



Credit Application & Credit Agreement

Terms and Conditions – Fleet Agreement

- 1 Products

Contractual Products are defined as individual tools used predominantly in the construction trade which are supplied by Hilti for a predetermined fixed term in exchange for a fixed monthly usage fee. The Tool List is defined as the complete list of Contractual Products which have been supplied by Hilti to a particular customer. The Tool List is amended from time to time when new Contractual Products are supplied or when existing products are removed due to expiration, theft or damage. Each Contractual Product supplied by Hilti shall be treated in isolation from the other Contractual Products on the Tool List. All Contractual Products shall be subject to the terms and conditions of this agreement (Tool Agreement) and shall be specified individually in the Hilti Tool List. The services offered (Sections 2 & 3) by Hilti in respect of Contractual Products will only be valid for the duration of the contract of the specific Contractual Product
- 2 Base Services
 - 2.1 Repair and Maintenance
 - 2.1.1 Repairs to Contractual Products may only be performed by Hilti. Hilti shall provide the following services in respect of individual tools, specified on the Tool List: repairs and maintenance of Contractual Products including collection, spare parts, labour, delivery, standard safety checks and laser calibrations. All batteries and chargers will be included under this arrangement. Note: all noncontractual Products such as consumables, pistons and buffers for DX tools are excluded.
 - 2.1.2 The costs shall be borne by Hilti unless and except otherwise set forth in this agreement. The customer is responsible for the cost of any service and/or maintenance of Contractual Products not properly used or otherwise treated beyond that set forth therein (paragraph 8).
 - 2.2 Tool Exchange (paragraph 7)

Hilti reserves the right to exchange any Contractual Product specified on the Tool List at a mutually-agreed exchange date.
 - 2.3 Uneconomical Repair

In the event of a Contractual Product being deemed uneconomical to repair, Hilti reserves the right to scrap / dispose of the product immediately, which will in turn, terminate the billing process of that particular Contractual Product on the Tool List. Hilti further reserves the right to make an offer for a replacement Contractual Product.
- 3 Premium Services
 - 3.2 Loan Tools:
 - 3.2.1 The customer can request that an equivalent loan tool be supplied by Hilti, if the original Contractual Product sent in for repair is not returned within five working days. Upon return of the original repaired Contractual Product, the loan tool must be returned to Hilti immediately. If the return is delayed, a market related daily rental fee will be charged. Loan tools must be used according to Section 8.
 - 3.2.2 The cost of supplying this service is included in the monthly usage fee of the particular Contractual Product and is payable by the customer.
 - 3.3 Theft Coverage
 - 3.3.1 A theft coverage deductible is included in the monthly usage fee. The customer agrees to report any incidents of theft to the South African Police Services and forward a copy of the police report to Hilti. The police report must stipulate the tool type and serial number of the stolen tool. The onus is on the customer to supply the Police Services with such information.
 - 3.3.2 In the event of theft, and provided the customer has submitted a copy of the police report to Hilti, the customer shall pay over a deductible equal to 50% of the cumulative future payments in respect of the stolen Contractual Product. The cumulative future payments are equal to the sum of the remaining future monthly usage fees in respect of the Contractual Product that would have been paid over until the termination date of the tool agreement, plus an amount equal to the late collection fee (please refer to section 7.3) and less applicable service fees for the respective Contractual Product. This 50% deductible does not in any manner or form, constitute payment towards replacement of the stolen Contractual Product. Should the customer wish to replace the stolen Contractual Product, all provisions of Paragraph 6 will apply.
 - 3.3.3 The 50% deductible, as per Paragraph 3.3.2 will only apply if the total value of Contractual Products, stolen during any consecutive twelve month period does not exceed 25% of the net list price of all Contractual Products on the Tool List at the date of the theft (maximum theft quota). Should the sum of the cumulative future payments exceed the maximum theft quota value, the provisions of Paragraph 3.3.2 will no longer apply, but will instead be replaced by the provisions set out in Paragraph 9. Hilti reserves the right to calculate all values when determining the maximum theft quota – no calculations from other sources will be considered.
 - 3.3.4 Pre-condition for the theft coverage is the activation of TPS on all Contractual Products with the TPS functionality. Hilti reserves the right to check whether TPS is activated on the Contractual Products.
 - 3.3.3 Theft coverage is not valid in case of negligence or willful misconduct on the part of the customer, its employees or sub-contractors. Lost or damaged Contractual Products are not covered with theft coverage. In such cases Paragraphs 8 and 9 of this agreement will apply.
- 4 Terms of Agreement
 - 4.1 This Agreement becomes effective when signed by both parties, and shall remain in effect until all individual Tool Agreements have expired. Notwithstanding the foregoing, this Agreement may be terminated with immediate effect by a party at any time in writing, by registered letter addressed to the other party, in the event of the following:
 - c) the other party breaches a material term of the Agreement and fails to remedy such breach within 30 days of its notification to the other party. Failure to make timely payments is considered a material breach; or
 - d) the other party becomes insolvent (bankrupt), seeks deferred payment authorization, commences liquidation or otherwise enters into such proceedings with creditors in or out of court; or
 - e) the present ownership conditions of the other party changes significantly or control over the other party, or a significant part of its share holding interests, passes to other natural or legal persons and the first party can not be reasonably expected to accept this change.
 - 4.2 Upon termination of this agreement for any reason whatsoever, the customer shall immediately return all Contractual Products to Hilti, in good condition (ordinary wear and tear excepted). In addition, if this agreement is terminated by Hilti pursuant to paragraph a), b) or c) above, an amount equal to the total cumulative future payments for the remaining term of the tool agreement shall become immediately due and payable. The customer will also be liable for all costs associated with the return of the Contractual Product.

