



## TERRATECH Terms and Conditions of Contract

1. The following definitions apply to the Terms and Conditions of Contract:
  - a. **“Company”** means TERRATECH of P O Box 3395, Glenvista, 2058, Johannesburg, South Africa and any legal successors in title;
  - b. **“Contract”** means the agreement between the Company and the Customer which includes these Terms and Conditions of Contract and any quotation, offer, purchase order and invoice that apply to the Work undertaken by the Company;
  - c. **“Customer”** means the party or parties to who the quotation is addressed unless otherwise specified overleaf.
  - d. **“Work”** means the scope of work or services as specified in the quotation.
2. Any quotation is valid for 30 days from the date of the quotation, unless stated otherwise. Thereafter, the Company reserves the right to revise the quotation.
3. The fees quoted are for Work as set out in the quotation. The quoted fee will not be exceeded without the prior written authority of the Customer.
4. Unless the contrary is expressly stated in our quotation, the fees quoted are excluding Value Added Tax and are subject to the addition of Value Added Tax at the appropriate rate.
5. Unless alternative terms are agreed in writing by the Managing Member of the Company on the quotation, the fees quoted will be invoiced as follows:
  - (a) 40% after receipt of official purchase order from customer;
  - (b) 60% on submission of final reports
6. The Customer is required to pay to the Company all invoices in full within 30 days of the invoice date. All payments should be made to TERRATECH. (The VAT Number of TERRATECH is ) Thereafter interest will be charged at 7 % per annum.
7. The Company reserves the right to decline to proceed with the Contract (or any part of it) until the Customer has paid in full the Company's initial invoice of 40% of the fees quoted.
8. To the extent the standard of Work has not been specified, the Company shall use good quality materials, techniques and standards and provide the Work with the care, skill and diligence required in accordance with standards applicable to UK Electricity Supply Networks.
9. The Company shall keep the Customer informed and shall prepare and submit at such intervals as are specified in the Quotation, reports on the progress of the Work.

10. Should attendance by the Company at a site be necessary, the Customer shall, in advance of attendance, notify the Company of any special health and safety hazards which may be involved, or introduced on that site, and which may affect the Company. The Company shall draw these hazards to the attention of its employees and sub-contractors or any other persons under its control who are required to attend the site.
11. The staff provided by the Company may be required to make visits to the Customer's offices or visit sub-contractors. The Company's staff will be required to comply with all staff rules and regulations that apply within the sites of the Customer or other sub-contractors and copies of such rules and regulations shall be made available to them.
12. Where the Work is undertaken at the Customer's sites or offices, or the Customer's sub-contractors, the Customer shall provide free of charge to the Company's staff suitable working facilities and suitable storage space for the Company's equipment required to provide the Work.
13. The Customer may at any time during the execution of the Contract require the Company to undertake any reasonable alteration or addition to or omission from the Work. If due to changes in techniques or working practices it is necessary or if it is reasonable to do so, the Company may make any reasonable alteration or addition to, or omission from the Work. Should any variation agreed with the Customer involve an increase or decrease in the cost of the total fees quoted to the Company of providing the Work, an additional or decreased charge shall be applied to the price specified in the quotation.
14. In the event of cancellation or postponement of any Work once commissioned, a fee may be charged by the Company to cover the reasonable costs of all work undertaken, expenses and commitments made up to the time of receipt of formal notification from the Customer, together with an amount representing the Company's loss of profit.
15. The Customer must provide all relevant information in its possession as may, in the reasonable opinion of the Company, be necessary or desirable for the proper performance of the Contract. Should this not be provided at the agreed time, this may delay the completion date of the Work. Also, the Customer shall be responsible for the fair and reasonable extra cost (if any) incurred by any party to this Contract occasioned by late, inadequate or inaccurate information furnished by the Customer.
16. The Customer shall indemnify the Company against all claims, proceedings and liabilities (whether civil or criminal) of any kind whatsoever which may arise in consequence of the tests and use of equipment carried out under the supervision of the Customer, save where such claims, proceedings or liabilities result from the negligence of the Company, its employees, agents or servants. The Customer shall indemnify the Company and its servants, agents and sub-contractors against any damage, loss, cost, claim or expense to the Company, howsoever caused, except for negligence on the part of the Company, if such damage, loss, cost, claim or expense arises in any manner out of or is connected with the Work pursuant to this Contract or any product whose design and manufacture has been based in whatsoever way on such Work.
17. The Customer accepts full responsibility for the consequences of pre-arranged and agreed disconnection of electricity supply to their premises, or any part of their premises or sites, for the purposes of carrying out the Work in respect of the Contract and shall indemnify the

