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## STANDARD TERMS AND CONDITIONS

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These Standard Terms and Conditions shall apply in respect of any order for equipment, goods or services placed on any one or more of the following entities within the Ronin Group:

Ronin System Solutions Pty Ltd, Registration Number: 2002/019647/07; or  
Ronin Inventory Management Systems Pty Ltd, Registration Number: 2009/004538/07.  
(hereinafter referred to as "Ronin")

### FOR PURPOSES HEREUNDER:

The official quotation ("official quotation"), authorised order ("authorised order") and delivery note ("delivery note") in respect of any order for equipment, goods or services shall be referred to as "Authorised Order";

"products" shall refer to equipment and/or goods (including any software) sold, or services rendered by Ronin, and; these standard terms and conditions and Authorised Order are jointly referred to as the "Agreement).

Any Act referred to in this Agreement, is an act promulgated in the Republic of South Africa.

### Products are sold, subject to the following terms and conditions:

#### 1. PRICING AND PAYMENT

- 1.1 All prices stated on the Authorised Order are for the products and shall be paid by the customer in South African Rand, or such other currency as is indicated on the Authorised Order.
- 1.2 Payment of the purchase price for the products shall be made without bank charges, deduction or set-off for any reason whatsoever.
- 1.3 The prices on the Authorised Order are inclusive of VAT and are valid only for 14 (fourteen) days after the date of the official quotation.
- 1.4 Unless specified otherwise in the Authorised Order, all prices are quoted exclusive of delivery at the address specified on the Authorised Order.
- 1.5 The address for delivery is normally specified as Ex-Works (EXW), Modderfontein, Johannesburg, Gauteng Province, Republic of South Africa. If delivery is not EXW, a delivery charge and in-transit insurance will be payable by the customer, as quoted on the Authorised Order.
- 1.6 Unless specified otherwise on the Authorised Order, payment of the purchase price for the products, excluding installation and/or training charges, must be made in full, before delivery.
- 1.7 Any installation and/or training charges that may be payable in terms of an Authorised Order, shall be made immediately upon completion of the installation and/or training.
- 1.8 Ronin shall have the continuing right to approve and re-assess the terms upon which a customer is granted a credit facility. Ronin reserves the right in its sole and absolute discretion to immediately cancel or change a customer's credit terms and without limiting the foregoing, Ronin may at any time demand satisfactory security (such as an irrevocable letter of credit, suretyship, payment guarantee, etc.) before a product is delivered.
- 1.9 Should a customer fail or refuse to make any one payment on due date, the balance of the purchase price shall immediately become due and payable and any late payment shall bear interest from the due date to date of payment at the prime rate of interest charged from time to time by Ronin's banker plus 2% per annum, capitalised monthly in arrears.

#### 2. DELIVERY

- 2.1 Delivery of the products will be deemed to have occurred when the products are delivered to the customer, its authorised representative or nominated freight agent at the delivery address specified on the Authorised Order, or such other address agreed to between Ronin and the customer. Signature by the customer of the delivery note will constitute prima facie proof of delivery.
- 2.2 Ronin will use all reasonable commercial endeavours to deliver the products within the delivery time specified on the Authorised Order, this being the due date for delivery ("due date").
- 2.3 The due date is calculated as the date on which payment of the purchase price for the products is received by Ronin, plus the delivery time period specified on the Authorised Order.
- 2.4 Ronin is dependent on 3rd party manufacturers, suppliers and service providers in order to ensure delivery on the due date. Accordingly, Ronin shall not be liable for any late or delayed delivery due to any actions or inactions of these 3rd party manufacturers, suppliers and service providers.
- 2.5 Ronin will deliver the products to the address specified on the Authorised Order, using its selected method of delivery within the borders of the Republic of South Africa. Unless it is by special arrangement and agreement with the customer, Ronin will not deliver products outside of South Africa.
- 2.6 With regards to customer's resident or doing business outside the Republic of South Africa, the delivery terms of the products will be EXW, accordingly the customer will attract liability and responsibility for transfer of the products to its intended destination, including all costs relating to freight, clearance and insurance.
- 2.7 All risk of loss or damage in respect of the products shall immediately pass to the customer, upon delivery at the delivery address.
- 2.8 Delivery of the products shall not automatically transfer right, title and ownership thereto and Ronin reserves ownership until such time as payment of the purchase price for the products has been made and received by it in full.
- 2.9 Upon delivery of the products, the customer or its authorised agent shall be required to sign the delivery note. A signed delivery note shall constitute prima facie proof that:
  - 2.9.1 the products were delivered to the customer;
  - 2.9.2 the products comply in respect of specification and quantity with the Authorised Order;
  - 2.9.3 the customer accepts the delivery time for the products, and;
  - 2.9.4 the customer inspected the products which are in good order and condition and free from any patent defects.

