice.

4 Interest

All interest rates applicable will be linked to our publicly quoted prime lending rate ('the prime rate'). The maximum penalty interest rate is equal to the ruling South African Reserve Bank repurchase rate ('the repo rate') + 14%. The default interest rate applicable will be determined by us and will not exceed the maximum rate prescribed from time to time for credit facilities in the regulations promulgated in terms of the National Credit Act, 34 of 2005.

4.1 **In respect of any overdraft facilities**

4.1.1 **Overdraft facility interest rate**

The initial interest rate applicable to the overdraft facility will be equivalent to 2.00% above (+) the prime rate determined from time to time and charged by us ('the overdraft rate').

4.1.2 **Penalty interest**

If you exceed an overdraft facility, we will, in addition to any other rights we may have in law, be entitled to charge penalty interest on the amount with which you have exceeded the facility.

4.1.3 **Default interest**

If you default in respect of the overdraft facilities, we will, in addition to any other rights we may have in law, be entitled to charge default interest on the full outstanding balance.

4.2 **In respect of any revolving credit line facilities**

4.2.1 **Revolving credit line facility**

The interest rate applicable to the asset finance will be as agreed to in the underlying asset finance agreement.

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5 Fees

5.1 **General**

The fees to be charged will be reflected in this facility letter, on your statements, in agreements and in communications sent to you from time to time. If there are any changes to the fees, such changes will be reflected on your statements or in any notice regarding such changes. Fees quoted in this facility letter are VAT inclusive.

5.2 **Specific fees**

5.2.1 **Review fee**

We will also be entitled to charge a review fee when we review the facilities described in this facility letter.

5.2.2 **Application fee**

The application fee is R1900.00 and is due and payable on the date you accept the offer of facilities.

5.2.3 **Excess fee**

If you exceed an overdraft limit, an excess fee of R145, plus 0.1% per day of the amount in excess, is payable by you until you clear the excess. We may charge increased fees if you have multiple excesses.

5.2.4 **Monthly fee**

A fee of R69 will be charged on a monthly basis.

6 Condition precedent

6.1 The facilities will become available to you according to the terms and conditions set out in this clause, clause 7 below and clause 2 of the Standard Terms and Conditions - which terms and conditions will come into effect once you have signed this facility letter. The conditions precedent in this clause, in clause 8 below and in clause 2 of the Standard Terms and Conditions have been stipulated for our benefit, and we will therefore be entitled to waive fulfilment of all or any part of such conditions. However, if we advance any funds to you before conditions precedent have been met, you may not regard such funding as a waiver of our right to obtain fulfilment of the conditions precedent.

6.2 If applicable, all outstanding FICA, compliance and other required documents must be submitted before the expiry of the offer in terms of clause 10.

7 Other conditions

7.1 You will, within three months from the date of your acceptance of this offer, conduct all banking through us, in compliance with clause 7 of the Standard Terms and Conditions.

7.2 You hereby unconditionally and irrevocably undertake to provide us with:

7.2.1 Audited annual financial statements of yours and any security provider as soon as they become available, but in any event no later than 180 days after your and your security provider's financial year-end respectively, and

7.2.2 Management accounts comprising an income statement and balance sheet of at least a year to date;

7.3 The duly authorised person(s) referred to above or other duly authorised representatives of yours, which must be acceptable to us, will be the duly authorised signatories of the current facility letter, unless other person(s) are duly authorised by you.

7.4 Insofar as there are other facility letters comprising existing borrower facilities, this facility letter is issued in addition to them, and not in replacement of them. All terms and conditions in the other facility letter(s) remain unchanged and will continue to apply unless any term or condition is expressly changed in this facility letter, in which case this letter will apply in that regard.

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8 Legal address

8.1 If the offer is accepted, the parties to any resultant agreement choose as their legal address the following:

8.1.1 You: UNIT 10 THE NETWORK 19 CACTUS ROAD, FAIRVIEW, PORT ELIZABETH, SOUTH AFRICA, 06070.

8.1.2 Us: Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, 2196.

8.2 Either party may change its address to any other physical address by notifying the other party. Such change of address will be effective five business days after receipt of notice of that change of address.

