



Reg. No. 194903283807

Suppliers of Air Conditioning, Refrigeration and Plumbing Equipment

10 October 2020

CYLINDER RENTAL FOR ACCOUNT CLIENTS

Kovco (Pty) Ltd have changed to a cylinder rental system on 1 June 2016. This is on the back of non-return of cylinders from the field and the continued increase in cylinders costs.

An independent IT development house will run and maintain the system going forward for which they will charge a percentage of all rentals.

The process will be as follows for Account Customers.

1. Kovco will invoice you for the refrigerant only.
2. You will receive a separate RENTAL NOTE with the cylinder numbers and date taken.
3. The rental is per month and will be charged on or near the first day of the month and is invoiced in arrears.
4. There is a grace period of a maximum of 2 months. If you take a cylinder on 1 January and it is not returned before end of February, rental will be charged on/near 1 March for 1 month.
5. If you take a cylinder on 1 January and it is returned before end of February, rental will not be charged.
6. The maximum rental period will be 44 months, at which point the cylinder will be written off and rental will no longer be charged to you.

The suppliers of the system can provide you with access to the system for you to on-charge your customers. There may be a small setup fee but after that the charges will be a % of rental.

You will no longer have cash flow tied up in deposits and the added bonus of tracking each and every cylinder that you have had into and out of your warehouse.

CYLINDER RENTAL FOR CASH SALES

In the case of a cash sale, a deposit will be charged from which any accrued rental will be deducted when the cylinder is returned.

Yours truly

Brendan Prestage

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