



ANNEXURE A
STANDARD TERMS
AND
CONDITIONS OF SALES

These Afrison LED terms and conditions of sale ("Terms"), except as otherwise agreed in writing, apply to all transactions, quotations, offers to contract, and contracts, whether written or oral, for the supply of the Products and/or services ("Products") by Afrison LED (PTY) LTD, Registration Number: 2013/040662/07 ("Afrison LED") to the CUSTOMER ("Customer"). Variations to these Terms shall only be enforceable upon Afrison LED's prior acceptance in writing.

1. PURCHASE & PRICING

- 1.1.** The Customer shall be bound by these Terms in all transactions for the purchase of Products. The clauses of these Terms supersede any similar agreement between the Customer and Afrison LED, to the extent of any conflict.
- 1.2.** The Customer shall inform its Clients (if Applicable) that the Products are sold subject to these Terms, and the Customer shall be deemed to have been informed in respect of all sales of the Products by the Customer to its Clients. The Customer shall retain proof of each instance of such disclosure, which will be presented to Afrison LED on demand.
- 1.3.** Unless otherwise stated, prices of the Products are exclusive of Value Added Tax (VAT) and do not include any other taxes, duties, or other levies applicable to the Products. Prices are dominated in South African Rand (ZAR) or where applicable, in local currency of the Customer.
- 1.4.** All transportation costs, including incidental travel, attendance, and any costs related to insurance, shall be for the Customer's account, except where stated as included or quoted separately.
- 1.5.** Due to market and currency fluctuations, prices of the Products may, from time to time, vary without notice. Prices are therefore not fixed and binding upon Afrison LED until expressly confirmed in writing to the Customer.

2. ORDERS

- 2.1.** Afrison LED sells to the Customer the Products as described on the Customer's invoice in the Terms as stated herein. Where the Customer's conditions of purchase conflict with these Terms, the provisions hereof shall prevail.
- 2.2.** A binding contract of sale in respect of the Products comprises a credit application by the Customer (where applicable), a quotation, an Order, and an Acknowledgement under these Terms.
- 2.3.** Each quotation shall be valid for thirty (30) calendar days from the date of the quotation unless stated otherwise.
- 2.4.** An order for the Products will not be subject to cancellation or variation in whole or in part without Afrison LED's prior written consent.
- 2.5.** All orders submitted by the Customer according to any quotation submitted by Afrison LED, constitute an unconditional acceptance of these Terms set out herein, and each order is subject to the written acceptance of Afrison LED.
- 2.6.** Afrison LED reserves the right, in writing, to decline any order and/or to suspend delivery and/or to decline to supply the Products to the Customer.

3. PAYMENT TERMS & RESERVATION OF OWNERSHIP

- 3.1.** Save where Afrison LED has approved a credit facility in advance, all sales of Products shall be transacted and delivered on a "cash on delivery" basis.
- 3.2.** The Products shall at all relevant times remain the property of Afrison LED until the full purchase price, interest, and cost, if any, has been paid in full, and reflects in the Afrison LED bank account.
- 3.3.** Afrison LED, in its sole discretion, reserves the right to sell and deliver goods to the Customer on credit, albeit incidental credit or otherwise, subject to terms and conditions that the parties may agree to, which is to be reduced to writing and signed by both the Customer and Afrison LED.

