

REHAU (PTY) LIMITED  
("REHAU")

GENERAL CONDITIONS OF PURCHASE FOR INDUSTRIAL  
PLANT, MACHINERY AND EQUIPMENT  
("Conditions of Purchase")

1. PLACING OF ORDERS AND APPLICABLE CONDITIONS OF PURCHASE

- 1.1. Orders or releases shall be valid only if placed in writing by REHAU, such order having been endorsed with the signature of a duly authorized office of REHAU.
- 1.2. This agreement shall commence upon acceptance of this offer. Any provisions of the supplier's General Conditions of Sale which may be in conflict with these Conditions of Purchase shall not apply to this agreement. General Conditions of Sale which have been annexed by the supplier to an offer or a confirmation of an order shall apply only upon the written confirmation by REHAU that REHAU has consented thereto.

2. DELIVERY

- 2.1. The supplier shall give delivery of the Plant, Machinery and/or Equipment ("the goods") at the address of the consignee as set out in the order. REHAU shall effect payment at REHAU's place of business in Uitenhage. One copy of the delivery note is to be supplied to the consignee, a second copy of such delivery note shall be supplied to REHAU's main place of business. All delivery notes must be endorsed with the applicable order number. The duplicate order, duly signed by the supplier shall be returned to REHAU forthwith upon acceptance of the order.
- 2.2. The date of delivery and the date of commissioning of the goods shall be of the essence to this agreement. In the event of the stipulated deadlines not being met, the supplier shall become liable to effect payment of a penalty of 0.5 % of the value of the order for each week or part thereof in which the supplier remains in default. Such penalty shall, however, not exceed 7 % of the total value of the order. All penalties to which the supplier shall become liable may, in the discretion of REHAU, be deducted from the invoice amount, alternatively from any credit which the supplier may have on its account with REHAU, if any. The supplier's liability to effect payment of such penalties shall not in any way derogate from REHAU's right to demand performance in terms of the agreement. REHAU may, at its options, recover such damages as it may be entitled, to in law, in lieu of any penalties.
- 2.3. Acceptance of late deliveries or late performance in terms hereof shall not be deemed to be a waiver on the part of REHAU to claim such damages as it may be entitled to in law or such penalties as it shall be entitled to in terms hereof.
- 2.4. Risk shall pass upon delivery of the consignment at the consignee's address. Consignments shall be delivered to the consignee only on the days of Monday to Friday between the times of 07:00 and 16:00.
- 2.5. The supplier shall timeously attend to obtaining all necessary documentation, including any required export permits in respect of all consignments destined to be exported to the Republic of South Africa.

### 3. ACCEPTANCE

- 3.1. Goods shall be accepted by REHAU in the presence of a representative of the supplier immediately upon commissioning of the goods or upon the goods having been prepared to enter productive service, at the installation site. On acceptance, a transfer and acceptance report shall be completed by REHAU. Such a report shall record all patent defects discovered during the commissioning or installation procedures. The report shall be counter-signed by the supplier's representative, as well as the Plant Manager/Sales Office Manager/Departmental Manager of REHAU. All defects so recorded shall be rectified, without delay and at the cost of the supplier. REHAU's rights hereunder and in terms of any guarantee or warranty provided by the supplier shall not thereby be effected in any manner. REHAU shall be entitled to report any further patent defects to the supplier within two months of the commissioning/installation of the goods, such defects to be rectified by the Supplier at its own cost forthwith.
- 3.2. In the event of the parties having agreed to waive the acceptance procedure REHAU shall report to the supplier patent defects within a period of two months from the date of commissioning of the goods or, in the event of latent defects, within two months from the discovery of such latent defect and all defects, whether latent or patent, shall, at the supplier's cost be rectified forthwith and without thereby effecting in any way REHAU's rights hereunder or in terms of any guarantee or warranties by the supplier. These provisions shall apply mutatis mutandis in the event of the acceptance procedure not commencing by the specified date by reason of any default of the supplier.
- 3.3. The supplier specifically waives his right to demand that it shall be advised of defects in the goods within a reasonable time of REHAU becoming aware of the nature of such defects in the goods.

