



STANDARD PROCUREMENT TERMS AND CONDITIONS

1. PURPOSE

- 1.1 The purpose of these Standard Procurement Terms and Conditions ("Terms") is to regulate and govern the supply of goods and/or the provision of services ("Services") by a service provider ("Service Provider") to Rand Air South Africa Proprietary Limited including its operating division Integrated Pump Rental hereinafter referred to as ("Rand Air"), as contemplated in any purchase order issued by Rand Air to the Service Provider ("Purchase Order" or "PO").

2. APPLICATION OF THESE TERMS

- 2.1 These Terms shall apply to every Purchase Order issued by Rand Air to the Service Provider. Any amendment, variation, exclusion, or departure from these Terms shall only be effective if expressly agreed to by Rand Air in writing and signed by an authorised representative of Rand Air.
- 2.2 Unless expressly accepted in writing by Rand Air, no terms, conditions, specifications, acknowledgements, quotations, invoices, delivery notes, or other documentation issued by the Service Provider which conflict with or supplement these Terms shall have any legal force or effect.
- 2.3 Where a separate written agreement exists between Rand Air and the Service Provider governing the supply of particular goods and/or Services, the provisions of that agreement shall prevail over these Terms in respect of the goods and/or Services covered by such agreement. Any pricing, commercial arrangements, obligations, or rights arising from that agreement shall apply solely to the goods and/or Services contemplated therein.
- 2.4 Acceptance of a Purchase Order by the Service Provider, whether through written confirmation, commencement of work, delivery of goods, provision of Services, or any other conduct demonstrating acceptance, shall constitute acceptance of both the Purchase Order and these Terms.
- 2.5 Should any inconsistency arise between the provisions of a Purchase Order and these Terms, these Terms shall take precedence unless the Purchase Order is accompanied by a written amendment signed by an authorised representative of Rand Air specifically modifying the relevant provision of these Terms.

3. PURCHASE ORDERS

- 3.1 A Purchase Order may contain, among other things, the following information:
- 3.1.1 A description of the goods and/or Services required.
- 3.1.2 The agreed purchase price and details of any approved price adjustments, discounts, rebates, penalties, or other commercial arrangements.
- 3.1.3 The agreed method of delivery or collection.
- 3.1.4 Particulars regarding responsibility for transportation of goods to one or more Company locations ("Delivery Point(s)").
- 3.1.5 Any technical requirements, designs, dimensions, quality standards, specifications, drawings, or other requirements communicated in the Purchase Order or by any other means by Rand Air ("Specifications").
- 3.1.6 The quantity of goods and/or Services required.
- 3.1.7 The required date for delivery, collection, or completion of the Services ("Key Date").
- 3.1.8 The applicable Delivery Point(s).
- 3.1.9 A reference to these Terms.
- 3.2 The issuing of Purchase Orders remains entirely within the discretion of Rand Air and may be subject to operational requirements, business needs, budgetary considerations, or any other factors determined by Rand Air. Rand Air reserves the right to withdraw a Purchase Order at any stage before completion of delivery or performance by providing written notice to the Service Provider. Such withdrawal shall not give rise to any liability,

compensation claim, damages, or other remedy in favour of the Service Provider.

- 3.3 Where a Purchase Order is withdrawn in accordance with clause 3.2, it shall be deemed that no binding agreement came into effect in respect of the withdrawn order. Following such withdrawal, Rand Air shall have no obligation to accept delivery or make payment for any goods or Services tendered after receipt of the withdrawal notice.
- 3.4 A Purchase Order transmitted to the contact details provided by the Service Provider shall be deemed to have been received as follows:
- 3.4.1 If sent by electronic mail, on the date of transmission, provided Rand Air receives confirmation or acknowledgement of receipt from the Service Provider.
- 3.4.2 If sent by facsimile transmission, on the date transmitted, provided confirmation of receipt is obtained.
- 3.4.3 If sent by prepaid registered post, on the seventh (7th) day after posting.
- 3.4.4 If delivered by hand, on the date of actual delivery.
- 3.5 If a Purchase Order does not expressly state whether the goods are to be collected by Rand Air or delivered by the Service Provider, the Service Provider shall be responsible for delivering the goods and/or Services to the designated Delivery Point(s). The Service Provider shall further ensure that all deliveries are made to the correct location.
- 3.6 Where the Service Provider is responsible for delivery, the Service Provider shall ensure that the required goods and/or Services are delivered in the agreed quantities, in accordance with the Specifications, and on or before the applicable Key Date.
- 3.6.1 Where collection by Rand Air is contemplated, the Service Provider shall ensure that the goods and/or Services are available for collection in the agreed quantities and in accordance with the Specifications on the designated collection date.
- 3.6.2 The Service Provider shall provide a delivery note together with a copy of the relevant Purchase Order at the time of delivery.
- 3.6.3 Timeous delivery and performance are material obligations under every Purchase Order. If delivery or completion is delayed, Rand Air may, without incurring liability, amend, suspend, or cancel the relevant Purchase Order, without prejudice to any other rights or remedies available to it, including the recovery of damages.
- 3.7 In addition:
- 3.7.1 Where no delivery or collection date is specified in a Purchase Order, delivery or collection shall occur within twenty-four (24) hours after the Service Provider receives the Purchase Order.
- 3.7.2 Any ambiguity, discrepancy, omission, or uncertainty contained in a Purchase Order shall immediately be brought to Rand Air's attention before any delivery or performance takes place. The Service Provider bears all risks associated with acting on an interpretation that has not been confirmed by Rand Air.
- 3.7.3 Should the Service Provider become unable to comply fully with any aspect of a Purchase Order including quantity, quality, timing, Specifications, or any other requirement, the Service Provider shall notify Rand Air immediately. No alternative delivery or performance shall occur unless and until Rand Air issues a revised Purchase Order or written amendment. In such circumstances Rand Air may withdraw, amend, suspend, or cancel the Purchase Order.
- 3.8 Deliveries shall only take place during the operating hours designated for the relevant Delivery Point. The Service Provider bears responsibility for confirming the applicable delivery hours prior to delivery. Unless alternative arrangements have been approved in writing by an authorised Company representative, deliveries outside approved delivery hours may be rejected. Rand Air shall not be liable for any costs, expenses, delays, losses, or damages resulting from such rejection.