#### 3. BINDING CONTRACT

- 3.1 By signing the Authorised Order the customer enters into a binding contract with Ronin, subject to the terms and conditions of this Agreement.
- 3.2 The customer may not unilaterally cancel, amend or vary all or any part of this Agreement.

- 3.3 Any unilateral cancellation, amendment or variation of this Agreement shall constitute a breach by the customer, in which event the default provisions hereunder, shall apply.
- 3.4 Should Ronin accept any unilateral cancellation of this Agreement, or part thereof, Ronin shall be entitled to charge the customer a break fee equal to 25% of the inclusive of VAT value of the products so cancelled.

#### 4. SUBSTITUTIONS AND MODIFICATIONS

Ronin may at any time substitute or modify any item as described in the Authorised Order, provided that such substitution or modification will not materially adversely affect the purpose, use and specifications of such item, as it is stated in its relevant published specifications.

#### 5. INSPECTION AND ACCEPTANCE

- 5.1 Prior to delivery, Ronin shall perform such test procedures and/or inspections, as it deems necessary and appropriate to confirm that the products specified in the Authorised Order, are complete and in good order and condition.
- 5.2 The customer shall within 10 (ten) business days from either taking delivery of the products, or the date the installation of the products (if such installation forms part of the Authorised Order) is completed, perform test procedures and/or inspections of the product to confirm that it is in good working order and condition and free of latent defects and should any defects be detected, inform Ronin within the aforesaid specified time period in writing of such defects and should the customer fail to do so, it shall be deemed that the products are free of any latent defects and in good working order and condition.
- 5.3 Should any of the products fail to conform to its specifications, or not be in good working order and condition, Ronin may at its option repair or replace those products, alternatively refund all money paid by the customer and claim return of the products.
- 5.4 Under no circumstances shall any products be returned by the customer to Ronin, without the latter's express written consent.

#### 6. WARRANTIES

- 6.1 Subject to the remaining provisions of this clause 6 and clause 7, Ronin warrants to the customer that the products shall be free from defects in material and workmanship under normal use for a period of 1 (one) year starting from the date of delivery of the products by Ronin to the customer ("the warranty").
- 6.2 Products, or any part thereof, carry the warranty in accordance with the manufacturer's product specific warranty.
- 6.3 No warranties, guarantees or representations, expressed, implied or tacit whether by law, a contract or otherwise, which are not set forth in this Agreement, shall be binding on Ronin.
- 6.4 Ronin shall not be responsible for defects or performance problems that arise from the operation of the products in conjunction with any software or equipment not specifically supplied by Ronin and shall furthermore not be responsible for any costs incurred by the customer in dismantling or fitting replacement parts or reassembling the products where it is found that the defect arose as a result of the negligent or wilful conduct of the customer. In order to be valid, a claim in terms of the warranty must be in writing, specifying the alleged defect and supported by a copy of the delivery note and such claim must be received by Ronin within 7 (seven) working days from the date the defect is discovered, or should have been reasonably discovered by the customer.
- 6.5 The warranty shall only apply in the event and to the extent that the products are properly and correctly installed, configured, interfaced, maintained, stored and operated in accordance with the manufacturer's applicable operator manual and specifications; and the products are not modified or misused.
- 6.6 Ronin sole liability and the customer's exclusive remedy under the warranty shall be limited to Ronin's repair or replacement of any products that fail to conform to the warranty ("non-conforming items") or at Ronin's discretion, refund of the customer's purchase price for any such non-conforming items, conditional on the customer delivering the non-conforming items to Ronin's offices together with a written, detailed and complete description of the reason for return.
- 6.7 The warranty shall not apply to any software forming part of the products, which software shall be subject to the relevant Software License Agreement, included with such software.
- 6.8 All warranty claims/repairs are based on a 'Carry in Basis', which means Ronin will only carry the courier costs to return the products to the customer.
- 6.9 Warranty repairs/replacements to products to be delivered to the customer outside the Republic of South Africa, will be returned or sent on a CIF basis, and any clearing charges, taxes and duties will be for the customer's account.

