

ALNET STANDARD TRADING TERMS AND CONDITIONS

1 DEFINITIONS

- 1.1 "Company" shall mean Alnet (Pty) Ltd.
- 1.2 "Customer" shall mean any person or persons or entity or entities at whose request or on whose behalf or in respect of whom the company undertakes any business.
- 1.3 "Conditions" shall mean the terms and conditions herein recorded.
- 1.4 "Contract" shall mean a contract of sale entered into between the Company and the Customer as detailed in clause 2.3 herein.
- 1.5 "Products" shall mean any goods and/or products supplied and/or services rendered and/or the giving of any advice and/or any information, whether gratuitously or not, by the Company to the Customer.
- 1.6 "Parties" shall mean the Company and the Customer.
- 1.7 "Special products" shall mean products specifically designed and supplied by the Company according to the specifications of the Customer, purchased by a limited number of customers and not readily available from other suppliers for immediate delivery from existing stock, as determined in the sole discretion of the Company as special products.

2 QUOTATIONS AND ORDERS

- 2.1 The Customer may place an order in respect of Products orally or in writing, which order shall constitute an offer by the Customer to the Company.
- 2.2 The company shall be entitled to accept the order of the Customer in whole or in part.
- 2.3 Upon written acceptance of an order placed by the Customer, a Contract of sale shall be deemed to have been concluded between the Customer and the Company in respect of the Products which the Company has agreed to supply.
- 2.4 Upon acceptance by the Company of an order, orders shall not be subject to cancellation or amendment by the Customer in any manner whatsoever without the prior written consent to such cancellation or amendment by a director of the Company.
- 2.5 Notwithstanding the acceptance of the cancellation or amendment of an order by the Company, the Company shall be entitled to recover all damages incurred by it arising from or in connection with such cancellation or amendment, including but not being limited to all costs, expenses and loss of profit.

3 PRICES

- 3.1 The prices of the Products shall be as stated in the Contract, unless the Company varies such price in accordance with this clause.
- 3.2 Prices are based upon the costs to the Company on the date upon which the contract is concluded, such costs including the cost to the Company of the products utilised in the manufacturing process, the costs of purchasing foreign currency to pay for the importation of goods and materials, government levies and charges.

4 VALUE ADDED TAX

- 4.1 The Customer shall be responsible for and undertakes to pay to the Company, at the same time as it is obliged to pay any sum in respect of Products supplied, any tax payable thereon by the Company in terms of applicable legislation.
- 4.2 Unless specifically stated to the contrary, all prices shall be exclusive of Value Added Tax for which the Customer shall be liable to pay.

5 DELIVERY

- 5.1 The actual cost of the delivery where delivery of the Products is effected by the Company to the Customer at any place other than the premises of the Company shall be borne by the Customer with such costs to be paid by the Customer to the Company on demand and the Company reserves the right to charge the Customer with any other costs relating to the delivery of the Products to the Customer, including insurance premiums.
- 5.2 The Company may effect delivery of Products on separate occasions with the consent of the Customer, and the Customer shall then accept delivery in instalments.
- 5.3 Where delivery is effected by the transport of the Company or its transport contractor:
 - 5.3.1 All risk shall remain with the Company until the transporting vehicle arrives at the address where the Products are to be unloaded, whereupon the risk shall pass to the customer.
 - 5.3.2 The responsibility for unloading the Products rests with the Customer.

- 5.3.3 The Company reserves the right to pass on to the Customer any additional cost, including insurance premiums, which may be incurred by the Company as a result of delayed or protracted unloading of the Products by or on behalf of the Customer.
- 5.4 When delivery is made by the Company to the Customer through a carrier or medium engaged by or on behalf of the Customer, then and in such event all risk in and to the Products in question shall pass to the Customer on delivery of the Products by the Company to the carrier or medium.
- 5.5 The delivery note of the Company signed by the Customer or any agent or any employee or any purchaser of the Customer or any person purporting to act as an agent or an employee or a purchaser of the Customer at the place of delivery shall for all purposes be deemed to be accurate in all respects and binding on the Customer.
- 5.6 Where the Customer requests that delivery be suspended or delayed to a date later than originally requested, or where the Customer fails to collect the Products on the agreed date, the Company shall be entitled to charge the Customer a reasonable fee for storage of Products on behalf of the Customer and the Company shall be indemnified against any loss or damage which may be suffered by the Customer resulting from such storage.
- 5.7 Notwithstanding anything to the contrary herein contained, the Company shall have the right to suspend delivery at any time if in its sole discretion it considers that:
 - 5.7.1 The amount owing by the Customer, whether due at that date or in the future, has reached the limit to which it is prepared to allow the Customer credit;
 - 5.7.2 It comes to the attention of the Company that the financial position of the Customer has deteriorated;
 - 5.7.3 The company no longer considers the Customer creditworthy;
 - 5.7.4 The Customer does not acknowledge that any contract is upon the terms set forth in these Conditions.

