

MULTISOURCE TECHNOLOGIES: CONDITIONS OF SALE

Save to the extent expressly otherwise agreed in writing, the following terms and conditions shall apply to all contracts entered into by MULTISOURCE TECHNOLOGIES relating to design and or manufacturing / assembly or sale of electronic devices.

1. TENDER PERIOD

Unless withdrawn prior to acceptance, any Tender or Quotation made by MULTISOURCE TECHNOLOGIES shall be open for acceptance for thirty days after the date thereof and failing such acceptance shall lapse.

2. PRICES

2.1 The prices for all goods/services are based on the information available at the time of quoting and shall be as quoted by MULTISOURCE TECHNOLOGIES prior to the contract coming into existence but not include additional costs incurred due to any changes, deviations requested by the client, new facts or information established by MULTISOURCE TECHNOLOGIES or disclosed by the client at a later stage.

2.2 The prices are based on uninterrupted production-flow for the full quoted quantity. The costs of any unscheduled interruption/hold-up or delay will be charged in addition to the quoted prices.

2.2.1 If the client supplies the components/parts, it is his responsibility to ensure that the sufficient quantity and the correct components/parts are supplied to MULTISOURCE TECHNOLOGIES to complete the contract without delays/hold-ups or interruptions, taking into account component failure and breakages. Components are supplied in a form allowing machine aided pre-forming and preparation. (Axial components should be supplied in taped form).

2.2.2 The prices quoted are based on the assumption that the printed circuit boards are manufactured to acceptable high quality standards and suitable for Wave-Soldering. Solder-Mask must be applied on to bare copper using selective tin/lead plating (Hot air levelling process). Pad- sizes/hole-sizes and pitch do match the components supplied.

3. PAYMENT

The purchase price in respect of all goods and services delivered shall be paid in cash on delivery unless terms have been arranged in which event the following provisions shall apply:

3.1 Each invoice issued by MULTISOURCE TECHNOLOGIES shall be paid without deductions within seven days of the date of invoice.

3.2 MULTISOURCE TECHNOLOGIES shall be entitled to invoice portions of the contract from time to time as the contract progresses.

3.3 Payment in full shall not be delayed for any reason whatsoever, including any alleged default on the part of MULTISOURCE TECHNOLOGIES, the purchasers right being limited to claim refund.

3.4 Interest at a maximum rate permitted from time to time by law shall be payable on any overdue amount provided that if no maximum is prescribed, the rate shall be the Standard Bank Overdraft rate, plus 8%, per month.

3.5 Should, in the sole discretion of MULTISOURCE TECHNOLOGIES, the purchaser's financial position at any time become unsatisfactory, MULTISOURCE TECHNOLOGIES shall be entitled to require either payment in advance or the provision of adequate security for payment and pending the provision thereof shall be entitled to suspend its obligations in terms of the contract. MULTISOURCE TECHNOLOGIES reserves also the right to close the account or change the account to C.O.D if the purchaser's financial position becomes unsatisfactory.

3.6 All prices are EXCLUSIVE of any VAT, impost or other levies which may be required to be paid arising out of this contract and MULTISOURCE TECHNOLOGIES shall be entitled on demand to recover any such amounts so paid or to require the purchaser to put it in funds to meet such payment.

3.7 All payments made in terms of this contract shall be made in South-African Rands, payable free of deductions at the address stated on the invoice.

4. PROCUREMENT OF COMPONENTS / PARTS

4.1 MULTISOURCE TECHNOLOGIES shall be entitled on demand to recover any amounts so paid for the procurement of components/parts on behalf of the purchaser, or to require the purchaser to put it in funds to meet such payments.

4.2 MULTISOURCE TECHNOLOGIES shall not be liable for payment of any components/parts duly ordered by the client, but delivered by the supplier directly to MULTISOURCE TECHNOLOGIES and accepted by MULTISOURCE TECHNOLOGIES on behalf of the client.

5. DELIVERY

5.1 PLACE OF DELIVERY

5.1.1 Unless otherwise agreed, the purchaser shall take delivery of the goods at MULTISOURCE TECHNOLOGIES premises.

5.1.2 If the parties agree that the goods are to be delivered at a place, other than MULTISOURCE TECHNOLOGIES premises:

5.1.2.a. The cost of delivery shall be for the purchaser's account.

