

Terms and Conditions of Sale - New Vehicles

1. Application

These terms and conditions shall apply to the sale by LSM Distributors (Pty) Ltd trading as Porsche Centre South Africa (**PCSA**), of any new vehicle, whether pursuant to a Vehicle Order Agreement, or otherwise.

2. Purchase Price

2.1 The purchase price of the vehicle will be the actual purchase price as finally determined in accordance with the provisions of the original Vehicle Order Agreement and/or as reflected in the Vehicle Tax Invoice, together with any other ancillary costs agreed upon between PCSA and the customer, and not the estimated price reflected in the original Vehicle Order Agreement.

2.2 Any price estimate provided by PCSA is subject to change and shall serve as a guideline only, and shall not be binding on PCSA or the customer.

3. Payment and Ownership

3.1 The customer shall pay the purchase price of the vehicle to PCSA within 14 (fourteen) days of being informed by PCSA that the vehicle is ready for delivery, or within 14 (fourteen) days of being informed by PCSA that the vehicle has arrived in South Africa, whichever is the earlier date, and prior to the delivery of the vehicle, as envisaged in clause 4 below.

3.2 Payment by means of any credit card or debit card is not accepted as payment of the purchase price or part thereof.

3.3 If PCSA accepts a cheque or other instrument in respect of payment of the purchase price or the payment is transferred electronically, PCSA shall be entitled to retain possession of the vehicle until such cheque or instrument is honoured or the electronically transferred funds are cleared for use by PCSA.

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- 3.4 Notwithstanding any provision to the contrary contained herein, the parties specifically agree that ownership of the vehicle shall not pass to the customer upon delivery of the vehicle, but shall remain vested in PCSA until the purchase price of the vehicle has actually been paid in full.
- 3.5 **If the customer has had prior dealings with PCSA, it is hereby specifically agreed that any payment made to PCSA may first be applied in reduction of earlier debts in the chronological order of the accrual dates of such amounts.**
- 3.6 Should the customer fail to make payment of the purchase price as envisaged herein, PCSA shall be entitled to charge interest on the balance of the purchase price, after taking into account any deposit paid by the customer, calculated from the due date of such balance to the date of payment, at a rate which is two percent above the prime rate charged by the bankers of PCSA.
- 3.7 **PCSA and the customer expressly agree that any interest accrued by virtue of the provisions of clause 3.6 above, may be set off against any deposit, or option fee paid by the customer to PCSA.**

4. Delivery

- 4.1 The customer shall take delivery of the vehicle within 14 (fourteen) days of being informed by PCSA that the vehicle is ready for delivery, or within 14 (fourteen) days of being informed by PCSA that the vehicle has arrived in South Africa, whichever is the later date, and subject to prior payment of the purchase price as envisaged in clause 3 above.
- 4.2 Delivery shall be completed when the vehicle is handed to the customer or its authorized agent and upon taking delivery, the risk in the vehicle shall pass to the customer.

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- 4.3 **Should the customer, for whatever reason, fail to take delivery of the vehicle within 14 (fourteen) days as envisaged in clause 4.1 above, the risk in the vehicle shall pass to the customer despite delivery not having taken place, and PCSA shall thereafter not be liable to the customer for any loss or damage to the vehicle, howsoever arising. In addition, the customer shall then become liable to PCSA for the payment of storage costs at the current daily rate as determined by PCSA from time to time for the full period that the vehicle remains with PCSA.**
- 4.4 **Any date of delivery communicated to the customer by PCSA, is an estimated date only and the actual delivery date may vary.**
- 4.5 **PCSA and the customer expressly agree that time is not of the essence and, in the event that PCSA is unable to deliver the vehicle on the estimated delivery date, the customer shall not have the right to cancel the contract of sale, nor shall PCSA be liable for any loss or damages which the customer may suffer as a result of the actual delivery date being later than the estimated date.**
- 4.6 PCSA shall be entitled to suspend the delivery of the vehicle if the customer is in breach of any of the terms and conditions relating to this contract of sale.

5. **Warranty provided by Dr. Ing. h.c. F. Porsche Aktiengesellschaft**

Dr. Ing. h.c. F. Porsche Aktiengesellschaft (**Porsche AG**): Terms of Sale

Each new vehicle sold by PCSA is covered by the Porsche AG warranty conditions and warranty periods specified by Porsche AG. The following is an excerpt from the Porsche AG warranty conditions:

Porsche AG Warranty Conditions

Porsche AG New Vehicle Warranty

I. General

- 1. The seller (Warrantor) grants a two-year Warranty to every customer (Warranty) against manufacturing defects in all new vehicles. The basis for measuring this shall be the state of the art of comparable vehicle models commonly used in the automotive industry upon handover and initial registration.*

