

Standard Terms and Conditions:

Definitions

In these standard terms and conditions:

- The person, firm or company buying is hereunder termed "the Buyer" and R & D Contracting is hereinafter termed "the Seller".
- _ "Supplier" means any supplier of services, including, without limiting the generality of the foregoing, any coating manufacturer, equipment hire company, consultant or sub-contractor.

Formation of the Agreement of Sale

The Buyer's order for goods or services from the Seller shall constitute an offer, and consequent site establishment by the Seller of the goods, or acceptance in writing by the Seller of the Buyer's order, shall constitute acceptance of the said offer, which together shall constitute an agreement of sale between the Buyer and the Seller. Notwithstanding anything to the contrary contained in the Buyer's order, these standard terms and conditions of sale shall always constitute the terms and conditions governing the agreement of sale between the Buyer and the Seller.

Prices

The price payable by the Buyer to the Seller for the goods or services shall, in the absence of written agreement between the Buyer and the

Seller to the contrary be the Seller's price ruling at the date of despatch of the goods and services and in the absence of a stipulation to the contrary, all prices for the goods or services shall be exclusive of value added tax. The Buyer shall be liable for the payment of the value added tax.

Quotations are limited to goods and services specifically mentioned and all additional costs will be borne by the buyer.

Payment

Given that each order duly accepted by the Seller constitutes a separate agreement of sale, the Seller shall be entitled to raise a separate invoice in respect of each delivery of goods and/or services effected by it to the Buyer. The Seller will issue a monthly statement and the Buyer shall make payment of the full amount due within 7 (seven) days of the date of such statement unless agreed otherwise in writing by the parties. If the amount raised in the said invoice is not paid by the due date, the Seller shall be entitled to raise interest at the maximum permissible rate. The Buyer shall in the absence of an agreement between the Buyer and the Seller to the contrary make payment to the Seller free of bank exchange and any other deductions at the Seller's address detailed on its statement.

The Seller shall be entitled to require that the Buyer procure a suretyship/guarantee acceptable to the Seller for the performance by the Buyer of its obligations in terms hereof and/or that the Buyer obtain such security as the Seller may require. Failure by the Buyer to comply with the provisions of this clause shall constitute a material breach of this agreement.

Payment of the agreed contract price (as set out in the appropriate "cost estimate", as read with the appropriate quote and as read with these standard terms and conditions) shall be made as follows:

An initial, non-refundable deposit, of **40%** of the order value or other as conditions of contract may dictate, payable within seven days of the customer having placed an order upon the seller or the subsequent site establishment. The balance of the contract price, will become due and payable on a monthly progressive basis, or within seven days of completion of the project. The site establishment payment will be deducted from the final invoice unless this amount is a separate cost to the contract (this will be stipulated in the original quote).

Payment may, at the seller's sole discretion, be required to be made either to The seller or direct to the supplier of any service.

The agreed contract price is based on the prices quoted to The seller by the supplier at the time of completion of the appropriate "cost estimate" and the quote submitted and, as such, is subject to increase at any time prior to the contract start date, in which event the agreed contract price shall be increased accordingly. In the event of the agreed contract price having been quoted in Rands, the provisions of this clause shall apply equally to any fluctuations in the rate of exchange where suppliers have quoted on the basis of, or require to be paid in, some currency other than the rand.

Payment shall be made by cheque or bank transfer. Payment shall be made without deduction or set-off for any reason whatsoever. Should the customer not pay any amount on due date, then all amounts outstanding shall immediately become due, owing and payable.

Any discount which The seller may have granted to the buyer shall be forfeited by the buyer if payment is not made to the seller on due date. Orders, after acceptances, may not be cancelled in whole or in part or varied in any manner whatsoever, unless confirmed by The seller in writing, whereupon the buyer shall be liable to pay to The seller a cancellation fee amounting to 15% (fifteen percent) of the total order.

