

## The general terms and conditions for the supply of products and services

The general terms and conditions for the supply of products and services apply to all such sales or provisions of services that, subject to applicable Jurisdictional law, may be carried out by Hudaco trading (PTY) Ltd trading as Bearings International or any of their subsidiary group companies and shall be applied on a supplementary basis to any specific agreement executed between Hudaco trading (PTY) Ltd trading as Bearings International and the Customer (the “**Specific Terms and Conditions of Sale**”).

### 1. Definitions

- 1.1. “**BI**” refers to Hudaco Trading (PTY) Ltd trading as Bearings International with registered office at Lancaster Commercial Park (off Atlas Road), 12 Merlin Rose & Lancaster Ivy drives, Parkhaven Ext. 5, Boksburg, 1459.
- 1.2. “**Customer**” refers to any party executing the Agreement with BI as the beneficiary of the Service or acquirer of the Product.
- 1.3. “**Agreement**” refers to the definitive agreement reached by the Parties in relation to the Service to be provided or the Product to be delivered, which shall be set forth in the T&C’S, as a whole.
- 1.4. “**Specific Terms and Conditions of Sale**” or “**T&C’s**” refers to the specific terms and conditions relating to the relevant sale of Products and/or provision of Services agreed on between BI and the Customer.
- 1.5. The T&C’S are the result of the negotiations in good faith conducted by the Parties, based on the content of the offer sent by BI at the request of the Customer, the order placed by the Customer in reply to the offer sent by BI and the final position adopted by BI in light of the order received from the Customer. Thus, by replying to the offer made by BI, the Customer grants its consent to each and every one of the terms and conditions, a copy of which can be found at the address <http://www.bearings.co.za>. BI states that the sole valid terms and conditions between the Customer and BI are the T&C’s of BI, stating its opposition to any other type of general terms and conditions existing or provided by the Customer, unless such terms and conditions have been expressly accepted in writing by the CEO of BI for such purpose. BI does not therefore accept and, consequently, does not assume, any terms and conditions other than the T&C’s of BI.
- 1.6. “**Party**” refers to the Customer or BI, as applicable.
- 1.7. “**Product**” refers to the specific Product to be sold by BI to the Customer under the relevant Agreement.
- 1.8. “**Services**” refers to the specific service to be provided by BI to the Customer under the relevant Agreement.

### 2. Prices, Quotes and Orders

- 2.1. The Customer’s order must detail the quantity or share of the Products to be supplied or the relevant scope of the Service requested, as the case may be, by the Customer and the correct reference used by BI to identify such relevant Product and/or Service.
- 2.2. The prices set out in the offer from BI are prices ex works from the BI distribution centre in Parkhaven or BI’s branch network. Consequently, the Customer is aware and accepts that such prices may undergo modifications where the delivery of the Product and/or the provision of Service is/are effected unless provided as a free service. The Customer shall be informed of such variations before they become effective and applicable.
- 2.3. The prices offered are exclusive of applicable taxes and expenses, which shall be borne by the Customer.
- 2.4. Partial deliveries of the Products and/or the partial provision of Services by BI will be deemed to have been accepted by the Customer.
- 2.5. All quotations will remain valid for a period of 30 days from the date of the quotation or until the date of issue of a new Price List, whichever occurs first, unless otherwise stipulated on the quote.
- 2.6. All quotations are subject to the availability of the goods or services and subject to correction of good faith errors by BI and the prices quoted are subject to any increases in the cost price, including currency fluctuations, of BI before acceptance of the order. This applies to written and verbal quotes or any other medium and cannot be held responsible for errors incurred by suppliers and have the option to amend the quote.
- 2.7. The Customer hereby confirms that the goods or services on any Tax Invoice issued duly represent the goods or services ordered by the Customer at the prices agreed to by the Customer and, where delivery / performance has already taken place, that the goods or services were inspected and that the Customer is satisfied that these conform in all respects to the quality and quantity ordered and are free from any defects.
- 2.8. All orders or agreed variations to orders, whether verbal or in writing, shall be binding and subject to these standard conditions of Agreement and may not be cancelled without BI’s written consent.