5.1.2.b The purchaser shall be responsible for receiving and checking the goods in presence of the deliverer and in the event of shortages or damages, the delivery note must be endorsed accordingly; and

5.1.2.c. Delivery at the agreed place of delivery shall constitute good delivery whether or not anyone received delivery on behalf of the purchaser.

5.2 PART DELIVERY

MULTISOURCE TECHNOLOGIES shall be entitled to effect part deliveries.

5.3 PACKAGING AND CRATING

The purchase price relating to the goods/services do not include the cost of packaging and crating and MULTISOURCE TECHNOLOGIES will, where it considers it necessary, package and crate the goods in a manner usually employed by it and the cost will be for the purchaser's account.

5.4 ACCEPTANCE OF DELIVERY

5.4.1 On delivery the purchaser shall sign a delivery note and a delivery note signed by the purchaser, or by somebody purporting to act on behalf of the purchaser, or by somebody else at the agreed place of delivery, shall be the proof until the contrary is proven of delivery of the goods listed on the delivery note in good condition.

5.4.2 Delivery at the nominated destination or the nominated destination-site shall constitute good delivery, whether or not anyone receives delivery on behalf of the purchaser.

6. SHORTAGES AND BREAKAGES ON DELIVERY

6.1 Subject to the provisions of this clause, MULTISOURCE TECHNOLOGIES shall at its option:

6.1.1 Replace by delivery in the same manner as that contracted for, and within a reasonable time, all shortages and breakages, less any recoveries there from, in respect of the goods delivered in terms of this contract.

6.2 In the event of shortages or damages MULTISOURCE TECHNOLOGIES must be notified in writing within seven days of delivery.

6.3 MULTISOURCE TECHNOLOGIES shall not recognise any shortages or breakages unless the specified procedures (both endorsement and notification) have been taken and MULTISOURCE TECHNOLOGIES liability is limited accordingly.

7. DELAY

7.1 Unless specifically provided to the contrary, time shall not be the essence of this contract.

7.2 Unless specifically provided to the contrary, delivery dates are given in good faith and MULTISOURCE TECHNOLOGIES will make every endeavour to implement the contract timeously, but such dates are estimates only.

7.3 All cases where the execution of the contract is delayed, because of circumstances which MULTISOURCE TECHNOLOGIES can not reasonably and practically control in the normal conduct of its business (including but not limited to labour unrest, shortages of materials or labour, government regulations, fire, shipping and other transport delays, delays on the part of any manufacturer, supplier or the purchaser, act of God or force majeure) MULTISOURCE TECHNOLOGIES shall be entitled to a reasonable extension within which to effect delivery.

7.4 If the execution of the contract is not completed within such extended period, the purchaser shall be entitled if MULTISOURCE TECHNOLOGIES fails to remedy such NON-COMPLIANCE within thirty days of written notice requiring it to do so, to terminate the contract against payment to MULTISOURCE TECHNOLOGIES of its proportionate share of the contract price in respect of that portion of the contract which has been executed.

7.5 If the execution is delayed or interrupted by the purchaser, i.e. any hold-ups during production due to component shortages or interruption of production-flow due to unscheduled call-off's.

7.5.1 MULTISOURCE TECHNOLOGIES shall be entitled to make a reasonable charge for the shortage of the goods during the period of such delay.

7.5.2 MULTISOURCE TECHNOLOGIES shall be entitled to charge for the cost of such STANDSTILL/DELAY or INTERRUPTION.

8. WARRANTIES, CLAIMS AND LIMITATIONS

8.1 Unless a separate guarantee or warranty is given by MULTISOURCE TECHNOLOGIES in respect of any specified goods/services in the event the provisions hereof, save for 8.7 shall not apply and such guarantees shall be governed by the provisions set out in such separate guarantee or warranty, MULTISOURCE TECHNOLOGIES warrants:

8.1.1 That the goods, to the extent that they are manufactured/assembled by MULTISOURCE TECHNOLOGIES, will be manufactured/assembled in accordance with the plans, specifications, samples and instructions given in writing by the purchaser to MULTISOURCE TECHNOLOGIES and upon MULTISOURCE TECHNOLOGIES based its quotation of the purchase price for the manufacture/assembly of the goods, provided that MULTISOURCE TECHNOLOGIES may in the manufacture/assembly of the goods, to the extent that said plans, specifications, samples and instructions do not require otherwise, use such materials, parts and methods of production as it deems fit and no warranty, express or implied save to the extent set out in 8.1.2 shall be given or deemed to have been given in respect of such materials, parts and methods of production/assembly.

