

STANDARD TRADING TERMS & CONDITIONS

PREAMBLE & DEFINITIONS

1. "The Company" shall mean Adee International CC, a company registered in South Africa with Reg. No. 2003/097158/23.
2. "The Customer" shall mean any Party or Entity that has a) placed an order, or b) employed/engaged the services of Adee International CC.
3. The Customer agrees that –
This agreement represents the entire Agreement between the Customer and Adee International CC (Reg. No. 2003/097158/23) and that no alterations or additions to this agreement may be affected unless agreed to by both parties, reduced to writing and signed by the Customer and a duly authorized representative of the Company;
This agreement will govern all future contractual relationships between the parties;
This agreement is applicable to all existing and future debts between the parties;
This agreement is final and binding and is not subject to any suspensive or dissolutive conditions;
Any conflicting conditions stipulated by the Customer are expressly excluded;
These terms supercede all previous conditions of agreement, without prejudice to any securities or guarantees held by the Company; and These terms apply to all servants and sub-contractors of the Company.

FACILITY AND VALIDITY

4. The company reserves the right to withdraw or amend any credit facilities which may have been granted to the Customer, and to require the Customer to furnish acceptable guarantees and/or suretyships for its current or future outstanding obligations.
5. This agreement only becomes final and binding on acceptance of any order by the Company.
6. The Customer acknowledges that it does not rely on any representations made by the Company in regards to the goods and services or any of its qualities leading up to this agreement, other than those contained in this agreement. All specifications, price lists, performance figures, advertisements, brochures and other technical data furnished by the Company in respect of the goods or services, orally or in writing, will not form part of the Agreement in any way, unless agreed to in writing by the Company.

7. APPROPRIATENESS OF GOODS AND SERVICES

The Customer agrees that neither the Company nor any of its employees will be liable for any negligent or innocent misrepresentations made to the Customer. It's the sole responsibility of the Customer to determine that the goods or services ordered are suitable for the purposes of intended use. The Customer agrees to pay all costs resulting from any acts or omissions by the Customer. The company reserves the right, at its sole discretion, to provide alternative goods at the prevailing prices to those ordered by the Customer, should such goods be superseded, replaced or the Manufacturer terminated.

8. DELIVERY

All quotations will remain valid as per agreement.
All quotations are subject to the availability of the goods or services and subject to corrections of good faith errors by the Company, and the prices quoted are subject to any increase in the cost price, including currency fluctuations of the Company before acceptance of the order.
If the Customer disputes the amount of increase, the amount of increase may be certified by any independent Auditor, and such certificate shall be final and binding on the Customer.
The price of goods is reflected on the Company official price list, stipulated on the date the goods are delivered to the applicant.
The prices reflected in the Company price list are subject to variation without notice.
The customer hereby confirms that the goods or services on the Tax Invoice issued duly represent the goods or services ordered by the Customer at the prices agreed to by the Customer and, where delivery/performance has already taken place, that the goods or services were inspected and that the Customer is satisfied that these conform in all respects to the quality and quantity ordered and are free from any defects.
Notwithstanding the provisions of Section 1 above, all orders or variations to orders, whether oral or in writing, shall be binding and subject to these standard conditions of agreement and may not be cancelled.
The company shall be entitled in its sole discretion to split the delivery/performance of the goods or services ordered in the quantities and on the dates it decides. The Company shall be entitled to invoice each delivery/performance actually made separately.
Any delivery note or waybill (copy or original) signed by the Customer or a third party engaged to transport the goods and held by the Company shall be conclusive proof that delivery was made to the Customer.
The risk of damage to, destruction or theft of goods shall pass to the Customer on conclusion of sale and the Customer undertakes to comprehensively insure the goods until fully paid for.
Delivery and performance times given are merely estimates and are not binding on the Company.
If the Company agrees to engage a third party to transport the goods, the Company is hereby authorized to engage a third party on the Customer's behalf and on the terms deemed fit by the Company.
The Customer indemnifies the Company against any claims that may arise from such agreement in clause 8.12 against the Company.
Delivery of the goods to the Customer shall take place at a) the place of business of the Company, or b) the Company's nominated Warehouse, or c) as stipulated on the Purchase Order issued by the Customer.

9. DEFECTS OR RETURNS

New goods are guaranteed according to the Manufacturer's product specific warranties only and all other guarantees including common law guarantees are hereby specifically excluded.
Liability under 7.1 is restricted to the cost or repair or replacement of faulty goods or services or granting of a credit at the sole discretion of the Company. No claim under this agreement shall arise unless the Customer has within 7 days of the alleged breach or defect occurring, given the Company written notice by prepaid registered post to rectify and defect or breach of agreement.
All claims must be supported by the original Tax Invoice to be valid.
The Customer shall return any defective goods to the premises of the Company at the Customer's own cost and packed in the original packaging of the goods. All guarantees are immediately null and void should the goods be tampered with or should the seals on goods be broken by anyone other than the Company or should the goods be operated or stored outside the Manufacturer's specifications.
Any item delivered to the Company shall serve as a pledge in favor of the Company for present and past debts and the Company shall be entitled to retain or realize such pledge, as it deems expedient. The sworn or realized value of pledged goods will be offset against the Customer's debts and any remaining balance

will be paid to the Customer.