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2. *The warranty and conditions apply worldwide for new Porsche vehicles.*
3. *The term of the warranty shall commence upon handover of the new vehicle to the initial buyer or on the date of initial registration, whichever event occurs first. Irrespective of this, the term shall commence when the new vehicle is delivered, used or registered by an authorised Porsche dealer. The date of commencement of the term shall be recorded in the Guarantee and Maintenance booklet by the authorised Porsche dealer. In the event of resale of the vehicle, the warranty shall pass on to the subsequent buyer for the remainder of the term provided he/she also fulfils the warranty conditions.*
4. *As a precondition for any claim arising from this warranty, all service intervals must have been carried out according to the requirements of Dr. Ing. h.c. F. Porsche Aktiengesellschaft.*
5. *If a defect is found that falls under the warranty, the Warrantor can, at its own discretion elect, whether the defective part is either repaired or replaced by the authorised Porsche Centre or Porsche authorised Service Centre.*
6. *The Warrantee's rights under the warranty are limited to rectification of the defect in accordance with the terms set out herein. The warranty does not entitle the Warrantee to make any claims for compensation, loss, damage or other costs incurred either directly or indirectly as a result of the defect, nor is the Warrantee entitled to the provision of an alternative vehicle during the period of rectification/replacement.*
7. *This warranty does not limit the Warrantee's legal rights, in particular relative to claims arising from material defects or product liability.*

II. Processing of warranty claims

1. *Claims arising from this warranty can only be asserted at an authorised Porsche Centre or a Porsche authorised Service Centre.*
2. *This requires submission of the completely filled-out Guarantee and Maintenance booklet.*
3. *Parts installed, painted or repaired in the process of rectification shall be covered accordingly under the warranty until the end of the warranty term of the vehicle. Removed parts become the property of the Warrantor.*
4. *If, as a result of a defect covered by the warranty, the vehicle cannot be operated, the Warrantee shall be obligated to contact the nearest authorised Porsche dealer or Porsche repair shop that is able to provide service. That company shall decide whether the work required will be carried out locally or at its workshop.*

III. Exclusions

1. *Ageing and normal wear and tear is not covered by the warranty.*
2. *Furthermore, warranty obligations shall not exist if defects occur as a result of:*

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- a) *improper use or overstraining of the vehicle, e.g. in motorsport competitions or as a result of overloading, or*
- b) *improper repair, maintenance or service previously performed on the vehicle by the Warrantee on his/her own or by a third party who is not an authorised Porsche dealer or Porsche repair shop, or*

- c) *the installation in the vehicle of parts, the use of which has not been approved by Dr. Ing. h.c. F. Porsche Aktiengesellschaft, or the modification (e.g. tuning) of the vehicle in a way that has not been approved by Dr. Ing. h.c. F. Porsche Aktiengesellschaft, or*
- d) *the Warrantee's having failed to follow the guidelines on operation, treatment and care of the vehicle (e.g. Driver's Manual, Guarantee and Maintenance booklet), or*
- e) *damage to the vehicle by external effects or outside influences (e.g. accident, hail, flooding), or*
- f) *the Warrantee's failure to report the defect immediately or the Warrantee's failure to provide an opportunity for rectification without delay despite having been requested to do so.*

Porsche High-Voltage Battery Warranty

Deviating from the Porsche New Vehicle Warranty, the seller (Warrantor) grants a warranty to every customer (Warrantee) against high-voltage battery defects. The conditions of the Porsche New Vehicle Warranty shall apply except there are differing arrangements made in this section. The Porsche high-voltage battery warranty applies exclusively for Porsche Plug-In-Hybrid vehicles and is restricted to six years or to a maximum mileage of 120.000 kilometres depending on which case will occur first.

The high-voltage battery, as all lithium-ion batteries, is subject to aging and wear and tear. The high-voltage battery's capacity will reduce over its lifecycle depending on the utilisation of the battery and the environmental conditions. You will find advices and recommendations for the battery's maximum lifetime in your Porsche Owner's Manual.

Porsche Long-term and Paint Warranty

As a supplement to the Porsche New Vehicle Warranty Dr. Ing. h.c. F. Porsche Aktiengesellschaft shall provide

- *a three-year warranty covering paint defects*
- *a twelve-year warranty covering bodywork due to rust penetration*

subject to the following conditions:

1. *In order to maintain coverage by the long-term and paint warranty, the vehicle must be treated in accordance with the "Car Care Instructions" in the Driver's Manual. Damage to paint and protective coatings must be properly remedied without delay.*

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2. *The long-term and paint warranty shall not cover damage attributable to accident-related or mechanical damage to the body, paint or protective coatings.
All bodywork repairs must be carried out properly and in accordance with the regulations of Dr. Ing. h.c. F. Porsche Aktiengesellschaft governing sheet metal, paint and corrosion protection/preservation work.*
3. *To avoid forfeiting the long-term and paint warranty, the buyer must have an authorised Porsche dealer or Porsche repair shop compile a report on the condition of the body, paint and protective coatings two years after delivery of the vehicle and at two-year intervals thereafter.*
4. *This warranty obligation shall be performed exclusively through the rectification of claims that the Warrantee can assert at any authorised Porsche dealer or Porsche repair shop. No other claims can be derived from this warranty.*
5. *This warranty shall not limit the Warrantee's statutory rights, in particular claims arising from material defects or product liability.*

Porsche Warranty for Spare Parts, Accessories and Remanufactured Parts

For unused original Porsche spare parts, accessories and remanufactured parts (Parts) in factory condition which are used or sold outside of warranty or guarantee work, the Warrantor also grants a two year warranty subject to the relevant applicable conditions of the Porsche New Vehicle Warranty.

