



AFRILEK AUTOMATION (PTY) LTD
Registration Number: 2005/034556/07

Unit 26 A & B
Merinda Industrial Park
Cnr Bisset & Rudo Nell Roads
Hughes
Boksburg

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TERM OF THE AGREEMENT
(FORCE AND EFFECT OF AGREEMENT)

TERMS AND CONDITIONS OF SALE:

1. **Definitions**
- 1.1. The following terms shall have the meanings assigned to them hereunder and similar expressions shall have corresponding meanings, namely:
 - 1.1.1 "Agreement" means these terms and conditions of sale including all annexures attached hereto;
 - 1.1.2 "Client" means the person(s) / sole proprietor / close corporation / company that intends using the services / goods from The Supplier;
 - 1.1.3 "Goods" shall mean whatever is ordered by the Client from The Supplier in terms hereof and includes, where applicable, work to be done or services to be rendered;
 - 1.1.4 "Intellectual Property Rights" means the trademarks under which the The Supplier' products are sold or services rendered. Any use in any form of this trademarks is dependent on the sole authorization of The Supplier, who retains the whole intellectual property rights over studies, drawings and documents relating to the goods sold or services to be rendered. Any models or tooling created by The Supplier relating to its goods or services remain entirely its own property, including any improvements made after the sale of the goods or the services rendered which includes improvements at the request of the Client;
 - 1.1.5 "Order" shall mean and include the contents of each order by the Client from The Supplier as amplified by these conditions or documents attached to or referred to in each separate Order Form, and including where applicable the Specification, Requirements and the Schedule of Drawings relative to the Order, provided that if there should in any manner be any conflict between any such documents then the typewritten contents of the Order Forms shall prevail. Every verbal and/or telephonically placed Order

should be reduced to a written format. The Client will not be entitled to change, suspend, cancel or terminate, totally or in part, any order after signature and acceptance of the Order Form without the prior written approval of The Supplier;

- 1.1.6 "Order Form" means an order form completed by the Client for each order.
- 1.1.7 "Parties" means reference to both The Supplier and the Client;
- 1.1.8 "Prescribed Interest Rate" means the interest rate as prescribed in terms of the National Credit Act 34 of 2005 as applicable to Incidental Credit Agreement(s);
- 1.1.9 "Prices" shall mean the price stated in the Order Form in respect of the Goods ordered by the Client which are subject to change without notice. Prices, specifications, weights, dimensions, information, photos, drawings shown on the quotation, bill of materials, tender pricing schedule, pricelists, catalogues and manuals will only be utilized as an indication and The Supplier reserves the right to adjust these factors. Any reduction in the quantity ordered will automatically entail a modification in price;
- 1.1.10 "Quotations" means the contents, prices and delivery times stated in The Supplier's Quotation. The prices stated in the Quotation are valid only for the quantities specified. The Quotation will also be utilized at the submission of any bid and/or tender and/or proposal, whichever is applicable.
- 1.1.11 "Supplier" means Afrilek Automation (Pty) Ltd (Registration Number: 2005/034556/07) with business address Unit 26 A & B Merinda Industrial Park, Cnr Kelly & Rudo Nell Roads, Hughes, Boksburg, Gauteng, South Africa.
- 1.1.12 "Suretyship" means Annexure A attached to these terms and conditions that must be signed and completed. This clause will be interpreted for the benefit of The Supplier who will, in its sole discretion, elect to enforce this clause.
- 1.1.13 "Law" or "Legislation" means any common law and any South African State, Provincial or Local Government Law, statute, ordinance, regulation, order or rule having the force of law;
- 1.2 In this Agreement:
 - 1.2.1 The parties agree that this is a reciprocal agreement and that there should be an exchange of performances by each Party in order to be entitled to enforce the terms and conditions of the agreement
 - 1.2.2 references to a statutory provision include any subordinate legislation made from time to time under that provision and include that provision as modified or re-enacted from time to time;
 - 1.2.3 words importing any one gender include the other gender; the singular include the plural and vice versa; and natural persons include created entities (corporate or non-incorporate) and vice versa;
 - 1.2.4 any definition, wherever it appears in this Agreement, shall bear the same meaning and apply throughout this Agreement unless otherwise stated or inconsistent with the context in which it appears;