Company against any expense, liability, loss, claim or proceedings in respect of injury or damage (whether to person or property) or death occasioned by any such disconnection.

18. All plans, drawings, designs, specifications and all other documents and matter, provided by the Customer pursuant to the Work shall be returned to the Customer on demand. The Customer warrants that all the said plans and other documents provided by him shall not be as such as will cause the Company to infringe any letters patent, Registered Design, Trade Mark, Copyright or any other intellectual property right in the execution of the Contract.

This Clause 18 is specifically intended to allow the Company to use soil data from the widest range of sources to improve the quality of the reports and tabulations supplied to all Customers. Similarly, the design strategies developed are an internal resource of the Company and only the Site specific designs provided in the reports become the property of the Customer.

19. All reports, tabulations, plans, drawings and other project documentation provided by the Company under the Contract and particular to the Work shall become the copyright of the Customer who shall authorise the Company by the way of license, free of charge, to use such part or parts of the said reports, tabulations, questionnaires, drawings and project documentation as shall not be deemed to be of a sensitive nature. The Customer shall inform the Company within fourteen days of the commencement of the project, setting out the data which it deems to be of a sensitive nature. Otherwise, the Company will be free to use such data, using its own discretion. The general design practices, procedures and calculations that are not specific to the Customer's site and the raw soil resistivity data obtained from any site measurements shall become the property of the Company.
20. In the event of an error caused by the negligence of the Company in any reports or tabulations supplied to the Customer, the Company will take all steps it considers reasonable to correct the error at its own expense, but will not be liable for any loss (direct or indirect) or damage caused to the Customer or any other person by the error.
21. In giving advice and/or making recommendations to the Customer in connections with business strategy, purchasing, tender preparation, tender evaluation and/or engineering methods, the Company, while acting in good faith, does no more than suggest steps the Customer might sensibly take and will not be liable for any damage or loss suffered by the Customer in reliance upon any such advice and/or recommendations.
22. In the event of any dispute arising between the Customer and the Company, either party shall refer the dispute to an independent expert appointed by:
  - a. the Engineering Council of South Africa (ECSA) or any successor body where a dispute arises between the parties relating to the Work performed the Company and its Customers;
  - b. the Institute of Chartered Accountants in South Africa or any successor body where a dispute arises in respect of the payment provisions; or
  - c. for all other disputes The Law Society in South Africa or any successor body or such other professional body as designated or recommended by it.

23. The Contract shall be governed by and construed in accordance with the laws of South Africa and without prejudice to clause 22 each party agrees to submit to the exclusive jurisdiction of the courts in South Africa.
24. The Company will do its utmost to complete the Contract in accordance with the timing quoted to the Customer, but shall not be held liable for delays or other failure to perform its obligations due to lack of instructions by the Customer or occasioned by a Force Majeure event which are any factors outside its control (including but not limited industrial disputes, terrorism, vandalism, fire or accident, government act, natural catastrophe or delays receiving the necessary data from the Customer).
25. The liability of the Company under the Contract is limited to the lesser of the redesign and/or revision of the Work or the price agreed for the Work. The Company shall not be liable to the extent permissible by law in connection with the Contract and/or the provision of any Work for any indirect special or consequential loss or damage which includes, but is not limited to any loss of profit, revenue, anticipated savings, use, goodwill or business opportunities whether direct or indirect.
26. Both parties shall treat the terms of Contract as private and confidential, other than those aspects released as set out in the Terms and Conditions above.
27. The Company may, unless requested otherwise in writing by the Customer, refer to the type of work undertaken in the Contract in its marketing media and literature.