8.3 Notices must be sent either by hand, prepaid registered post, fax or email and must be in English. All notices sent:

8.3.1 by hand will be deemed to have been received on the date of delivery;

8.3.2 by prepaid registered post will be deemed to have been received 10 days after the date of posting;

8.3.3 by fax before 16:30 on a business day will be deemed to have been received on the date of successful transmission of the fax, and all faxes sent after 16:30 or on a day that is not a business day will be deemed to have been received on the following business day; and

8.3.4 by email will be deemed to have been received on the date indicated in the read receipt notification. All email communications between you and us must make use of the read receipt function so this serves as proof that an email has been received.

8.4 A written notice or communication actually received by either party, including any communication by email, will be adequate written notice or communication to the party, even if it was not sent to or delivered at its chosen address

9 Expiry date of offer

9.1 The offer remains valid for acceptance for a period of 30 calendar days.

9.2 After this date Nedbank reserves the right, at its sole discretion, to:

9.2.1 condone the late acceptance of the offer by you by making your facilities available to you on the same terms and conditions, which terms and conditions you will be deemed to have accepted if your facilities or any part thereof is/are used, regardless of whether or not you have signed a facility letter; or

9.2.2 refuse to condone your late acceptance of the offer, in which case the offer will lapse and be of no force or effect.

We thank you for the opportunity to submit the offer and trust that it will meet your requirements

If you need any further information or clarification, please contact on .

If the terms and conditions meet your requirements, please indicate acceptance by having an authorised official(s) either accept digitally or sign this letter and return it to us

Yours faithfully

Andrew Jacobs	Alan Shannon
Head: Credit	Executive: Sales, Strategy and Enablement
16-08-2023	16-08-2023
Date	Date

NEDBANK

see money differently

X X

Declaration if the Consumer Protection Act, 68 of 2008, applies

The undersigned, being duly authorised thereto, declare(s) on behalf of the borrower that, before signature of this facility letter, the borrower received adequate opportunity to read and understand the facility letter, and specifically clauses highlighted (including clauses in the Standard Terms and Conditions).

I/We, the undersigned, duly authorised thereto for and on behalf of the borrower, hereby accept the offer and the terms and conditions in this facility letter either through digital acceptance or signing the letter below.

JOHANNES STEPHANUS GOUWS	DEWALD POTGIETER
Full name	Full name
x	x
Signature	Signature
16 AUGUST 2023	16 Aug 2023
Date	Date

STANDARD TERMS AND CONDITIONS

1. CONFLICT OF PROVISIONS

To the extent that any of the provisions contained in this Facility Letter are in conflict with or in addition to any of the provisions of any agreement required in terms hereof, including any documentation required in support of any such agreement, whether by way of security or otherwise, the provisions contained in this Facility Letter will prevail.

2. ADDITIONAL CONDITIONS PRECEDENT

2.1 If applicable, the Borrower must comply with section 44 (financial assistance to buy shares) of the Companies Act, 71 of 2008 ('the Act') and sections 40 and 52 of the Close Corporations Act, 69 of 1984.

2.2 A Borrower registered in terms of the Act must provide Nedbank with a copy of its memorandum of incorporation (MOI), rules and notice of incorporation. Where an RF Borrower is involved, acceptance of its MOI by Nedbank is subject to written notification from the Nedbank Legal Department confirming the absence of unacceptable, onerous conditions.

2.3 If the Borrower Facilities, or part thereof, will be utilised to purchase a going concern, compliance with section 34 of the Insolvency Act, 24 of 1936, is required.

2.4 If required, a declaration must be provided by the Borrower's auditor(s) that the Borrower's annual turnover and/or assets exceed(s) the threshold set out in the National Credit Act, 34 of 2005, applicable at the time of signature of this Facility Letter.