- 3.9 All goods and Services shall conform strictly to the requirements contained in the applicable Purchase Order.
- 3.10 The Service Provider shall not supply quantities in excess of those specified in the Purchase Order unless authorised in advance and in writing by Rand Air. Rand Air shall have no obligation to pay for any unauthorised excess goods or Services supplied.
- 3.11 Limiting any other rights available to Rand Air, Rand Air may:
- 3.11.1 Cancel a Purchase Order before delivery or completion if the Service Provider commits an act of insolvency. For purposes of this clause, an act of insolvency includes:
- 3.11.1.1 The institution of sequestration, liquidation, or winding-up proceedings against the Service Provider.
- 3.11.1.2 The proposal or implementation of a statutory compromise, arrangement, or composition with creditors.
- 3.11.1.3 The passing of a resolution to commence business rescue proceedings or the filing of any application aimed at placing the Service Provider under business rescue. If the Service Provider is placed under business rescue, these Terms shall automatically terminate immediately before commencement of supervision under the relevant business rescue proceedings.
- 3.11.2 Cancel a Purchase Order where the Service Provider or any of its personnel breaches any Company policy, code, rule, or procedure relating to health, safety, security, ethics, compliance, or operational requirements.
- 3.11.3 Cancel a Purchase Order if Rand Air discovers that false, misleading, incomplete, or inaccurate information was supplied during the vendor registration process, or where requested information updates are not provided.
- 3.11.4 Reject any goods or Services that fail to comply with the Purchase Order, Specifications, applicable laws, or quality requirements.
- 3.12 Unless expressly agreed otherwise in writing, the Service Provider shall, at its own expense, provide all labour, equipment, machinery, tools, vehicles, facilities, and resources required for:
- 3.12.1 Loading goods at the Service Provider's premises.
- 3.12.2 Unloading goods at the Delivery Point.
- 3.12.3 Transportation activities for which the Service Provider is responsible.
- 3.12.4 Proper performance of the Services.
- 4. OFFERS AND ORDERS**
- 4.1 The Service Provider shall submit quotations, proposals, or offers in accordance with Rand Air's tender documentation, request for quotation, Purchase Order requirements, or other procurement instructions. Rand Air reserves the unrestricted right to accept or reject any offer received and shall incur no liability for any costs associated with the preparation or submission of such offer.
- 4.2 Unless otherwise stated in writing, all offers submitted by the Service Provider shall remain valid and capable of acceptance for a period of ninety (90) Business Days from the date on which Rand Air receives the offer. Rand Air shall not be responsible for any costs, charges, expenses, or liabilities incurred by the Service Provider in preparing or submitting such offer.
- 4.3 Once an offer has been accepted by Rand Air, the resulting work shall be performed strictly in accordance with the applicable Purchase Order and these Terms.
- 4.4 The contractual relationship between the Parties shall be governed by the following documents in descending order of precedence:
- 4.4.1 The accepted Purchase Order.
- 4.4.2 Applicable technical, operational, or standard specifications attached to or referenced in the Purchase Order.
- 4.4.3 Any approved quality or performance plan relating to the Services.

- 4.4.4 Any separately negotiated written terms agreed between the Parties, provided such terms do not conflict with these Terms unless expressly agreed in writing.
- 4.4.5 The Service Provider's accepted quotation, proposal, or offer. The above documents shall collectively be referred to as the "Contract Documents."
- 4.5 The performance of the Services shall include, where applicable:
- 4.5.1 The correction of any defects or deficiencies.
- 4.5.2 The removal of waste materials, surplus materials, and equipment.
- 4.5.3 The restoration and maintenance of work areas in a safe, orderly, and clean condition. The Service Provider shall be responsible for any incident, loss, damage, or injury arising from non-compliance with this clause.
- 4.6 If the Service Provider fails to meet the agreed delivery or performance schedule, Rand Air shall be entitled to apply liquidated damages calculated as follows:
- 4.6.1 One percent (1%) of the Purchase Order value for delays between one (1) and fifteen (15) days.
- 4.6.2 An additional two percent (2%) for delays between sixteen (16) and thirty (30) days.
- 4.6.3 An additional three percent (3%) for delays between thirty-one (31) and forty-five (45) days.
- 4.6.4 An additional four percent (4%) for delays exceeding forty-five (45) days. The aggregate liquidated damages shall not exceed ten percent (10%) of the Purchase Order value. The application of liquidated damages shall not limit Rand Air's right to cancel the Purchase Order, procure alternative goods or services, or recover any additional losses or damages suffered as a result of the Service Provider's delay or failure to perform.
- 5. DUTIES OF THE SERVICE PROVIDER**
- 5.1 The Service Provider shall:
- 5.1.1 Obtain and maintain all insurance required by law, these Terms, any Purchase Order, or any instruction reasonably issued by Rand Air.
- 5.1.2 Ensure that all personnel utilise the protective clothing and personal protective equipment required by Rand Air and applicable health and safety legislation.
- 5.1.3 Comply with all Company security procedures and restrict access to areas that are necessary for performance of the Services.
- 5.1.4 Employ only suitably qualified, trained, competent, and experienced personnel.
- 5.1.5 Ensure that its activities do not cause unnecessary disruption, nuisance, risk, inconvenience, or hazard to Rand Air, its employees, contractors, or third parties.
- 5.1.6 Immediately report unsafe or unhealthy conditions observed at any site where Services are performed.
- 5.1.7 Act in good faith and avoid conduct that may harm Rand Air's reputation, goodwill, or commercial interests.
- 5.1.8 Provide all labour, equipment, materials, consumables, facilities, vehicles, and operational resources necessary to perform the Services safely and efficiently.
- 5.1.9 Comply with all applicable environmental, health, safety, labour, and regulatory requirements.
- 5.1.10 Maintain, repair, and keep in safe working order all equipment used in providing the Services.
- 5.1.11 Assume full responsibility for recruitment, training, supervision, remuneration, transportation, welfare, and accommodation of its personnel.
- 5.1.12 Provide suitable and approved personal protective equipment to all personnel and ensure its use at all times.