- 1.2.5 if there is any conflict between any definitions in this Agreement then, for purposes of interpreting any clause of the Agreement or paragraph of any Annexure, the definition appearing in that clause or paragraph shall prevail over any other conflicting definition appearing elsewhere in the Agreement;
- 1.2.6 any provision in this Agreement which is or may become illegal, invalid or unenforceable in any jurisdiction affected by this Agreement shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be treated as having not been written (ie *pro non scripto*) and severed from the balance of this Agreement, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction;
- 1.2.7 when any number of days are prescribed in this Agreement, such number shall be reckoned exclusively of the first day and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday in the Republic of South Africa, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday in the Republic of South Africa;
- 1.2.8 this Agreement shall be governed by and interpreted in accordance with the laws of the Republic of South Africa;
- 1.2.9 The grant of any indulgence, extension of time or relaxation of any provision by a Party under this Agreement shall not constitute a waiver of any right by the grantor or prevent or adversely affect the exercise by the grantor of any existing or future right of the grantor;
- 1.2.10 A Party may not rely on any representation which allegedly induced that Party to enter into this Agreement, unless the representation is recorded in this Agreement.

2. Conditions of Sale

- 2.1. Any Order resulting from this whether purchased on account or upfront, such transaction(s) shall be subject to the conditions herein unless varied by The Supplier in writing, and these conditions will take precedence over any terms, conditions or stipulations contained in any of the Client's documentation which may be in conflict herewith.
- 2.2. The Supplier has the discretion at all times whether or not to sell Goods to the Client.
- 2.3. The Supplier's discretion to sell any Goods to the Client in terms hereof may be guided by *inter alia* the following:
 - 2.3.1 The availability of stock;
 - 2.3.2 Timeous receipt by The Supplier of any drawings, designs, requirements and specifications that may be required by The Supplier from the Client provided that such drawings, designs, requirements and specifications shall be deemed to have been given to The Supplier for the purpose of description only and shall not form part of the Agreement;
 - 2.3.3 Status and age analysis of the Client's accounts with The Supplier.
 - 2.3.4 Timeous receipt of deposit and/or upfront payment if and when require by the Supplier at its sole discretion.

- 2.4. The Parties will not be allowed to any set off when reciprocal debts between the Parties come into existence and independently of their will. It shall not be necessary for either The Supplier or the Client to specifically raise set off. Upon the operation of an automatic set off aforementioned, the debt shall be mutually extinguished to the extent of the lesser debt with retrospective effect.
- 2.5. When The Supplier is required at the time of the Order to manufacture or supply Goods to the Client's specification and/or drawings, special standards, regulations, legislation or carries out work according to the Client's instructions, or those of its nominees, The Supplier accepts no responsibility for the efficiency or workability of goods so manufactured or work so carried out.
- 2.6. Should there be any apparent contradiction or mistake in the description, dimensions or quantity of the Goods ordered, the Client shall refer the matter to The Supplier for correction or clarification before proceeding to execute the Order and shall notwithstanding delivery of the Goods, be obliged to effect payment of the account if the Client has failed to query any such apparent contradiction, mistake or anomaly in the Order within 5 days of the delivery of the Goods.

3. Application for an Account with The Supplier

- 3.1 The Client hereby authorizes The Supplier or its agents at all times to contact and request information from any persons, credit bureaus or businesses, including those mentioned under trade references, and to obtain any information relevant to the Client's application and upkeep of the Client's account.
- 3.2 The Client understands that the information given in relation to this Agreement will assist The Supplier in determining whether or not to sell the Goods to the Client on account and will be used by The Supplier for the purposes of assessing its creditworthiness. The Client confirms that the information given by it is accurate and complete.
- 3.3 The Client further agrees to update the information supplied, as and when necessary, to ensure the accuracy and completeness of the above information at all times.
- 3.4 The Supplier does not grant any credit facilities and payment terms are to be strictly adhered to.