### 3. Delivery

- 3.1. The deadline for the delivery of the Products or the provision of the Services shall be calculated as from the date stipulated in the T&C’S or, if no such date has been agreed, as decided by BI.
- 3.2. BI shall not bear any responsibility for any delays or problems with deliveries that cannot be attributed solely and exclusively to BI or that originate from events of force majeure or acts of God.
- 3.3. Any order is subject to cancellation by BI due to Acts of God from any cause beyond the control of BI, including (without restricting this clause to these instances): inability to secure labour, power, materials or supplies, war, civil disturbance, riot, state of emergency, strike, lockout, or other labour disputes, fire, flood, drought or legislation.
- 3.4. Any order is subject to cancellation by BI if the Customer breaches any term of this Agreement or makes any attempt of compromise, liquidation, sequestration, termination or judgement is recorded against the Customer or any of its principals.
- 3.5. All liability of BI in relation to risks of robbery, loss or deterioration of the product ceases on the moment of the delivery thereof to the Customer or to the transporter or agent designated by the latter. Depending on the location of the BI distribution centre at which the Product is made available to the Customer and the mode of transport selected by the Customer.
- 3.6. The Customer agrees that BI will be immediately and irrevocably released from any contractual damages and penalty obligations should any event in clause 3.4 or 3.5 occur.
- 3.7. Any delivery note or waybill or job card (copy or original) signed by the Customer or a third party engaged to transport the goods and held by BI shall be prima facie proof that delivery was made to the Customer.

