INDUSTRIAL BAKEWARE COMPANY PTY LTD
TERMS AND CONDITIONS OF SALE

1. INTERPRETATIONS AND DEFINITIONS

1.1 "goods" shall mean all goods made, as per the quotation given to the Customer, and shall include all services rendered and disbursements incurred by the Supplier in connection with the making of the goods.

1.2 Receipt of a Purchase order generated by the Customer implies acceptance thereof by the Customer which shall give rise to an agreement between the parties based upon the abovementioned terms and conditions. Any reference to an agreement in this document corresponds with the abovementioned credit application form and accompanying terms and conditions and they are to be taken as being synonymous.

1.3 This agreement will govern all existing and future debts, orders, purchases and transactions between the Customer and the Supplier (IBCO) and replaces all existing agreements between the parties.

1.4 No sales representative of the Supplier has the authority to amend or alter this agreement without first obtaining the written authorisation of the Supplier.

2. QUOTATIONS

2.1 The Customer acknowledges and agrees that all quotations will be valid for 30 days from the date reflected on the quotation, unless otherwise specified in writing. Quotations not accepted within this 30 day period will be deemed to have lapsed and will no longer be valid. The Supplier's quotation will be considered to be accepted by the Customer as soon as the Customer places an order with the Supplier based upon said quotation, and the Supplier has agreed to execute the order.

2.2 The Supplier shall use its best endeavours to implement any contract resulting from this application within the time fixed by such contract or any extension thereof, but we shall not be held responsible for delays in delivery or due to breakdown of machinery, strikes, labour disputes, war, riot, civil commotion, shortage of materials or labour, delay in delivery from sources outside South Africa by shippers or manufacturers, transportation, accidents, regulations or order of any Government or other causes beyond the Supplier's control. The Customer shall not be released from its contract by reason of any such delay.

3. PRICES

3.1. Unless otherwise agreed to in writing, all prices exclude VAT (Value Added Tax) and delivery charges and are subject to revision. The Supplier shall have the right to increase the price of goods sold hereunder by such amounts as the Supplier, at its sole discretion, deems necessary. The Customer shall not be entitled to cancel this agreement by reason of such increases.

3.2. Causes of such abovementioned increases may arise from, but are not limited to:

3.2.1. an increase in wages and any other labour costs and levies.

3.2.2. additional duties or taxes imposed by customs or such other Governmental body, and foreign currency exchange rates;

3.2.3. an increase in air, or ocean freight, insurance and other transport costs.

3.2.4. other contingencies beyond the Supplier's control involving an increase in costs between the date of order and date of delivery.

3.3 Unless otherwise stipulated the quotation price does not include railage and transport charges which shall be for the Customer's account.

4. ALTERED, EXPEDITED AND URGENT WORK

The Supplier shall be entitled to charge the Customer additional costs incurred by it as a result of the Customer:

4.1. adding to or altering its order; and/or

4.2. failing or delaying to give such full particulars as the Supplier may require in order to enable the Supplier to proceed with the work; and/or

4.3. delaying the progress of the work; and/or

4.4. requiring the work to be completed within a shorter period than originally stipulated or agreed; and/or

4.5. requiring additional tests or standards superior to those for which the Supplier has tendered; and/or

4.6. requiring any additional goods delivered or services which were carried out by reason of the Customer's instructions.

5. COMPLAINTS RELATING TO THE GOODS

5.1. Any complaint or issue relating to the quality of the goods supplied shall be made in writing, and shall be sent by the Customer to the Supplier within 7 days of delivery and/or receipt of the goods and shall clearly set out the nature of the complaint.

5.2. If no complaint is made within the 7 day period, the goods supplied shall be deemed to be free of any defects and in accordance with the order placed by the Customer.

5.3. No claims shall be allowed when the goods sold by the Supplier have been altered in any way by the Customer.

5.4. Unless otherwise agreed to in writing, all dimensions, weights, drawings, illustrations, composition and technical data of any goods are given in good faith and are approximate only and shall not from part of this contract.

6. OWNERSHIP

6.1. Ownership of any goods sold to the Customer by the Supplier, shall remain vested in the Supplier until all outstanding amounts owing to the Supplier by the Customer, plus interest, have been paid in full.

