

STANDARD CONDITIONS OF SALE

of EBV Elektrolink, South Africa, 03:2005

Terms of sale governing all agreements for the supply of goods or services by Electrolink (Pty) Ltd (hereinafter referred to as "Electrolink") and the purchaser thereof (hereinafter referred to as the "Buyer"). Any other terms of sale agreed to between Electrolink and the Buyer shall be reduced to writing and signed by both parties, either as an addendum to these terms or contained in a separate agreement with specific reference to these terms.

1. BASIS OF CONTRACT

Any purchase order issued or orally intimated to Electrolink by a Buyer shall be deemed to be an acceptance by the Buyer of an offer to sell made by Electrolink and shall be subject to the terms of sale set out below, notwithstanding that the document or oral communication on which the Buyer intimates his willingness to buy may expressly contain or purport to contain different terms. Electrolink's offers are made without engagement and are subject to due and timely receipt of supply from its suppliers. Unless the Buyer formally, in writing, indicates his willingness to be bound by a contract of sale and withdraws his order before Electrolink shall have acted thereon, he shall be deemed to be bound to the terms set out herein. In particular, should the Buyer accept delivery of any goods or services under the sale, he shall be deemed to have agreed to contract with Electrolink on these terms.

2. WARRANTY

2.1. Electrolink warrants that at the time of delivery to the Buyer, the goods sold shall conform to the specification published and represented by the manufacturer thereof. Any goods which, by a system of non-destructive testing applied before such goods shall have been electrically activated in any device other than a recognised testing instrument, can be shown by the Buyer to fall short of the manufacturer's said specifications, shall, provided that the Buyer has received a valid RMA Number from Electrolink, be replaced free of charge by Electrolink as soon as such goods can reasonably be obtained by its normal methods of procurement. In the

event that Electrolink is not willing or able to do so within a reasonable period of time or for any other reason fails to effect the subsequent performance, the buyer may, at its option, rescind the contract or demand a reduction of the price. Save for the foregoing, Electrolink shall not be liable for any damages whatsoever, whether direct, consequential or otherwise arising from the sale.

2.2. Any claim on Electrolink for replacement of goods under warranty must be supported by written evidence of the nature, date and results of the tests carried out and must be received together with the goods concerned within 10 (ten) days of delivery to the Buyer. This is applicable only in respect of open defects. Insofar as latent defects are concerned, the Buyer has 10 (ten) days from the date he first became aware of the defect, provided that same falls within the warranty period.

2.3. Unless otherwise specified, Electrolink grants a 12 month product warranty period to its customers. Warranty claims shall become statute-barred within a period of 12 months. The limitation period shall commence upon delivery to the customer or upon a delay in acceptance by the customer. In the event that a manufacturer of goods grants a warranty for a longer period, Electrolink will pass this extended warranty on to the customer at the customer's request, subject to the manufacturer's agreement.

3. TIME FOR DELIVERY

Time shall not be of the essence of the contract and, provided Electrolink shall have placed procurement orders within a reasonable time of concluding the agreement of sale, any delays in delivery to Electrolink by its suppliers shall be deemed to be matters beyond its control and no cause for cancellation of the sale. Any indications given by Electrolink of when it expects to be able to deliver to the Buyer shall be deemed to be only estimates made in good faith and not conditions precedent to the agreement of sale.

4. WITHOLDING OF DELIVERY

Electrolink shall be entitled to withhold delivery of goods under any agreement of sale if the Buyer shall be in arrears in payment of any monies due and payable by him under that or any other agreement of sale and Electrolink's intimation of its willingness to deliver on receipt of such outstanding amount shall be good tender of delivery.

5. DELIVERY, PASSAGE OF RISK, PARTIAL PERFORMANCE, PRODUCT RETURNS, RMA-PROCEDURE

5.1. Unless agreed otherwise, all shipments by Electrolink are insured and all transportation charges shall be paid by the Buyer in addition to the price of products. Subject to Electrolink's right of cancellation, delivery of the products to the carrier shall constitute delivery to the Buyer and the risk shall thereupon pass to the Buyer. Selection of the carrier and delivery route shall be made by Electrolink, unless specified by the Buyer. Electrolink shall use reasonable efforts to initiate shipment and schedule delivery as close as possible to the Buyer's requested delivery dates. Electrolink reserves the right to make deliveries in instalments. Delivery of a smaller quantity than the quantity specified shall not relieve the Buyer of the obligation to accept and pay for the products delivered. Delay in delivery of one instalment shall not entitle the Buyer to cancel other instalments.