#### 7. WARRANTY EXCLUSIONS

- 7.1 Ronin shall have no liability to the customer and the provisions of clause 6 shall not apply, to the extent that any claim arises from the following:
  - 7.1.1 any modification, servicing or addition made to the products by anyone other than Ronin or its authorised representative;
  - 7.1.2 any configuration and/or integration of the products by anyone other than Ronin or its authorised representative;
  - 7.1.3 use of the products as a part of, or in combination with any devices or software not provided to the customer by Ronin;
  - 7.1.4 use of the products to practice any method or process which does not occur wholly within the scope of the products' use and specifications;
  - 7.1.5 negligence on the part of the customer, and;
  - 7.1.6 any damage or loss the customer may suffer, as a result of the improper use of the products.

#### 8. INSTALLATION AND TRAINING

- 8.1 In the event that installation of the products is required, the customer shall ensure that its nominated representative and the equipment on which the products are to be installed, be made available on either the date of delivery, alternatively within 7 (seven) business days from date of delivery, further alternatively on such date agreed upon by both parties in writing, in order for the products to be installed by a Ronin technician. During such installation, the customer's nominated representative shall be present to witness and inspect same.
- 8.2 Within the same period specified in clause 8.1 above, and to the extent required, the customer's nominated representative shall be made available to receive training on the products by a Ronin technician.
- 8.3 Ronin certifies that the products will be installed in accordance with the workshop manuals and procedures as stipulated by the manufacturer and utilising, where applicable, parts sourced from or recommended by the manufacturer.
- 8.4 Ronin shall during the installation perform such test, procedures and/or inspections, as required by the manufacturer, to confirm that the products are correctly installed.
- 8.5 The customer or its representative shall, immediately on completion of the installation, inspect the installation to ensure that the products are installed as specified.
- 8.6 Immediately upon completion of the installation and/or training, the customer or its representative shall sign off the Ronin technician's service report document in confirmation of such completion. All fees due to Ronin for such installation and/or training shall immediately become due and payable upon completion of the installation and/or training.

## 9. SOFTWARE AND RADIO TRANSMISSION EQUIPMENT

- 9.1 Subject to the terms of this Agreement, Ronin grants the customer a non-transferable and non-exclusive right and license to use one copy of the applicable software in respect of the products.
- 9.2 Unless otherwise agreed in writing, all software which comprises or which is embodied in the products, is supplied under the license referred to in clause 9.1.
- 9.3 Ronin shall deliver to the customer a copy of the software (as well as any user documentation) simultaneously with the delivery of the products.
- 9.4 It is incumbent on the customer to ensure that any radio transmission equipment supplied for use in the Republic of South Africa is registered and licensed in accordance with law and the Independent Communications Authority of South Africa Regulations.

## 10. INTELLECTUAL PROPERTY

- 10.1 The customer acknowledges that any products supplied in terms hereof, is subject to the proprietary rights of Ronin and/or any licensor. Ronin and/or the licensor will retain full intellectual property rights (including all right, title and ownership) in respect of the products. For avoidance of doubt, it is reiterated that the products shall include all software and source programmes associated with such software.
- 10.2 The customer will not copy or duplicate, or permit anyone else to copy or duplicate, any products or part thereof for any reason whatsoever. The customer shall not create or attempt to create, or permit anyone else to create or attempt to create by use or reverse engineering, the products. The customer shall not directly or indirectly sell, transfer, offer, alienate in any way whatsoever, disclose, lease or licence the products or any intellectual property in the products to any 3rd party or in any way whatsoever infringe on the intellectual property rights of Ronin and/or the licensor.

