

TERMS AND CONDITIONS OF SALE

1. General

The following terms and conditions represent the entire terms on which Stage Audio Works (Pty) Ltd ("the Seller") is willing to sell goods ("the Goods") and by ordering Goods from the Seller the Buyer (which is a Person, Firm, Company, Close Corporation or other legal entity) agrees that the following terms represent the entire agreement between the Buyer and the Seller and that these terms shall apply to the exclusion of any previous terms and conditions supplied by the Seller, the Buyer's own terms and conditions, any pre-contractual statement or any other terms of whatsoever nature not contained below. No officer, employee or agent of the Seller (other than a Director/Managing Member) has authority to contract for the sale of Goods on any other terms, or to amend, vary or waive these terms, and a Director has authority to do so only in writing.

2. Delivery

Stage Audio Works undertakes to fulfil the Buyer's orders for the products, once approved and accepted by Stage Audio Works, and to use its best endeavours to meet the Buyer's delivery date requests.

Any time of delivery stated by the Seller either on the face of this form or otherwise shall be treated as an estimate only. The Seller will use its reasonable endeavours to deliver by that time but gives no other undertaking as to the time of delivery. Stage Audio Works does not guarantee delivery and/or delivery on any specific date and shall not be liable for any damages for failure to affect delivery/dispatch timeously for any reason whatsoever.

The Buyer shall not be entitled to cancel an order by reason of any delay and all orders are open for acceptance and irrevocable unless and until rejected by Stage Audio Works. The Goods shall be delivered to the Buyer at the place of delivery recorded on the Sales Order (Customer Purchase Order) or (if no such address is recorded there) at the premises of the Seller as recorded on the database of the Seller.

3. Orders

The Seller shall only supply products to the Buyer in accordance with these terms and conditions upon receipt of an order, in writing, from the Buyer. Notwithstanding the aforesaid, the Seller shall be entitled, but not obliged to accept orders communicated telephonically to it by the Buyer. The Customer shall confirm any such telephonic order in writing if required to do so by the Seller. The Seller does not accept any responsibility to ensure that the Buyer's signature(s) on the order is valid or that the person placing the order is indeed an employee of Customer.

All orders placed by the Buyer with the Seller are subject in all respects to approval and acceptance by the Seller, in its sole and absolute discretion, and the Seller shall not be bound to accept any order placed by the Buyer or be liable to the Buyer for any claim of any nature which arises by virtue of its failure to accept any order.

4. Price and payment

The purchase price of the products delivered by the Seller to the Buyer from time to time shall be the most recent price stipulated in respect of the products furnished by the Seller to the Buyer from time to time. The Seller shall be entitled in its sole discretion to vary the price of any product at any time prior to the invoicing of that product.

The Buyer shall be obliged to pay the purchase price of any products delivered to it in terms hereof, in South African currency at Stage Audio Works' domicilium as specified on Stage Audio Works delivery note.

If price changes result in a higher purchase price to the Buyer, Stage Audi Works will deliver all outstanding orders at the new higher price. This includes, inter alia, products that cannot be delivered due to credit reasons. Customer has the right to cancel such orders, in writing, before delivery is affected.

If price changes result in lower purchase prices to Customer, Stage Audio Works may, in its sole and absolute discretion, give Customer the reduced price. All accounts are strictly bound by the credit terms granted. Until such time as credit has been approved or declined, all business will be on a CIA basis (cash in advance).

The invoice shall be payable in advance before delivery or collection of the Goods should the buyer be a cash (CIA) customer. If the Buyer has an approved and valid credit facility in place, the invoices shall be payable 7/14 days from invoice date depending on the type of credit facility approved. The Seller will not grant or entertain any early settlement discounts. The time of payment shall be of the essence. Cash and EFT's will only be regarded as a payment received on the date it clears in the Company's bank account. In the event that payment is not made when due, the Seller may:-

- 4.1 cancel any outstanding orders or contract to supply further goods or services at the original agreed price;
- 4.2 suspend deliveries of current orders or further goods or the supply of further services to the Buyer;
- 4.3 suspend any Credit Facilities, in which case all sums payable to the Seller from the Buyer for goods and or services supply shall become due and payable immediately; and
- 4.4 charge interest at 2.5% (two and a half per centum) per month above the prime bank-lending rate as determined by FirstRand Bank Limited or the SA Reserve Bank.

5. Passing of Property

- 5.1 Property in the Goods shall pass to the Buyer on the occurrence of the last of the following events namely:
 - (a) payment in full of the price of the Goods sold hereby, and
 - (b) payment in full of every other sum owing by the Buyer to the Seller.
- 5.2 Until property shall have passed as aforesaid the Buyer shall hold the Goods as billed to the Seller and shall keep them separately stored and identified as the property of the Seller.
- 5.3 In the event that the Buyer shall sell the Goods before property has passed as aforesaid, he shall do so as the agent of the Seller, the proceeds of any such sale shall be kept in a separate account identified as containing monies from the sale of the Sellers property and the Buyer shall account to the Seller for the whole of such proceeds.
- 5.4 Until property shall have passed as aforesaid the Seller shall be at liberty at any time: -
 - (a) by notice in writing to require the Buyer forthwith to return the Goods whereupon the Buyer shall cease to be in possession of them with the consent of the Seller;
 - (b) to retake possession of the Goods and for that purpose to enter on any premises where the Goods are or are reasonably believed by the Seller to be situated.
- 5.5 Notwithstanding the above the Goods are insured by the Seller whilst in transit and until delivered to the Buyer's door. The Buyer shall sign for the Goods as "delivered not checked" and shall advise the Seller in writing within 5 days of receipt of the Goods of any damage to them. Any damage not notified in writing within the said 5 days shall not be covered by the Sellers insurance and shall be at the risk of / to the account of the Buyer.