- 3.4. In the event that Afrison LED has approved a credit facility, payment for the Products must be made within thirty (30) calendar days following the date of statement.
- 3.5. Where a credit facility has not been approved by Afrison LED, or the Customer has not applied for a credit facility, 50 to 70% of the total price, depending on the total price of the Product and the risk involved, shall be paid as a deposit prior to manufacture by Afrison LED of the Products ordered, and the remaining balance shall be paid within seven (7) calendar days from date of invoice. Delivery of the Products ordered shall not be made pending payment in full of the price of the Products concerned.
- 3.6. These payment terms are subject to the Consumer Protection Act 68 of 2008 and the National Credit Act 34 of 2005.2
- 3.7. All overdue amounts shall attract compound interest at the rate of 2 % per month, calculated from date of delivery of the goods to date of payment in full and capitalised monthly.
- 3.8. Without prejudice to any other rights and remedies which Afrison LED may have, non-payment of any overdue invoice entitles Afrison LED amongst other measures to, and on notice to, the Customer:
 - 3.8.1. claim immediate payment of all other outstanding amounts and/or invoices;
 - 3.8.2. require financial guarantees or new payment terms for new orders;
 - 3.8.3. suspend all pending orders and deliveries until the amount due is paid in full, including interest and costs;
 - 3.8.4. recover possession of the Products at the Customer's expense;
 - 3.8.5. terminate the contract and claim and recover such damages as Afrison LED may have suffered. Any advance or down payments, whatever their value, shall be forfeited to Afrison LED by way of the Rouwkoop clause.
- 3.9. Should:
 - 3.9.1. the Customer resolves that the Customer voluntarily institutes business rescue proceedings and/or be placed under business rescue;
 - 3.9.2. the Customer be placed under provincial or final liquidation or sequestration;
 - 3.9.3. the Customer be (or is deemed by any authority or legislation to be) financially distressed, as contemplated in Section 128 (1) of the Companies Act number 71 of 2008 (as amended);
 - 3.9.4. the Customer's liabilities exceed its assets;
 - 3.9.5. the Customer commits an act which would have constituted such an act of insolvency if it had been a natural person;
 - 3.9.6. any of the assets of the Customer become judicially attached: Afrison LED shall be entitled to require additional security, or to modify payment terms, or to suspend delivery of the Products, or alternatively to terminate any pending order upon notice, without prejudice to Afrison LED's rights.

4. DELIVERY

- 4.1. Unless otherwise specified by the Customer in writing, delivery will take place at the Customer's Premises.
- 4.2. The date for delivery of the Products shall be as and when the Products become available for delivery unless a specific date for delivery is accepted by Afrison LED in writing.
- 4.3. All dates of delivery must be treated as approximately dates only and the Customer shall not be entitled to cancel this agreement, nor bring any claim of whatsoever nature against Afrison LED as a result of a delay/s in delivery, howsoever arising, save as far as the Afrison LED has agreed thereto in writing.
- 4.4. Although Afrison LED will endeavour to deliver the Products according to the Customer's requirements, Afrison LED does not guarantee dispatch of any specific date and shall not be liable for any damages for failure to effect delivery / dispatch timeously for any reason beyond Afrison LED's control, including but not limited to, inability to secure labour, power, materials,



equipment, suppliers, or by reason of an act of God, war, civil disturbance, riot, state emergency, strike, lockout or other labour disputes, fire, flood, drought, importation delays or legislation. The Customer shall not be entitled to cancel any order by reason of such delay and time of delivery shall not be a material term of this agreement.

- 4.5. Afrison LED delivers all orders free of charge to Customers within South Africa.
- 4.6. Afrison LED shall at its discretion be entitled to effect and invoice for part deliveries.
- 4.7. When effecting delivery on special request at the Customer's premises, or such other premises as nominated by the Customer, the Customer shall be responsible for receiving, unloading, and checking the Products in the presence of the Afrison LED representative making the delivery.
- 4.8. In the event of short delivery, the Customer shall forthwith upon delivery endorse Afrison LED's copy of the delivery note specifying details of the short delivery and thereafter within 3 (THREE) days of such delivery the Customer shall lodge a claim with Afrison LED in respect of such short delivery.
- 4.9. If the Products are delivered in a damaged or defective state, the Customer shall forthwith upon delivery endorse Afrison LED's copy of the delivery note detailing the damage or defects to the Products and the Customer shall within 3 (THREE) days of such delivery notify Afrison LED of such damage or defects in the Products delivered.
- 4.10. On compliance by the Customer with 4.8 and 4.9 and provided Afrison LED agrees with the information supplied by the Customer, Afrison LED will either make up the shortfall in the Products or replace the damaged or defective Products as the case may be.
- 4.11. Notwithstanding the provisions of 4.8, 4.9, and 4.10, Afrison LED shall not be liable to the Customer for any loss or damage occasioned because of the circumstances in 4.8 and or 4.9.
- 4.12. Delivery of the Products at the place of delivery nominated by the Customer shall constitute good delivery. Any acknowledgement of receipt by the Customer or any authorized representative or employee, whether direct or indirect, in writing or otherwise shall serve to also confirm delivery.
- 4.13. If the Products are delivered to a carrier for delivery to the Customer, delivery to the Customer shall be deemed to have been duly affected on delivery to the carrier.
- 4.14. For purposes of this clause, "Afrison LED" shall include any carrier, courier, agent, or independent contractor who may affect delivery on behalf of Afrison LED.
- 4.15. Afrison LED hereby reserves the right to charge a reasonable handling fee for the return of any Product due to any reason other than the fact that the Product failed, is defective, hazardous, or unsafe as defined in the CPA.