5.2. No orders for Standard Products ("Standard Products") may be rescheduled for delivery, altered or cancelled without Electrolink's consent, which consent may be given by Electrolink in its sole discretion. Electrolink reserves its right to allocate sales of Products among its Buyers in its sole discretion. Notwithstanding any provision of these Conditions to the contrary, orders for special customised, value-added and other non-standard Products, including Products to be assembled in kit form, Products of manufacturers which do not appear on Electrolink's list of products, work in process and Products otherwise identified by Electrolink as "NCNR" or "Non-Cancellable and Non-Returnable" ("Non-Standard Products") shall be noncancellable and non-returnable.

5.3. Product returns shall follow Electrolink's RMA-procedure at the time of the return. No return of Products shall be accepted by ELECTROLINK without a Return Material Authorization ("RMA") Number, which may be issued by ELECTROLINK in its sole discretion. Returned Products must be packaged in a manner that the product cannot be damaged in any way and this is solely the responsibility of the customer. All Products for return shall be returned freight prepaid in the manner specified in the RMA. If returned Products are claimed to be

defective, a complete description of the nature of the defect must be included with the returned Products. Products not eligible for return shall be returned to the customer, freight collect.

6. DISRUPTION OF DELIVERY, DEFAULT

6.1. Any circumstances or events which prevent or materially obstruct the delivery but for which Electrolink is not responsible shall entitle Electrolink to postpone performance for the duration of the impact of such circumstances or events plus an appropriate start-up period. If delivery is delayed for more than four weeks, either party may rescind the contract in full or in part. The disruption of events for which Electrolink shall not be deemed responsible include, unless agreed otherwise, events of force majeure, natural disasters, acts of or omissions by third parties or governmental, official or military authorities, changes of law, shortage of materials, insurrection, war, terrorist attacks, delays in transport as well as failure or disruption of the usual sources of labour or materials.

6.2. In the event that delivery is prevented due to a change in the governmental or official import terms, Electrolink shall be entitled to rescind the contract. In such event, Electrolink will, at the Buyer's request, conclude a new contract with the Buyer adjusted to accommodate the changed terms.

7. REPUDIATION BY THE BUYER

In the event of the Buyer repudiating any of its obligations under the sale and provided such repudiation is accepted by Electrolink and communicated to the Buyer in writing, the sale shall be deemed to be cancelled and the Buyer shall be liable to reimburse Electrolink the full purchase price of the sale and any cancellation of fees which Electrolink may be obliged to pay to its suppliers, the cost of all import duties, taxes, freight and other costs of importation and return of the goods to their supplier which may have been incurred by Electrolink, together with its administration costs incurred in connection with the repudiated sale, which latter are hereby pre-estimated and agreed at 10 percent of the sale price of the goods to which the repudiation relates.

§ 8 REPUDIATION OF ELECTROLINK

Electrolink shall be entitled to repudiate its remaining obligations under the agreement of sale if the estate of the Buyer is declared insolvent or the Buyer commits an act of

insolvency, or upon the death of the Buyer. In such an instance, Electrolink shall have a valid claim for any damages suffered against the Buyer's insolvent or deceased estate.

In the event of a default in payment by the Buyer, Electrolink shall be entitled to demand default interest at the rate as specified in 10.3 above. Any further rights in connection with a default in payment by the Buyer shall remain unaffected.

9. VARIATION IN SALE PRICE

9.1. The agreed sale price for all goods which are to be procured by Electrolink from foreign manufacturers shall be deemed to be based on a firm price in the currency of the country of manufacture expressed in South African currency at the rate of exchange ruling on the day of Electrolink's offer to sell and to take into account such customs duties, taxes and other State impositions as were applicable on that date.

9.2. In the event of any changes in the rate of exchange or State duties and impositions applicable on the date of importation of the goods, the sale prices shall be variable in direct proportion to the increase or decrease in the cost of such goods to Electrolink arising from such damages.

10. DELIVERY AND PAYMENT

10.1. Unless expressly otherwise agreed in writing, the basis of the unit prices of goods includes the cost, insurance and freight charges at Cape Town and the purchase price is due and payable 30 (thirty) days after the end of the calendar month in which the goods were invoiced.

10.2. Electrolink shall not be liable under any circumstances for any complaint or claim for any alleged shortage in delivery or defect in the goods unless written notice is received by Electrolink.

10.3. Interest at the current rate for bank overdrafts shall be payable to Electrolink on any amounts which shall be due and unpaid by the Buyer without prejudice to Electrolink's right to claim immediate payment. Such interest shall run from the due date until final payment is made.

11. LIABILITY

11.1. Electrolink shall be liable for acts or willful misconduct and gross negligence by its legal representatives, employees and vicarious agents.

11.2. In all other respects, any liability on the part of Electrolink, irrespective of the legal basis thereof (including e.g., impossibility of performance, culpa in contrahendo, breach of an obligation, warranty, tort) shall be excluded. Such exclusion of liability shall not apply with respect of the following:

11.2.1. claims for any injury to life, body or health;

11.2.2. breach of a guarantee (given in writing) with respect to such damage against which the guarantee was to provide protection;

11.2.3. breach of a material contractual obligation;

11.2.4. delay in delivery.