6.2. Should delivery have been made before payment in full, the goods delivered shall remain the property of the Supplier until such time as payment has been effected in full.

6.3. Notwithstanding the abovementioned reservation of ownership, the risk in the goods sold shall pass to the Customer on delivery.

7. PROPRIETARY INTEREST

Unless otherwise agreed to in writing, the copyright and all other proprietary rights and interests in all work, including but not limited to all designs, sketches, moulds or any specially requested work produced by or for the Customer shall remain the intellectual property of the Supplier and may not be reproduced in any form without the Supplier's written permission.

8. DELIVERY

8.1. Depending on the agreement between the parties, goods will either be dispatched or collected by the Customer when ready and the Customer shall not refuse or delay delivery of such goods.

8.2. Goods dispatched are done so entirely at the Customer's own risk. As soon as the goods are handed over to the carrier, irrespective of the mode of transportation used, the risk in the goods shall pass to the Customer and the Supplier's liability for any loss or damage for the goods shall cease to operate.

8.3. The Supplier reserves the right to amend the delivery date indicated, but every endeavour will be made to inform the Customer of unforeseen delays.

8.4. In the case of orders involving more than one delivery, if default in payment is made on any one delivery, the Supplier, at its sole discretion, shall be entitled to cancel this agreement with immediate effect or may defer further delivery until such time as payment is received, without prejudice to any other rights (whether to claim damages or otherwise) the Supplier may have.

8.5. Where the goods sold are short delivered, no claim shall be entertained other than a claim regarding the cost of replacement of the goods that were short delivered and the Supplier shall not be liable for any damages whether consequential or otherwise arising from such short delivery.

8.6. The Customer shall notify the Supplier of non-delivery of any goods within 7 days of being informed by the Supplier that those goods have been dispatched. Should the Customer fail to do so, the Supplier shall not be liable for any claim in this regard.

8.7. The Customer agrees to establish, upon delivery, that the goods appearing on the Suppliers delivery note, waybill or consignment note correctly reflects and corresponds with the goods that have been delivered and/or collected and that these delivered goods are free of any defects. The Customer shall thereafter bear the duty to prove the contrary.

8.8. If for any reason delivery is not accepted when tendered, or deliver the product to site, storage or other requisite facilities at site are inadequate, the Supplier shall be entitled to store the product at its nominated premises and recover from the Customer a charge of 0.1% of the contract price for each week or part thereof of such storage, together with the costs of transport to and from and the costs of extra craneage necessary.

8.9. In any event risk of damage or destruction by war, strike, riot, civil commotion and malicious damage shall be borne by the Customer from the time when the equipment is complete ex the Supplier's works notwithstanding that transportation to site is to be undertaken by the Supplier.

9. PAYMENT

9.1. Payment is due, unless credit facilities have been granted, upon presentation of invoice. If no credit facilities have been granted, then goods are payable when ready for dispatch or collection, unless otherwise agreed to in writing, and such payment shall be effected, at the latest, when the goods are delivered.

9.2. The Customer acknowledges and agrees that the Supplier shall charge interest at 2% per month on all unpaid amounts, as from the time that such unpaid amount is due and payable, in the event that any amount remains unpaid 14 days after due date.

9.3. If the Supplier has given the Customer a discount, such discount will only be allowed if payment is made on or before the due date agreed for payment, otherwise such discount shall be forfeited.

9.4. The Customer acknowledges and agrees that it shall be liable to the Supplier for all goods supplied by the Supplier up to the date receipt of written notification from the Customer that the order placed by the Customer is to be postponed or cancelled.

9.5. The Customer should under no circumstances be entitled to deduct or set-off any amount or defer or withhold payment of any amount due to the Supplier in terms of this agreement, despite any claim the Customer may allege it has against the Supplier.

9.6. Should the Customer not dispute the accuracy of any amounts contained in any invoice or statement within 7 days, such invoice or statement shall be deemed to be correct. The Customer shall thereafter bear the duty to prove the contrary.

10. ACCELERATION CLAUSE

Should it become necessary for the Supplier to institute proceedings against the Customer, at any time, the entire outstanding amount on the Customer's account will become immediately due and payable, despite the fact that in the normal course of business a portion of the amount would not yet be due.