5. TRANSFER OF RISK AND INSURANCE

- 5.1. All risk of loss and/or damage to the goods shall immediately transfer to the Customer upon delivery thereof, notwithstanding that ownership in the Products remains vested in Afrison LED.
- 5.2. Delivery shall be effected ex-works, as contemplated in the 2010 edition of the International Chamber of Commerce's Commercial Terms ("Incoterms®").
- 5.3. Afrison LED will only procure insurance at the written request of the Customer and upon such terms as the parties may agree upon in writing.

6. WARRANTY

- 6.1. The warranty set out hereunder is provided by Afrison LED in respect of all Light Emitting Diode luminaire ("LED") products that have been manufactured, assembled, and/or supplied by Afrison LED.
- 6.2. The Warranty is only provided by Afrison LED exclusively to the Distributor / Customer whom the invoice is issued to, and/or to parties purchasing the LED Products directly from Afrison LED. This warranty is not transferable to any other entity.



- 6.3. Afrison LED warrants that each product will be free from defects in materials and workmanship subject to the conditions as stated herein.
- 6.4. Afrison LED assures that all LED products (excluding protection units, drivers, batteries and/or add-on modules) which are branded AFRISON, and/or AFRISON LED, and were manufactured by Afrison LED, are integrally warranted for a period of 1 (ONE) year, 3 (THREE) years, or 5 (FIVE) years as stipulated on an Afrison LED quote, spec sheet or price list, from invoice date, or until the product has reached its "End-of-life" ("EOL") due to unplanned and/or unforeseen circumstances (such as but not limited to a Light Emitting Diode or other component manufacturer ending the specific LED range used), and provided they are used complying with the aim and environment the specific product has been developed for, and subject to all terms & conditions as stipulated hereunder. If not specified to the contrary, Custom-Made Luminaires and/or Products are warranted for a maximum of 1 (ONE) year from the invoice date, subject to conditions contained herein.
- 6.5. The warranty period referred to in 6.4 is subject to the daily working hours and/or daily operating hours of the Product not exceeding 12 hours per day. In the instance where a product is utilized for daily periods exceeding 12 continuous hours, the warranty period may be, at the sole discretion of Afrison LED, be shortened and/or adjusted accordingly to accommodate the extended working hours.
- 6.6. The Distributor/Customer acknowledges that if the product is to be installed in a corrosive environment, notably a seaside or chemical site, and the set IP rating of the product is not high enough, the Distributor/Customer must inform Afrison LED before production commences. Afrison LED will then prescribe necessary precautions and manufacture and/or supply a product that is specified and suitable for said conditions. This warranty specifically excludes all corrosion or seaside wear & tear if the product was not specifically specified in the client's purchase order for corrosion, chemical, or seaside environments.
- 6.7. The warranty supplied hereunder consists of repairing or replacing products that may be proved to be defective in materials or workmanship. The option to repair or replace products under this warranty is solely at the discretion of Afrison LED.
- 6.8. LED luminaires shall not be considered defective solely as a result of the failure of individual LED components if the number of inoperable components is less than 10% of the total number of LED components in the LED luminaire.
- 6.9. If a defective product is from a product range that reached its EOL due to circumstances out of the control of Afrison LED (see 6.4), it is within Afrison LED's sole discretion to either replace the product free of charge with a similar product or to quote the Distributor/Customer for a similar product.
- 6.10. In order to obtain a repair or product replacement under this warranty, a written notice must be sent/delivered to Afrison LED by e-mail to the address warranty@afrison.co.za, within 10 working days starting from the discovery of the product failure/defect (See 6.17 for full details). Failure to notify Afrison LED of the product failure/defect as stipulated here, will/may nullify any warranty claims regarding the specific product.
- 6.11. The warranty supplied hereunder is subject to the Distributor/Customer complying to all the following conditions:
 - 6.11.1. Products are used complying with technical specifications (available on the product specification sheet, and/or included with supplied products, and/or stated on supplied products as per QR code, and/or as published on (www.afrison.co.za));
 - 6.11.2. Products have been installed by qualified personnel and according to mounting and/or installation instructions (available on the product specification sheet, and/or included with supplied products, and/or stated on the supplied product as per QR code, and/or as published on www.afrison.co.za);