11.3. In the event of a breach of a material contractual obligation and in the event of a delay in delivery, Electrolink's liability for slight negligence shall in principle be limited to foreseeable and direct losses and, as to the amount, shall be limited to a maximum of R50 000.00 unless a higher liability amount has been agreed in an individual case. In these cases, Electrolink shall in particular not be liable for a loss of profits of the customer and/or unforeseeable indirect consequential damages. The limitation of liability according to the two foregoing sentences shall also apply if any loss is incurred due to gross negligence or willful misconduct on the part of an employee or an agent who is not an executive employee of Electrolink.

12. PAYMENT TERMS, SET-OFF / RETENTION, DEFAULT IN PAYMENT

12.1. All invoices of Electrolink shall be payable within 30 (thirty) days after the end of the calendar month in which the goods were invoiced without any deduction or set-off.

12.2. If the first credit evaluation of the customer has not yet been completed or the customer is in arrears with respect to payments due to Electrolink or third parties or if there is any other reason, in the reasonable discretion of Electrolink, to doubt the Buyer's ability or willingness to pay, Electrolink shall be entitled to effect the agreed delivery or any future deliveries only against cash on delivery or payment in advance. In the event that a Buyer does not pay the amount to be collected on delivery, Electrolink shall be entitled to sell the goods without any of its other rights being affected thereby to another Buyer for the account of the Buyer or for its own account, invoicing the Buyer for the difference between the agreed price with the Buyer and the price realised from such distress sale

12.3. The Buyer shall not have any right of retention of set-off against the due payment claim of Electrolink, unless the counter-claim is undisputed or has been finally adjudicated.

12.4. In the event of a default in payment by the Buyer, Electrolink shall be entitled to demand default interest at the rate as specified in § 10 above. Any further rights in connection with a default in payment by the Buyer shall remain unaffected.

13. LIMITATIONS OF USE, INDEMNITY

The goods sold by Electrolink are intended to be used only for the purposes specified by the respective manufacturer. These purposes as a rule do not include the use of the products in life-preserving or supporting systems, in connection with nuclear materials or for any other purposes where a failure of the product may reasonably be expected to result in an injury to life, body or health or to unusually high pecuniary losses. In the event that the buyer nevertheless uses or sells on any goods purchased from and/or programmed by Electrolink for such purposes, the Buyer shall do so at its own risk and sole responsibility. The Buyer herewith indemnifies Electrolink and the respective manufacturer in full and at first demand against all claims, and against all legal actions, in connection with the use of goods for such purpose, including the costs incurred for adequate legal representation.

14. INTELLECTUAL PROPERTY

If an order includes software or other intellectual property, such software or other intellectual property is provided by Electrolink to the Buyer subject to the copyright and user license, the terms and conditions of which are set forth in the license agreement accompanying such software or other intellectual property. Nothing herein shall be construed to grant any rights or license to use any software or other intellectual property in any manner or for any purpose not expressly permitted by such license agreement.

15. RE-SALE / EXPORT CONTROL

All goods supplied by Electrolink are destined to be retained in the country of delivery agreed with the Buyer. The re-sale or other use of the goods and the related technology and documentation are subject to the export control provisions (statutes, ordinances, directives, decisions, administrative acts) of the United States of America, the countries of domicile of the contracting parties and the European Union; they may, in addition, be subject to the export or import provisions of other countries. It is upon the Buyer to inform

itself about those provisions, to comply with them and, if necessary, to apply for and obtain the relevant export, re-export or import licenses itself.

16. PLACE OF PERFORMANCE, PLACE OF JURISDICTION, MISCELLANEOUS

16.1. Place of performance for all obligations arising from the business relations with Electrolink shall be the seat of the respective place of operations executing the order. Cape Town, South Africa, shall be the place of jurisdiction for all disputes between Electrolink and the Buyer, including disputes in connection with claims from bills of exchange or cheques.

16.2. Should any provision of these General Terms and Conditions or any provision made in the context of other agreements with the Buyer be or become invalid, this shall not affect the validity of the remaining provisions or agreements. The contracting parties undertake to replace any invalid contractual provision by an arrangement, the content of which comes as close as possible to the intended economic purpose of the invalid provision.

16.3. Personal data used in connection with the business relationship are stored and processed by Electrolink to the extent necessary for business purposes in accordance with the statutory provisions.

17. INDULGENCES AND VARIATION OF TERMS

No indulgences or extensions of time afforded by Electrolink to the Buyer shall at any subsequent time prejudice its rights under a sale and no variation of these terms shall be of any force or effect unless agreed to in writing by a duly authorised director of Electrolink.