4. Price and Payment

- 4.1 Prices and discounts are those ruling at the date of dispatch of the Goods contained on the Order Form.
- 4.2 Prices on the Goods do not include taxes or government charges imposed by the State or other authorities.
- 4.3 The Supplier reserves the right to adjust or change any prices and/or discounts at any time with prior written notice to the Client prior to the dispatch of the Goods in the event of any material changes in pricing

including but not limited to labour costs, fluctuating exchange rates and/or price escalations.

- 4.4 For account holders, payment of the Goods will be 60 days from date of the invoice. For non-account holders, the full invoice price must be paid in full before the Supplier will render the Goods unless agreed otherwise in writing between the parties.
- 4.5 All payments in terms of the Order Form are payable exclusively to The Supplier;
- 4.6 The Supplier serves the right to charge interest at the prime lending rate + 2% for accounts that is older than 60 (sixty) days. Interest shall immediately begin to run on any overdue accounts; without any notice from The Supplier; that has not been paid on the due date (clause 4.4 above) which shall be calculated from the date following the due date of each account. The Supplier will have the right to stop progress / delivery of the Goods if payment is not made on the due date (clause 4.4).
- 4.7 The Parties hereby specifically agree that the Buyer shall not be entitled to any warranty provided by The Supplier that covers the Goods during the period of breach by the Buyer of any of the terms to this Agreement, with specific reference to timeous payments of The Supplier's accounts. The Buyer acknowledges and agrees that this clause is reasonable and necessary to enable The Supplier to perform in terms of its warranties provided.
- 4.8 A certificate under the hand of any director or manager or the account manager (whose appointment need not be proved) as to the existence and the amount of the Client and/or Surety's indebtedness and to The Supplier at any time, as to the fact that such amount is due and payable, the amount of mora interest accrued thereon and the correctness thereof for the purpose of provisional sentence, summary judgment or any other proceedings of whatsoever nature against the Buyer and/or the Surety in any competent court and shall constitute as a liquid document for such purpose.

5. **Delivery and Packaging:**

- 5.1 The Supplier has based its calculations on the information and dates specified in the Order Form and based on the interpretation of the Client's requirements. Should the Supplier experience any delays caused by others (including but not limited to importing/customs delays) or adverse weather conditions, the Supplier reserve the right to negotiate additional claims for waiting time or alternatively to deploy resources elsewhere, the costs which may be levied to the Client's account.
- 5.2 Delays caused by scope changes may also be charged for separately.
- 5.3 Unless specified otherwise, it is agreed between the Parties that time shall not be of the essence of the contract and delivery dates shall be treated as estimates only. Under no circumstances shall the Client be entitled to withdraw from or terminate the contract on account of any delay in delivery

or have any claim of any nature whatsoever against The Supplier arising from late delivery.

- 5.4 Delivery is deemed to take place at The Supplier's Offices.
- 5.5 A signed Delivery Note shall constitute *prima facie* proof that the Goods have been delivered to and received by the Client in good condition, whether signed by the Client, an employee, an agent or a representative of the Client.
- 5.6 The costs associated with the transportation, handling and insurance operations over the Goods will be for the Client's account.
- 5.7 Delivery and transportation of the Goods by The Supplier will only be done upon written request from the Client and The Supplier will not be held accountable for any deterioration of the Goods as a result of the transportation thereof. The Client must inspect the Goods upon arrival and report any delay, damage or shortage of the Goods to The Supplier within 48 (forty eight) hours in writing via e-mail and/or telefax.
- 5.8 The risk over the goods whilst in transportation will vest in the Client.
- 5.9 Special packaging and long term storage will be at the expense of the Client. In the absence of any particular request on the part of the Client, the need and/or type for packaging will vest in the discretion of The Supplier.
- 5.10 The Supplier will not be held liable for any damages caused due to faulty and/or unsuitable packaging should the Client decide to make use of its own packaging or to choose an independent third party to attend to the packaging.

