

6. PAYMENT DELAY

Should the payment not be received from the buyer within a period of 30 calendar days from the date of disbursement of funds by the Service Provider, the Service Provider will levy a **10%** penalty fee monthly on delay on the outstanding amount.

7. REMEDIES FOR THE DEFAULT

7.1. On the occurrence of an Event of Default, the Service Provider:

- 7.1.1.** Shall have and may exercise all rights and remedies as recognised by the South African legal system in the court of law having jurisdiction on the matter.
 - 7.1.2.** Will charge the Vendor a recurring project management fee; and
 - 7.1.3.** May declare all unperformed Obligations, in whole or in part, of finance amount paid to supplier immediately due and payable without demand or notice; and
 - 7.1.4.** May require the Vendor to take any and all action necessary to make the Collateral available to the Service Provider.
- 7.2.** All of the Service Provider's rights and remedies, whether evidenced by this Agreement or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by the Vendor to pursue any remedy shall not exclude pursuit of any other remedy.
- 7.2.1.** The Vendor expressly waives any rights to a court process prior to the time the Service Provider takes possession or disposes of the Collateral on an Event of Default as provided above.
 - 7.2.2.** In the event of a default in payment by the Vendor, the non-executive directorship will automatically convert to 100% executive directorship which gives the Vendor no right to circumvent until they settle their account in full to the Service Provider.

F. GUARANTEE

1. The Guarantor irrevocably and unconditionally guarantees and undertakes as a principal and independent obligation in favour of the Service Provider that the Guarantor shall, upon demand by the Service Provider in terms of this Section F, make payment to the Service Provider of the Guaranteed Amount.

2. GENERAL PROVISIONS

2.1. The Guarantor agrees that:

- 2.1.1.** should the Service Provider require the Guarantor to make payment of the Guaranteed Amount or any part thereof, the Service Provider shall issue a written demand to the Guarantor which written demand shall be signed by any director, manager or officer for the time being of the Service Provider (whose appointment and authority shall not need to be proved) and shall contain confirmation by the Service Provider that the Vendor has breached its obligations under the Vendor Agreement;
- 2.1.2.** this Guarantee shall be in addition to and not prejudice any suretyship, guarantee, indemnity or security of whatever nature which the Service Provider holds or may obtain from or on behalf of the Vendor;
- 2.1.3.** the Service Provider may at any time, in its sole and absolute discretion, without prejudice to any of its rights and without notice to the Guarantor:
 - 2.1.3.1.** release any other surety, guarantors, indemnifier or any security of whatsoever nature given to it by or on behalf of the Vendor; or
 - 2.1.3.2.** grant extensions of time to or compound or make any other arrangement with the persons referred to in paragraph or the Vendor in regard to the payment of their indebtedness or the performance of their obligations to it;