(The Porsche Warranty conditions are subject to the provisions of the Consumer Protection Act, 68 of 2008, as amended)

6. Exclusion of liability of PCSA

- 6.1 Save as provided in clause 5 above, PCSA shall not be liable to the customer for any loss or damages, including special or consequential damages whatsoever, arising out of any defect in the vehicle.
- 6.2 Without limiting the generality of clause 6.1 above, PCSA shall not be liable for any loss or damages, including special or consequential damages whatsoever, suffered by the customer as a result of any work carried out by PCSA, including an agent or sub-contractor of PCSA, being defective in any way or failing to conform wholly or in part with any written warranty given in terms hereof.
- 6.3 The provisions of clauses 6.1 and 6.2 above are subject to the provisions of the Consumer Protection Act, Act 68 of 2008, as amended.

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7. Processing of personal information

Once the customer has disclosed his or her personal information (or its information in the case of a juristic person) to PCSA, the customer irrevocably consents to PCSA (and/or any of its associated entities, by law or otherwise) to process such personal information and utilize such information to engage with the customer as regards the various products, services, offerings and news events relevant to PCSA (and/or any of its associated entities).

8. Cancellation

If either party:

- 8.1 commits a breach of any of these terms and conditions; or
- 8.2 being a natural person, dies or is provisionally or finally sequestrated or surrenders his estate;
or
- 8.3 being a partnership, is dissolved; or
- 8.4 being a company, is placed under provisional or final order of liquidation or judicial management; or
- 8.5 compromises or attempts to compromise generally with its creditors,

(the defaulting party)

the aggrieved party may cancel this agreement immediately by giving the defaulting party written notice to that effect, without prejudice to any other rights the aggrieved party may have as a result of such breach or cancellation.

If the customer is the defaulting party, PCSA shall, in addition to any other rights it may have in law as a result of such breach or cancellation, be entitled to apply any amounts paid by the customer to PCSA in reduction of any damages which PCSA may suffer as a consequence of any such default by the customer.

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9. Jurisdiction

The customer consents to the jurisdiction of the Magistrates' Court having jurisdiction over the parties hereto, notwithstanding that any claim by PCSA may exceed the statutory jurisdiction of the Magistrates' Court as to amount. Notwithstanding the foregoing, PCSA shall be entitled to institute legal proceedings in any other court of competent jurisdiction.

10. Domicilia and Notices

10.1 The parties choose *domicilia citandi et executandi* ("*domicilii*") for purposes of the giving of any notice, the serving of any process and for any other purpose arising from this Agreement at the following addresses:

10.1.1 PCSA: Corner of Witkoppen & Wroxham Roads
Paulshof
2191

10.1.2 The Customer: The address reflected on the New Vehicle Order Agreement and/or Vehicle Tax Invoice

10.2 Any notice or communication required or permitted to be given in terms of this agreement shall be valid and effective only if in writing.

10.3 Any party may by written notice to the other party change its chosen address to another physical address, provided that the change shall become effective on the fourteenth day after the receipt of the notice by the addressee.

10.4 Any notice to a party contained in a correctly addressed envelope and sent by pre-paid registered post to it at its chosen address, shall be deemed to have been received on the 7th business day after posting.

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10.5 Notwithstanding anything to the contrary herein contained, written notice or communication actually received by one of the parties from the other, shall be an adequate written notice or communication to such party, notwithstanding that it was not sent or delivered to its chosen *domicilium*.

11. Whole Agreement

11.1 This agreement constitutes the whole agreement between the parties as to the subject matter hereof and no agreements, representations or warranties between the parties, other than those set out herein, are binding on the parties.

11.2 No addition to, variation or amendment of, consensual cancellation or novation of this agreement and no waiver of any right arising from this agreement or its breach or termination, shall be of any force or effect unless reduced to writing and signed by both parties or their duly authorized representatives.

12. Relaxation

No latitude, extension of time or other indulgence which may be given or allowed by either party to the other in respect of performance of any obligation hereunder or the enforcement of any right arising from this agreement, and no single or partial exercise of any right by any party shall operate as a waiver or novation or otherwise affect any of that party's rights in terms of or arising from this agreement, or prevent such party from enforcing at any time and without notice, strict and punctual compliance with each and every provision hereof.

13. Governing Law

This agreement shall be construed and interpreted in accordance with the Laws of the Republic of South Africa.

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14. Interpretation

14.1 The clause headings are for convenience only and shall be disregarded in construing this agreement.

14.2 Unless inconsistent with the context, an expression which denotes:

14.2.1 any gender includes the other genders;

14.2.2 a natural person includes a juristic person and the other way round;

14.2.3 the singular includes the plural and the other way round.