6. **Receipt of Goods:**

- 6.1 The Client will arrange for the receipt of the Goods at its own costs.
- 6.2 Upon receipt of the Goods, the Client:
- 6.2.1 must ensure that the Goods correspond with the Order Form;
- 6.2.2 must inform The Supplier within 10 (ten) days from receipt of the Goods, in writing, of any faults in compliance with the order as discovered;
- 6.2 The Client will not be allowed to return any of the Goods without the prior written approval by The Supplier. Should, after verification by The Supplier, any faults in compliance be confirmed, The Supplier will arrange for replacement of the Goods or have the original Goods repaired.
- 6.3 The Client will renounce any claim for damages it has against The Supplier in the instance where faults are found.
- 6.4 Any difference concerning the defects of Goods between the Parties will be referred to an expert. The costs of the expert will be for the Party's account that referred the matter.
- 6.5 Should The Supplier agree to accept the return of any Goods after same has been delivered, the Client shall be liable to pay The Supplier a handling fee of cost plus 15% on the invoiced price of the goods so returned. The Client will be responsible for the shipping costs and courier costs associated with the return of the Goods. All Goods must be returned to the Supplier's stores.
- 6.6 Returns will not be accepted if:

- 6.6.1 Items are not sealed in their original packaging;
- 6.6.2 The seal of the packaging is broken;
- 6.6.3 The packaging is damaged.

7. Ownership:

- 7.1 The Goods remain the full and exclusive property of The Supplier until the full purchase price, interest, penalties and all relevant and/or associated costs had been paid in full by the Client.
- 7.2 Cheques and Bills of Exchange will only be considered as valid payment methods from the effective date that it has been presented for payment.
- 7.3 The Client will return all the Goods upon written request from The Supplier in the instance where the full purchase price had not been paid in full. All costs associated in the returning of the Goods sold will be for the Client's account.
- 7.4 The Client will assume all the risk in and to the Goods upon receipt of the Goods from The Supplier.
- 7.5 The Client will exercise the utmost care over the Goods and ensure that it can be identified until date of full and final payment thereof.
- 7.6 The Client will not be entitled to use the Goods as security or as guarantee.
- 7.7 The Supplier will have a lien over the Goods sold until such time that it is paid in full.
- 7.8 The Client will not be entitled to re-sell the Goods to any third party until such a time that the full purchase price has been paid in full to The Supplier.
- 7.9 In the event where the Goods are sold by a distributor of The Supplier and such are not paid in full by the distributor, the distributor indemnifies The Supplier against any claims, costs and damages, both direct and consequential, as a result of the end user's failure to settle the distributor's outstanding account.
- 7.10 The distributor agrees and acknowledges that it will upon requests from The Supplier, cede and assign all its rights and interests it may have against the end user to The Supplier to enable The Supplier to institute legal action against the end user. The Supplier will have the sole discretion to claim damages from the distributor or against the end user.

8. Force Majeure

- 8.1 Neither of the Parties shall be liable for a failure to perform any of its obligations insofar as it proves:
 - 8.1.1 that the failure was due to an impediment beyond its control;
 - 8.1.2 that it could not reasonably be expected to have taken the impediment and its effects upon the party's ability to perform into account at the time of the conclusion of this Agreement; and
 - 8.1.3 that it could not reasonably have avoided or overcome the impediment or at least its effects.
- 8.2 An impediment, as aforesaid, may result from events such as the following, this enumeration not being exhaustive:

- 8.2.1 war, whether declared or not, civil war, civil violence, riots and revolutions, acts of sabotage;
- 8.2.2 natural disasters such as violent storms, cyclones, earthquakes, tidal waves, floods, destruction by lightning;
- 8.2.3 explosions, fires, destruction of machines, of factories and of any kind of installations;
- 8.2.4 boycotts, strikes and lock-outs of all kinds, go-slows, occupation of factories and premises and work stoppages;
- 8.2.5 acts of authority, whether lawful or unlawful, apart from acts from which the party seeking relief has assumed the risk by virtue of any other provisions of this Agreement.
- 8.3 For the purposes of this clause "impediment" does not include lack of authorisations, licences, permits or approvals necessary for the performance of this Agreement and to be issued by the appropriate public authority.
- 8.4 Relief from liability for non-performance by reason of the provisions of this clause shall commence on the date upon which the party seeking relief gives notice of the impediment relied upon and shall terminate upon the date upon which such impediment ceases to exist; provided that if such impediment continues for a period of more than 60 (sixty) days either of the Parties shall be entitled to terminate this Agreement.

