

ELVEY SECURITY TECHNOLOGIES

TERMS AND CONDITIONS ELVEY SECURITY TECHNOLOGIES ("the creditor") will enter into an agreement with the Applicant subject to the following Terms and Conditions:

1.

1.1a Accounts are payable within thirty (30) days in full from date of a statement by the applicant to the creditor.

1.1b Payments must be received on or before the last trading day of the calendar month in which payment is due.

1.1c The credit limit referred to under Section A shall not be binding upon the creditor and the applicant shall be obliged to make payment on all goods purchased whether such credit limit is exceeded or not.

1.2 The applicant, by signing this application for credit or this agreement, appoints the address appearing under Section A above as his *domicilium citandi et executandi* (address for notice), and any change in respect thereof to a complete address of his residence or business premises must be notified to the creditor by registered post to be effective. If any document or notice from the creditor is posted to the applicant's *domicilium*, then it will be deemed to be received on the date of posting.

1.3 Where amounts are referred by the creditor for collection, the applicant shall be liable for, and shall pay on demand, all expenses thereby incurred, including legal charges on the attorney and client scale, attorney's collection charges, tracing fees and expenses, all as above.

1.4 Microfilm copies of invoices, statements of accounts and of any other relevant documents (including any computer printouts) shall, upon the presentation thereof by or on behalf of the creditor, be deemed to be true copies of the original documents, and be deemed to be what they purport to be, unless the contrary is shown.

1.5 A certificate purportedly signed on behalf of the creditor by a person stating that he does so on behalf of the creditor, shall upon its mere production by the creditor or its legal representative and without any evidence being required therefore, constitute conclusive proof, for all purposes against any person who is or may be liable to the creditor pursuant to this agreement, of such signature and its genuineness, or the capacity, authority, and the powers of the signatory, and of the contents of such certificate, which contents may include statement of the obligation owing to the creditor, and such statement shall be deemed to include such proof of all factual and legal matters giving rise to or basic to such obligations stated to be owing. The creditor shall from time to time be entitled to correct vary, substitute for or cancel any earlier certificate/s, but shall retain the right to issue any further such certificate's as if any earlier such certificate's had never been issued and without it/ they having constituted a waiver, estoppel or novation.

1.6 Unless remittance is given all payments made by the applicant to the creditor shall, at the creditor's option, be appropriated to earlier purchases.

1.7 If payment of any particular purchase made by the applicant is overdue, the purchase price for all purchases made by the applicant shall immediately become due and payable.

1.8 Overdue accounts shall:

1.8.1 bear interest at the prime overdraft rate as charged by Nedbank from time to time plus 2%.

1.8.2 entitle the creditor, without prejudice and additionally to any other rights, to suspend deliveries until the account is brought up-to-date, and to reverse any trade or early settlement discount which may have been allowed in respect of the transactions for which payment is overdue;

1.8.3 Automatically cancel any rights which the Applicant may have relative to any warranty which may have been given in respect of goods sold.

1.9 JURISDICTION OF THE COURTS

Notwithstanding the nature or amount of the claim by the creditor, the applicant hereby consents to the jurisdiction of the Magistrate's Court otherwise having jurisdiction; this consent is without prejudice to the right of the creditor to institute proceedings and to obtain judgement or an order in the High Court of competent jurisdiction, the creditor still being entitled to claim on the High Court scale costs and expenses on the scale as between attorney and own client.

1.10 Notwithstanding the acceptance of this application, the nature, extent, duration and existence of any credit facilities which may be allowed to the applicant from time to time shall always remain in the sole discretion of the creditor.

1.11 The applicant shall not be entitled to set off any amount which it may allege is claimable by it from the creditor against any amount which may be payable by it to the creditor.

2.

2.1 Ownership in all goods sold by the creditor to the applicant shall remain vested in the creditor until fully paid for by the applicant and the creditor shall be entitled to seize and attach such goods wherever they may be kept and the applicant shall notify the landlord (if applicable) where the goods are kept and shall advise the party in possession of the goods, that ownership thereof vests in the creditor.