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5.1.13 Submit monthly progress reports where requested by Rand Air.

5.1.14 Comply promptly with all lawful instructions and directives issued by Rand Air relating to the Services.

6. BREACH

6.1 Should either Party ("Defaulting Party") breach any provision of these Terms or a Purchase Order and fail to remedy such breach within ten (10) Business Days after receiving written notice requiring it to do so ("Remedy Period"), the other Party ("Aggrieved Party") may elect to:

6.1.1 Require immediate and specific performance of the Defaulting Party's obligations, with or without claiming damages.

6.1.2 Terminate the relevant Purchase Order by written notice, with or without claiming damages. Termination shall take effect on the date specified in the notice or, if no date is specified, on the date of delivery of the notice.

6.2 The remedies provided in this clause are cumulative and shall not prejudice any other rights or remedies available to the Aggrieved Party under law, contract, or equity.

7. TERMINATION AND CANCELLATION OF PURCHASE ORDERS

7.1 Rand Air reserves the right to terminate or cancel a Purchase Order, without incurring any liability to the Service Provider, by providing seven (7) Business Days' written notice where any of the following circumstances arise:

7.1.1 The Service Provider fails to comply with any applicable labour legislation, tax obligations, environmental requirements, or occupational health and safety laws.

7.1.2 The Service Provider neglects, refuses, or fails to perform any obligation imposed under these Terms or the applicable Purchase Order.

7.1.3 Material inaccuracies, omissions, or misrepresentations are discovered in information provided by the Service Provider concerning its qualifications, resources, capabilities, experience, performance capacity, materials, equipment, or ability to provide the Services.

7.1.4 The quality of the Services, materials, equipment, workmanship, or deliverables falls below the standards required under the Purchase Order or applicable Specifications.

7.1.5 The Service Provider commits a serious breach of security requirements, access-control protocols, confidentiality obligations, or quality management requirements applicable to the performance of the Services.

7.2 Where a Purchase Order is cancelled pursuant to clause 7.1, Rand Air shall have the right, at its sole discretion, to retain any partially completed work, goods, materials, documentation, records, reports, or deliverables already supplied by the Service Provider. The exercise of this right shall not prejudice Rand Air's entitlement to pursue any claim for damages, losses, costs, expenses, or other remedies available in law.

7.3 In addition to its rights under clause 7.1, Rand Air may terminate a Purchase Order, in whole or in part, for convenience by providing fourteen (14) Business Days' written notice to the Service Provider.

7.3.1 Upon receipt of such notice, the Service Provider shall immediately cease all work and activities associated with the affected Purchase Order, except to the extent necessary to protect completed work, personnel, or property.

7.3.2 The Parties shall negotiate in good faith reasonable compensation for Services satisfactorily performed up to the effective date of termination.

7.3.3 The Service Provider shall not be entitled to recover anticipated profits, loss of opportunity, consequential damages, or any other amounts arising solely from Rand Air's exercise of its right to terminate for convenience.

8. PRICING, INVOICES, AND PAYMENT

8.1 The price stipulated in a Purchase Order shall be fixed and final unless:

8.1.1 The Purchase Order expressly provides for a price adjustment; or

8.1.2 Rand Air approves a variation in writing before payment becomes due. If the Service Provider identifies any error in pricing contained in a Purchase Order, it shall notify Rand Air immediately and obtain a revised Purchase Order prior to delivery or performance. In the absence of a revised Purchase Order approved by Rand Air, payment shall be based solely on the price reflected in the original Purchase Order.

8.2 The Service Provider shall issue valid tax invoices in accordance with all applicable laws and regulatory requirements. Each invoice shall, at a minimum, include:

8.2.1 The relevant Purchase Order number;

8.2.2 The invoice date;

8.2.3 A description of the goods and/or Services supplied;

8.2.4 Applicable milestone references where partial invoicing is permitted; and

8.2.5 All information reasonably required by Rand Air for payment processing and compliance purposes.

8.3 Payments shall be made via electronic funds transfer or such other banking method as determined by Rand Air, within 60 days from the invoice date.

8.4 No payment shall become due unless and until:

8.4.1 The goods and/or Services have been delivered in accordance with the Purchase Order;

8.4.2 Rand Air has confirmed satisfaction with the delivery or performance;

8.4.3 The required supporting documentation has been provided; and

8.4.4 A valid invoice has been submitted. Rand Air's signature on a delivery note, completion certificate, acceptance form, or similar document shall constitute evidence of acceptance for payment purposes.

