1. Work Execution

1.1 EXPECTRA shall execute the Work, as indicated in the enclosed Scope of Work, in a professional manner and in accordance with the standard contract conditions given below. EXPECTRA has the administrative responsibility for execution of the Work. The Work shall be carried out in accordance with EXPECTRA's Quality Assurance Programme.

2. Terms of Payment

2.1 Client shall pay EXPECTRA (on presentation of a VAT invoice) for the Work as specified in the Agreement. Payment shall be made to EXPECTRA's bank account as stated on the invoice unless otherwise stipulated in the Agreement.

2.2 Client shall give EXPECTRA 15 days' written notice of any disputed items in the invoice. The undisputed part of all services, prior to withdrawal, of the invoice shall be settled according to the conditions below.

2.3 Prices quoted are exclusive of all local taxes.

2.4 ***Remuneration shall be made within 30 days after the date of the invoice. For late payment interest will be charged at a rate of 2% per month or part thereof. In addition EXPECTRA has the option of stopping work until payment is received. If the charges payable by the client to EXPECTRA are not paid in full within 30 days of the date of the invoice, the company shall be entitled to withdraw its services without prejudices to its rights. The withdrawal services shall not relieve the client from payment of any charges due.***

3. Changes

3.1 Client shall be entitled, upon 7 days written notice, to request an adjustment to the

Agreement thereby requesting a change in the Scope of Work, provided that such variation request shall not exceed what EXPECTRA could reasonably have foreseen at the start of this Agreement.

3.2 All change orders shall be in writing and shall clearly define the changes requested.

3.3 The additional work involved will be billed and invoiced on an hourly basis in addition to this Agreement unless otherwise agreed in writing between the Parties.

3.4 The change will be implemented as soon as both Parties have agreed in writing the extent of the additional Work and the payment terms thereof.

3.5 In the event of the client cancelling any consultation or training session the following penalty fees will be payable as agreed remuneration for services due and payable to Expectra:

(a) 14 days before the date of commencement - 10% of the agreed fees.
(b) 7 days before the date of commencement - 50% of the agreed fee.
(c) Less than 7 days but more 4 days before the date of commencement - 80% of the agreed fee.
(d) Less than 4 days before the date of commencement - 100% of the agreed fee.

These days are to be calculated as normal week days including weekends but excluding public holidays.

3.6 In the event of the client postponing any services as arranged with EXPECTRA, the following penalty fees will be applicable:

(a) 10 Working days prior to the date of commencement – 10% of the agreed fee
(b) 5 Working days or less prior to the date of commencement – 25% of the agreed fee

4. Termination

4.1 Both the Client and EXPECTRA shall have the right to terminate this Agreement upon written notice of such termination to the other Party.

4.2 In the event of termination, the Client shall reimburse EXPECTRA for any and all Work performed up to the time of termination, including all costs and expenses incurred as a consequence of such termination. EXPECTRA shall also receive a termination fee to be negotiated in addition to the amount outstanding for Work performed.

5.

Any information gathered by EXPECTRA or supplied by the client relating to hazard identification and risk assessment as well as any report should be kept confidential and copies only provided by the contact person.

6. Intellectual Property Rights

6.1 All proprietary rights to the Deliverables provided by EXPECTRA in the performance of the Work shall be the property of the Client unless otherwise specified. EXPECTRA shall have free access at all times to such Deliverables.

6.2 Any pre-existing intellectual property rights (including copyright and know-how) remain the property of EXPECTRA. In addition, any documents, data and computer programs developed during the work that are not defined as Deliverables are the property of EXPECTRA.

6.3 Client and EXPECTRA may stipulate that the project is to be a development contract aiming to produce a special method or invention. The proprietary rights and apportionment of any commercial profits arising shall be defined under Special Conditions/Agreements.

7. Liability and indemnity

7.1 Client shall indemnify EXPECTRA, EXPECTRA's employees, representatives and subcontractors against claims in connection with the Work as a result of:

(a) the death of or personal injury to Client's employees, representatives or subcontractors;
(b) the loss of or damage to property of Client, Client's employees, representatives or subcontractors.

7.2 EXPECTRA shall indemnify Client, Client's employees, representatives and subcontractors against claims in connection with the Work as a result of:

(a) the death of or personal injury to EXPECTRA's employees or representatives or subcontractors;
(b) the loss of or damage to property of EXPECTRA, EXPECTRA's employees, representatives or subcontractors.