6 OWNERSHIP

- 6.1 Notwithstanding delivery of the Products by the Company, ownership of all Products shall remain vested with the Company until such time as the purchase price due in respect thereof has been paid in full.

7 TIME NOT OF THE ESSENCE

- 7.1 The time stipulated for the delivery of any Products or the doing of any other act is approximate only and is not a material term of the Contract and any delay in delivery to a date later than the date provided shall not constitute breach and shall not entitle the Customer to cancel the Contract, nor shall the Customer have a claim against the Company for damages, nor shall the Customer be entitled to invoke any other remedy against the Company.
- 7.2 Notwithstanding the above, the Company will make reasonable efforts to deliver Products within the times stated in the Contract.

8 QUANTITIES

- 8.1 The Company shall have the right to supply quantities in units similar to the quantities of the Products ordered and the Customers shall be obliged to accept and pay for the actual quantity of the Products delivered.

9 CLAIMS AGAINST THE COMPANY

- 9.1 A Customer may not return Products for any reason whatsoever without having obtained the written consent of the Company and where such consent has been obtained the Customer will facilitate the Company with the return of the Products within three months from date of purchase (unless other arrangements have been made in writing with the Customer) and may not sell such Products as scrap or dispose of the Products in any manner whatsoever without the prior written consent of the Company.
- 9.2 If the Customer alleges that the Products are defective or that there is a shortage in the delivery, the Customer shall, within 30 days of the date of receipt, notify the Company thereof in writing and make the allegedly defective goods available for inspection by the Company at the Customer's cost, failing which the Customer shall have no claim whatsoever against the Company. The Customer must provide proof of purchase of the Products concerned in the form of the original invoice and the Products must be packed in its original packaging and be in good order. In such cases the Company's liability (if any) shall be limited to the cost of replacement of the defective or short-delivered Products and the Company shall not be liable for any damages arising out of such defective or short delivery.

10 PAYMENT

- 10.1 Payment of the purchase price for Products delivered in South Africa shall be made free of exchange in South African currency in cash into the bank account of the Company.
- 10.2 Where applicable the Company shall not be obliged to commence or complete manufacture unless the deposit requested has been paid and the Company reserves the right to request an advance payment prior to delivery of the Products.
- 10.3 Payment shall be made simultaneously with the placing of an order, save that should this day fall on a weekend or a public holiday, payment shall be due on the first day after such weekend or public holiday.
- 10.4 Arrangements for payment may, at the sole discretion of the Company, be extended for approved Customers in which event statements for Products dispatched during any month shall be due and payment reflected in the bank account of the company on or before the last day of the agreed credit term and where this day falls on a weekend or a public holiday, payment shall be due on the first day before such weekend or public holiday.
- 10.5 Arrangements for payments may, at the sole discretion of the Company, be reviewed or withdrawn from time to time without the Company incurring any obligation to provide the Customer with prior notice of any amendment to the terms of payment.
- 10.6 If any amount due and payable by the Customer to the Company is in arrears, the Company shall be entitled to cease deliveries and/or manufacture for the Customer of any Products until the account has been settled in full and the Company reserves the right to claim immediate payment on demand of all other amounts owing at that time, whether payments are due or not.
- 10.7 Unless the National Credit Act no 34 of 2005 is applicable, an amount not paid on due date shall, at the discretion of the Company, bear interest from the due date until it is paid in full at the rate of 1½ percentage points above the prime interest rate as publicly quoted by the South African Reserve Bank from time to time, calculated per annum and compounded monthly in arrears.
- 10.8 In the event of any change in the Customer that will effect the applicability of the National Credit Act no 34 of 2005, such as but not limited to a change in the asset value and/or annual turnover, a change in the number of trustees, a change in the legal status of the Customer, the Customer will be obliged to immediately advise the Company in writing of such change, failing which the Customer hereby indemnifies the Company against any liability incurred and undertakes to be responsible for any penalties imposed in terms of the aforementioned National Credit Act.
- 10.9 Repair times and repair costs given are merely estimates and are not binding on the Company. Any item handed in for repair may be sold by the Company to defray the cost of such repairs if the item remains uncollected within 30 days of the repairs being completed.
- 11 EXCLUSIONS**
- 11.1 Unless otherwise agreed in writing, all patterns, drawings, tools, moulds and the like produced by the Company, and all intellectual property rights therein, shall remain the property of the Company and the Customer may not reproduce or communicate the knowledge of such items to any third party without the express written consent of the Company and the Customer shall return same to the Company at any time at the request of the Company.
- 11.2 If any performance by the Company is prevented by any act of God, strikes, lockouts, shortened working hours, shortage of labour or materials, any default or delay in any sub-contractor or suppliers of the Company, war, political or civil disturbances, or any other cause whatsoever beyond the control of the Company, then the Company shall have the election either to cancel the contract in question, or to extend the time for performance until the cause preventing or delaying performance ceases to apply.
- 11.3 The Company shall not be liable to the Customer for any errors and/or omissions contained in any documentation.
- 11.4 The Company does not warrant or represent, expressly or implied, that the Products are fit for any particular purpose, whether or not that particular purpose is known to the Company and whether or not the advice of the Company was obtained regarding such specifications.
- 11.5 The Company, its officers, employees or agents shall not be liable under any circumstances whatsoever for any loss or damage of any nature whatever, whether direct or indirect, consequential or otherwise, sustained by the Customer as a result of any cause in connection with any business (including without limitation, any cause in connection with Products sold or the use, resale or other disposal of those Products or anything done pursuant to the Contract), whether such loss or damage results from breach of contract (whether total, fundamental or otherwise), delict, negligence or any other cause.

