

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY OF PHT TRADING INTERNATIONAL (PTY) LTD
from 1 June 2020.

1. GENERAL PROVISIONS

- 1.1 These terms and conditions (hereinafter the "GTC") shall apply to all orders and sales between PHT Trading International (PTY) LTD (hereinafter the "Company") and the Customer of and product or service (hereinafter the "Goods")
- 1.2 These terms and conditions will also have effect in case of products supplied by a third party engaged by the Company.
- 1.3 These terms and conditions are governed by the laws of the republic of South Africa.
- 1.4 Should any of the provisions in this GTC become void, illegal, invalid or unenforceable in any respect under any law such provision will be severed from the balance of the GTC without invalidating the remaining provisions of the GTC or affecting the validity or enforceability of any other provision in the GTC.
- 1.5 Notwithstanding anything to the contrary in the GTC, any latitude or extension of time which may be allowed by the Company in respect of any obligation of the Customer, shall not under any circumstances be deemed to be a waiver of the Company's right at any time, to require strict and punctual compliance with each and every provision or term of the GTC.
- 1.6 The GTC constitutes the entire agreement between the Company and the Customer and no warranties, representations or conditions not recorded herein shall be binding on the Company, unless reduced to writing and signed by or on behalf of the parties to this agreement.
- 1.7 The Company reserves the right to amend the GTC from time to time, as necessary.
- 1.8 Should the Company enter into an agreement with a Customer with specific provision pertaining only to that Customer that agreement shall be reduced to writing. That agreement will function together with the GTC and will only supersede the GTC where it is in conflict.

2. QUOTATIONS

- 2.1 All quotes are valid for 30(thirty) days only. (unless otherwise specified)
- 2.2 All prices, fees and/or costs are excluding VAT (unless otherwise specified).

- 2.3 All prices, fees and/or costs are linked to the spot rate of the date of the quote as specified in the quote and should the rand exchange rate fluctuate more than 3% then prices will be adjusted accordingly.
- 2.4 All prices, fees and/or costs are quoted ex works Centurion and does not include delivery to the customer (unless otherwise specified).
- 2.5 All prices, fees and/or costs are based on sea freight and road transport to Centurion. It includes the clearing and insurance costs.
- 2.6 Assembly, Installation and Start-up is not included in the quote and will be quoted separately.
- 2.7 In the case of an urgent shipment, we will quote on the additional cost for air freight. An authorized order (official purchase order) will be required before air freight is confirmed.

3. ACCEPTANCE OF OFFERS/PLACING OF ORDERS

- 3.1 Only fully completed and authorized orders (official purchase order) will be accepted by the Company.
- 3.2 A credit application and approval by our finance department must be done before an order is accepted. Only fully completed credit applications will be accepted by the Company.

4. PAYMENT

The payment terms of PHT-SA are as follows: (unless otherwise specified):

- 4.1 50% of the amount payable before the order will be confirmed.
- 4.2 30% of the amount payable at readiness of order for shipment. The order will not be shipped if not paid.
- 4.3 20% of the amount payable including the VAT on delivery and/or start-up provided that the start-up is within 30 days of delivery. If not, then the last 20% payment is due 30 days from date of invoice.
- 4.4 The payment terms of PHT-SA consultation services are as follows: (unless otherwise specified).
 - 4.4.1 The payment terms for PHT-SA consultation services are based on full payment up front.
 - 4.4.2 50% of the amount payable before the consultation will be confirmed.
 - 4.4.3 50% of the amount payable one week before the consultation commences.
 - 4.4.4 The consultation will only be secured on receipt of proof of payment.

- 4.5 If extended payment terms are required, an additional 2% administration fee will be levied with each invoice.
- 4.6 Interest 3% (**three** percent) above the publicly quoted prime overdraft rate of First National Bank or the rate so notified will be charged on all overdue accounts older than 60 days.

5. DELIVERY

- 5.1 The estimated lead time for an order supplied from PHT-Germany and partners is 10 to 12 weeks.
- 5.2 The estimated lead time for an order supplied by local supplier is 4-6 week
- 5.3 If the Company is unable, for whatever reason, to adhere to the delivery terms the Customer will be immediately informed and the Customer will be informed of the new expected delivery term.
- 5.4 The Company shall not be liable for any loss or damage suffered as the result of the delay in delivery and/or the unavailability of any goods.
- 5.5 A signed Delivery Note shall constitute prima facie proof that the goods have been delivered to and received by the Purchaser in good condition, whether signed by the Purchaser, an employee, an agent, a representative or nominated transporter of the Purchaser.
- 5.6 The Seller shall not, under any circumstances, be liable for any defects of goods, delivered not complying with the Purchaser's manufacturing specifications unless written notice thereof is received by the Seller within three working days of delivery and only subject to manufacturing specifications and not quantities.
- 5.7 (Quantities received must be signed off at receipt of goods – thereafter the Seller will not be liable for any shortages).
- 5.8 Please take note that the client is responsible for the offloading of their parts at delivery.
- 5.9 The driver will assist where possible and/or necessary.

6. RISK

- 6.1 The Company shall only accept responsibility for any damages or shortages on Goods if the Company delivers the Goods.

- 6.2 The damages and shortages referred to in par. 4.1 will be rectified by the Company within 7 days from the agreed delivery term.
- 6.3 Any shortages and damages on Goods collected by the Customer will be for the Customer's account.