8.5 Should the Service Provider fail to comply with any obligation arising under these Terms or the Purchase Order, Rand Air may, without prejudice to any other rights available to it:

8.5.1 Withhold payment;

8.5.2 Defer payment;

8.5.3 Deduct any amounts owing to Rand Air; and/or

8.5.4 Set-off amounts due against losses, damages, penalties, or liabilities incurred by Rand Air. Payment of any invoice shall not constitute acceptance of defective work nor a waiver of any rights or remedies available to Rand Air.

9. DISPUTE RESOLUTION, MEDIATION AND ARBITRATION

9.1 In the event of any dispute arising from or relating to a Purchase Order or these Terms, the Parties shall first attempt to resolve the matter amicably and in good faith through mediation. Either Party may initiate mediation by providing the other Party with no less than seven (7) Business Days' written notice.

9.2 If the dispute remains unresolved within fourteen (14) Business Days after referral to mediation, either Party may refer the matter to arbitration in accordance with this clause.

9.3 Except where these Terms specifically provide alternative remedies, any dispute concerning:

9.3.1 The interpretation of these Terms or any Purchase Order;

9.3.2 The implementation or enforcement of these Terms;

9.3.3 The rights or obligations of either Party;

9.3.4 The validity, termination, cancellation, or repudiation of any Purchase Order; or

9.3.5 Any matter arising directly or indirectly from the contractual relationship between the Parties, shall be finally resolved through



arbitration. Nothing in this clause shall prevent a Party from approaching a court of competent jurisdiction for urgent, interim, or interdictory relief.

9.4 Any arbitration shall:

9.4.1 Be held privately;

9.4.2 Be attended only by the Parties, their representatives, legal advisors, witnesses, and persons necessary to the proceedings; and

9.4.3 Take place in Johannesburg or Sandton, Gauteng, South Africa, unless the Parties agree otherwise in writing.

9.5 The Parties shall use reasonable efforts to ensure that any arbitration proceeds expeditiously and is concluded within twenty (20) Business Days of the appointment of the arbitrator where reasonably practicable.

9.6 Unless otherwise specified, the arbitration shall be conducted in accordance with the arbitration laws applicable in South Africa at the time the dispute is referred.

9.7 A single arbitrator shall be appointed and shall possess suitable qualifications relevant to the nature of the dispute. Where the dispute concerns:

9.7.1 Primarily accounting matters, the arbitrator shall be a chartered accountant with at least ten (10) years' post-qualification experience;

9.7.2 Primarily legal matters, the arbitrator shall be a senior counsel or practising attorney with not less than fifteen (15) years' professional experience; or

9.7.3 Any other specialist matter, the arbitrator shall possess appropriate qualifications and experience relevant to the dispute.

9.8 The Parties shall endeavour to agree upon the appointment of the arbitrator within five (5) Business Days after arbitration is demanded. Failing agreement, either Party may request the Arbitration Foundation of Southern Africa ("AFSA"), or its successor body, to appoint the arbitrator. Should AFSA decline or fail to make such appointment, either Party may apply to a court of competent jurisdiction to appoint the arbitrator.

9.9 All arbitration proceedings, evidence, documents, submissions, and awards shall remain confidential unless disclosure is required by law.

9.10 The arbitrator shall issue a written award supported by reasons. The arbitrator's decision shall be final and binding on the Parties, subject only to any rights of appeal expressly provided herein or under applicable law.

9.11 Where permitted under applicable law, the Parties may jointly agree that an appeal shall be determined by a panel of three (3) arbitrators appointed for that purpose.

9.12 The provisions of this clause are severable from the remainder of these Terms and shall survive termination, cancellation, expiry, or completion of any Purchase Order.

9.13 Nothing contained herein shall prevent a Party from obtaining urgent relief from a competent court where immediate intervention is required.

9.14 These Terms, all Purchase Orders, and the relationship between the Parties shall be governed by and interpreted in accordance with the laws of the Republic of South Africa.

10. **CONSENT TO JURISDICTION**

10.1 This agreement is governed by the law applicable in the Republic of South Africa. The Service Provider irrevocably submits to the non-exclusive jurisdiction of the court of the Province of Gauteng, or any successor court having jurisdiction.

10.2 Such submission shall apply in respect of:

10.2.1 Urgent applications;

10.2.2 Interdictory proceedings;

10.2.3 Applications for interim relief;

10.2.4 Enforcement proceedings; and

10.2.5 Any matter arising from or connected with the supply of goods or Services to Rand Air.

10.3 Nothing in this clause shall prevent Rand Air from instituting proceedings against the Service Provider in any other court or jurisdiction which it considers appropriate.

11. **INDEPENDENT CONTRACTOR STATUS**

11.1 The Parties acknowledge and agree that the Service Provider acts as an independent contractor in providing the Services. The Service Provider shall retain full control over the recruitment, management, supervision, remuneration, and discipline of its personnel and any approved subcontractors.

11.2 Nothing contained in these Terms shall be interpreted as creating:

11.2.1 An employer-employee relationship;

11.2.2 A partnership;

11.2.3 A joint venture;

11.2.4 An agency relationship; or

11.2.5 Any other fiduciary relationship between Rand Air and the Service Provider.

11.3 The Service Provider shall utilise suitably qualified, experienced, trained, licensed, and legally appointed personnel to perform the Services.

