

parties.

- 1.1.2. The Vendor understands that it is necessary to add the Service Provider as a Non-Executive Director on the appointed Company in order to enable the Service Provider to perform its administrative duties in the account.
- 1.1.3. The Service Provider undertakes to immediately resign from the appointed Company as soon as the Project is completed and all outstanding funds have been paid, which resignation will take up to 7 business days.
- 1.1.4. The Bank Account shall be the only account into which the Vendor may receive funds from a government department or parastatal and private entity in regard to this Agreement.
- 1.1.5. The Vendor acknowledges and clearly understands that the particulars of the banking account where the Service Provider is a signatory may NOT be changed by the Vendor with the purpose to receive funds deriving from the Purchase Order, which is the subject of this agreement, into a different account but the nominated banking account.
- 1.1.6. It is understood by the Vendor that any act or conduct to change the details of the nominated banking account with the issuer of the Purchase Order shall be deemed to be circumventing payment and the Service Provider gives the Vendor **12 hours** to remedy the situation and failure herein automatically gives the Service Provider the right to remove the Vendor from Directorship. Furthermore, it is understood by the Vendor that any legal fees attached to the recovery of funds shall be payable by the Vendor to the Service Provider.

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- 1.1.7. Bank charges shall be payable by the Vendor in respect of the nominated banking account.
- 1.1.8. Payments to be made from the regulated banking account shall be specified in the Costing Sheet or term sheet Annexure "A" hereto.
- 1.1.9. The parties re-iterate that the nominated banking account shall be operated by both parties during the existence of the contractual relationship between the parties with the Vendor's consent. It is further agreed that in the event the Vendor is in breach of any of its payment obligations stipulated in the Costing Sheet for a period in excess of 10 (Ten) days, the Service Provider shall be at liberty to off-set all funds available in the nominated banking account whether the origin of the available funds are related to a project financed by the Service Provider or not. Unrelated funds are to be protected in favour of the Vendor by the Service Provider at all times and be held for the sole benefit of the Vendor where the Vendor is in breach of the agreement and have been notified in writing of the Service Provider's intended set-off in its favour.

1.2. The Service Provider Remuneration

- 1.2.1. The Service Provider shall be entitled to an agreed fee excluding VAT for each Purchase Order Finance transaction the Vendor wishes to apply for. The terms and financial implication are more specifically stated in the costing sheet attached as Annexure A, to this agreement and signed by both parties.
- 1.2.2. All other charges, penalty interest, guarantees payable or issued on behalf of the Vendor and administrative charges are specified in the Costing Sheet with the understanding that all direct disbursements incurred on behalf of the Vendor which are not specified in the Costing Sheet are recoverable from the vendor.
- 1.2.3. The Service Provider undertakes to provide transportation of goods from suppliers to the client on behalf of the Vendor and said transportation will come with a fee charged by the Service Provider. No invoices from suppliers will be given to the Vendor.
- 1.2.4. The Service Provider may negotiate better pricing with suppliers through the use of its internal procurement