3. ADDITIONAL UNDERTAKINGS

3.1 The Borrower hereby unconditionally and irrevocably undertakes to inform Nedbank promptly of:

3.1.1 any alterations to its constitutional documents;

3.1.2 any event or circumstance relating to business rescue proceedings in respect of the Borrower or any Security Provider and to provide Nedbank with full details thereof and of any steps that the Borrower and/or any Security Provider is/are taking or proposing to take in respect thereof; and

3.1.3 the receipt by the Borrower or any Security Provider of notices from the Department of Trade and Industry in terms of sections 22(2) and 22(3) of the Act immediately on becoming aware thereof.

4. EVENTS OF DEFAULT

4.1 The following will be Events of Default, each of which is severable and distinct from the others:

4.1.1 if the Borrower does not pay, on due date, any amount payable in terms of the Borrower Facilities (including all existing obligations of the Borrower to Nedbank); or

4.1.2 if the Borrower or any Security Provider breaches any of the terms and conditions set out in this Facility Letter; or

4.1.3 if the Borrower or any Security Provider breaches any of the terms and conditions set out in any agreement entered into with Nedbank; or

4.1.4 if the Borrower or any Security Provider convenes a meeting of its creditors or proposes and applies for a moratorium or makes any similar arrangement or composition with or any assignment for the benefit of its creditors, or a petition is presented or a meeting is convened for the purpose of considering a resolution or if a resolution is passed to implement a business rescue plan or other steps are taken for the winding up of the Borrower or any Security Provider (other than for the purposes of and followed by a reconstruction previously approved by Nedbank, unless during or following such reconstruction the Borrower or any Security Provider becomes or is declared to be insolvent); or

4.1.5 if the Borrower or any Security Provider commits an act of insolvency as defined in the Insolvency Act, 24 of 1936, as amended, or an act defined in section 344 of the Companies Act, 61 of 1973, as amended, or is deregistered; or

4.1.6 if any material adverse change occurs, where 'material adverse change' means any occurrence that, in Nedbank's reasonable opinion, may have a material adverse effect on –

4.1.6.1 the value of securities; and/or

4.1.6.2 the ability of the Borrower to comply with its obligations; and/or

4.1.6.3 the business operations of the Borrower, with the result that the Borrower is unlikely to be able to comply with its obligations to Nedbank on due date.

4.2 'Material' means of a nature that prejudices, in Nedbank's reasonable opinion, its rights under the Borrower Facilities.

4.3 Where an Event of Default occurs, and should the Borrower not remedy the matter within the period, if any, stipulated by Nedbank at such time, Nedbank will, in respect of all entities that comprise the Borrower, without diminution of any other right that Nedbank may hereby or otherwise acquire, be entitled, at its sole discretion, to

4.3.1 cancel, suspend, restrict and/or review the Borrower Facilities and all existing agreements immediately; or

4.3.2 claim immediate repayment of all amounts owing to Nedbank, all of which amounts will immediately become due and payable; or

4.3.3 increase the interest rate applicable to any of the Borrower Facilities, which increased rate will not exceed the default interest rate; or

4.3.4 require that the Borrower supply sufficient additional security; or

4.3.5 set off the indebtedness of the Borrower to Nedbank under or in terms of or arising from the Borrower Facilities against any amounts standing to the credit of the Borrower in the books of Nedbank, and for the purposes thereof the parties hereby agree that, to the extent that any such indebtedness is or such amounts are in a currency other than South African rand, such indebtedness or amounts will be converted from such foreign currency to rand at the spot rand/foreign currency rate quoted by Nedbank on the date of conversion; or

4.3.6 combine any of the above.

4.4 No indulgence or extension of time granted by Nedbank to the Borrower must be deemed to be a waiver of any of Nedbank's rights.

5. COSTS

5.1 All costs and expenses incurred by Nedbank in connection with the enforcement or preservation of any of its rights under this Letter, including, without derogating from the generality of the foregoing, all legal costs on an attorney-and-client scale, as well as tracing fees, must be borne by the Borrower and will be payable on demand. Failure by the Borrower to comply with this demand gives Nedbank the right to debit the Borrower's current account(s).