11.4 The Service Provider may not assign, transfer, subcontract, delegate, or otherwise dispose of any Purchase Order or any rights or obligations arising therefrom without Rand Air's prior written consent.

11.5 Notwithstanding clause 11.4, specialist services requiring specialised expertise may be subcontracted with Rand Air's prior approval or where such subcontracting has been contemplated by the Parties during project planning.

11.6 The Service Provider remains fully responsible and liable for all acts, omissions, defaults, performance failures, and legal compliance obligations of any subcontractor. No subcontracting arrangement shall relieve the Service Provider of any obligation owed to Rand Air.

12. **CONFIDENTIALITY**

12.1 Each Party undertakes to keep confidential all information obtained from the other Party in connection with these Terms, any Purchase Order, negotiations, business operations, technical processes, commercial arrangements, pricing information, intellectual property, or other proprietary information ("Confidential Information"). Neither Party shall disclose, use, reproduce, copy, distribute, exploit, or permit the disclosure of Confidential Information except as expressly permitted under this clause.

12.2 A Party may disclose Confidential Information:

12.2.1 To its employees, officers, directors, shareholders, consultants, professional advisors, financiers, auditors, or insurers who have a legitimate need to know the information and who are bound by confidentiality obligations.

12.2.2 Where disclosure is required by law, regulation, court order, governmental authority, regulatory body, or stock exchange requirement.

12.2.3 To the extent necessary to protect or enforce that Party's legal rights.

12.2.4 Where the information enters the public domain through no breach of these Terms.

12.2.5 Where the disclosing Party has expressly authorised disclosure in writing.

12.2.6 Where the information is lawfully obtained from an independent third party without restriction.

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12.3 Where disclosure is required by law, the disclosing Party shall, to the extent legally permissible:

- 12.3.1 Notify the affected Party before disclosure.
- 12.3.2 Limit the disclosure to the minimum amount required.
- 12.3.3 Provide the affected Party with a reasonable opportunity to oppose, limit, or challenge the disclosure.
- 12.3.4 Take reasonable steps to preserve confidentiality.
- 12.3.5 Notify the affected Party of the extent and recipient of the disclosure.

12.4 Each Party shall take reasonable measures to ensure that its directors, employees, consultants, contractors, advisors, and representatives comply with confidentiality obligations equivalent to those contained in this clause.

12.5 The confidentiality obligations contained herein shall survive cancellation, termination, completion, or expiry of any Purchase Order and shall remain binding for so long as the Confidential Information retains its confidential nature.

13. LIMITATION OF LIABILITY

13.1 Notwithstanding anything to the contrary contained in these Terms, Rand Air shall not be liable to the Service Provider for any indirect, consequential, incidental, punitive, or special damages arising from or connected with any Purchase Order or the performance of the Services. Without limiting the generality of the foregoing, Rand Air shall not be liable for:

- 13.1.1 Loss of profits;
- 13.1.2 Loss of revenue;
- 13.1.3 Loss of production;
- 13.1.4 Loss of anticipated savings;
- 13.1.5 Loss of contracts or business opportunities;
- 13.1.6 Loss of goodwill or reputation;
- 13.1.7 Business interruption; or
- 13.1.8 Any consequential or indirect losses of whatsoever nature, unless such loss arises directly from Rand Air's fraud, gross negligence, or wilful misconduct.
- 13.2 To the extent that the Service Provider is entitled to recover compensation, damages, or any other payment from a third party, including an insurer, in respect of any loss for which a claim may also be advanced against Rand Air, the Service Provider shall take all commercially reasonable steps to pursue recovery from such third party before seeking recovery from Rand Air.
- 13.3 Rand Air shall reasonably cooperate with the Service Provider in support of any valid claim pursued against a third party, provided that:
 - 13.3.1 The Service Provider bears the costs associated with such recovery efforts; and
 - 13.3.2 Such assistance does not materially prejudice Rand Air's interests.
- 13.4 Any amount recovered by the Service Provider from a third party in respect of a particular loss shall reduce, on a rand-for-rand basis, any corresponding claim against Rand Air.
- 13.5 Nothing contained in these Terms shall relieve the Service Provider of its common-law obligation to take reasonable steps to prevent, reduce, avoid, or mitigate any loss suffered by it.
- 13.6 To the maximum extent permitted by law, the aggregate liability of Rand Air (or the aggregate liability of any member of the Atlas Copco Group), its affiliates, subsidiaries, directors, officers, employees, representatives, and agents arising from or connected with these Terms, any Purchase Order, or the Services shall not exceed the total amount paid by Rand Air to the Service Provider during the three (3) months immediately preceding the event giving rise to the claim.

13.7 The limitation of liability set out in this clause shall apply irrespective of whether the claim arises in contract, delict, negligence, statute, indemnity, equity, or any other legal basis.

14. RISK, TITLE, AND OWNERSHIP

14.1 The risk of loss, theft, destruction, deterioration, or damage relating to any goods supplied under a Purchase Order shall transfer to Rand Air as follows:

14.1.1 Where the Service Provider is responsible for delivery, upon completion of unloading and acceptance at the applicable Delivery Point.

14.1.2 Where goods are collected by Rand Air, upon departure of Rand Air's transport vehicle from the Service Provider's premises.

14.2 Until risk passes in accordance with clause 14.1, the Service Provider shall remain solely responsible for safeguarding the goods.

14.3 Ownership and legal title to goods supplied under a Purchase Order shall pass to Rand Air upon payment of the applicable invoice, unless otherwise agreed in writing.