9. Disclaimer

- 9.1 The Supplier shall be exempted from and shall not be liable under any circumstances whatsoever for any damages including direct, indirect and/or consequential damages of any nature whatsoever or any loss of profit or special damages of any nature whatsoever and whether in the contemplation of the Parties or not, which the Client may suffer as a result of any delay in delivery of the Goods ordered.
- 9.2 Save as otherwise specifically provided for herein, The Supplier shall not be liable to the Client or to any other person for any damages including indirect or consequential damages of any nature whatsoever or any loss of profit, or special damages of any nature whatsoever and whether in the contemplation of the parties or not which the Client may suffer as a result of any breach by The Supplier of any of its obligations under these conditions or out of any other court whatsoever. The Client hereby indemnifies The Supplier against any claim which may be made against The Supplier by any other person in respect of any matter for which the liability of The Supplier is excluded in terms of the foregoing.
- 9.3 Ownership in and to the Goods sold and delivered to the Client on account shall pass to the Client only when all amounts due by the Client to The Supplier has been paid in full, notwithstanding the delivery of the Goods to the Client. Risk in and to the Goods shall however pass to the Client on delivery.
- 9.4 The Supplier will under no circumstances be held responsible for the incorrect use of the Goods or damages including direct, indirect and/or

consequential damages of any nature as a result of the use for the Goods for any other purpose that for which it is normally used.

- 9.5 The Client will be responsible to ensure that all necessary safety measures are implemented and/or steps are taken to obtain full satisfaction from the use of the Goods.
- 9.6 The Client will be responsible to inform The Supplier of any special standard, regulation or legislation to the Goods at the time when the order is placed.

10. Breach

- 10.1 The Client agrees and acknowledges that in the event of the Client breaching any condition contained in these conditions;
- 10.1.1 the Client failing to pay any amount due and payable on due date;
- 10.1.2 the Client suffering any civil judgment to be taken or entered against it;
- 10.1.3 the Client causing a notice of surrender of its estate to be published in terms of the Insolvency Act No. 24 of 1936, as amended;
- 10.1.4 the Client passing away;
- 10.1.5 the Client's estate being placed under any order of provisional or final sequestration, provisional or final winding up, placed under business rescue proceedings, or provisional or final judicial management, as the case may be; then The Supplier shall, without detracting from any other remedies which may be available to it, be entitled to summarily cancel the sale of the Goods to the Client without notice to the Client and to re-possess those Goods sold and delivered by The Supplier to the Client, or to claim specific performance of all of the Client's obligations whether or not such obligations would otherwise then have fallen due for performance, in either event without prejudice to The Supplier's right to claim damages.
- 10.2 The Supplier will be entitled to charge a penalty fee in the event of non-payment by the Client. The penalty fee will be calculated at 2% per month on each outstanding invoice which will accrue from the first day following the due date of payment. These penalties will only be charged after The Supplier had provided the Client with a final demand to effect payment of the amount outstanding.
- 10.3 In the event of non-payment or partial payment of an invoice on due date, The Supplier will be entitled to:
- 10.3.1 Nominate the anticipated date for payment of the full outstanding debt;
- 10.3.2 Suspend all services and/or orders for the Client;
- 10.3.3 Furnish the Client with a written notice that it will terminate all orders within 7(seven) days should the Client fail and/or refuse to rectify its breach;
- 10.3.4 Request guarantees for payments; and
- 10.3.5 Keep any down payment as compensation without prejudice to any other compensation it might be entitled to.
- 10.4 In the event of The Supplier or its agents instructing attorneys to collect from the Client any amount owing to The Supplier, the Client agrees to pay all costs on the scale as between attorney and own client, including collection commission and tracing charges.

- 10.5 In the event of The Supplier or its agent instructing a debt collector or attorney to collect from the Client an amount owing to The Supplier, the Client agrees to pay the collections commission as allowed by law in addition to capital, interest and legal costs.

