

STANDARD TERMS AND CONDITIONS

entered into by **The K5 Group** (referred to as "the company") and the **{customer}** (referred to as "the Customer")

1) GENERAL

- a) The Customer agrees that this is the agreement between themselves and The Company and that no alterations or additions to this Agreement may be effected unless agreed to by both parties, reduced to writing and signed by the Customer and a duly authorized representative of The Company.
- b) The Customer acknowledges that the act of placing of an order on The Company, shall be deemed that all terms and conditions as set out in this agreement have been read, understood and agreed to.
- c) This Agreement and its interpretation;
 - i) Is subject to South African law and the Customer consents to the exclusive jurisdiction of the South African Courts.
 - ii) Will govern all future contractual relationships between the parties.
 - iii) Is applicable to all existing debts between the parties.
 - iv) Is final and binding and is not subject to any suspensive or dissolutive conditions.
- d) These terms supersede all previous conditions of agreement without prejudice to any securities or guarantees held by The Company and these terms apply to all servants and subcontractors of The Company.
- e) The signatory hereby binds himself /herself in his/her personal capacity as Shareholder (in the case of a company), Member (in the case of close corporations) or Owner or Partner as co-debtor jointly and severally for the full amount due to The Company and agrees that these Standard Terms and Conditions will apply in the exact same way to him/her.

2) REPRESENTATION

- a) The Customer acknowledges that it does not rely on any representations made by The Company in regard to the goods and services or any of its qualities leading up to this Agreement other than those contained in this Agreement.
 - i) 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
 - ii) 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.
- b) It is the sole responsibility of the Customer to determine that the goods or services ordered are suitable for the purposes of intended use.

3) PAYMENT

- a) The Customer agrees to pay the amount on the Tax Invoice at the offices of The Company or at such other place The Company may designate in writing.
 - i) The risk of payment by cheque through the post rests with the Customer.
- b) The Customer agrees to pay all costs resulting from any acts or omissions of the Customer including suspension of work, modification or requirements, failure or delay in giving particular requisite to enable work to proceed on schedule or requirements that work be completed earlier than agreed.
 - i) Where the site team of the Company is unable to continue with the required scope of work due to delays caused by the Customer, a disruption charge will be levied at a rate of R 495 per hour or part thereof.
- c) The Customer has no right to withhold payment for any reason whatsoever and agrees that no extension of payment of any nature shall be extended to the Customer and any 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 authorized representative of The Company.
- d) The Customer is not entitled to set off any amount due to the Customer by The Company against this debt
- e) All discounts shall be forfeited if payment in full is not made on the due date.
- f) 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
- g) The Customer agrees that interest shall be payable at the maximum legal interest rate prescribed in terms of the Usury Act on any moneys past due date to The Company and that interest shall be calculated daily and compounded monthly from the date of acceptance of the order
- h) The Customer agrees that if an account is not settled in full (a) against order; or (b) within the period agreed to in the case of Credit Approved Customer; The Company is entitled to immediately institute action against the Customer
 - i) The Company reserves its right to stop supply immediately on cancellation or on non-payment.
 - j) A Credit Approved Customer will forthwith lose this approval when payment is not made according to the conditions and all amounts then outstanding shall immediately become due and payable
 - k) 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 pledged 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.
 - l) The Customer irrevocably authorizes The Company to enter its premises to repossess any goods delivered and indemnifies The Company completely against any damage whatsoever relating to the removal of repossessed goods.
 - m) The Customer is not entitled to sell or dispose of any goods unpaid for without the prior written consent of The Company. The Customer shall not allow the goods to become encumbered in any manner prior to the full payment thereof and shall advise third parties of the rights of The Company in the goods.

4) ALTERNATIONS

- a) 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 its manufacture terminated.

5) QUOTATIONS & PRICING

- a) All quotations will remain valid for a period of 30 days from the date of the quotation or until the date of issue of new Price List, whichever is first.
- b) All quotations are subject to the availability of the goods or services and subject to correction of good faith..

6) SCOPE OF WORK

- a) 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.

7) PERFORMANCE

- a) 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.
 - i) The Company shall be entitled to invoice each delivery/performance actually made separately
- b) Delivery, installation and performance times quoted are merely estimates and are not binding on The Company.
- c) Any delivery note or waybill or test certificate or job card (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

8) PASSING OF RISK

- a) 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.
- b) The risk of damage to, destruction or theft of goods shall pass to the Customer on acceptance of any order placed in terms to this Agreement and the Customer undertakes to comprehensively insure the goods until paid for in full. The Company may recover insurance premiums from the Customer for such uninsured goods.
- c) 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.
- d) The Customer indemnifies The Company against any claims that may arise from such agreement against The Company.
- e) 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.
- f) If any goods supplied to the Customer are of generic nature and have become the property of the Customer by operation of law (C o n f u s i o r c o m i x t i o) the Customer shall be obliged on notice of cancellation of the agreement to re-transfer the same quantity of goods in ownership to The Company.

9) GUARANTEES

- a) Services are guaranteed against faulty workmanship.
 - i) Liability under this guarantee is restricted to the cost of repair or replacement of faulty goods or services
- b) The guarantee shall be limited to a period of
 - i) 24 months from the date of invoice, or
 - ii) 60 months from the date of invoice, where the customer has entered into a service and inspection agreement.
- c) The guarantee related to electrical components installed, shall be limited to the original manufacturer's guarantees, warranties and terms & conditions.
- d) While every precaution has been taken to ensure the quality of material used, The Company shall not be held liable for latent defects in material.
- e) The Company shall reserve the right to rectify, repair or replace any defective material or workmanship at their cost.
- f) The Company shall not consider any claim;
 - i) Where it can be shown that outside parties have maintained or performed work which may affect the original scope of work.
 - ii) Where it can be shown that the claim was as a result of negligence or abuse caused by the any party other than the staff of The Company.
 - iii) Where the customer has not paid any due invoice in terms of the original scope of work or any service and inspection agreement.
- g) Under no circumstances shall The Company be liable for any consequential damages including loss of profits which may arise directly or indirectly in terms of the agreed scope of work.
- h) No claim under this Agreement shall arise unless the Customer has, within 24 hours of the alleged breach or defect occurring, given The Company written notice to rectify the defect or breach of Agreement.
- i) Where applicable, the customer shall return any defective movable goods to the premises of The Company at the Customer's own cost.

10) CANCELLATION

- a) Any order is subject to cancellation by The Company 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.

11) CHANGE OF OWNERSHIP

- a) The Customer undertakes to inform The Company in writing within 7 days of any change of Director, Member Shareholder, Owner or Partner or address or 14 days prior to selling or alienating the Customer's business and failure to do so will constitute a material breach of this agreement.
 - i) Upon receipt of such written notification, The Company reserves the right, at its sole discretion, to withdraw any credit facility advanced to the Customer.

SIGNED AT _____ on _____ day of _____

Signed on behalf of THE COMPANY _____ (Name) _____
Signed on behalf of The Customer _____ (Name) _____