14.4 Notwithstanding that ownership may remain vested in the Service Provider prior to payment:

14.4.1 Rand Air may utilise, consume, install, integrate, process, resell, or otherwise deal with the goods in the ordinary course of its business; and

14.4.2 The Service Provider shall have no claim arising solely from such use.

14.5 The Service Provider shall ensure that all goods transferred to Rand Air are free from liens, encumbrances, pledges, security interests, retention claims, or any rights of third parties.

15. EQUIPMENT, TOOLS, AND RESOURCES

15.1 Unless otherwise expressly agreed in writing, the Service Provider shall provide, at its own cost, all equipment, machinery, vehicles, spare parts, tools, fuel, consumables, materials, technology, and resources necessary for the proper execution of the Services.

15.2 All machinery, vehicles, equipment, and tools utilised in connection with the Services shall:

- 15.2.1 Be fit for purpose;
- 15.2.2 Be maintained in good working order;
- 15.2.3 Comply with applicable legal and regulatory requirements;
- 15.2.4 Be suitable for the environment in which the Services are performed; and
- 15.2.5 Be covered by appropriate insurance where required by law or industry practice.

15.3 The Service Provider shall ensure that all personnel are supplied with suitable workwear, protective clothing, safety equipment, and any supporting resources necessary to safely and effectively perform the Services.

15.4 Where required by applicable legislation, industry standards, site rules, or operational requirements, the Service Provider shall provide its personnel with suitable welfare facilities, including changing facilities, sanitation facilities, and washing facilities.

15.5 Rand Air shall not be responsible for:

- 15.5.1 The loss of;
- 15.5.2 Damage to; or
- 15.5.3 Theft of any equipment, machinery, vehicles, tools, materials, consumables, or personal effects belonging to the Service Provider or its personnel.

15.6 The Service Provider shall remain solely responsible for the security, maintenance, operation, and replacement of its assets used in providing the Services.

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16. ENVIRONMENTAL RESPONSIBILITY

16.1 The Service Provider shall, at its own expense and throughout the duration of the Services, comply with:

- 16.1.1 All environmental legislation applicable to its operations;
 - 16.1.2 Environmental permits, licences, authorisations, approvals, and consent conditions;
 - 16.1.3 Any environmental management plans applicable to the site;
 - 16.1.4 Rand Air's environmental policies, standards, procedures, protocols, and instructions; and
 - 16.1.5 Any lawful direction issued by a competent regulatory authority.
- 16.2 Without limiting its obligations under clause 16.1, the Service Provider shall be responsible for the lawful handling, storage, transportation, use, treatment, recycling, disposal, and management of:
- 16.2.1 Waste;
 - 16.2.2 Hazardous substances;
 - 16.2.3 Chemical products;
 - 16.2.4 Industrial effluent;
 - 16.2.5 Atmospheric emissions; and
 - 16.2.6 Any other environmentally regulated material.

16.3 The Service Provider shall implement all reasonable measures necessary to prevent:

- 16.3.1 Environmental contamination;
 - 16.3.2 Pollution incidents;
 - 16.3.3 Unauthorised discharges;
 - 16.3.4 Noise nuisance;
 - 16.3.5 Land degradation; and
 - 16.3.6 Damage to water resources or biodiversity.
- 16.4 The Service Provider shall immediately notify Rand Air of:
- 16.4.1 Environmental incidents;
 - 16.4.2 Spills;
 - 16.4.3 Releases of hazardous substances;
 - 16.4.4 Regulatory investigations;
 - 16.4.5 Environmental non-compliance; or
 - 16.4.6 Any event that could reasonably result in environmental harm or liability.

16.5 The Service Provider shall bear sole responsibility for any environmental breach, damage, remediation costs, penalties, claims, liabilities, or enforcement actions resulting from its activities or omissions.

17. INSURANCE

17.1 The Service Provider warrants and undertakes that it shall obtain and maintain, throughout the term of the Purchase Order and any period during which liabilities may arise, adequate insurance cover appropriate to the nature of the Services being performed.

17.2 Such insurance shall include, where applicable:

- 17.2.1 Public liability insurance;
- 17.2.2 Third-party liability insurance;
- 17.2.3 Contractors' all-risk insurance;
- 17.2.4 Motor vehicle insurance;

17.2.5 Employers' liability insurance;

17.2.6 Workers' compensation cover;

17.2.7 Professional indemnity insurance where professional services are provided; and

17.2.8 Any additional insurance required by law, industry practice, the Purchase Order, or Rand Air.

17.3 The Service Provider shall ensure that the insurance policies maintained by it provide cover for losses, claims, liabilities, personal injuries, fatalities, property damage, and other risks arising from:

- 17.3.1 The performance of the Services;
- 17.3.2 The acts or omissions of its employees;
- 17.3.3 The acts or omissions of subcontractors;
- 17.3.4 The operation of machinery, equipment, vehicles, and plant; and
- 17.3.5 Any person for whom the Service Provider may be legally responsible.

17.4 For the avoidance of doubt, the Service Provider's public liability insurance shall, to the fullest extent available in the market, include cover for consequential losses arising from the performance of the Services, including but not limited to:

- 17.4.1 Environmental contamination;
- 17.4.2 Explosions;
- 17.4.3 Equipment failure;
- 17.4.4 Mechanical breakdowns; and
- 17.4.5 Operational incidents attributable to the Service Provider.

17.5 Upon written request by Rand Air, the Service Provider shall provide certified copies of insurance certificates, schedules, endorsements, policy summaries, or other evidence reasonably required to verify compliance with this clause.