- 10.6 If the Client fails to meet its obligations under these terms and conditions of sale, it authorizes The Supplier or its agents to record its non-performance with any credit bureau, which information will be available to third parties. The Client further authorizes researching its records at a credit bureau, use new information and data obtained from the credit bureau in respect of details of how the Client has performed in terms of these terms and conditions of sale.

11. Cancellation:

- 11.1 The minimum charge for a cancellation will amount to 20% on non-special orders, unless otherwise agreed between the Parties. Special order cancellation is subject to the Supplier's approval.
- 11.2 In the event of cancellation after the Order was confirmed by the Supplier, the following charges will be applicable:
- 11.2.1 Cancellation within 25% of the specified delivery period will be 20% of the invoice amount;
- 11.2.2 Cancellation within 25% to 50% of the specified delivery period will be 40% of the invoice amount;
- 11.2.3 Cancellation between 50% and the full specified delivery period will be 90% of the invoice amount.

12. Domicilium address:

- 12.1 The Client nominates as its *domicilium citandi et executandi* (address where he will accept service of all legal processes) the address reflected on the face hereof under the heading registered office/business physical address, and the surety nominates as his *domicilium citandi et executandi* the address reflected on the face hereof alongside his name, for service upon them of all notices and processes in connection with this Agreement and its implementation.
- 12.2 A Party may change his address for this purpose to another physical address in the Republic of South Africa by notice in writing to the other Party, such change to be effective only on and with effect from the 7th Business Day after the giving of such notice.
- 12.3 Notwithstanding anything to the contrary herein contained, a written notice or communication actually received by a Party shall be an adequate service of such written notice or communication to that Party notwithstanding that it was not sent to or delivered or served at that Party's *chosen domicilium citandi et executandi*.

13. Miscellaneous

- 13.1 The Client consents to the jurisdiction of the Magistrates' Court in terms of Section 45 of the Magistrates' Court Act, No. 32 of 1944, as amended,

- having jurisdiction under Section 28 of the said Act, notwithstanding that the claim exceeds the normal jurisdiction of the Magistrate' Court.
- 13.2 No relaxation or indulgence granted to the Client by The Supplier, at any time, shall be deemed to be a waiver of any of The Supplier's rights in terms hereof, and such relaxation or indulgence shall not be deemed as a novation of any of the terms and conditions set out herein, or create any estoppel against The Supplier.
- 13.3 Any agreement purporting to vary or novate the terms of this Agreement, or any consensual cancellation, shall not be valid unless reduced to writing and signed by the Client and The Supplier. For the purposes of this clause electronic communication does not constitute writing.
- 14. Cession of Claims**
- 14.1 The Client and Surety hereby jointly and severally, irrevocably and *in rem suam* cede and assign as a pledge unto and in favour of The Supplier, all the right, title, interest in and to all claims of whatsoever nature and description and howsoever arising which the Client and/or Surety may now or at any time hereafter have against all and any persons, companies, corporations, firms, partnership, associations, syndicates and other legal personae whomsoever without exception as continuing covering security for the due payment of every sum of money which may now or at any time hereafter be or become owing by the Client and/or Surety from whatsoever cause or causes arising, it being acknowledged that this cession is a cession in *securitatum debiti* and is not an out-and-out cession.
- 14.2 Should it transpire that the Client and/or Surety entered into prior deeds of cession or otherwise disposed of any of the right, title and interest in and to any of the claims which will from time to time be subject to this cession, then this cession shall operate as a cession of all the Client and/or Surety's reversionary rights.
- 14.3 This Cession shall be and remain in full force and effect as a continuing security notwithstanding any fluctuation, or temporary extinction of the Client and/or Surety's indebtedness to The Supplier.
- 14.4 For the purpose of giving effect to the foregoing Cession, both the Client and Surety hereby nominate, constitute and appoint The Supplier to be its Attorney and Agent, *in rem suam*, with full authority for the Client and/or Surety and in the Client and/or Surety's name to demand, sue for, recover and receive all sums of money hereby ceded and assigned and with the authority to sign all documents on the Client and/or Surety's behalf and in the Client and/or Surety's name in connection with the recovery of the said sums and to give acquittances and receipts for the Client and/or Surety's.
- 14.5 The Client and Surety agree that, on request by The Supplier, they shall be obliged to hand over to The Supplier all books of account, contracts, invoices, documents and the like which it may require for the purposes of ascertaining the amounts due to the Client and/or Surety for the purpose of recovery of payment.