7.3 Each of the Parties shall be responsible for and accept full liability for personal actions or negligence leading to loss of or damage to the property of any third Party, or to the personal injury or death of any third Party in connection with the Work caused by their respective employees, representatives and subcontractors as caused by their respective employees, representatives or sub contractors.

7.4 Notwithstanding liability pursuant to 7.1, 7.2 and 7.3 neither Client nor EXPECTRA shall be liable to the other Party or to any third Party for loss of earnings or profit or other consequential damages or losses as a direct or indirect result of the Work.

7.5 EXPECTRA's maximum cumulative liability for breach of contract and for any delays in the Work shall be limited to the contractual compensation for the completed Work or parts of the Work.

7.6 Client and EXPECTRA agree that the application of the results of the Work shall be at the user's sole risk.

7.7 Each Party shall immediately notify the other Party of any circumstances rendering the above clauses effective. All claims in connection with this Agreement must be submitted within 12 months of completion date in order to be valid.

8. Insurance

8.1 Both Client and EXPECTRA agree to take out the necessary liability insurance to cover any amount in damages either Party may be liable to pay pursuant to the conditions in Section 7 of this Agreement or governing law. Client and EXPECTRA shall upon the request submit to the other Party a valid insurance policy or other certified evidence of coverage for the Work.

8.2 Both Client and EXPECTRA agree to take out a general liability insurance against claims from any third Party with a minimum coverage of R150,000 per incident.

8.3 Each Party shall take out and maintain relevant insurance for own personnel for the duration of the Work pursuant to prevailing laws.

8.4 EXPECTRA shall ensure that any subcontractors it may use should maintain insurance coverage as described in Section 8 on behalf of subcontractor's personnel.

9. Force Majeure

Failure to perform the Work or a delay in the performing of the Work shall not constitute a breach of contract. The parties will have 30 days to rectify breach after written notice. If such failure or delay is due to an act of war, natural disaster, fire, explosion, labour dispute, any event beyond the control of the Party affected which the Party had no reasonable way of preventing or grounds to anticipate. The affected Party shall immediately notify the other Party in writing of the causes and expected duration of any such occurrence.

10. Law

This Agreement shall be subject to and interpreted in accordance with the Laws of Republic of South Africa. Any dispute to arise in connection with the Agreement which cannot be settled through negotiation shall be finally settled by mediation should any Party or born Parties remain in dispute such dispute shall be finally settled by arbitration.

11. Warranties

All statements given in letters and reports to clients are made in good faith on the basis of the information available to us at the time. They do not constitute an undertaking, warranty or contractual obligation on the part of EXPECTRA.

Unless provision has been made in the contract price for extension of specific insurance coverage, EXPECTRA shall not be liable to the client, or any third party, for any loss (including consequential loss), or damage suffered, or incurred by any third party, caused directly in the course of performance of this contract and the client shall indemnify and hold indemnified EXPECTRA against any such claim. This clause shall remain in effect notwithstanding that the provisions of this agreement shall be terminated.

12. Personnel

Substitution of staff working on a contract will not normally be made, except where this becomes unavoidable and where prior approval has been sought from the client.

13. Employment

The client shall not seek to employ any EXPECTRA personnel during their engagement, or for a period of six months after the completion of a contract.

14.

Impediments To Performance Any impediments to the successful performance of a contract (such as, for example, the supply of basic information) will be discussed between the parties and both will use their best endeavour to eliminate such impediments.

15. Sub-Contracts

EXPECTRA may sub-contract any special work necessitated by the assignment. In such sub-contracts EXPECTRA will act as a principal but may if so instructed by the client, act as its agents.

16. Breach

16.1 Should either Party hereto breach or fail to comply with any term or condition of this agreement which in law justifies cancellation of this agreement, then the non-defaulting Party should be entitled to cancel this agreement (either as an alternative to a claim for specific performance or upon the abandonment of such a claim), provided the non-defaulting Party has first given the defaulting Party written notice to rectify such breach and the defaulting Party has failed to rectify such breach within 30 (thirty) days after receipt of such notice. Written notice of any such cancellation shall be given to the defaulting Party and such cancellation shall take effect on the giving of such notice.

16.2 The exercise by any Party hereto of any right conferred by the foregoing provisions of this clause 16 shall, subject to such provisions, be without prejudice to any claims of such Party hereunder then accrued or to any other right or remedy of such Party.