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- 3.8.** The risk of damage to, destruction or theft of goods shall pass to the Customer on acceptance of any order placed in terms of this Agreement and the Customer undertakes to comprehensively insure the goods until paid for in full. BI may recover insurance premiums from the Customer for such ordered and uninsured goods.
- 3.9.** Any cross border insurance is not covered by BI
- 3.10.** BI does not accept liability or offer insurance on transportation and delivery of goods not arranged by BI.
- 3.11.** Delivery, installation and performance times quoted are merely estimates and are not binding on BI.
- 3.12.** If BI agrees to engage a third party to transport the goods, BI is hereby authorised to engage a third party on the Customer's behalf and on the terms deemed fit by BI.
- 3.13.** The Customer indemnifies BI against any claims that may arise from such agreement in clause 3.12 against BI.
- 3.14.** BI reserves the right at its sole discretion to provide alternative goods of the same quality and quantity at the prevailing prices to those ordered by the Customer should such goods be superseded, replaced or their manufacture terminated.
- 4. Packaging and wrapping**
- 4.1.** The number of Product unit to be delivered to the Customer shall be brought into line with the BI packaging multiples and BI shall not have an obligation to break any packaging in order to deliver the relevant quantity.
- 4.2.** BI packaging may not be used to misrepresent other goods as BI products.
- 4.3.** BI reserves the right to discount the value of a return, should the product not be returned in the original packaging.
- 5. Conditions of Payment and solvency of the customer**
- 5.1.** The Customer agrees that the amount contained in a Tax Invoice issued by BI shall be due and payable unconditionally (a) cash on order; or (b) if the Customer is a valid Credit Approved Customer, within 30 days from the end of the month in which a Tax Invoice has been issued by BI, unless otherwise agreed.
- 5.2.** The Customer guarantees its solvency on order placement to BI in order to make the payments for the Product and/or Service.
- 5.3.** The Customer must make the payments owed to BI in South African Rand (ZAR) unless otherwise agreed.
- 5.4.** The extinguishment of any obligations on BI under the Agreement shall not affect the Customer's payment obligations deriving from the Products delivered or pending delivery and/or the Services provided or pending delivery by BI at such time.
- 5.5.** In the event of non-payment by the Customer, it shall be liable for the damage and losses caused and shall bear all such costs and expenses as may arise in such connection, including, without limitation, the costs and expenses of lawyers, court procedural representatives, etc. deriving from any such claims and litigation as may arise as a result of such non-payment. Moreover, where non-payment lasts for a period in excess of thirty (30) calendar days as from the due date of the payment obligation, BI may demand the immediate return of each and every one of the Products subject to retention of title, as such term is defined in Clause 6 below, and the Customer must assume all of the costs necessary in order to carry out such return.
- 5.6.** In the event of a delay in the total or partial payment by the Customer, the outstanding amount shall accrue, as from the envisaged payment date, late-payment interest consisting of the statutory interest rate increased by 2 percentage points (2%), notwithstanding the capacity of BI to claim, on a cumulative basis, specific compliance with the breached payment obligation and any such damage or losses as such conduct may have occasioned it.
- 6. Retentions**
- 6.1.** BI shall retain ownership of all of the Products delivered to the Customer until they have been paid in full.
- 6.2.** The Customer shall at the request of BI assist in taking any measures necessary to protect BI's title to the Products.
- 6.3.** The Customer is obliged to inform BI immediately and under no circumstance later than three (3) calendar days after any seizure or third-party action in relation to the Products entailing a detriment to the property rights of BI over such Products.
- 7. Delivery, Inspection and dissatisfaction**
- 7.1.** The Customer must inspect the Product as soon as BI delivers it to the Customer.
- 7.2.** If the Customer detects, or ought to have detected, physical defects in the Product or in any other way deems that the deliveries are not in accordance with the agreed terms, it must notify BI thereof in writing within three (3) calendar days from the delivery date. Such written notice shall also contain a detailed description of the alleged defect or deficiency. If the defects cannot be detected by an ordinary ocular investigation, the time limit for notifying the claim will be thirty (30) calendar days from the delivery date. The Customer shall forfeit his right to make claims if he has not sent such notice within the time limits set out in this clause.
- 7.3.** If the claim for damage or defects is deemed to be valid, BI may choose between
- 7.3.1.** Repairing the defective Product,
- 7.3.2.** Replacing it with another identical or equivalent product, or
- 7.3.3.** Reimbursing the payment made, as the case may be.
- 7.4.** BI reserves the right at its sole discretion to provide alternative goods of the same quality and quantity at the prevailing prices to those ordered by the Customer should such goods be superseded, replaced or their manufacture terminated.
- 8. Guarantees**
- 8.1.** The guarantee exclusively covers the free replacement or repair of the Products or their components which, due to material or manufacturing defects, are not complying with the agreed specifications.
- 8.2.** The Customer shall at his own expense arrange for any dismantling and reassembly of equipment other than the Product, to the extent that this is necessary to remedy the defect.
- 8.3.** In order to make a claim, the Products or their components must be sent by the Customer, at the customer's expense, to the branches of BI or to any other place BI may designate, in order to be examined to determine whether the defect or fault is covered by the guarantee and, as the case may be, to repair or replace them.
- 8.4.** BI is liable only for defects which appear under the conditions of operation provided for in the Agreement and under proper use of the Product. BI's liability does not cover defects which are caused by faulty maintenance, incorrect erection or faulty repair by the Customer, or by alterations carried out without BI's consent in writing.