8.1.2 That the goods, to the extent that they are manufactured/assembled by MULTISOURCE TECHNOLOGIES will be free from defects and suitable for all normal purposes, but not that the goods are suitable for any other purposes.

8.1.3 That the characteristics and capabilities of the goods (including, in particular, performance levels, dimensions, mass, durability and consumptions of power, fuel, water, and any other services) will be substantially as stated although certain substantial differences may occur; and to the extent that the goods are not manufactured/assembled by MULTISOURCE TECHNOLOGIES, the purchaser shall, subject to notice having been given in accordance with 8.3 below, have the same rights against MULTISOURCE TECHNOLOGIES as MULTISOURCE TECHNOLOGIES has against the supplier in regard to the defects therein or unsuitability thereof, the intention being that MULTISOURCE TECHNOLOGIES liability shall be co-extensive with the right of recourse it has against the supplier. A copy of any guarantee, warranty, contract or other document evidencing MULTISOURCE TECHNOLOGIES rights against the supplier shall be made available to the purchaser on request.

8.2 Should the goods not comply with this warranty, MULTISOURCE TECHNOLOGIES shall subject to notice having been duly given in accordance with 8.3 below, at its option replace or refund a proportionate share of the price in respect of the defective goods against return of the goods concerned.

8.3 Claims arising out of this warranty will only be recognised if written notice is given to MULTISOURCE TECHNOLOGIES within fourteen days of any defect or unsuitability becoming apparent, and in any event within one month after delivery of the defective or unsuitable goods.

8.4 Save as set out in this clause, no claims shall lie against MULTISOURCE TECHNOLOGIES arising out of, or in connection with, any defects, or unsuitability of the goods.

8.5 MULTISOURCE TECHNOLOGIES does not warrant or represent that any advice given by it in connection with the goods is correct unless it is given in writing under the signature of a director of MULTISOURCE TECHNOLOGIES.

8.6 It is recorded that no warranties or representations, whether express or implied, other than those recorded herein have been given or made by MULTISOURCE TECHNOLOGIES in connection with this contract and in particular and without limiting the generality of the foregoing, the parties acknowledge that the warranties hereby given are given and accepted in lieu of all other warranties, including warranties of fitness for a particular purpose and whether oral, written, expressed, implied or statutory.

8.7 Notwithstanding anything of the contrary herein contained MULTISOURCE TECHNOLOGIES nor any of its Suppliers, Subsidiaries or parent companies, officials, employees or agents, shall be liable for any loss, expense, damage, injury or death, whether direct, indirect, consequential or otherwise suffered by the purchaser arising from any cause whatsoever in connection with this contract (including without limitation, any cause in connection with the goods sold or the use, re-sale or other disposal of those goods or anything done or not done pursuant to this agreement), whether such loss, expense, damage, injury or death results from breach of contract (whether total, fundamental or otherwise), delict, negligence or any other cause without limitation, and whether this contract is cancelled or not. If the purchaser disposes of, or leases, any of the goods to a third party, or otherwise permits a third party to use any of the goods, the purchaser shall include in its agreement with such third party a provision in terms of which the third party grants similar protection to MULTISOURCE TECHNOLOGIES, its suppliers, associate companies, officials, employees and agents.

8.8 MULTISOURCE TECHNOLOGIES shall not be liable to purchaser for any loss of or damage caused to purchaser's goods whilst in MULTISOURCE TECHNOLOGIES possession. It is the purchaser's responsibility to insure his goods / parts / components against such events while the goods are in possession of MULTISOURCE TECHNOLOGIES. At the purchaser's written request and on reimbursement of any costs in that regard on demand, MULTISOURCE TECHNOLOGIES shall insure the purchaser's goods at the insured value as stated by purchaser. The purchaser accepts that any damage it may suffer as a result of under-insurance shall not be recoverable from MULTISOURCE TECHNOLOGIES.