2.2 In the event of the applicant no longer being in possession of the creditor's said goods, then and in such event, all goods and documents relating to such goods, as well as all claims and other recoveries of whatsoever nature, shall be subject to a pledge, for money due in respect of such goods or for other monies due to the creditor from the applicant; in the event of the applicant not being in possession of the goods at the time of such indebtedness, the applicant undertakes forthwith to deliver possession of the said goods and documents to the creditor immediately upon written demand being made. Should the applicant fail to effect delivery upon demand aforesaid, the creditor is entitled to proceed against the applicant for delivery thereof.

2.3 CESSION OF DEBTS

The applicant hereby irrevocably cedes, pledges, assigns, transfers and makes over unto and in favour of the creditor all its rights, title and interest in and to all claims of whatsoever nature and description and howsoever arising which the applicant may at present or any time in the future have against all and any person, company, corporation, firm, partnership, association or any other legal persona whatsoever, without exception as continuing covering security for the due payment of every sum of money which may now or at any time in the future become owing by the applicant to the creditor from whatsoever cause or causes arising, and for the due performance of every obligation howsoever arising which the applicant may be or become bound to perform in favour of the creditor. In this regard, the applicant hereby:

2.3.1 undertakes that if and whenever the creditor so requires, shall not later than the 7th day of every month, deliver to the creditor a schedule of all amounts owing to the applicant by its debtors as at the last day of the preceding month, reflecting thereon the individual amounts so owing by each debtor, and the name and last known address of such debtor;

2.3.2 warrants that the creditor shall at all times be entitled, through any of its duly authorised representatives, to inspect all or any of the applicants records relating to any of the debts covered by this cession.

2.3.3 Undertakes that in the event that the applicant has entered into prior deeds of cession, or has otherwise disposed of any of the right, title and interest in an to any of the debts which will from time to time be subject to this cession, then this cession shall operate as a cession of all the applicants' reversionary rights. In the event of an order being given to the creditor whether orally or in writing, the applicant shall be estopped from denying the validity of such order or the authority of the person placing such order, notwithstanding the fact that such order may have been given or signed by a person not authorised by the applicant.

3.2 The applicant agrees that the signature of any agent, contractor, sub-contractor or employee of the applicant on the creditor's official delivery note, invoice, waybill, or tripsheet or any other document, will constitute delivery of the goods purchased.

3.3 Risk in goods shall pass to the applicant upon delivery. Goods to be dispatched to the applicant by rail, by cartage or transport shall be at the risk of the applicant from the time delivery is made by the creditor to the carrier, whether or not the transport cost is paid by the creditor. All demurrage (legal objections) charges will be for the account of the applicant.

3.4 Claims for shortages or damages must be notified to the creditor in writing within 48 hours of delivery of goods, whereafter the applicant shall be precluded from making a claim of whatever nature whatsoever.

3.5 Should the creditor agree to accept the return of any goods for credit, the applicant shall be liable to pay to the creditor a handling charge of not less than 10% of the invoiced price for the goods so returned.

3.6 The creditor will repair or at its discretion replace at point of original delivery any goods sold which are proved within 12 (twelve) months from delivery, not to conform to specification or to be defective due to faulty workmanship or materials, provided that an appropriate warranty, guarantee or representation has been given in writing by the creditor in respect of such goods. Save as aforesaid no warranty, guarantee or representation is enforceable or effective. Under no circumstances shall the creditor be responsible for loss of profit to the applicant or for any consequential or indirect or any other damages of any nature whatsoever and from whatever cause arising.

3.7 Where the creditor is specifically required to manufacture and/or supply goods to the applicant's specification, the creditor accepts no responsibility for the efficiency or workability of such goods so specifically manufactured for the applicant.

3.8 Unless expressly stated in writing, time shall not be of the essence in any contract between the applicant and the creditor hereafter.

3.9 The creditor will not be in any way responsible for losses, damages or delays caused by or arising from overriding force of nature, accidental death, riots, strikes, lockouts, transport or other delays, accidents, insurrection, war, national or international political unrest, cause or contingency whatsoever beyond the control of the creditor.