17.6 The Service Provider shall promptly notify Rand Air of:

- 17.6.1 Cancellation of insurance cover;
- 17.6.2 Material amendments to insurance policies;
- 17.6.3 Reduced limits of indemnity;
- 17.6.4 Policy lapses; or
- 17.6.5 Any circumstance affecting the validity or enforceability of insurance cover.

17.7 If the Service Provider fails to obtain or maintain the required insurance, Rand Air may, but shall not be obliged to, procure such insurance on behalf of the Service Provider.

17.8 Any costs, premiums, charges, fees, or expenses incurred by Rand Air in exercising its rights under clause 17.7 shall constitute a debt immediately due and payable by the Service Provider and may be deducted or set off against any amounts owing by Rand Air to the Service Provider.

17.9 The maintenance of insurance by the Service Provider shall not limit, reduce, or otherwise affect any liability assumed by the Service Provider under these Terms, applicable law, or any Purchase Order.

18. CODE OF ETHICS AND BUSINESS CONDUCT

18.1 The Service Provider acknowledges awareness of Atlas Copco's business partner criteria and agrees that business partners, including suppliers, subcontractors, joint venture partners, agents, and distributors, are informed of the Group's commitments and expectations in accordance with the Business Code of Practice.

18.2 The Service Provider undertakes to:



- 18.2.1 Conduct its business honestly, ethically, and professionally at all times.
- 18.2.2 Comply with all applicable laws, regulations, and industry standards governing its activities.
- 18.2.3 Refrain from engaging in any practice that may constitute fraud, corruption, bribery, collusion, money laundering, dishonesty, unethical conduct, or any other unlawful activity.
- 18.2.4 Implement policies and controls reasonably designed to prevent unethical or unlawful conduct by its employees, representatives, subcontractors, and agents.
- 18.2.5 Promptly notify Rand Air of any actual or suspected violation of applicable laws or ethical standards relating to the Services.
- 18.3 The Service Provider shall ensure that its directors, employees, representatives, subcontractors, and agents involved in the performance of the Services comply with the ethical standards contemplated in this clause.
- 18.4 The Service Provider shall not offer, provide, solicit, receive, or accept any gift, payment, commission, reward, benefit, inducement, or other advantage intended to improperly influence any decision relating to the procurement process or performance of the Services.
- 18.5 Any breach of this clause, Rand Air's Code of Ethics, or any applicable anti-corruption legislation shall constitute a material breach of the Purchase Order and shall entitle Rand Air to immediately terminate the Purchase Order without prejudice to any other rights or remedies available to Rand Air.

19. INDEMNITIES

- 19.1 The Service Provider indemnifies, defends, and holds harmless Rand Air, its affiliates, directors, officers, employees, representatives, and agents against any and all claims, losses, liabilities, damages, penalties, fines, costs, expenses, and demands arising directly or indirectly from the matters set out below.
- 19.2 Without limiting the scope of the foregoing indemnity, the Service Provider indemnifies Rand Air against:
- 19.2.1 All costs, expenses, fees, and charges incurred in obtaining, maintaining, defending, or enforcing permits, approvals, licences, authorisations, or consents required by the Service Provider for the lawful provision of the Services.
- 19.2.2 Any environmental harm, contamination, pollution, degradation, discharge, release, or adverse environmental consequence arising from the Service Provider's acts, omissions, activities, personnel, equipment, materials, or subcontractors.
- 19.2.3 Any contamination of land, groundwater, surface water, watercourses, ecosystems, vegetation, or natural resources resulting from the performance of the Services.
- 19.2.4 Any breach of environmental legislation, permit conditions, licences, authorisations, approvals, or environmental obligations applicable to the Service Provider.
- 19.3 The Service Provider further indemnifies Rand Air against all claims for:
- 19.3.1 Death;
- 19.3.2 Personal injury;
- 19.3.3 Occupational disease;
- 19.3.4 Property damage;
- 19.3.5 Economic loss; or
- 19.3.6 Any other form of harm or damage, arising from the negligent, reckless, unlawful, fraudulent, intentional, or wrongful conduct of the Service Provider or any person acting under its control or direction.
- 19.4 The indemnity provided herein extends to all claims, proceedings, actions, demands, damages, penalties, settlements, legal costs, expert fees, investigation costs, and expenses incurred by Rand Air in relation to such claims.

19.5 The Service Provider shall indemnify Rand Air against any loss, damage, cost, or liability resulting from:

- 19.5.1 Defective workmanship;
- 19.5.2 Substandard performance of the Services;
- 19.5.3 Failure to comply with Specifications;
- 19.5.4 Failure to meet regulatory requirements; or
- 19.5.5 Any breach of these Terms or the Purchase Order.

19.6 The Service Provider shall bear full responsibility for the implementation, monitoring, enforcement, and maintenance of health and safety measures associated with the Services. To the extent permitted by law, the Service Provider shall indemnify Rand Air against all liabilities, claims, investigations, penalties, losses, and costs arising from any health and safety incident attributable to the Service Provider or its personnel.

19.7 The Service Provider further indemnifies Rand Air against any loss, damage, liability, or expense suffered by Rand Air as a consequence of any warranty, representation, undertaking, or obligation provided by the Service Provider proving to be incorrect, inaccurate, misleading, or breached.

19.8 The indemnities contained in this clause shall survive completion, cancellation, expiry, or termination of the Purchase Order.