- 6.11.3. Afrison LED may request the Distributor/Customer to provide a certificate of compliance (COC) regarding the installation, as issued by qualified and authorized personnel; failure to supply such a certificate on request may nullify this warranty;
- 6.11.4. The Distributor/Customer has regularly settled invoices at due dates, as per payment agreements;
- 6.11.5. No modification or change has been affected to the product without prior and written authorization by Afrison LED;
- 6.11.6. Faulty/defective products must be kept by the Distributor/Customer as is (without tampering, opening of enclosed units, etc.) to allow Afrison LED to do all necessary analysis to establish the cause of failure;
- 6.12. Afrison LED also warrants the luminous performances of its products. During the warranty period, the luminous flux will at least be maintained at a level that corresponds to the L70 value, subject to all other conditions contained herein.
- 6.13. In case a product was diagnosed with production defects and/or component failures, which are covered by this warranty, Afrison LED can proceed at its unobjectionable discretion to repair and/or replace the product with an equal or equivalent product, taking into consideration electric consumption or lighting performances.
- 6.14. The Afrison LED Warranty does not cover:
 - 6.14.1. Any batteries installed or supplied as a component of an emergency lighting product, or batteries supplied as part or add-on or component of any Afrison LED product supplied. All batteries supplied are warranted as per respective battery data or battery supplier specification sheets.
 - 6.14.2. Defects of products, caused by unexpected and/or unpredictable events, such as, by way of non-limiting example, accidental case and/or force majeure, vandalism acts, public riots, fires, intense atmospheric phenomenon, and/or any other event which may influence the product or component failure;
 - 6.14.3. Defects of products caused by lightning and/or electrical supply conditions exceeding limits, including spikes, overvoltage/under-voltage, and ripple current control systems that are beyond the specified limits of the product, and those defined by relevant supply or contrary to industry standards relating to acceptable power input;
 - 6.14.4. Defects caused by tampering with previously repaired or Distributor/Customer-repaired products without the written authorization of Afrison LED. This includes, but is not limited to, non-accessible/sealed parts, e.g., optical compartments, of the product; i.e. the product has been opened by the Distributor/Customer without Afrison's prior and written authorization;
 - 6.14.5. Any failed or dysfunctional Printed Circuit Board (PCB), and/or any electronic component that was installed on the manufactured PCB as a sub-component of, or on the Product if this electronic component and or PCB failed, or became dysfunctional during any period after 3 (THREE) years from the invoice date, subject and conditional to operational hours as stipulated in 6.5;
 - 6.14.6. Defects of products if the product has been exposed to ambient temperatures outside of the values as specified on the technical instructions and/or specification sheets;
 - 6.14.7. Collateral costs for repair of failure and/or defect, product removal and assembling costs, labor, transport for failed fitting, or any other costs for repair of the product and/or defect. This collateral cost will always be the responsibility of the Distributor/Customer. All additional costs (e.g. dismounting), freight for defective parts or products, reinstallation, transportation time, tools for lifting and scaffolding, or other costs resulting from a breakdown of installation, and/or costs in relation to consequential, special, incidental, or pure financial damages such as loss of revenue/profits, damage property, stoppage of work, idle assets, loss of production, etc. are not subject to this



warranty and is specifically excluded, and Afrison LED cannot be held liable for any such loss or damage which may arise to entities, persons or properties; to