5.2 It is agreed that Nedbank has the exclusive right to appoint the attorney(s) who will register and perfect all securities. The Borrower will be responsible for the payment of the attorney's/attorneys' fees in this regard.

6. UNUTILISED BORROWER FACILITIES

6.1 The arrangements in respect of unutilised Borrower Facilities are subject to review and amendment at Nedbank's discretion.

6.2 Despite any term and/or condition to the contrary, the interest rate applicable to the Borrower Facilities will be valid for a period not exceeding 3 (three) months from the date of acceptance of the Offer.

6.3 Should the Borrower Facilities, or a portion thereof, be taken up after the initial period of 3 (three) months, the resulting agreement, or any existing agreement only partially paid out or not paid out at all, will be subject to the interest rate determined by Nedbank at that time or at the time of payout.

6.4 Notwithstanding the above, Nedbank reserves the right to request updated financial information should any or all of the Borrower Facilities not be taken up within 3 (three) months from the date of acceptance of the Offer, which information the Borrower must supply on demand.

7. BANKING ACCOUNTS

The Borrower will be required from now on, or within such other period as may have been agreed upon, to conduct all business accounts through a Nedbank branch and all electronic banking services through Nedbank. If not already in existence, accounts must be opened at any Nedbank branch for this purpose. The proceeds of all sales, including cash sales and receipts from debtors, must be banked timeously into these accounts

8. GENERAL

8.1 The offer of banking facilities contained in this Facility Letter constitutes the whole of the agreement between the Borrower and Nedbank and no amendment, alteration, addition, variation or consensual cancellation will be of any force or effect, unless it is in writing and signed by both the Borrower and Nedbank.

8.2 The Borrower hereby acknowledges and agrees that it has been free to obtain independent legal and other professional advice (including financial and tax advice) about the nature and effect of the provisions of this Facility Letter and any security required in terms thereof.

8.3 This Facility Letter will be governed by and interpreted in accordance with South African law.

8.4 Neither the Borrower nor any Security Provider will be entitled to cede and/or delegate and/or assign or transfer any or all of the rights and obligations of the Borrower or any Security Provider under this Facility Letter or any security required in terms hereof, as the case may be, but Nedbank may cede and transfer any or all of its rights and obligations.

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8.5 The nature and amount of the Borrower's obligation and the applicable interest rate will be determined and proved by a certificate or any other written evidence ("Certificate") purporting to have been signed by a Nedbank manager whose capacity or authority does not have to be proved. Unless the contrary is proved, the Certificate will on the production thereof be binding and be prima facie proof of the content thereof and of the fact that the amount is due and payable. The Certificate will be valid as a liquid document (alternatively proof of a liquidated amount) in any competent court or for any other purpose.

8.6 No early repayment of any agreement will be allowed, unless Nedbank agrees thereto, subject to any early-settlement fee that Nedbank may impose at that time

8.7 The Borrower, to the best of its knowledge and belief after due enquiry is not in violation of any environmental or social laws, or any environmental, health and safety guidelines of any authority; and is not aware or in possession of any existing or threatened complaint, order, directive, claim, citation or notice from any authority or any written communication from any person with regard to any aspect of its compliance with any matter covered by the environmental and social laws or the environmental, health and safety guidelines.

8.8 The Borrower accepts that Nedbank is and will be obliged to comply with international and local anti-money-laundering, counterterrorist financing, financial sanctions and prohibited-business-activity laws, regulations, policies and requirements. Therefore, Nedbank may screen, verify and process all client and related information, and monitor all information, instructions and transactions by and on behalf of the Borrower and any Security Provider and in respect of their business relationship on a continuous basis. The above may result in a prohibition, limitation or delay in the execution of the Borrower Facilities and even in the declining or termination of any or all of the Borrower Facilities and/or the relationship between the Borrower and Nedbank in terms of this Facility Letter

8.9 This Facility Letter may be signed in counterparts

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