



STANDARD CONDITIONS OF SALE

Ref: 20100111

- 1 The Customer agrees that:
 - 1.1 this Contract represents the entire agreement between the Customer and Cirtech Electronics (Pty) Ltd (hereinafter called "the Creditor"), and that no alterations or additions to the Contract may be effected unless agreed to by both parties, reduced to writing and signed by the Customer and a duly authorised representative of the Creditor;
 - 1.2 this Contract will govern all future contractual relationships between the parties;
 - 1.3 is applicable to all existing debts between the parties; and
 - 1.4 this Contract is final and binding and is not subject to any suspensive or dissolutive conditions.
- 2 The Customer hereby acknowledges that he/she has read and understood each term of this Contract and accepts them as binding.
- 3 The Customer warrants that the signatory has been duly authorised to contract on its behalf.
- 4 The Customer acknowledges that no representations were made by the Creditor in regard to the goods or services or any of its qualities leading up to this Contract.
- 5 The Customer agrees that neither the Creditor nor any of its employees will be liable for any negligent or innocent misrepresentations made to the Customer, save for any wilful and grossly negligent acts or omissions made on the part of the Creditor.
- 6
 - 6.1 The Customer hereby confirms that the goods and services on the invoice issued duly represent the goods and services ordered by the Customer at the prices agreed by the Customer and, where performance/delivery has already taken place, that the services and goods were inspected and conform to the quality and quantity ordered. It is the sole responsibility of the Customer to determine that the goods or services ordered by the Customer are suitable for the purposes the Customer intends using them. Any delivery note (copy or original) duly signed by the Customer and held by the Creditor shall be *prima facie* proof that the delivery was made to the Customer;
 - 6.2 All orders shall be made in writing and will be binding and subject to these standard conditions of agreement, and may not be cancelled unless negotiated accordingly. In the event of any order being given to the Creditor on an order form reflecting the Customer's name as the entity from which the order emanates, such order shall be deemed to have been placed by the Customer, notwithstanding the fact that such order may have been given or signed by a person not authorised by the Customer, and such order will be deemed to constitute a valid order placed by the Customer;
 - 6.3 The Creditor shall be entitled, by mutual agreement with the Customer, to split the delivery of the goods ordered in the quantities and on the dates it decides;
 - 6.4 The Creditor shall be entitled to invoice each delivery actually made separately;
 - 6.5 The risk of damage to or destruction of goods passes to the Customer upon delivery of goods;
 - 6.6 All samples taken for approval basis by the Customer are deemed fit for production within 14 days of issue, unless returned by the Customer within such 14 days;
 - 6.7 The Customer agrees to indemnify the Creditor against any claims that may arise from such agreement against the Creditor resulting from the use of a third party for the transportation of the goods.
- 7
 - 7.1 In the event of defective goods, the rights of the Customer are limited to the factory guarantee of the goods supplied. To be valid, guarantee claims must be supported by the original tax invoice and the undamaged packaging of the goods as well as actual goods. All guarantees are immediately null and void should any goods be tampered with or should the seals on goods be broken by anyone other than the Customer. Under no circumstances will the Creditor be liable for damage arising from misuse or abuse of the goods;