10. CONSEQUENTIAL LOSS

Under no circumstances shall the Company be liable for any consequential damages or for any delictual liability of any nature whatsoever. Under no circumstances shall the Company be liable for any damages arising from any misuse or abuse of the goods.

11. WARRANTY

The Company warrants to the Customer that all goods manufactured by the Company will be free of defects in material and workmanship, subject to the following limitations:

The Company liability under this warranty shall be limited to repairing or replacing any defective goods or parts in terms of the specific Suppliers guarantee, at such place as the Supplier may elect, providing it receives written notice of the alleged defect within 3 (three) days from date of delivery of goods.

The Company shall not be liable for any expenses that may be incurred in repairing or replacing goods.

Representatives or warranties made by any representative shall only bind the Company when confirmed in writing.

The Company obligations in terms hereof shall only be of force and effect if the Applicant will have complied with all its obligations including, in particular payment of the purchase price of the goods in full.

12. INVOICING AND PAYMENT

The Customer agrees that the amount contained in a Tax Invoice issued by the Company shall be due unconditionally –

(a) Cash On Order; or

(b) If the Customer is a Credit Approved Customer, then within 30 days from the date of the statement due on the last working day of the month in which the Company has issued a Tax Invoice.

The Customer agrees to pay the amount on the statement at the offices of the Company.

The risk of payment by cheque through the post rests with the Customer.

The Customer has no right to withhold payment for any reason whatsoever and agrees that no extension of payment shall be extended to the Customer and such extension will not be applicable or enforceable unless agreed to by the Company, reduced to writing and signed by the Customer and a duly authorised representative of the Company.

The Customer is not entitled to set off any amount due to the Customer by the Company against this debt, including any dispute that may be pending.

In the absence of a clear indication from the Customer as to what debt has been paid, the Company may allocate payments made by the customer to whatever of the Customer's debts the Company chooses, at its sole discretion.

All trade discounts shall be forfeited if payment in full is not made by the due date. In particular, should the Company need to employ the services of a collection agency, an implied 20% special trade discount, will be forfeited, over and above any other discounts given.

The quoted price is strictly net (exclusive of VAT and any other surcharges) and not subjected to any settlement discount, unless otherwise agreed, in writing, between the Company and the Customer. If any settlement discount is agreed to in writing, it shall only apply and be allowed if payment is received at the offices of the Company on the last working day of the month, as set out in Clause 12.1 and 12.2. Settlement discount only applies to actual price of the goods (i.e. excluding VAT, transport cost, insurance and similar charges).

The Customer agrees that the amount due and payable to the Company may be determined and proven by a certificate issued and signed by any independent auditor. Such certificate shall be binding and shall be *prima facie* proof of the indebtedness of the Customer.

Any printout of computer evidence tendered by any party shall be admissible evidence and no party shall object to the admissibility of such evidence purely on grounds that such evidence is computer evidence or that the requirements of the Computer Evidence Act have not been met.

The Customer agrees that the interest shall be payable on the monies due to the Company at the maximum legal interest rate prescribed in terms of the Usury Act of 1968, as amended, from the date it falls due.

The Customer expressly waives all rights to claim prescription under the relevant provisions of the Prescriptions Act 68 of 1969 as amended.

Should any amount not be received by the Company on or before the due date, all other amounts payable by not yet due by the Customer to the Company shall immediately and without notice to the Customer become due and payable.

The Customer agrees that if an amount is not settled in full (a) against orders; or (b) within the period agreed in clause 10.1 above in the case of a Credit Approved Customer; the Company is: (i) entitled to immediately institute action against the Customer as the sole expense of the Customer; or (ii) to cancel the agreement and take possession of any goods delivered to the Customer and claim damages. These remedies are without prejudice to any other right the Company may be entitled to in terms of this agreement or in Law.

A Credit Approved Customer will forthwith lose this approval when payment is not made according to the conditions of 12.1. (b).

13. PROOF OF DELIVERY

The Customer shall sign a delivery note, it's employee or agent and shall thereby constitute *prima facie* proof that the type and quantity of product/service recorded therein was delivered/carried out and accepted by the Customer.

If the Customer appoints it's own transport contractor to effect delivery of any product, the Company's responsibility for providing proof of delivery will be limited to proving that the transport contractor accepted the product. In the case, risk will pass to the Customer on delivery of the product to the transport contractor engaged by the Customer.

The Customer agrees to accept any quantity of consumable items that does not exceed or fall short of the quantity ordered by more than 10% as good and complete performance and may request from the Company to pay only the pro rata contract price for the actual quantity dispatched which request will not be reasonably withheld.