- 11.6 If any Products are latently, patently, or otherwise defective but were not sold as sub-standard, the Company may in its sole discretion compensate the Customer in respect of such Products, in which event the Company shall notify the Customer in writing of its election to replace the defective products, or credit the Customer in respect of the purchase price of the Products, or request that the Customer accept the products at a reduced purchase price to be agreed, provided that if the parties are unable to agree on the amount of the reduction, that question shall be submitted to be resolved by an independent person agreed upon between the parties and failing such agreement, appointed by the President for the time being of the Western Cape Law Society, and that person's decision shall be final and binding upon the parties.
- 11.7 If the defective Products supplied by the Company were not manufactured by the Company, the Customer's claim against the Company shall under no circumstances exceed the claims which the Company is entitled to make against the manufacturer in respect of such defective products.
- 11.8 If a Customer sells, leases or disposes of any Products supplied to it by the Company or in respect of which the Company has undertaken any business, to a third party, or otherwise permit a third party to use such Products, the Customer shall include in the Customer's agreement with the third party a provision in terms of which the Company is afforded similar limitation of a liability to that contemplated in this clause.

12 BREACH

- 12.1 The Company shall be entitled, without prior notice to the Customer and without prejudice to any of its rights and without incurring any other rights, to cancel any contract and/or any part thereof and to claim return of the Products in terms thereof, or to claim from the Customer immediate payment of any monies due by the Customer to the Company notwithstanding any earlier agreement for credit, whether same is due for payment or not if:
 - 12.1.1 The Customer should fail to fulfill any of its obligations in terms of these Conditions or in connection with any other order or contract between the parties;
 - 12.1.2 The Customer fails to pay on the due date for payment thereof any amount due to the Company under any contract;
 - 12.1.3 Any cheque, promissory note or other bill of exchange given to the Company in respect of any indebtedness of the Customer under any contract is dishonoured by non-payment;
 - 12.1.4 The estate of the Customer is provisionally or finally sequestrated or it is placed under provisional or final liquidation or under provisional or final judicial management;
 - 12.1.5 The Customer commits any act of insolvency in terms of the Insolvency Act;
 - 12.1.6 The Customer enters into any compromise with his creditors, and/or
 - 12.1.7 The Customer fails to satisfy any default judgment granted against him within seven calendar days after date of judgment.

13 GENERAL

- 13.1 Unless inconsistent with the context, words relating to any gender shall include the other gender, words relating to the singular shall include the plural and *vice versa* and words relating to natural persons shall include associations of persons having corporate status by statute or common law.
- 13.2 All and any business undertaken, including without limitation in connection with the supply of products, shall be subject to these Conditions and each Condition shall be deemed to be incorporated in and to be a Condition of any agreement between the parties and no other Conditions shall be binding on the parties notwithstanding that such Conditions may be annexed to, contained in or incorporated by reference in any documents exchanged between the Company and the Customer and purport to regulate the terms of any purchase by the Customer.
- 13.3 If there is a conflict between these Conditions and the conditions of the Customer, the parties agree that notwithstanding anything contained in the terms and conditions of the Customer, these Conditions of the Company shall prevail.
- 13.4 The Customer further acknowledges that the Company may, from time to time, amend, alter, add to or subtract from these Conditions as it in its sole discretion deems fit.
- 13.5 No agent or employee of the Company, other than a director, has the authority of the Company to alter or vary these Conditions by undertaking or promise given before or after receipt of these Conditions.
- 13.6 No agreement varying, adding to or deleted from, or cancelling of any of these Conditions, no waiver of any of the Conditions, no oral statement, recommendation or figure, shall be effective unless reduced to writing and signed by a director on behalf of the Company.