Delay or Impossibility of Performance

The Seller shall have the right to suspend the delivery of any of the goods or services to be supplied by it to the Buyer to the extent and for as long as such delay is caused by or attributable to any circumstances beyond its control, including but not limited to

inclement weather, war, sanctions, rebellion, strikes, breakdown of machinery, civil commotion or unrest, floods, storms, official or unofficial boycotts or acts of State or acts of God. The Seller shall, in the event that any or all of the foregoing circumstances persist for ninety days or longer and while those circumstances persist, be entitled to forthwith cancel the agreement of sale by written notice to the Buyer in respect of the goods or services not delivered at the time of such cancellation. The Seller shall not be liable to the Buyer for damages, losses or expenses suffered as a result of such suspension or cancellation but the Buyer shall remain liable for payment of the price of goods or services delivered by the Seller up to the date of such suspension or cancellation.

Cancellation Fee

The cancellation fee, payable by the The Buyer, will be charged at 15% of the total order value, if cancellation was due to The Buyers breach of contract.

Complaints

The Seller reserves the right to refuse to recognise any complaint or claim by the Buyer in respect of specification, or short delivery of goods and/or services unless such complaint is lodged with the Seller within two weeks after receipt of the goods by the Buyer. The Seller shall bear no liability of any nature whatsoever to the Buyer in respect of any complaint or claim lodged by the Buyer after the said two week period unless the parties agree in writing to the contrary.

Breach

In the event that the Buyer commits a breach of any of the terms and conditions of these standard terms and conditions or in the event that the Buyer fails to pay any amount due to the Seller on the due date or should the Buyer commit a breach of any obligation stipulated or contemplated by these standard terms and conditions or should the Buyer commit an act of insolvency, or being an incorporated company, be placed under provisional or final liquidation or judicial management, or effect a compromise or composition with its creditors, or should the Seller at any time otherwise have cause to be dissatisfied with the Buyer's financial position, the Seller may, without prejudice to its other rights, either suspend further deliveries of the goods and/or services, require payment in advance for all or any further deliveries, or terminate the agreement of sale forthwith by written notice to the Buyer and the Seller may, in addition, demand and enforce immediate payment for deliveries already made notwithstanding any earlier agreement granting credit to the Buyer. In the event of the Seller having to utilise the services of its attorney for the collection of any moneys due to the Seller by the Buyer, or for any other reason arising out of the sale of the goods to the Buyer, then the Buyer shall be liable for and herewith agrees to pay all and any costs so incurred, including all attorney and client costs and charges.

Quality

All goods and services supplied by the Seller to the Buyer are warranted to accord with the Seller's specification. All other warranties or conditions as to quality or fitness for use are hereby excluded, unless otherwise agreed in writing.

Purpose

Any recommendation, statement or suggestion relating to the use of any goods or services supplied by the Seller to the Buyer and which has been made by the Seller whether in technical literature or in response to a specific enquiry or otherwise is

given in good faith. The Buyer shall satisfy itself / himself as to the suitability of the goods for its / his own particular purpose even though that purpose may be specified, and any implied warranty or condition is specifically excluded, unless otherwise agreed in writing.

Disclaimer and Indemnity

1. Any advice and recommendations given by the seller to the Buyer in respect of goods or services supplied in terms of any Order is given by the Seller in good faith in order to provide assistance to the Buyer, and the Seller accepts no liability of any nature whatsoever and does not:
2. Warrant the correctness of its advice or recommendations;
3. Warrant that particular results or effects will be achieved if the Seller's advice and recommendations are implemented;
4. Accept liability for any losses or damages that may be suffered as a result of a party acting, or failing to act, on the advice and recommendations given by the Seller;
5. Accept liability for any acts or omissions of its employees, representatives and/or agents whether negligent or otherwise;
6. Accept liability for damage during delivery of goods or the provision of services including any special, indirect or consequential damages including, but not limited to, loss of profits.
7. The Buyer indemnifies and holds the Seller, including its employees, representatives and/or agents, harmless against all claims of whatsoever nature that may be brought or threatened against the Seller or its employees, representatives and/or agents pursuant to such advice and/or recommendations as contemplated in terms of clause 1 above.