- 6.14.8. All parts subject to normal wear and tear because of use throughout the time;
- 6.14.9. Improper or incorrect use or installation;
- 6.14.10. Any product that was installed without properly connecting the earth wire as per installation instructions and/or specification sheets.
- 6.14.11. Any product sourced from another supplier or supplied to Afrison LED by another supplier or third party, to fulfill a Distributor/Customer's order, and/or any product supplied to the Distributor/Customer that does not carry the AFRISON or AFRISON LED brand name. Products not manufactured by Afrison LED and sourced for the Distributor/Customer from external sources and/or suppliers will be subject to the warranty, if any, as supplied by the external source or supplier. Afrison LED will never be liable for any other warranty on a product sourced from a third party other than the warranty as supplied by the third party.
- 6.15. No additional demand, different from this warranty, may be asked from Afrison LED concerning the defective product. No compensation or other charges may be expected or debited. No freight for storage of defective products may be asked or debited.
- 6.16. If a product was repaired by Afrison LED under this warranty the original warranty period will not be affected. No new warranty period other than the original period from invoice date is applicable even when a product is repaired within this period under this warranty.
- 6.17. To activate a warranty, the Distributor/Customer must follow the following procedure:
 - 6.17.1. A written notice must be sent to Afrison LED by e-mail to the address warranty@afrison.co.za, within 10 (TEN) working days starting from the discovery of each product failure/defect.
 - 6.17.2. This notice must include the following information:
 - Product type (code and/or type of fitting);
 - Copy of applicable invoice or invoice number & date;
 - Date & time of malfunctioning or defect occurring;
 - Quantity of faulty and/or defective fittings;
 - Description of installation place/area;
 - On Afrison LED request the electrical certificate of compliance.
- 6.18. The Distributor/Customer agrees that the warranty process is as follows:
 - 6.18.1. The Distributor/Customer informs Afrison LED of product failure/defect as per 6.17;
 - 6.18.2. The Distributor/Customer sends or delivers the faulty products to Afrison LED offices in Lyttelton, Centurion.
 - 6.18.3. Within 1 (ONE) Working day: Afrison LED informs the Distributor/Customer that the product/s were received.
 - 6.18.4. Afrison LED examines the product/s and determines the reason for the failure/defect.
 - 6.18.5. Within 3 (THREE) working days of receiving the faulty products, Afrison LED will send a report to the Distributor/Customer, explaining the reason for the failure/defect, and stating the planned action regarding repair or replacement, and stating the lead time it will take to repair or replace the applicable product/s.
 - 6.18.6. Please note that Afrison LED is, and never will be, under any liability to replace faulty products before the faulty product/s in question were received back by Afrison LED, to determine the cause of the defect.
 - 6.18.7. If the reason for the product defect is not covered by this warranty, Afrison LED will quote the Distributor/Customer for applicable repairs. Please note that the Distributor/Customer has a maximum of 21 (TWENTY-ONE) working days from the time the quote was sent to the Distributor/Customer, to accept/decline the quote. If Afrison LED has not received instruction back from the Distributor/Customer within the



allotted time, Afrison LED reserves the right to dispose of the faulty products in any such way as Afrison LED may see fit, as storage space is limited.

- 6.19. This warranty is the only and exclusive form of warranty between Afrison LED and the Distributor/Customer for the supplied product.

7. INDEMNITY

- 7.1. Without derogating from the generality of any of the provisions herein Afrison LED shall not at any time be liable for any claims of whatsoever nature and howsoever arising for direct or consequential loss or damage which may be sustained by the Customer or any of the Customer's Clients in connection with the use of the Products and the Customer hereby indemnifies Afrison LED against all such claims.
- 7.2. The Products are sold subject to Afrison LED's specifications and recommendations. Failure to adhere to these may result in damages, injury, or harm.

