

continuity of this Agreement as security for Secured Obligations subsequently arising.

4.3.1. It is acknowledged and agreed that –

4.3.1.1. the Vendor's obligations secured by this Agreement are obligations of a commercial nature; and

4.3.1.2. the application of the provisions of this Section "I" will confer upon the Service Provider certain procedural advantages which, in the light of the commercial nature of the transactions secured by such cession are fair, reasonable and necessary to ensure that the Service Provider does not suffer unfair commercial prejudice

J. SUSPENSIVE CONDITIONS

1. This Agreement shall be subject to the following suspensive conditions:

1.1. In the event of a default/breach by the vendor, the vendor would be required to use 50% of its ordinary shares as security. The said ordinary shares will be issued to the Service Provider.

K. TERMINATION

1. Either party may terminate this Agreement by giving to the other party at least 30 calendar days written notice of termination after the fulfilment of all obligations to each other in terms of this agreement.
2. Either party may terminate this Agreement immediately by giving written notice of termination to the other party if the other party commits a material breach of this Agreement.
3. Either party may terminate this Agreement immediately by giving 14 calendar days written notice of termination to the other party if any of the following events of default occur:

3.1. The other party:

3.1.1. is dissolved;

3.1.2. ceases to conduct all (or substantially all) of its business;

3.1.3. is or becomes unable to pay its debts as they fall due or any accrued interest on the amount provided by the Service Provider for financing of purchase orders;

3.1.4. is or becomes insolvent or is declared insolvent; or

3.1.5. convenes a meeting or makes or proposes to make any arrangement or composition with its creditors;

3.1.6. the making of a general assignment for the credit of the Vendor's creditors;

3.1.7. a misrepresentation by the Vendor to the lender for the purpose of obtaining or extending credit;

3.1.8. the sale of a material portion of the Vendor's business or assets.

3.2. An administrator, administrative receiver, liquidator, receiver, trustee, manager or similar is appointed over any of the assets of the other party.

3.3. An order is made for the winding up of the other party, or the other party passes a resolution for its winding up, other than where a resulting entity will assume all the obligations of the other party under the Agreement.

4. Should either parties terminate this agreement for any of the above stated reasons, each party shall calculate whatever outstanding amount that is due to be paid for services rendered up to the date of termination and make such payment within **5 business days** of termination of this agreement.
5. The Vendor shall not during or after the termination of this agreement divulge or disclose to any person any information in relation to the Service Provider's business methods and trade secrets which the Vendor may come into possession of except to comply with valid requirements of the contract. It is specifically recorded that this obligation will extend to all employees and individuals associated with the Vendor.
6. In the case where the Vendor wishes to cancel/terminate this agreement after the Service Provider has already incurred costs in relation to ensuring provision and performance as according to this Agreement to the Buyer, the