7. OWNERSHIP

- 7.1 The Company will remain the owner of all Goods delivered to the Customer until the Customer paid the amount invoiced for the Goods in full.
- 7.2 Should the Customer not pay in full for the Goods the Company will have a right of retention on these Goods.
- 7.3 Therefore the Customer is not allowed to re-sell and/or process the Goods.
- 7.4 The Goods will also not be susceptible for seizure by a creditor of the Customer.
- 7.5 The right of retention will stand although the Goods may have been processed, blended and or combined with third party goods. The Company will then have a claim against the Customer and/or the third party equal to the value purchase price still due.

8. WARRANTIES AND GUARANTEE

- 8.1 The Company will strive to provide a consistent level of service and performance but will not be liable for failure or delay in performance, obligations due to circumstances beyond its control.
- 8.2 The Company confirm that all Goods supplied is manufactured within the limits and tolerances which is reasonable in the trade and according to all regulatory standard prescribed by law.
- 8.3 Should any specific limits and tolerances be required the Customer must state such specifics on their order.
- 8.4 The Customer is solely responsible to determine the suitability of any of the Goods ordered from and supplied by the Company.
- 8.5 The Company will make every effort to ensure that all Goods supplied is in a working condition and compliant to relevant specifications.
- 8.6 The warranty period for all equipment supplied by the Company is 12 months or 2000 operation hours which one occurs first. The warranty excludes normal wear and tear.

- 8.7 The 12 months period will strictly be calculated from date of delivery.
- 8.8 The warranty excludes all wearing parts, technical staff, travelling and accommodation costs.
- 8.9 The extended warranty is only valid if a PHT-SA technician or a PHT-SA approved technician carries out all the work, installation and start up on the equipment and a maintenance contract is signed.
- 8.10 The warranty does not cover misuses, **including water damage and power surges**, and lack of maintenance.
- 8.11 The Company cannot be held responsible for any loss of production due to equipment breakdown.
- 8.12 The Company have maintenance contracts available which extend the warrantee with 6 months provided that the maintenance contract is confirmed and signed before the equipment is installed.

9. GOODS RETURN POLICY

- 9.1 Goods may not be returned without prior consent of the Company.
- 9.2 Only goods returned in a good **unused** condition will be accepted.
- 9.3 Delivery/Transport of the returned goods will be for the account of the customer.
- 9.4 A 20% handling fee will apply to all returned goods.

10. LIMITATION OF LIABILITY

- 10.1 Save for the liability in terms of paragraph 6, and notwithstanding any of the other provisions of this GTC, the Company will not be liable to the Customer or any third party for any claim of loss, expense or damages including but not limited to indirect damages, special damages, consequential losses and/or loss of profit of whatever nature and however arising against the Company or its employees.
- 10.2 The Customer furthermore herewith indemnifies the Company harmless against any claim by any third party for any loss, expense and/or damages suffered of whatever nature as a result of or in connection with the installation, storage, use of or disposal of products, or operation of equipment once it has been delivered to the Customer.

11 FAILURE TO PERFORM

- 11.1 Should the Company not be able to perform any of its obligations and this GTC as a result of the circumstances beyond the control of the Company specifically but not limited to an inability to secure the necessary labour, materials or supplies after having taken every precaution to do so; or any act of God, war, strike, labour dispute, fire, flood or legislation the Customer will not be entitled to terminate the GTC or shall the Customer have any claim of whatever nature against the Company
- 11.2 If, in the above circumstances the Company has already performed part of its obligations, the Company shall be entitled to demand payment for the part already invoiced and delivered. The customer shall be obliged to pay these invoices as if it were separate contract.

12. BREACH AND TERMINATION

- 12.1 In the event that the Customer breaches any of the terms and conditions of this GTC the Company will give written notice to the Customer to rectify the breach within 7 (seven) days of date of the receipt the notice.
- 12.2 The notice will be in writing and can be delivered by hand or by pre-registered mail.
- 12.3 For the purposes of this notice the domicilium of the Customer will be the delivery address on the purchase order of the Customer.
- 12.4 Should the Customer not rectify the breach within the state 7 days or suffer any other judgment, or give notice of the surrender of his estate or be put under provisional or final sequestration/liquidation all outstanding monies due by the Customer to the Company will immediate become due and payable.
- 12.5 Th Company will also then have the right to suspend all performances and obligations to the Customer until such time that the full outstanding amount is paid.
- 12.6 The Company can cancel the GTC with immediate effect.

13. LEGAL PROCEEDINGS AND JURISDICTION

- 13.1 Should it at any time become necessary for the Company to institute legal action against the Company in terms of this GTC or in common law the Customer will be held liable for all the legal cost on a attorney and own client basis including all collection commission and tracing fees incurred.
- 13.2 The Customer consents herewith that a Certificate signed by a Director of the Company certifying an amount as outstanding

13.3 The Company shall be entitled but not obliged to institute legal proceedings at the Magistrates Court and the Customer shall be deemed hereby to have consented to it.

13.4 The laws of the Republic of South Africa will be applicable to this GTC

I, the undersigned hereby agree to the General Terms and Conditions of Sale and Delivery of PHT Trading International from 1 June 2020.

Signature: _____

Position: _____

Name: _____

Title: _____

Place: _____

Date: _____