8. INTELLECTUAL PROPERTY

- 8.1. The Customer acquires no right or license in respect of Afrison LED's intellectual property rights incidental to and/or associated with, its products, trademarks, genetics, formulae, designs, layouts, or manufacturing process.
- 8.2. The Customer is prohibited from any unauthorized use of Afrison LED's intellectual property. The Customer shall not do anything to infringe on any rights owned or licensed by Afrison LED, including, but not limited to, any form of intellectual property right in respect of the products.

9. EXCHANGE RATE AND IMPORT/EXPORT TRANSACTIONS

- 9.1. In respect of any transaction where Afrison LED quotes in Rands and the exchange rate applies Afrison LED will be paid the Rand equivalent of the quoted price irrespective of the exchange rate ruling at the date of payment.
- 9.2. In respect of import/export sales, the Customer shall be responsible for obtaining all the necessary government approvals and all the requisite permits and Afrison LED will endeavour to assist the Customer in this regard as far as reasonably possible.
- 9.3. If any authorisation or permit referred to in 9.2 is refused or revoked, the Customer shall make good to Afrison LED all expenses or losses that Afrison LED may have incurred in assisting the Customer to secure such authorisation or permits, provided that loss of profit will be excluded unless the refusal or revocation is due to fault on the Customer's part.

10. INDULGENCE

No indulgence which Afrison LED may grant to the Customer shall in any way be deemed to affect, prejudice, or derogate from the rights of Afrison LED, nor shall such indulgence constitute a waiver or novation of any of the rights of Afrison LED who shall not thereby be precluded from exercising any rights against the Customer which may have arisen in the past, or which may arise in the future.

11. BREACH

- 11.1. Should the Customer fail to make any payment to Afrison LED under any contract, or should the Customer be in breach of any of the provisions of these standard terms and conditions of sale and fail to remedy such breach within seven (7) days after receiving a written demand that it be remedied, Afrison LED shall be entitled, without prejudice to any alternative or additional right of action, or remedy available to Afrison LED to cancel any contract with the Customer with immediate effect.
- 11.2. Afrison LED shall be entitled to immediately repossess all Products supplied to the Customer not yet paid for.



12. LEGAL COSTS

If any legal action is taken, or any amount remains outstanding, and Afrison LED instructs attorneys to recover such unpaid costs, the Customer shall be liable for all legal costs incurred by Afrison LED.

13. APPLICABLE LAW

- 13.1.** All transactions shall be governed in all respects by and shall be construed according to the laws of the Republic of South Africa.
- 13.2.** The Customer agrees and consents in terms of Section 45 of the Magistrate's Court Act 32 of 1944 ("MCA") to the jurisdiction of a Magistrate's Court having jurisdiction in respect of the Customer or the claim in terms of Section 28 of the MCA in respect of any proceedings or claims or action being instituted against the Customer by Afrison LED in terms hereof, or otherwise, notwithstanding that the amount of such claim may exceed the jurisdiction of such Magistrate's Court, provided that Afrison LED may in its discretion be entitled to bring such proceedings in any other court of competent jurisdiction, the Customer agreeing and submitting itself to the jurisdiction of the South Gauteng Division of the High Court of South Africa or any other division of the High Court of South Africa chosen by Afrison LED in the event of Afrison LED exercising its rights in terms hereof.

14. DOMICILIUM

The Customer chooses its *domicilium citandi et executandi* as at the physical address as reflected in the Afrison LED Distributor Agreement or, failing which, in the invoice issued by Afrison LED in respect of the Products, for all purposes relating to these Terms.

I/we acknowledge that /we have read, understood and accept the warranty terms and conditions of Afrison LED.

Signed _____ on this _____ day of _____ 20__

Name and Surname

Capacity

Authorised Signature

Name and Surname (Witness)

Signature (Witness)