3.10 If the execution of any order placed by the applicant is delayed by the applicant or the creditor agrees to its cancellation, the creditor, shall, without prejudice and additional to any other rights in law, be entitled to any expenses and/or loss suffered and/or damages and/or general damages.

4. The applicant agrees and acknowledges that in the event of the applicant:

4.1 breaching any conditions contained herein;

4.2 failing to pay any amount due and payable;

4.3 suffering any civil judgement against it;

4.4 being placed under an order of provisional or final sequestration/ liquidation or business rescue proceedings or debt review (if applicable); then and in that event the creditor shall, without detracting from any other remedies which may be available to it, be entitled to summarily cancel the sale of any goods to the applicant, and to then re-possess such goods sold and delivered by the creditor to the applicant, or claim specific performance of all the applicants obligations whether or not such obligations would otherwise have fallen due for performance, in either event without prejudice to the creditor's right to claim damages.

5. These Terms and Conditions supersede and novate all prior agreements whether written or oral between the creditor and the applicant. All contracts, transactions and dealings without exception between the creditor and the applicant shall be strictly subject to these Terms and Conditions. The applicant hereby agrees that any apparent or purported or attempted exclusions, substitution or variation of any of these terms and provisions by the applicant in its orders or in any other way shall not be effective and notwithstanding the fact that the creditor may accept an order from the applicant which appears or purports or attempts such exclusion, substitution or variation, these Terms and Conditions and provisions shall stand unaffected thereby as if such apparent or purported or attempted exclusion, substitution or variation was as if it was not written.

6. NON VARIATION No variation, alteration, consensual termination, representation, condition, term or warranty, relaxation or waiver or release by the company, or estoppels against the creditor, or the suspension by the creditor, in respect of these Terms and Conditions or an part thereof, shall be of any force or effect unless reduced to writing and signed by the applicant and the company.

7. APPLICABLE JURISDICTION AND SUBMISSION TO JURISDICTION

7.1 Should the Applicant be domiciled outside of the Republic of South Africa, in the event of any dispute or claim whatever arising between the creditor and the applicant, such dispute or claim shall, should the creditor so elect, be determined and enforced exclusively under and in accordance with South African Law by a South African Court, and the parties shall, if outside the Republic of South Africa, submit to any such order of a South African Court upon its mere presentation.

7.2 The applicant hereto submits to the jurisdiction of the South African Courts having jurisdiction and in the event of the applicant being fictional person not generally subject to the jurisdiction of the South African Courts, then by the applicants signature hereto (as warranted aforesaid), the applicant submits to the jurisdiction of the South African Courts and such submission will be sufficient either to confirm jurisdiction or to found jurisdiction for the South African Courts in the event of legal proceedings being instituted against the applicant where the applicant is a foreigner of the South African Courts.

8.

8.1 The creditor has the applicant's consent at all times to contact and request information from any person, credit bureaus or businesses, including those mentioned in the credit application form in which these terms and conditions are contained and to obtain any information regarding the amounts purchased from suppliers per month, length of time applicant has dealt with such supplier, type of goods or services purchased and manner and tie of payment.

8.2 The applicant hereby consents to and authorises the creditor at all times to furnish personal and credit information concerning the applicant's dealings with the creditor to a credit bureau and to any third party seeking a trade reference regarding the applicant in his dealing with the company.8.3 The applicant hereby consents to the use of tracing should this become necessary.

9. The Creditor shall have a right to vary or amend these Terms and Conditions from time to time by giving the applicant one month's written notice of the intended variation or amendment then to apply; and the applicant shall be deemed to have agreed to such a variation or amendment should further orders be placed by the applicant at any time after such notice, or if no notice is given not within one month thereafter, fail on written notice to the creditor to object thereto.

10. The Creditor does not intend to unfairly discriminate under any relevant legislation and any inference of this is entirely mistaken.

11. The applicant agrees that the method of interpretation to be used when interpreting all documents will be the literal method of interpretation.