20. SPECIFIC WARRANTIES OF THE SERVICE PROVIDER

20.1 The Service Provider warrants, represents, and undertakes to Rand Air that:

- 20.1.1 It possesses and shall maintain all licences, permits, approvals, registrations, certifications, consents, and authorisations required for the lawful and effective provision of the Services.
- 20.1.2 All such licences, permits, approvals, certifications, and authorisations shall remain valid and in force throughout the duration of the Services.
- 20.1.3 It accepts responsibility for any environmental consequences resulting from its activities, personnel, equipment, subcontractors, or performance of the Services.
- 20.1.4 No material permit, licence, approval, or authorisation required to perform the Services is currently subject to suspension, cancellation, review, appeal, challenge, or enforcement action that may materially affect its ability to perform the Services.

20.2 The Service Provider further warrants that:

- 20.2.1 Its personnel are suitably qualified, trained, experienced, competent, medically fit, and capable of performing the Services safely and professionally.
- 20.2.2 Appropriate health and safety systems, procedures, and controls have been implemented and shall remain in force throughout the provision of the Services.
- 20.2.3 Any accident, injury, or health and safety incident arising from the Service Provider's operations shall be the responsibility of the Service Provider, except to the extent directly caused by Rand Air's negligent conduct or wilful misconduct.

20.3 The Service Provider warrants that:

- 20.3.1 Its authorised representative possesses full authority to negotiate, accept, execute, and perform obligations on behalf of the Service Provider.
- 20.3.2 Any documents executed by such representative shall be binding on the Service Provider.
- 20.4 The Service Provider warrants that it shall provide Rand Air, upon reasonable request, with relevant reports, drawings, records, plans, technical information, and documents relating directly or indirectly to the Services.

20.5 The Service Provider warrants that:

- 20.5.1 Neither it nor its directors, officers, employees, or controlling stakeholders are engaged in corrupt, fraudulent, criminal, or unlawful activities.

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20.5.2 It is not subject to any applicable local or international sanctions regime that would prevent lawful performance of the Services.

20.5.3 It is not involved in any activity that may reasonably damage Rand Air's reputation or commercial standing.

20.6 The Service Provider warrants that all insurance required under applicable law, these Terms, or the Purchase Order has been obtained and shall remain valid throughout the performance of the Services.

20.7 The Service Provider warrants that no litigation, arbitration, regulatory investigation, administrative proceeding, insolvency process, or similar matter currently exists or is pending that may materially impair its ability to perform its obligations.

20.8 The Service Provider further warrants that no existing obligation, default, restriction, undertaking, court order, regulatory action, or contractual commitment exists that could materially interfere with its ability to perform the Services.

21. GENERAL WARRANTIES OF THE PARTIES

21.1 Each Party warrants and represents to the other that, as of the date of acceptance of the Purchase Order and for the duration of its existence:

21.1.1 It is duly incorporated, established, or constituted in accordance with applicable law.

21.1.2 It possesses the legal capacity, authority, and power necessary to enter into, perform, and fulfil its obligations under these Terms and any Purchase Order.

21.1.3 It is entitled to own, manage, and dispose of its assets and conduct its business in the ordinary course.

21.2 Each Party warrants that all corporate, governance, management, shareholder, board, regulatory, and internal approvals necessary to authorise its participation in these Terms and the Purchase Order have been obtained.

21.3 Each Party warrants that:

21.3.1 These Terms and any Purchase Order constitute valid and legally binding obligations enforceable against it in accordance with their terms; and

21.3.2 Its obligations under these Terms remain enforceable throughout the term of the Purchase Order.

21.4 Each Party further warrants that the entry into and performance of these Terms and any Purchase Order shall not:

21.4.1 Violate any applicable law, regulation, court order, licence condition, or regulatory requirement.

21.4.2 Conflict with its constitutional documents, founding documents, memorandum of incorporation, trust deed, partnership agreement, or equivalent governing instruments.

21.4.3 Result in a breach of any agreement, undertaking, commitment, judgment, licence, permit, or obligation to which that Party is bound.

21.4.4 Give rise to any event of default under any contract or arrangement material to that Party's business.

22. AMENDMENTS, WAIVERS, ASSIGNMENT, AND VARIATIONS

22.1 No amendment, modification, variation, addition, deletion, replacement, novation, waiver, extension, suspension, or consensual cancellation of these Terms or a Purchase Order shall be valid or enforceable unless recorded in writing and signed by duly authorised representatives of the Parties.

22.2 Any waiver, indulgence, extension, relaxation, or suspension of rights granted by one Party shall:

22.2.1 Apply only to the specific matter for which it was granted;

22.2.2 Not constitute a continuing waiver; and

22.2.3 Not prejudice the granting Party's right to enforce strict compliance with these Terms in the future.

22.3 The Parties expressly agree that email correspondence, informal communications, verbal discussions, meeting records, or conduct alone shall not constitute a valid amendment, variation, waiver, or cancellation of these Terms unless the requirements of clause 22.1 have been satisfied.

22.4 No failure, delay, omission, tolerance, concession, or partial exercise of any right by either Party shall operate as a waiver of that right.

22.5 Except as expressly recorded in these Terms, neither Party relies upon any promise, representation, warranty, inducement, undertaking, statement, or assurance that is not contained within these Terms or the applicable Purchase Order.

22.6 Neither Party may assign, cede, delegate, transfer, subcontract, pledge, encumber, or otherwise dispose of any of its rights, interests, obligations, or benefits arising under these Terms or a Purchase Order without the prior written consent of the other Party. Such consent shall not be unreasonably withheld, conditioned, or delayed.

22.7 Any attempted assignment, transfer, delegation, or disposition made in contravention of this clause shall be null and void to the extent permitted by law.

22.8 The provisions of these Terms shall be binding upon and enforceable by the Parties and their respective permitted successors and assigns.

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