11. CERTIFICATE

A certificate signed by a duly authorised representative of the Supplier shall, at any given time, be *prima facie* proof of an amount that is due and payable to the Supplier but remains unpaid by the Customer, for the purpose of instituting any legal proceedings against the Customer for the recovery of the said amount. The Customer shall thereafter bear the duty to prove the contrary.

12. STORAGE

The Supplier may, by agreement or otherwise, store on its premises certain quantities of goods, ordered by the Customer, which storage shall be at the Customer's own risk and cost. The maximum duration of storage shall not be longer than 7 days from the date the goods were to be dispatched the Customer acknowledges and agrees that the Supplier may charge the Customer rent for storage of any goods retained after this 7 day period has expired. The Supplier, at its sole discretion, may also invoice and dispatch the uncollected goods to the Customer.

13. FORCE MAJEURE

The Customer agrees that it shall not hold the Supplier liable for any damages it suffers as a result of the Supplier being unable to perform any obligation herein as a result of any Act of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, terrorist activities, nationalisation, government sanction, blockage, embargo, labour dispute, strike, lockout or interruption or failure of electricity or telephone service.

14. BREACH AND CANCELLATION

14.1. In the event of the Customer failing to pay any amount on due date or perform any obligations referred to in this agreement or committing a second or subsequent breach of this agreement after having remedied an earlier breach during the preceding 12 months, and persisting in such failure or breach for a period of 7 days after dispatch of written notice from the Supplier calling upon the Customer to make such payment or remedy such breach, the Supplier shall be entitled, at its sole discretion and without prejudice to any of its other rights in law, to:

14.1.1. claim specific performance; and/or

14.1.2. cancel this agreement and recover any damages from the Customer.

14.2. Should the Customer be placed in liquidation or under Judicial Management, or should there be an application made against it for such an order or should it convene a meeting of shareholders for the purpose of passing a resolution to wind itself up or should it compromise with its creditors, or (being an individual) be sequestrated or should an application be made against the Customer for an Order of Sequestration or should he give notice of his intention to apply for the surrender of his estate as an insolvent, or should any judgment be obtained against the Customer and not be satisfied immediately, all of which are deemed to be material, then the Supplier, without prejudice to any of the rights which the Supplier may have, will be entitled to cancel this agreement. The Customer (or its liquidator or judicial manager or trustee) will have no claims of any nature against the Supplier arising out of such cancellation.

14.3. The supplier shall have the right to suspend work in the event of the Customers failure to make any payment on due date, or to comply with any of the terms and conditions, or in the event of any dispute with the Customer.

15. INDEMNITY AND LIMITATION OF LIABILITY

15.1. The Customer hereby indemnifies the Supplier against all claims brought against the Supplier by any third party, including all costs incurred by the Supplier in defending or settling such claims. This indemnity cover, but is not limited to, all claims arising from this agreement or any services rendered by the Supplier to the Customer or for goods sold to or manufactured for the Customer by the Supplier.

15.2. The Customer shall indemnify the Supplier against any claim, including related legal costs and expenses, arising out of an infringement of the proprietary rights and/or any personal rights of any third party, including but not limited to an infringement of copyright, trademarks, patent or design.

15.3. Where the manufacture or supply of goods to Customer's specifications and/or drawings or carry out work according to Customer's instructions or those of this advisors, the Supplier accepts no responsibility for the efficiency of workability of goods manufactured or work carried out.

15.4. The Customer acknowledges and agrees that the Supplier shall not be liable for any defects relating to:

15.4.1. any alteration or delay by the Customer or any work the Customer requests be expedited or carried out on an urgent basis; and/or

15.4.2. imperfect work caused by the affects or unsuitability of material or equipment supplied by a third party; and/or

15.4.3. any extra cost incurred in connection with such imperfect work caused by the affects or unsuitability of material or equipment supplied by a third party.

15.5. The Supplier shall not be liable for any direct or indirect loss arising from non-delivery or delay in the delivery of any goods sold from any cause beyond the Supplier's control and the Supplier shall not be liable for any damages arising from such non-delivery.