6. Fitness for Purpose

The Seller gives no warranty that the Goods are fit for the Buyers purpose or purposes. The Buyer warrants that he has satisfied

himself that the Goods will be fit for every purpose which he requires them and that he does not rely on any skill or judgment of the Seller in that regard.

The Buyer further warrants that: -

- (a) he is aware that the Goods are supplied for the purpose for which they were manufactured, and
- (b) he has all the licenses that are required for their use, and
- (c) the Goods will be tested prior to use, and
- (d) the Goods will only be used by suitably qualified individuals, and
- (e) the Goods will be regularly serviced, tested, certified and inspected, and
- (f) the Goods will not in any way be adapted or altered, and
- (g) he will not give or imply any warranty to any person whom he may sell or let the Goods other than the foregoing and that he will notify that person of the requirements of the Seller as to license, test, use, service, inspection, certification, and adaptation as above and of any statutory authority of any state or country in which the Buyer or that person is resident or carrying on business.

7. Acceptance

The Buyer shall inspect and test the Goods immediately upon delivery and shall within 5 days after delivery give notice in writing to the Seller of any respect in which he alleges that the Goods are not in accordance with the contract. If the Buyer shall not have given such notice within that time the Goods shall be deemed to be accepted in every respect in accordance with the contract.

8. Scope of Warranty

In the case of defective or faulty goods supplied by the Seller the Buyer's remedy against the Seller shall be limited to a period no longer than twelve months from the date of purchase. If any defect arises during this period the Seller reserves the right, at its option, to repair or replace the goods (or provide an equivalent item) or give credit to the value of the purchase price of the goods, provided that the goods have not been damaged or abused or improperly installed or operated and that the goods are returned in their original packaging to the Seller with proof of purchase. The seller accepts no responsibility for consequential loss. This warranty is subject to the return of the goods by the Buyer using prepaid freight within the twelve-month warranty period. Manufacturer's original warranties will apply should the warranty exceed twelve months.

It is expressly recorded that the Seller does not accept any responsibility for any warranties, express or implied, or statutory, including implied warranties of merchantability and fitness for a particular purpose.

9. Limitations or Liabilities

This clause shall apply to all claims by the Buyer against the Seller irrespective of whether such claims arise in contract or in tort and whether or not the Seller was negligent.

- (a) The Seller shall indemnify the Buyer against any claims arising from physical injury to or death of the Buyer's personnel and/or third parties, which is directly and wholly caused by the negligence of the Seller or its employees in the performance of its or their duties under this Agreement.
- (b) In the event that notice has been given pursuant to clause 7 above that the Goods (or part thereof) are not in accordance with the contract and the price of the Goods has been paid on or before the due date, the Seller shall replace or repair the Goods (or part thereof) at its own expense provided that the Buyer has within 30 days after the said notice caused the Goods (or part thereof) which are alleged to be defective to be returned, at the Buyer's expense, to the Seller's premises or such other place as the Seller shall direct.
- (c) No other remedy than that provided for in sub-paragraph (b) above shall be available to the Buyer.
- (d) Without prejudice to the generality of the foregoing the Seller:

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- (i) shall not be liable for damages in the nature of or arising from loss of profits, loss of user, loss of revenue, loss of hire or rental in respect of the Goods or any other goods, nor for damages arising from compensation payable by the Buyer to any other person, firm, corporation or organization whatsoever, and
- (ii) except in relation to claims under sub-paragraph (a) above shall not be liable for any losses, damages, costs, claims, expenses or liabilities exceeding the purchase price of the Goods.

Should the Seller, notwithstanding the a foregoing, be found by a competent court of law in the Republic of South Africa, to be liable for any losses, costs, damages or refunds, Customer hereby specifically agrees that the Seller liability will be limited to a maximum of the price received by the Seller from Customer for the products which may give rise to the action, subject to the return of such products in good condition, fair wear and tear excepted.

10. Force Majeure

The Seller shall be relieved of its obligations under this contract insofar as it is hindered in or prevented from performing them by any circumstances whatsoever.

11. Hold Harmless

The Buyer undertakes and agrees to indemnify and hold harmless the Seller against any and all actions, claims, proceedings, costs, losses, expenses, liabilities, including legal fees, whatsoever and howsoever caused or arising out of, connected with, or resulting from the Goods themselves or use of the Goods including without limitation the manufacture, selection, delivery, possession, use, operation, return or any and all damages or injuries caused thereby to anyone whatsoever.

12. Waiver and Invalidity

- (a) The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this contract by the other party shall not be deemed a waiver of that term, covenant, or condition nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.
- (b) If any provision in this contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in force without being impaired or invalidated in any way.

13. Arbitration

All disputes or differences which shall at any time arise between the parties whether during the term of this contract or afterwards touching or concerning this contract or its construction or effect or the rights duties or liabilities of the parties under or by virtue of it or otherwise or any other matter in any way connected with or arising out of the subject matter of this contract shall be referred to a single arbitrator to be agreed upon by the parties.

14. Applicable Law

These Terms and Conditions of Sale shall be in all respects governed by and construed in accordance with the laws of the Republic of South Africa (RSA). The courts of South Africa shall have jurisdiction in all matters pertaining to or arising out of these Terms and Conditions of Sale.

15. Miscellaneous

Either party choose as their domicilium citandi et executandi, their business address as set out on the Seller invoice(s). Each party shall be entitled from time to time, by written notice to the other, to vary its domicilium to any other physical address and/or its facsimile number or email address within the RSA.