- 5 Monthly Usage Fee

The customer's single monthly payment to Hilti (Total Monthly Usage Fee) shall be calculated by combining the monthly usage fee of all individual Contractual Products (consisting of usage and applicable service fees) as set forth in the Tool List. The Tool List shall be modified when individual tools are added, removed, or exchanged. Once an individual tool agreement is established between the parties there will be no increase in the monthly usage fee for such tool during the term of that tool agreement, providing that provisions of Paragraph 11.4 have been met.
- 6 Fleet Expansions

The customer has the option to add any Hilti tool to this agreement, with Hilti's prior written approval, at any point of time after the effective date of its tool agreement, incorporating the then actual terms and conditions herein or any additional terms and conditions that Hilti may prescribe, creating a new tool agreement. The respective total monthly usage fee shall be re-calculated and specified according to paragraph 5.
- 7 Ongoing Fleet Exchange
 - 7.1 Exchange Cycle

In agreement with the customer, all Contractual Products may be exchanged monthly, quarterly, half-yearly or yearly and will lead to a usage time prolongation according to the exchange date and the Tool List. The Monthly Usage Fee will further continue to be charged for the respective Contractual Products until the extended exchange date.
 - 7.2 New Contractual Product

Latest 30 days prior to the exchange date of a Contractual Product Hilti may offer a new Hilti tool based on the customer's current needs and the then actual terms and prices. Upon the customer's confirmation, a new Tool Agreement will be concluded.
 - 7.3 Return of Contractual Product

The Contractual Product remains the property of Hilti and there is no purchase option for the customer. On the exchange date, the customer shall return the respective Contractual Product to Hilti.

If the customer does not return the tool the Monthly Usage Fee will continue to be charged for the respective Contractual Product until the tool is returned.
 - 7.4 Usage time Extension

Contractual Products can be subject to a Usage Time Extension after which the Monthly Usage Fee will be further charged for the respective Contractual Product until the tool is returned. Contractual Products sent for repair or for any other reason during the Usage Time Extension are considered as having been intentionally returned to Hilti.
8. Uses
 - Contractual Products shall be used for their intended purpose only, in strict compliance with the operating instructions and other instructions issued by Hilti. Where damage is caused by improper use, or use other than the intended purpose, the customer shall be liable for the loss or damage. Contractual Products shall only be used with the corresponding insert tools, parts, accessories and consumables of Hilti or with other products of equivalent quality.
 9. Lost and stolen products
 - 9.1 Subject to paragraph 3.2, in case of lost or stolen Contractual Products, the customer shall pay Hilti an amount equal to all future unpaid monthly usage fees plus an amount equal to the late collection fee as defined in paragraph 7.3.
 - 9.1.1 Hilti may immediately make an offer for the customer to use a new Contractual Product.
 - 9.2 In cases when loan tools are lost or stolen the customer will be charged 20% of the then actual list price. As per paragraph 3.2 a police report is required in the case of theft.
 - 10 Ownership

Contractual Products remain the property of Hilti. The customer commits to keep Contractual Products free from claims by third parties, not to pledge, encumber, or hypothecate them, or permit any lien to attach to them. The customer further agrees to inform Hilti immediately of any claim on the Contractual Products made by any third party. The customer shall be responsible for the cost of defense against any such claim by third parties.
 - 11 Additional provisions
 - 11.1 Subject to paragraph 11.7 and 11.4, amendments and additions to these terms and conditions are not allowed.
 - 11.2 All premium services, usage times and fees for the Contractual Products as specified in the Tool List are deemed to be accepted by the customer, if not refused by the customer in writing within 30 days of delivery of respective products.
 - 11.3 In the event of any conflict between the terms of the attachments and this agreement, the agreement shall take precedence.
 - 11.4 Hilti reserves to amend the monthly usage fees for Contractual Products placed under contract as from May 01st 2010 as set forth in the Tool List according to the applicable published South African Reserve Bank Consumer Price Index (CPI). Such revisions may be made by Hilti at any time if the respective index exceeds 12% within any consecutive 12 month period.
 - 11.5 Where provisions of this agreement now or later become invalid, this shall not affect the validity of the remainder of the agreement. The parties shall replace such provisions immediately by other legally valid provisions, the content and effect of which shall be consistent with the intent of the invalid provision.
 - 11.6 A customer may not assign its rights and/or transfer its obligations under this agreement to a third party without Hilti's prior written consent. Notwithstanding the foregoing, Hilti shall at any time have the right, without consent of the customer, to assign any receivables arising under this agreement and all security and ancillary rights relating hereto to any third-party.
 - 11.7 Hilti reserves the right to modify the terms and conditions of this agreement at any time. The modified terms and conditions of this agreement will be disclosed to the customer in writing and shall be deemed to be accepted by the customer, if not refused by the customer in writing within 10 days of its receipt.
 - 11.8 The customer is not entitled to set off possible claims against Hilti or of third parties to whom Hilti has assigned its rights and/or transferred its obligations under this agreement against the claims of Hilti or such third parties against such customer.
 - 11.9 Subject to the terms and conditions of this agreement, the Hilti General Terms and Conditions shall apply.

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Please sign

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