## 11. DEFAULT

- 11.1 Should the customer:
  - 11.1.1 fail to pay punctually any amount payable to Ronin terms of this Agreement and fails to remedy such failure within 7 (seven) days after having received written notice from Ronin to do so; or
  - 11.1.2 be deemed to be in breach or default of, or commit or permit a breach of any other of the terms, obligations, warranties, undertakings, representations, commitments or conditions of this Agreement and fails to remedy such breach within a period of 7 (seven) days after having received written notice from Ronin to do so; or
  - 11.1.3 be or become insolvent or commit any act, which if it were a natural person who is subject thereto, would be an act of insolvency as described in the Insolvency Act 24 of 1936; or
  - 11.1.4 have any application or other proceedings brought against or in respect of it in terms of which it is sought to be provisionally or finally wound-up, liquidated or dissolved, or have any equivalent application or proceedings brought against it in terms of any equivalent applicable legislation; or
  - 11.1.5 be deemed to be unable to pay its debts in terms of the Companies Act Nr. 71 of 2008; or
  - 11.1.6 suspend payment of all or a material part of (or of a particular type) of its indebtedness to its creditors and/or commencing negotiations or taking any other step with the view to the deferral, re-scheduling or other re-adjustment of all of its indebtedness to its creditors; or
  - 11.1.7 have any civil judgment awarded against it and fails to apply for the rescission thereof within the prescribed time limits, or fails to diligently prosecute such application thereafter, or ultimately fails in such application; or
  - 11.1.8 have any execution, attachment or other proceedings levied or enforced against its assets; or
  - 11.1.9 compromise or attempt to compromise with, or defer or attempt to defer payment of debts owing by it to its creditors generally; or
  - 11.1.10 pass, or propose, or have proposed in relation to it by its members, a resolution for its liquidation; or
  - 11.1.11 become subject to any of the proceedings contemplated in chapter 6 of the Companies Act Nr. 71 of 2008 including, without limitation becomes subject to any "business rescue", be regarded as "financially distressed" or subject to "supervision" all as defined in chapter 6 of the Companies Act Nr. 71 of 2008; or
  - 11.1.12 alienate or encumber the whole or a major portion of its assets, without the prior written consent of Ronin; or
  - 11.1.13 do anything which may materially prejudice Ronin's rights in terms of this Agreement:  
Then the customer shall be deemed to be in default.
- 11.2 If the customer is or is deemed to be in default in terms of clause 11.1, then notwithstanding anything to the contrary herein contained, Ronin shall without prejudice to Ronin's other rights in terms of this Agreement or at law, have the right to:
  - 11.2.1 cancel this Agreement and claim immediate return of the products and retain any money paid by the customer as liquidated damages which the customer accepts as reasonable, this together with any further claim for damages Ronin may have suffered as a result of the breach; or
  - 11.2.2 claim immediate specific performance by the customer of its obligations under this Agreement, together with a claim for damages that Ronin may have suffered as a result of the default.
- 11.3 The customer shall be liable to pay legal fees on the attorney and client scale, should Ronin instruct attorneys to take legal action against the customer as a result of its default of this Agreement.

## 12. CESSION AND ASSIGNMENT

- 12.1 Ronin may cede or assign its rights or obligations under this Agreement to any 3rd party, subject thereto that Ronin shall remain liable to the customer, should such 3rd party fail or refuse to perform its obligations in terms of the Authorised Order.
- 12.2 The customer shall not be allowed to cede or assign its rights or obligations in terms of this Agreement to any 3rd party.

## 13. DISPUTES

- 13.1 Save as specifically provided elsewhere in this Agreement, should any dispute arise between the parties concerning any provision of this Agreement, the parties shall use their best endeavours to resolve the dispute by negotiation. Any party may call upon the other party by written notice to meet with the former for the purpose of reaching a mutually acceptable settlement of the dispute within 7 (seven) business days after the date of such notice.
- 13.2 If the parties are unable to reach a mutually acceptable settlement of the dispute within such period, any party may submit the dispute to Arbitration, the procedure of which is set out hereunder.
- 13.3 The Arbitration shall be held:-
  - 13.3.1 at Johannesburg;
  - 13.3.2 subject to the approval and consent of the Arbitrator, in an informal summary manner without any pleadings or discovery of documents and without it being necessary to observe the strict rules of evidence;
  - 13.3.3 forthwith with a view of it being completed within 60 (sixty) business days from the date on which the dispute is referred to the Arbitration;
  - 13.3.4 except where the provisions of this clause provide otherwise, in terms and under the provisions of the Arbitration Act 1965, or such other Arbitration Act as may be enforced from time to time.
- 13.4 Save as otherwise specifically provided in this Agreement, the Arbitrator shall, if the question in dispute is:-
  - 13.4.1 primarily of an accounting nature, an independent practicing chartered accountant of not less than 15 (fifteen) years standing;