Assignability

The Buyer shall not, without the prior written consent of the Seller, cede or assign its rights and obligations under these standard terms and conditions, or any part thereof to any third party. Any disposal, in the case of a company or close corporation or business trust, of the whole or a part of the owners equity in the Buyer or any disposal of a part or whole of the business of the Buyer shall for the purposes of this clause require the written consent of the Seller. Any cession or assignment or disposal effected by the Buyer without the prior written consent of the Seller shall be deemed to be a material breach of these standard terms and conditions, which shall entitle the Seller on written notice to the Buyer to summarily terminate all agreements of sale of the goods to the Buyer.

Arbitration

Any dispute arising from or in connection with these standard terms and conditions which cannot be settled by negotiation between the Seller and the Buyer shall, in the absence of agreement between the parties to the contrary, be finally resolved in accordance with the Rules of the Arbitration Foundation of Southern Africa by an arbitrator or arbitrators appointed by the Foundation. Such arbitration shall take place in Sandton, South Africa. No payments due or payable by the Buyer to the Seller shall be withheld on account of a pending reference to Arbitration. The parties agree that any dispute referred to herein shall be arbitrable and they hereby consent to such disputes being referred to arbitration in terms of this clause.

Without derogation from the meaning of the word "dispute", which word shall be interpreted widely, it shall be regarded as a dispute for the purposes of this clause if one party addresses any notice in terms of these standard terms and conditions or any notice which deals with any matter related, directly or indirectly, to these standard terms and conditions which notice calls either for remedy of any breach or for a response to that notice and, after the lapse of time specified herein for a remedy or response, (or, in the absence of any such specified time, a period of 7 (seven) days from the date of receipt of the notice) the party which gave the notice alleges that no or inadequate remedy has occurred or that no or inadequate response has been received.

Secrecy

The Buyer shall keep and hold secret and confidential all information, whether written or oral, received or otherwise obtained by it in connection with the Goods, Services or the business of the Seller, and shall not use or disclose the said information to any third party, other than for the purposes contemplated in terms of the Order and then only to the extent necessary.

The provisions contained in above clause shall not apply to information which is already known to the recipient thereof at the date of receipt, or which is already public knowledge at the date of receipt by the recipient, or which becomes public knowledge thereafter otherwise than through default on the part of the recipient, its directors, officers or employees, or which the recipient obtains from any third party with good legal title thereof and free right of disposal thereof.

Delays

R and D is not responsible for any delays occasioned by suppliers or by events beyond its control including, without limiting the generality of the foregoing, acts of God, industrial action, war or unrest, technical difficulties, inclement weather and the like.

General

In the event of any legal action being taken against the customer arising from these standard terms and conditions, any award of costs will be deemed to be costs on an attorney and own client basis, including costs of counsel as on brief.

No variations from the terms and conditions herein contained, and no contrary stipulation by the buyer in writing, shall be valid and binding unless confirmed by The seller in writing.

The seller shall not be required to deliver any products or render any services to the buyer for so long as the buyer is in arrears with any payment owing to the seller from any cause or debt. In the event of the buyer committing an act of insolvency, or being placed under provisional or final judicial management, liquidation or sequestration,

The seller reserves the right to cancel any sale contract or order and to stop further deliveries and performance.

Payment may not be withheld pending the settlement of any claims or disputes and in the event of any amount due to The seller being handed to an attorney for collection, the buyer shall pay the collection fee and all other legal charges thereby incurred by the seller on the Attorney and Own Client Scale.

During installation of the system as included in the quotation, The seller shall during all reasonable hours have access to the premises of the Customer to install the system.

The rights and obligations contained herein shall survive the completion of delivery of the goods under the order and shall continue in force and effect for a period of 10 (ten) years from the Order date. Any documents supplied to the Buyer by the Seller for the purpose of the Order shall remain the property of the Seller and shall be returned to the Seller upon demand thereof.

These standard terms and conditions shall be governed by and interpreted in accordance with the laws of the Republic of South Africa.

This document constitutes the entire contents of the standard terms and conditions of sale of the goods by the Seller to the Buyer and no addition to, variation or deletion of any of the terms or conditions of these standard terms and conditions shall be of any force or effect unless reduced to writing and signed by the Buyer and the Seller.