14. ORDERS AND CANCELLATIONS

The Customer accepts responsibility for the safe keeping and issue of its orders and agrees to pay for all orders or order numbers which purport to be issued on its behalf and are given effect to in good faith by the Company.

In the event of cancellation, the Customer shall be liable to pay (a) the difference between the selling price and the value of the goods at the time of repossession, and (b) all other costs incurred in the repossession of the goods. The value of repossessed or retained goods shall be deemed to be the value placed on them by any sworn valuator after such repossession, and such valuation shall be conclusive proof of the value. If the goods are not recovered for any reason whatsoever, the value shall be deemed to be nil. In the event of cancellation, the Company is entitled not to produce any unmade balance of a contract and to recover any loss sustained thereby from the Customer.

15. RESERVATION OF OWNERSHIP

All goods supplied by the Company remain the property of the Company until such goods have been fully paid for whether such goods are attached to other property or not. The Customer is responsible for insuring such goods.

The Customer irrevocably authorises the Company to enter its premises to repossess any goods delivered and indemnifies the Company completely against damages whatsoever relating to the removal of repossessed goods.

If any goods supplied to the Customer are of a generic nature and have become the property of the Customer by operation of law (*confusio or commistio*) the Customer shall be obliged on notice of cancellation of the Agreement to transfer the same quantity of goods in ownership to the Company.

16. RECOVERY ACTION

The Customer shall be liable to the Company for all recovery and legal expenses. For legal fees, the Customer will be liable on the attorney-and-own client scale of an attorney and counsel incurred by the Company in the event of (a) any default by the Customer or (b) any litigation in regard to the validity and enforceability of this Agreement. The Customer shall also be liable for any tracing, collection or valuation fees incurred as well as for any costs, including stamp duties, for any form of security that the Company may demand. The Customer also explicitly agrees to due repayment of the 20% special trade discount referred to in clause 12.7.

The customer shall pay Three Thousand Rand into court or furnish sufficient security in lieu of costs in any action instituted by or against the Customer.

The Customer agrees that the Company will not be required to furnish security in terms of Rule 62 of the Rules of Court of the Magistrates Court or in terms of Rule 47 of the Law of the Supreme Court 59 of 1959.

The Company shall have the right to institute any action in either the Magistrates Court or the Supreme Court at its sole discretion.

17. NOTICES

Any document shall be deemed duly presented to the Customer within (i) 3 days of prepaid registered mail to any of the Customer's business or postal address or the personal address of any director, member or owner of the Customer; or (ii) within 24 hours of being faxed to any of the Customer's fax numbers or any director, member or owner fax number; or (iii) on being delivered by hand to the Customer or any director, member or owner of the Customer; or (iv) within 48 hours if sent by overnight courier; or (v) within 24 hours of being telexed to the Customer's telex number.

18. CHANGE IN PARTICULARS

The Customer undertakes to inform the Company in writing within 7 (seven) days of any change of Director, Member, Shareholder, Owner or Partner, or to address the Company 14 (fourteen) days prior to selling or alienating the Customer's business and failure to do so will constitute a material breach of this Agreement.

19. AGREEMENT NOT TO CIRCUMVENT

The Customer legally, and irrevocably guarantees to the Company that they shall not directly or indirectly interfere with, circumvent or attempt to circumvent, avoid, by-pass or obviate the interest or relationship between the Company and its Suppliers/Manufacturers/Principals of Products and/or Services supplied to, and/or intended to supply to the Customer.

20. CONFIDENTIALITY

The Customer irrevocably agrees that it shall not disclose or otherwise reveal directly or indirectly to a third party any confidential information provided by the Company or otherwise acquired, particularly contract terms, product information or manufacturing processes, prices, fees, financial agreement, schedules and information concerning the identity of the sellers, producers, buyers, lenders, borrowers, brokers, distributors, refiners, manufacturers, technology owners, or their representatives and specifically individuals names, addresses, principals, or telex/fax/telephone numbers, references product or technology information and/or other information advised by the Company as being confidential or privileged without prior specific written consent of the Company providing such information.

21. CONCLUSION

The Customer agrees that no indulgence whatsoever by the Company will affect the terms of this Agreement or any of the rights of the Company and such indulgence shall not constitute a waiver by the Company in respect of any of its rights herein. Under no circumstances will the Company be stopped from exercising any of its rights in terms of this Agreement. The invalidity of any part of this Agreement shall not affect the validity of any other part. Any order is subject to cancellation by the Company due to *force majeure* from any cause beyond the control of the Company including (without restricting this clause to these instances): inability to secure labour, power, materials or supplies, or by reason of an act of God, war, civil disturbance, riot, state of emergency, strike, lockout, or other labour disputes, fire, flood, drought or legislation. Any order is subject to cancellation if the Customer breaches any term of this Agreement or makes any attempt of compromise, liquidation, sequestration, termination or judgment is recorded against the Customer or any of its principals. The Agreement and its interpretation are subject to South African Law.