



CHE STANDARD TERMS AND CONDITIONS OF PURCHASE

1. DEFINITIONS

The words and expressions as set out below shall be interpreted to have the following meanings, unless the context indicates otherwise or it is expressly stated to the contrary:

- **“delivery date” shall mean the date stipulated in the order for the completion of delivery of the goods to the Purchaser;**
- **“goods” or “services” shall mean the items or services as specified in the Purchase Order and as confirmed by the acceptance of the Order from the Supplier;**
- **“Purchase Order” shall mean the Purchase Order Document subject to the terms and conditions set out herein;**
- **“purchase price” shall mean of the goods, excluding VAT, as stipulated on the Purchase Order;**
- **“Purchaser” shall mean CHE;**
- **“Supplier” Shall mean the legal or mutual person or person who has undertaken to fulfill the Purchaser Order;**
- **“parties” shall mean Purchase and the Supplier;**
- **“Transfer of Ownership” shall mean the transfer of all the rights and obligations inherent in ownerships of the goods from the Supplier to the Purchaser.**

2. CONDITIONS

- These conditions form the basis of the contract between the Purchaser and the Supplier. Notwithstanding anything to the contrary in any document issued or sent by the Supplier these conditions apply except as expressly agreed in writing by the Purchaser. No agent of the Purchaser has authority to vary these conditions orally. These general conditions of purchase are subject to such further special conditions as may be prescribed in writing by the purchaser in the order.

3. ORDERS

- Orders shall be placed using the official CHE Purchase Order form.
- The purchase price shall be the Supplier’s ruling price for the goods or services at the date of issue of the acceptance of Order by the Supplier.
- Price adjustments shall only be accommodated where specified in detail in the original conditions of quotation(s) and shall be approved as in the delegation of authority of CHE.

4. DELIVERY

- Goods shall be delivered and services rendered only upon receipt of a written official order from Supply Chain Management Department.
- All goods as specified in the Purchase Order shall be delivered on or before the date specified in the Purchase Order to the point of delivery as specified in the Purchase Order
- All deliveries must be accompanied by delivery note stipulating the Purchase Order number, date of delivery, description and quantity of goods.
- The supplier shall send to the Purchaser a detailed priced invoice as soon as is reasonably practice after dispatch of goods.
- The supplier shall state the Purchase Order number on all communications in respect of the purchase.

5. QUALITY

- Goods supplied and services rendered shall be in accordance with, and the supplier guarantees that they are equal in all respects to, the samples, patterns, drawings and specifications stipulated in the order and unless otherwise specified, suppliers shall be new and unused.

6. PAYMENT

- Payment will normally be effected within 30 days of receipt of all the required documentation which should be correct in every respect.

7. TITLE AND RISK

- Without prejudice to rights of rejection under these conditions, title to and risk in the Goods passes to the Purchaser when the Goods are off-loaded and accepted by the Purchase at the address given in the delivery instructions.

8. REJECTION

- If the supplier fails to comply with his obligations under the order the Purchaser (CHE) may reject any part of the Goods by given written notice to the Supplier specifying the reason for rejection and whether replacement Goods are required and within what time. Thereafter, the Purchaser returns the rejected Goods to the Supplier at the Supplier's risks and expense. Any money paid to the supplier in respect of goods not replaced within the time required, together with the cost of returning rejected Goods to the Supplier and obtaining replacement goods from a third party are paid by the Supplier to the Purchaser.

9. WARRANTY

- Without prejudice to any other rights of the purchaser under these conditions, the Supplier warrants that all goods delivered will be free from defective materials or workmanship;
- This warranty shall survive any inspection, delivery, acceptance or payment by the Purchaser; and
- The goods will remain free from defects for a period of one year (unless another period is stated in the Order) from acceptance of the Goods by the Purchaser.

10. INDEMNITY

- The Supplier indemnifies the Purchaser against all actions, suits, claims, demands, costs, charged and expenses arising in connection therewith arising from the negligence, infringement of intellectual or legal rights or breach of statutory duty of the Supplier, his subcontractors, agents or servants, or from the Supplier's defectives design, materials or workmanship.

11. ASSIGNMENT AND SUBCONTRACTING

- The Supplier may not assign or subcontract any part of this Order without the written consent of the Purchaser.

12. TERMINATION

- The purchaser may terminate the Order at any time (without prejudice to any right of action or remedy which has accrued or thereafter accrues to the Purchaser) if the supplier defaults in due performance of the Order, or becomes bankrupt or otherwise is, in the opinion of the Purchaser, in such financial circumstances as to prejudice the proper performance of the Order.

13. GOVERNING LAW

- The Order is governed by the law of the Republic of South Africa and the parties hereby submit to the non exclusive jurisdiction of the South African courts.