8.9 The purchaser warrants that any drawing, design, description or specification provided by the purchaser to MULTISOURCE TECHNOLOGIES and in accordance with which MULTISOURCE TECHNOLOGIES executes any order, shall not infringe the rights of any third party under any trade mark, trade name, copyright, design or patent, whether registered or in common Law.

8.10. The cost of all delivery and collections shall be for the purchaser's account.

9. TESTS

Should the purchaser require any tests to be conducted to prove the performance Levels of the goods, or for any other purpose MULTISOURCE TECHNOLOGIES shall be entitled to make its usual charges therefor.

10. RESERVATION OF OWNERSHIP

Until all amounts payable by the purchaser hereunder have been paid:

10.1 Ownership of the goods shall not pass to the purchaser and the parties' record that, to give full effect hereto, it is their intention, and they hereby agree, that the goods shall remain movable property, severable from any other movable or immovable property to which the goods may be attached.

10.2 Any claim that the purchaser may at any time have arising wholly or partially out of or in connection with the disposal by it of the goods, shall be deemed to have been ceded to MULTISOURCE TECHNOLOGIES as security for the purchaser's obligations hereunder.

11. RETURN OF THE GOODS

No credit will be granted for goods returned, save with the sanction of a MULTISOURCE TECHNOLOGIES Director in writing and any such Credit shall be subject to a Deduction of:

11.1 A 15% handling charge, and

11.2 All costs incurred by MULTISOURCE TECHNOLOGIES in regard to such return; it being agreed that only goods in saleable condition may be returned.

12. BREACH

If the purchaser breaches any obligation owed by it to MULTISOURCE TECHNOLOGIES, whether under this contract or otherwise, or circumstances obtained by virtue of which the purchaser could be placed in liquidation or sequestration, or the purchaser is placed under judicial management, MULTISOURCE TECHNOLOGIES shall be entitled, without any prejudice to any other remedies to which it may be entitled:

12.1 To claim immediate payment of all amounts payable to MULTISOURCE TECHNOLOGIES, whether due under this or any other contract, and whether then due and payable or not;

12.2 To suspend the performance of any obligation owed by it;

12.3 To cancel this agreement;

12.4 To claim such damages as it may have suffered.

13. MISCELLANEOUS

13.1 ENTIRE CONTRACT

This agreement constitutes the entire contract between the parties with regard to the matters dealt with in this agreement and no representations, terms, conditions or warranties not contained in this agreement shall be binding on the parties.

13.2 VARIATION AND CANCELLATION

No agreement varying, adding to, deleting from or cancelling this agreement shall be effected unless reduced to writing and signed by a director of MULTISOURCE TECHNOLOGIES and an authorised representative of the purchaser.

13.3 INDULGENCES

No indulgences granted by a party shall constitute a waiver of that party's rights under this agreement, accordingly that party shall not be precluded, as a consequence of having granted such indulgence, from exercising any rights against the other which may have arisen in the past or which may arise in the future.

13.4 LEGAL COSTS IF PURCHASER DEFAULTS

The purchaser shall pay all legal costs, including attorney and client costs, collection commission and tracing fees, incurred by MULTISOURCE TECHNOLOGIES as a result of the breach hereof by the purchaser.

13.5 LEGAL CONSTRUCTION

This contract shall be governed in all respects by, and shall be construed according to, the laws of the Republic of South-Africa.

13.6 JURISDICTION

MULTISOURCE TECHNOLOGIES shall be entitled, but not obliged, to institute any proceedings arising out of or in connection with this agreement in any Magistrate's Court having jurisdiction over the person of the purchaser, notwithstanding that the proceedings may otherwise exceed the jurisdiction of that court.

13.7 CESSION AND ASSIGNMENT

MULTISOURCE TECHNOLOGIES shall be entitled to cede and assign its rights and obligations arising out of this contract without obtaining the consent of the purchaser.

13.8 FUTURE CONTRACTS

In the absence of an express agreement to the contrary, these conditions shall apply to all future contracts between the company and the customer relating to the goods/services.

13.9 VERBAL ARRANGEMENTS

MULTISOURCE TECHNOLOGIES reserves the right to decline to recognise any verbal arrangements not recorded in writing and signed by the parties as envisaged in clause 13.2 of this agreement, whether such arrangements are made before, at or after the time this contract is entered into and whether they have the effect of adding to, amending or cancelling this contract.