- 13.4.2 primarily a legal matter, a practicing senior counsel, or practicing attorney of not less than 15 (fifteen) years standing;
- 13.4.3 any other matter, an independent and suitably qualify person;
- agreed upon by the parties and failing agreement, nominated by the chairperson for the time being of the Johannesburg Bar Council, or its successor body, provided that no person shall be thus nominated as Arbitrator, who is not readily available and will remain available and be able to deal with this matter expeditiously, until its conclusion.
- 13.5 If Agreement cannot be reached on whether the question in dispute falls under 13.4.1, 13.4.2 or 13.4.3, above or upon a particular Arbitrator in terms of 13.4 above within 7 (seven) business days after the Arbitration has been demanded, then the chairperson for the time being of the Johannesburg Bar Council shall:
- 13.5.1 determine whether the question in dispute falls under 13.4.1, 13.4.2 or 13.4.3;
- 13.5.2 nominate an Arbitrator in terms of the relevant clause;
- 13.5.3 within 7 (seven) business days after the parties have failed to agree, so that the Arbitration can be held and concluded as soon as possible within 60 (sixty) business days referred to in 13.3.3.
- 13.6 This clause shall constitute each parties' irrevocable consent to the Arbitration proceedings, and no party shall be entitled to withdraw therefrom or to claim at any such Arbitration proceedings that it is not bound by this clause.
- 13.7 Each of the parties hereby irrevocably agrees that the decision of the Arbitrator in the Arbitrating proceedings:-
- 13.7.1 shall be final and binding on each of them;
- 13.7.2 will be carried into effect;
- 13.7.3 and may be made an order of any Court to whose jurisdiction the parties to the dispute are subject; and
- 13.7.4 may include an award as to costs of the Arbitration proceedings.
- 13.8 This clause 13 shall be severable from the remaining provisions of this Agreement and shall continue to be of application, notwithstanding the cancellation or purported cancellation of this Agreement.
- 13.9 Nothing in this clause shall prevent any party from seeking relief on an urgent or interlocutory basis with any High Court of the Republic of South Africa, having the necessary jurisdiction.

#### 14. NOTICES

- 14.1 The parties choose as their domicilium citandi et executandi their respective addresses set out in the Authorised Order for all purposes arising out of, or in connection with this Agreement at which addresses all the processes and notices arising out of or in connection with this Agreement, its default or termination may validly be served upon or delivered to them.
- 14.2 Any notice given in terms of this Agreement shall be in writing and shall –
- 14.2.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;
- 14.2.2 if delivered by prepaid registered post be deemed to have been received by the addressee on the 20th (twentieth) business day following the date of such posting;
- 14.2.3 if transmitted by facsimile or electronic mail, be deemed to have been received by the addressee 1 (one) business day after dispatch.
- 14.3 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by one of the parties from another including by way of facsimile transmission shall be adequate written notice of communication to such a party.

#### 15. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 15.1 The customer shall not have a claim against Ronin for any delay or failure of Ronin to carry out any of its obligations under this Agreement, arising from or attributable to any acts of God, war, terrorism, labour action or unrest, failure of suppliers or contractors, or any other cause whatsoever beyond the control of Ronin ("force majeure").
- 15.2 Ronin's aggregate liability to the customer under, or for breach of this Agreement, will not exceed the amounts actually paid by the customer to Ronin under this Authorised Order. Under no circumstances will Ronin be liable for any consequential, indirect, special, punitive or incidental damages

#### 16. INCONSISTENT TERMS

- 16.1 In the event of any conflict between these standard terms and conditions, the information on the official quote or the authorised order, the terms of these following documents shall have precedence in the order stated:
- (i) first, the authorised order, if signed by Ronin and the customer;
- (ii) then the official quote, and;
- (iii) then these standard terms and conditions.

#### 17. INDEPENDENT CONTRACTORS

The relationship of Ronin and the customer established by this Agreement is that of independent contractors, and neither party is an employee, agent, partner or joint venture partner of the other. Neither party shall, voluntarily or involuntarily, bind or attempt to bind the other to any contract, or to the performance of any obligation, nor represent to 3rd parties that it has any right to enter into any obligation on the other's behalf.

#### 18. NO INDULGENCE

No indulgence which Ronin may grant to the customer shall constitute a waiver of any of the rights of Ronin which shall not thereby be precluded from exercising any rights against the customer which might have arisen in the past or might arise in the future.

#### 19. SEVERABILITY

If any provision hereof is held to be illegal, invalid or unenforceable for any reason, such provision shall be deemed to be pro non scripto, but without affecting, impairing or invalidating any of the remaining provisions of this Agreement which shall continue to be of full force and effect.

#### 20. APPLICABLE LAW AND CONSENT TO JURISDICTION

This Agreement shall be interpreted in accordance with the laws of the Republic of South Africa and the customer consents thereto that any legal action Ronin may institute to enforce any term of this Agreement may be instituted in the High Court of South Africa and for this purpose, the customer submits to the jurisdiction of the High Court of South Africa.

END OF STANDARD TERMS AND CONDITIONS