### 4. WARRANTY AND LIABILITY

- 4.1. The warranty period shall be a minimum of 12 months calculated from date of acceptance as provided for in paragraph three herein above, or 18 months from the date of the bill of consignment, whichever shall be the longer. The warranty period in respect of latent defects shall be the longer. The warranty period in respect of latent defects shall be 5 years calculated from the date of acceptance. All warranty periods are extended for the duration of any downtime resulting from necessary repair work or the delivery of spare parts for the goods in question. Such repair work and spare parts shall in turn be subject to the full warranty period referred to above. The supplier warrants that spare parts shall be available for delivery for a minimum period of Ten years calculated from date of acceptance.
- 4.2. The supplier expressly warrants the characteristics and performance of the goods in question as set out in the order. The goods shall also fully comply with all recognized and applicable technical standards. The supplier shall be liable jointly and severally to REHAU for the performance of any sub-supplier or sub-contractor which the supplier may have appointed.
- 4.3. In the event of the delivery of the goods or the goods being defective in any way, REHAU shall be entitled, and in its sole discretion, to elect to demand proper delivery or repair work to be effected or a reduction in the purchase price of the goods, alternatively REHAU

shall be entitled to claim cancellation of the agreement together with a claim for restitution and damages arising out of the breach by the supplier, provided that in every event REHAU shall be entitled also to recover from the supplier all consequential damages arising therefrom. In the event of the existence of a contract for the erection of a plant and in the event of it further becoming apparent prior to completion thereof that performance will be defective or that completion will be delayed, REHAU shall be entitled without prejudice to its rights to grant the supplier a reasonable period within which to rectify any such defects and, in the event of the supplier's failure to do so, REHAU shall be entitled, in its sole discretion, to terminate the agreement, claim a reduction of the purchase price, or to instruct a third party to complete the order at the cost of the supplier. In addition thereto REHAU shall be entitled to claim from the supplier all damages including consequential damages arising from the supplier's default.

- 4.4. The supplier indemnifies REHAU and holds REHAU harmless against any damages claims arising against REHAU as a consequence of defective delivery by the supplier. REHAU shall be entitled to set off or to withhold payment in respect of all damages claims brought against REHAU, regardless of whether such claims are liquidated or not, and regardless of whether such claims are due and payable or not.
- 4.5. The supplier indemnifies REHAU and holds REHAU harmless against any damage claims arising out of any law or obligation governing product liability or related claims not arising in contract. This order has been placed on the basis and assumption that the supplier is comprehensively insured against all product liability claims which may arise. The supplier shall provide proof of such insurance cover upon demand by REHAU.
- 4.6. The supplier warrants that all goods supplied in accordance with this agreement, and in so far as these have not been produced in accordance with REHAU drawings, do not infringe any domestic or foreign intellectual property rights including, but not being limited to patents, copyrights, trademarks or registered designs.

## 5. CONFIDENTIALITY

- 5.1. The supplier shall be obliged to hold in strictest confidence as a trade secret, any and all information regarding the manufacturing process which may have been acquired in relation to the execution of this order and any visits to REHAU, together with all drawings, orders and business contacts and not, in any way to communicate, or the make known or grant access thereto to third parties. The supplier shall not be entitled to refer to his business relations with REHAU in all marketing and advertising activities unless with the express written consent of REHAU.
- 5.2. No article which has been produced in accordance with REHAU's specifications or drawings or which are protected under any laws relating to patents, copyrights, trademarks, registered designs or any other like protection or the provision of any statutory instrument or regulation for the time being in force in any country may be delivered or be made accessible to third parties. All drawings and specification sheets and similar documents and information shall remain the property of REHAU and shall be returned to REHAU together with any copies of all confidential information, drawings, plans and like materials shall be made only for purposes of enabling the supplier to execute this order. The supplier shall keep a record of such copies and the provisions of paragraph 5.2 shall apply to such copies mutatis mutandis.

5.3. All provisions regarding confidentiality shall apply mutatis mutandis to all employees and associates and trusted by the supplier with the execution of the order as well all sub-contractors and sub-suppliers, and all such persons shall be advised by the supplier of all applicable and relevant legal provision relating thereto.

## 6. SAFETY, PREVENTION OF ACCIDENTS AND PACKAGING

6.1. All goods to be delivered in terms of this agreement are to be manufactured and designed in accordance with all applicable legal provisions and standards, including all safety regulations and regulations governing accident prevention in force in the Republic of South Africa from time to time, and it shall be the supplier's responsibility to familiarize himself with these provisions and regulations and to comply therewith at all times. The supplier shall furthermore advise REHAU of all existing prohibitions or restrictions relating to the use of any parts or operating materials of the goods as well as such prohibitions or restrictions which shall come into effect at a future date.