- 13.7 No indulgence granted by the Company shall constitute a waiver of any of the rights of the Company, accordingly, the Company shall not be precluded as a consequence of having granted such indulgence, from exercising any rights against the Customer which may have arisen in the past or which may arise in the future.
- 13.8 All agreements between the Company and the Customer, wherever entered into, shall be governed and construed according to the laws of the Republic of South Africa.
- 13.9 In the event of the Company instructing its attorneys to recover money or products from the Customer the Customer shall be liable for and pay all legal costs incurred by the Company on the attorney and own client scale, including any collection, commission and tracing agents fees.
- 13.10 At the option of the Company any claim against the Customer may be brought in any Magistrate's Court having jurisdiction notwithstanding that the amount of that claim may otherwise exceed the jurisdiction of the Magistrate's Court.
- 13.11 Except to the extent that the Company and the Customer agree otherwise in writing, any illustration, descriptive matter, drawing, catalogue, advertisement, pamphlet, price lists and the like distributed by the Company to the Customer before or after the Customer places an order, is for the general information only and does not form part of the Contract between the parties.
- 13.12 Wherever it is necessary for the purpose of these conditions or any other purpose whatever, for instructions to be given to the Company, such instructions shall only be recognised by the Company as valid if timeously given specially in relation to the matter in question with standing or general instructions, or instructions given late even if received by the Company without comments, not being binding on the Company.
- 13.13 In the event of any change in the legal status of the Customer, such as but not limited to a change in name, a change of more than 49% of ownership, directorship, partnership, membership, or the like, the Customer will be obliged to immediately advise the Company in writing of such change, failing which the Company may in its discretion elect whether to proceed against the subsequent entity, or the previous entity, both of which shall be liable for all amounts payable to the Company regardless of whether the products supplied and statements rendered were prior to the aforementioned change.
- 13.14 The Customer undertakes that it shall not at any time, directly or indirectly, use for its own benefit or the benefit of any other person or entity and shall keep confidential and not disclose to third parties, all confidential information of the Company, such confidential information to include all secret knowledge, technical information and specifications, manufacturing techniques, methods of operating, designs, diagrams, instruction manuals, blueprints, electronic artwork, samples, programming, devices, demonstrations, formulae, know-how, information concerning materials, methods of importing or exporting, marketing and business information generally, arbitration details, any contracts or agreements, information concerning any associated relationships with the Company, details of principals, agents, suppliers, customers and potential customers and other materials or information or whatever description in which the Company has an interest in being kept confidential.
- 13.15 The Customer may not cede or assign its rights or obligations in terms of this agreement without the prior written consent of the Company.
- 13.16 Any notice by the Company shall be given in writing to the Customer at the address at which the products are delivered, which address the Customer chooses as its *domicilium citandi et executandi*.
- 13.17 If any provision of this Contract is unenforceable or invalid under law, the remaining substance of such provision and remaining provisions of this Contract shall continue to be binding and in full force and effect provided the essential economic benefits of the Contract are retained.
- 13.18 The Customer hereby acknowledges and agrees that the Company may: (a) perform a credit search on the Customer's record with one or more of the registered Credit Bureaux or customer's bank when assessing the Customer's application for credit; (b) monitor the Customer's payment behaviour by researching his/her record at one or more of the Credit Bureaux; (c) use new information and data obtained from Credit Bureaux and the Customer's bank in respect of the Customer's future credit applications and those of his/her family; (d) record the existence of the Customer's account with any Credit Bureaux; (e) record and transmit details of how the Customer has performed, and how the account is conducted by the Customer in meeting his/her obligations on the account. The Customer acknowledges and agrees that any information regarding his/her credit worthiness, defaults in payment to the Company and details of how his/her account with the Company is conducted, may be disclosed to any other creditor of the Customer or to one or more Credit Bureaux.
- 13.19 The Customer agrees that:

- 13.19.1 No credit will be granted by the Company unless the information required from him/her in the application form has been furnished correctly in every respect, resulting in subsequent approval of credit up to an agreed amount;
- 13.19.2 Credit may be suspended at any time at the discretion of the Company;
- 13.19.3 The Company may vary its terms of credit at its discretion after furnishing 7 days' written notice to the Customer.