- 14.6 The Client and Surety shall be obliged to furnish The Supplier with a schedule of all debts due to the Client and/or Surety by its debtors monthly and upon demand. Notwithstanding the foregoing, The Supplier or its nominee shall at all times be entitled to inspect all or any of the Client's and Surety's records as The Supplier deems fit. Failure by either party to give effect to the foregoing shall not in any way prejudice the rights of The Supplier hereunder, and The Supplier shall at all times be deemed to have perfected its security in terms hereof.

15. Cession by Supplier

- 15.1 Should The Supplier cede its claim against the Client and Surety to any third party ("the Cessionary"), then the above Cession of Claims and Deed of Suretyship shall be deemed to have been given by the Client and Surety to such Cessionary as continuing covering security for the due payment of every sum of money which may at the time of such Cession or at any time thereafter be or become owing by The Supplier and Surety to the Cessionary (whether acquired the Cessionary by way of Cession or otherwise), and such Cessionary shall be entitled to exercise all rights in terms of the Cession of Claims and Deed of Suretyship as if such Cessionary were The Supplier hereunder.
- 15.2 The Client agrees that if one clause is found to be invalid, this invalid clause does not affect the validity of the remainder of the Agreement.

16. Guarantee & Warranty:

- 16.1 The Goods is guaranteed for 1 (one) year from date of the invoice.
- 16.2 During the period of the guarantee, The Supplier guarantees the Goods against all faults in the material or to the manufacturing thereof.
- 16.3 The guarantee will not be enforceable in the following circumstances:
- 16.3.1 Normal wear and tear of the goods;
- 16.3.2 Deterioration or accidents caused by negligence of the Client;
- 16.3.3 Failures in the supervision, maintenance and storage over the Goods;
- 16.3.4 Faulty use of the Goods by the Client;
- 16.3.5 Unauthorized repairs by an independent third party without the prior written approval by The Supplier; and
- 16.3.6 Damage to the Goods caused by experiments or trials other than the regular function of the Goods.
- 16.4 Where The Supplier had furnished the Client with written approval that the Goods may be repaired by an independent third party, The Supplier will be liable for the costs of this repair only within the limits of the quotation it had accepted in advance. Any subcontracted work and/or repairs on the Goods are excluded from the guarantee.
- 16.5 The Client will, at its own costs and risk, deliver the Goods at The Supplier's Workshop for repairs. The return of the repaired Goods to the Client will be handled in the same method. Should the repairs to the Goods be carried out where the Goods are situated, The Supplier will be entitled to charge

for expenses associated therewith which includes travel and living expenses.

- 16.6 The Client will only be able to enforce the terms of the guarantee on Goods that has been paid in full and should be dealt with in conjunction of clause 4.4.
 - 16.7 All Goods have a 12 (twelve) month warranty calculated from date of manufacturing thereof.
 - 16.8 The Client will have the option to purchase extended warranty (ies) on certain products as manufactured by the Supplier. The Client must provide the Supplier with formal instructions to obtain a quote for this extension and the Supplier will furnish the Client with such a quote within 5 (five) business days.
17. **Trade References:**
- 17.1 The Client hereby authorizes The Supplier to use its name, signs and logos for commercial and industry references.
 - 17.2 The Supplier hereby warrants that it will only use the Client's name, signs and logos for trade references
 - 17.3 The Client will be entitled to refuse the usage of its name, signs and logos for trade reference by The Supplier by written expressed refusal to The Supplier within 7 (seven) days from date of Order.
 - 17.4 Should The Supplier not receive any written expressed refusal by the Client within the 7 (seven) days, the Client will be deemed to accept this clause.

SIGNED AT _____ ON THIS ____ DAY OF _____ 2017.

WITNESSES:

1) _____

2) _____

THE CLIENT

SIGNED AT _____ ON THIS ____ DAY OF _____ 2017.

WITNESSES:

1) _____

2) _____

THE SUPPLIER