6.2. The supplier undertakes to apply all applicable statutory and common law provisions, regulations and guidelines as well as all recognized technical rules such as the SABS Standards, which may be applicable to any goods or services related thereto.

6.3. The packaging of all goods shall likewise comply with all applicable rules, regulations, prohibitions and guidelines which may be applicable from time to time. All packaging material which may not comply with relevant criteria as set out herein above may be returned to the supplier by REHAU at the supplier's cost or shall be adequately disposed of by REHAU at the cost of the supplier.

## 7. DOCUMENTATION, OPERATING MATERIALS AND SURFACE FINISH

7.1. All documentation relating to machinery, including but not being limited to operating manuals, spare part lists and lists detailing spare parts and consumables, which are currently commercially available, together with prices and type specifications for accessories, maintenance proposals, circuit diagrams, drawings and similar information are to be delivered together with the relevant goods to REHAU in duplicate.

7.2. All invoices are to be supplied to REHAU in triplicate together with a copy of the delivery note.

7.3. By accepting this order the supplier undertakes to facilitates the inspection of certificates of origin and supplier's declarations by the Customs authorities and to provide the appropriate necessary information for these, as well as producing any necessary official verification (Information Sheets). Furthermore the supplier undertakes to indemnify REHAU and holds REHAU harmless against any loss caused by the fact that the declared origin is not accepted by the responsible authorities.

7.4. All company names and manufacture's marks attaching to the delivered goods are to be covered or otherwise to be made illegible, provided that this shall not apply to type-plates.

7.5. All oils and lubricants are to be topped up in accordance with the oil lists annexed to the order. Essential operating material which cannot be supplied in accordance with the original specifications shall be substituted with materials of equal specifications. These replacement are to be specified on all goods supplied as well as in all operating manuals

and instructions.

7.6. All painted parts shall be rust-protected and undercoated in a colour which has previously been agreed between the parties. All unpainted parts which are not to receive an undercoat are to be finished with rust-protection and for these purposes burnishing shall not be considered to be rust-protection. For the purposes of applying such rust-protection, sprays customarily used in the trade and (not oil) are to be used. Spindles may be greased. All colours shall be in accordance with REHAU's corporate design and in accordance with the order.

## 8. FORCE MAJEURE AND ASSIGNMENT

8.1. REHAU shall be entitled to resile from this agreement without thereby incurring any liability for any damages arising therefrom in the event of strike, lock-out, fire, explosion, natural catastrophe, epidemics, shutdowns however caused, war, uprisings, mobilisations, governmental, measure or any other circumstances beyond the control of REHAU which would cause the delivery of the ordered goods to be rendered of no commercial value to REHAU. The supplier shall be advised of such circumstances forthwith.

8.2. Claims against REHAU cannot be ceded. No obligations arising from this agreement may be assigned by the supplier.

## 9. APPLICABLE LAW AND JURISDICTION

9.1. This agreement shall be construed and interpreted exclusively in accordance with South African Law. All paragraph headings have been including for reference purposes only and shall not be taken into account in construing or interpreting this agreement or any provisions thereof. All terms and conditions of this agreement are severable and divisible and in the event that any provision should be found to be invalid or unenforceable by a competent Court, such a finding shall, subject to the order of such Court, not affect the validity and / or enforceability of the remaining provisions or parts thereof. Any reference to any gender shall include the reference to the other genders.

9.2. The supplier consents to the jurisdiction of the Magistrate's Court having jurisdiction over its person in terms of Section 45 of the Magistrate's Court Act, No. 32 of 1944 as amended. Notwithstanding the aforesaid, REHAU may, in its sole discretion, elect to institute any proceedings in any division of the High Court of South Africa having jurisdiction. All notices in terms of this agreement by one party to the other shall be in writing, addresses to the other party's domicilium citandi et executandi and delivered by hand or sent by pre-paid registered post. All notices are deemed to have been received, if delivered by hand, on the date of delivery, or, if sent by pre-paid registered mail, on the 7th day after date of posting. This agreement shall constitute the entire agreement between the parties and no alteration or variation hereof shall be of any force or effect unless recorded in writing and signed by or on behalf of the parties.