- 7.2 It is the responsibility of the Customer to return any defective goods to the premises of the Creditor at the Customer's own expense.
- 8 The Customer shall take delivery of the goods tendered notwithstanding that the quantity so delivered shall be either greater or less than the quantity ordered provided that:-
- 8.1 Such discrepancy in quantity shall not exceed 5%; and
- 8.2 The payment of the Price shall be adjusted pro rata to the discrepancy.
- 9 When specifications, data, information, drawings, plans, tools, artworks, materials or other items are supplied by the Customer for the processing of goods, the Creditor shall not be responsible for any defect in the goods attributable to the Customer's supply.
- 10 Under no circumstances will the Creditor be liable for consequential damages under the Contract.
- 11 The Creditor shall in any event not be under any liability whatsoever to the Customer for any indirect or consequential loss and/or expenses (including loss of profit) suffered by the Customer arising out of any breach by the Creditor of the contract for the sale of the goods regardless of whether any negligence, omission or default on the part of the Creditor, its servants or agents is involved. In the event of any breach of the contract by the Creditor, regardless of whether any negligence, omission or default on the part of the Creditor, its servants or agents is involved, the remedies of the Customer shall, in any event, be limited to damages and such damages shall under no circumstances exceed such part of the price of the goods to which such damages relate.
- 12 Unless specifically agreed in writing to the contrary any expense or cost charged by the Creditor for tools, will cover part of the cost for tools only and such tools will belong to the Creditor and will be stored at the Creditor's expense for 6 months from the date of the contract for the sale of the goods for possible use against further contracts, but the Creditor gives no guarantee concerning the useful life of any phototools beyond the period of the original contract. All artwork, photographic negatives, printing plates, silk screen etc. Produced by the Creditor, for the manufacture of the goods or any sample thereof, will belong to the Creditor.
- 13 The Creditor may at its discretion sub-contract the whole or any part of the manufacturing process of the goods but this shall not relieve it of its obligations under the contract for the sale of the goods. The Creditor may at its discretion license, sub-contract or assign all or any part of their rights or obligations under the contract for the sale of the goods without the Customer's consent provided that this shall not relieve the Creditor of any of its rights and obligations there-under.
- 14 14.1 The Creditor shall be entitled to make an additional charge if any modification to drawings, data, Information, artwork or other materials provided by the Customer becomes necessary in order to bring them up to manufacturing standard. The Creditor shall in such event also be entitled to postpone the date for delivery of the goods for such period of time as the Creditor may require.
- 14.2 If the Customer at any time desires the Creditor to make any modification to or replacement of drawings, data, information, artwork or any material provided by the Customer, such modification or replacement shall be authorized by the Customer in writing and shall be accepted in writing by the Creditor to be effective. The Creditor shall be entitled to make an additional charge for such modification or replacement and shall also be entitled to postpone the date for delivery of the goods for such period of time as the Creditor may require.
- 15 All terms, conditions and warranties (whether implied or made expressly) whether in law or made by the Creditor, its servants or agents or otherwise relating to the quality and/or fitness for purpose of any of the goods are excluded.
- 16 The Customer agrees to pay the amount on the statement of all invoices at the Creditor's premises as per the terms agreed upon, provided that such amount represents the agreed price of goods ordered by the Customer.
- 17 The Customer has no right to withhold payment for any reason whatsoever.
- 18 The Customer is not entitled to set off any amount due to the Creditor against this debt.
- 19 The Customer agrees that if an amount is not settled in full:
- 19.1 against order; or
- 19.2 within the period agreed to according to clause 16 above in the case of Approved Customer; the Creditor is



- 19.2.1 entitled to immediately institute action against the Customer at the sole expense of the Customer;
- or
- 19.2.2 to cancel the agreement and take possession of any goods delivered to the Customer and claim damages.

20 In the case of late payment, interest shall be calculated at 2% per annum above the prime rate of interest as charged from time to time by commercial banks of South Africa, from the date payment falls due to date of payment in full.

21 In the event of cancellation, the Customer shall be liable to pay:

- 21.1 A pro-rata production proportion of cost;
- 21.2 In the event of the goods having left the country or place of origin, the full amount of the order is applicable;
- 21.3 In the event of the goods being ready and not having left the country or place of origin, then the FOB costs are applicable. The products will be scrapped in the country or place of origin and a certificate of proof will be provided upon request;
- 21.4 The timeframe for cancellations are subject to nine weeks for sea-freight and five weeks for airfreight and four weeks for local;
- 21.5 Cancellations will be subject to a handling fee of not less than 10% of initial order.

22 The Customer hereby chooses *domicilium citandi et executandi* for all purposes arising out of this agreement at the address reflected on the Application for Credit Facility. The Customer undertakes to notify the Creditor forthwith in writing of any change of address and, in such written notification, shall nominate an alternative physical address within the Republic of South Africa as its *domicilium citandi et executandi*, failing which the Creditor shall be entitled to utilise the address reflected on the Application for Credit Facility as the Applicant's *domicilium citandi et executandi*.

23 Any order is subject to cancellation by the Creditor due to *force majeure* from any cause beyond the control of the Creditor, including (without restricting this clause to these instances) inability to secure labour, power, materials or supplies, customs clearance or by reason of an act of God, war, civil disturbances, riot, state of emergency, strike, lockout, or other labour disputes, fire, flood, drought or legislation.

24 This Contract becomes final and binding on receipt of the acceptance by the Creditor.

25 Any condonation of any breach of any of the provisions hereof, or any other act of relaxation, indulgence or grace on the part of the Creditor, shall not in any way operate as, or be deemed to be a waiver by the Creditor, of any rights under this Contract, or be construed as a novation thereof.

26 Each clause of these conditions of sale is severable, the one from the other, and if any one or more clauses are found to be invalid or unenforceable, that clause/those clauses shall not affect the balance of these conditions of sale, which shall remain of full force and effect.

27 This Contract contains the entire agreement between the parties and any other terms thereof, whether express or implied, are excluded herefrom, and any variations, cancellations or additions to this Contract shall not be of any force or effect unless reduced to writing and signed by the parties, or their duly authorised signatories.

THUS DONE AND SIGNED AT THIS DAY OF 20...

For and on behalf of the customer:

Position and Title:

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