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- 8.5. Both parties hereby confirm that there are no other guarantees etc. in relation to the Products or Services than those explicitly stated in this Agreement.
- 9. Liability**
- 9.1. Under no circumstances shall BI be liable towards the Customer or towards third parties for damage and loss caused by the Products sold to the Customer, except as provided for in Consumer Protection Act.
- 9.2. Under no circumstances may a claim be made against BI for any amount whatsoever in respect of indirect or consequential damage either directly or indirectly in relation to the Agreement. This excludes, by way of examples but not limited to, damage resulting from the loss of profit, loss of production, loss of use, loss of contracts, attorney's fees, financing costs, goodwill, etc.
- 10. Force Majeure**
- 10.1. Neither of the Parties shall be bound by conditions or obligations that cannot be performed where grounds of force majeure exist, including, but not limited to, trade disputes, strikes and lock-ins, disturbances, insurrection, fires, floods, wars, confiscations, restrictions and interventions of a governmental nature or any other circumstances beyond the control of the Parties which could not have been reasonably foreseen when the purchase was made and the consequences of which could not have been avoided or resolved.
- 10.2. If, for any of the above reasons, the delivery of the Products and/or provision of the Services is disrupted for more than three (3) months from the maximum date established for the Products to be delivered or Services provided, the Parties shall be free to withdraw from their obligations with respect to the specific Product or Services concerned without incurring any liability towards the other Party.
- 10.3. If one of the Parties seeks to argue that grounds of force majeure exist, it shall be obliged to immediately notify in writing the other Party of the existence of such grounds as well as its withdrawal.
- 11. Confidentiality**
- 11.1. Both Parties shall treat with the utmost confidentiality all documents, designs, samples, plans, drawings, sketches, programs, data or any other information disclosed to them or of which they are made aware by the other Party in any format or medium, whether written or oral, in relation to the performance or content of the Agreement, provided that such information was expressly identified as confidential by the sender.
- 11.2. The documents or information classed as confidential pursuant to the previous paragraph shall not be used by the receiving Party for purposes other than the performance of this Agreement and shall not be copied or disclosed to third parties without the prior written consent of the sending Party.
- 11.3. BI shall, however, be entitled to communicate the Customer's confidential information to other companies within the Hudaco Group.
- 11.4. Where requested by the sending Party, the receiving Party shall return all documentation and electronic data, including any copies, in the manner in which they were received from the sending Party or shall immediately destroy same, including any copies.
- 12. Data protection**
- 12.1. In compliance with personal data protection legislation, the Customer is informed that the personal data (the "Data") that has provided to BI and such Data as may be obtained in the future has been and will be included on filing systems controlled by BI in compliance with the POPI Act.
- 12.2. The purpose of processing the Data shall be for BI to deliver the Product or provide the Service and, as the case may be, for the maintenance, management and control of the professional relationship entered into under the Agreement.
- 12.3. In order to exercise its rights of access, rectification, cancellation and objection, the Customer may send a letter to BI to the address stipulated above or an email to [info@bearings.co.za](mailto:info@bearings.co.za), indicating its identifying particulars in both cases.
- 13. Intellectual property**
- 13.1. The sale of the Product or the provision of the Service shall not give rise to any transfer whatsoever from BI to the Customer of any industrial property rights relating to or inherent in the Product or Service or accessory elements such as brochures, manuals or software, with the result that BI shall retain at all times, without any alteration or detriment, its ownership of all patents, models, drawings, designs, trademarks, know-how, industrial secrets and works of intellectual property, whether registered or not, in relation to the Product or accessory elements.
- 13.2. The designs, samples, plans, drawings, sketches and programs produced by BI and its suppliers are exclusively owned by BI and its suppliers unless there is express written agreement to the contrary.
- 13.3. The foregoing clauses apply in their entirety even where the Product was made to measure or produced in a specific manner in accordance with the particular requirements of the Customer.
- 14. Amendments**
- 14.1. BI may amend these T&C's at any time and shall be published on our website, a copy of which can be found at the address <http://www.bearings.co.za>
- 14.2. Web publishing and upon request the amended T&C's can be made available
- 15. Ceding**
- 15.1. The Customer may not cede, in whole or in part, any of its rights or obligations under the Agreement, without the prior expresses written consent of BI.
- 15.2. By accepting the Agreement, the Customer expressly authorizes BI to cede, in whole or in part, any of its rights or obligations under the Agreement to any company in its group of companies.
- 16. Applicable law and Jurisdiction**
- 16.1. The Agreement is subject to South African law.
- 16.2. The courts and tribunals shall have jurisdiction to hear any claim or dispute which may arise in relation to the interpretation or performance of the Agreement, including claims or disputes relating to non-contractual obligations arising from the Agreement or related to it.

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