16. WARRANTIES AND REPRESENTATIONS

16.1. While the Supplier will make every endeavour to ensure that the goods are in accordance with the Customer's requirements, the Supplier gives no warranty, express or implied, nor any representation that the goods are suitable for the purposes for which they have been ordered. It is the sole responsibility of the Customer to determine whether the goods ordered by it are suitable for the purpose for which the Customer intends using them.

16.2. Information concerning any test conducted by the Supplier is furnished to the Customer for informational purposes only and shall under no circumstances constitute a warranty or representation that the goods will conform to any test or in accordance with any information furnished to it by the Supplier.

16.3. The Supplier shall repair or, at its discretion, replace free of charge at point of delivery in terms of the contract, any part of new product that may prove defective due to faulty workmanship or material. No claim in respect of defective or faulty workmanship or material shall be maintainable against the Supplier three months after due date of delivery unless otherwise provided in the contract. Any work carried out by the Supplier under guarantee will be done during normal working hours, but if requested by the Customer the Supplier shall, if possible, carry out such work after normal working hours and the additional cost of this labour shall be for the Customer's account.

16.4 Other than the undertaking herein expressed, no warranty or representation shall be taken to be given or implied by the Supplier.

17. JURISDICTION

The Supplier shall be entitled, at its sole discretion, to:

17.1. institute proceedings arising from any issue between the parties in respect of this agreement in any Magistrate's Court having jurisdiction, despite the fact that the subject matter and/or the amount outstanding may exceed the jurisdiction of the Magistrate's Court and the Customer hereby consents to the jurisdiction of the Magistrate's Court; or

17.2. refer any dispute arising out of this agreement to the Printing Industries Federation of South Africa (PIFSA) for arbitration and such dispute will include, but not be limited to, disputes as to the meaning, effect and interpretation of this agreement; or

17.3. institute proceedings arising out of this contact in any other Court of competent jurisdiction, including the relevant High Court.

18. INTERNATIONAL CUSTOMERS

18.1. Regardless of the place of execution, performance or *domicile* of the Customer, this agreement and all modifications and amendments to it shall be governed by and interpreted in accordance with the laws of the Republic of South Africa.

18.2. Customers of foreign Countries will provide South African bank guarantees with a banking institution or financial institution within the Republic of South Africa.

18.3. An International Customer will choose a *domicilium citandi et executandi* at an address within the Republic of South Africa.

18.4. The Customer confirms that it has obtained legal advice and/or understands the provisions of this agreement.

18.5. Unless otherwise stipulated, all sums payable will be converted into South African Rand (ZAR) at the prevailing rate of exchange on the date of acceptance.

19. LEGAL COSTS

Should the Supplier, as a result of any breach of any of the terms of this agreement by the Customer or should the Supplier institute legal proceedings against the Customer to recover any amounts owing to it by the Customer, the Customer shall be liable for and shall pay all legal costs and disbursements so incurred, including any pre-litigation costs, costs of any letter of demand, tracing agents fees and collection commission, on the attorney and own client scale.

20. NOTICES AND *DOMICILIUM*

20.1. The Customer chooses as its address for the purpose of the giving of any notice, the service of any process, or for any other purpose arising from this agreement, the delivery address as stipulated on page 1 under the heading Customer Details. The parties shall be entitled from time to time by written notice to one another, to vary their address to any other physical address in the Republic of South Africa.

20.2. Any notice:

20.2.1. which is posted by pre-paid registered post to a party's *domicilium* address shall be deemed to have been received by that other party on the fourth day after the date of posting;

20.2.2. Any notice given by any party, which is delivered by hand during normal business hours to the other party's *domicilium* address, shall be presumed, until the contrary is proved, to have been received by that other party at the time of delivery.

20.2.3. Any notice given by any party to the other party by email or facsimile shall be presumed, until the contrary is proved, to have been received by that other party at the time and on the date of transmission thereof.

20.2.4. A written notice or other communication actually received by a party shall be adequate notice to it notwithstanding that the notice was not delivered to its given *domicilium*.

21. GENERAL

21.1. No addition to or variation of or agreed cancellation of this agreement shall be of any force or effect unless reduced to writing and signed by a duly authorised representative of each party.

21.2. No indulgence which the Supplier may grant to the Customer shall constitute a waiver of any of the rights of the Supplier.