



Service Agreement

between HOTSURE (being HOTSURE Consultants & Administrators CC), a closed corporation duly incorporated with registration number 1996/016264/23)

and HOTGROUP the Equipment Manufacturer, HOTNET Operator and HOTEYE Web GIS System Host (being party to this Agreement in order to accept the rights attributed to it as supplier for HOTSURE) (being HOTGROUP CC, a closed corporation duly incorporated with registration number 1993/00755/23)

..... ("the Customer")

Physical address:.....

Postal address:.....

Represented by:.....(Name)

.....(Capacity)

VAT No:

1. The Customer hereby contracts for access to the equipment, HOTNET and HOTEYE ("the Service") (and Service, in this Agreement and the Standard Terms and Conditions, shall include any and all related Equipment) provided by The Service Provider (hereinafter HOTSURE) through its Supplier (hereinafter HOTGROUP).
2. This Agreement is subject to the Standard Conditions of Agreement of HOTSURE attached hereto.
3. This Agreement will commence on the date of signature by the party signing last in time and will endure for 36 months and only after which either party may terminate the Agreement by giving the other 2 month's written notice.
4. Services are paid for annually in advance on or before the last working day of every year.
5. HOTSURE will register the Customer and the Customer's Equipment with HOTGROUP.
6. Upon acceptance of such registration HOTSURE will issue the Customer with Subscriber Number(s) for use for the duration of the Agreement.
7. All Subscriber Numbers remain the property of HOTGROUP.
8. The Customer acknowledges that:
 - (a) It is fully aware of the extent of the coverage of the Service;
 - (b) It is fully aware of the possible adverse effects of physical (e.g. buildings) and geographical features, atmospheric conditions and other causes of interference on the Service;
 - (c) it will not use the Service for any improper or unlawful purposes;
 - (d) It will comply with all instructions relating to the use of the Service or Equipment issued by HOTSURE or HOTGROUP;
 - (e) It will provide HOTSURE with all required information relating to the Service and Equipment;
 - (f) It will not through any act or omission of whatsoever nature damage or impair the quality of the Service;
 - (g) It will only use Equipment approved by HOTSURE for use on the Service;
 - (h) It will at all times adhere to the end-user instructions issued by HOTGROUP.
9. HOTGROUP may without notice suspend the Service or disconnect the Customer's Equipment from the Service:
 - (a) During the period of technical failure or modification of the Service;
 - (b) When the Customer, through any act or omission of whatsoever nature, impair the quality of the Service;
 - (c) Should the Customer fail to effect payments as determined in this Agreement.
10. HOTSURE and or HOTGROUP may charge a reconnection fee for suspended or disconnected services under 9(b) and (c) above.
11. HOTSURE may terminate this Agreement with written notice of seven days if the Customer breaches any clause in this Agreement or if HOTGROUP ceases to operate the Service for any reason whatsoever.
12. The Customer may not cede or assign this Agreement without the prior written consent of HOTSURE.
13. The Customer unconditionally accepts the Schedule of Charges as attached hereto.
14. The Customer accepts an annual price increase, on the 1st March of each year, which may not exceed CPI for the preceding year, provided that these provisions do not restrict the right of HOTSURE to effect other increases as contemplated in 5.2 of the Standard Terms and Conditions.



15. The Service Fee:

SERVICE	DESCRIPTION	UNIT COST	QTY	Line total

The Service Fee Total excluding VAT 14% [Note – the Service Fee determined herein is subject to increases as contemplated in clause 5.2 of the Standard Terms and Conditions and the Service Fee shall also increase should interest rates, applicable to HOTSURE, increase.]

The Customer accepts the Standard Conditions attached hereto and initialled for identification purposes. The Customer acknowledges that any amount due for the Service will be due unconditionally within 30 days from the date of a tax invoice issued by HOTSURE.

[INITIAL] THE CUSTOMER MUST SPECIFICALLY NOTE THE PROVISIONS OF CLAUSE 3, 4.1 5.2, 5.3 5.7 5.8, 5.10, 5.13 6.3, 6.6, 9.2, 10.1, 10.2, 14, 16, 22 AND 23 IN THE STANDARD TERMS AND CONDITIONS. THE CUSTOMER SHALL BE REQUIRED TO INITIAL NEXT TO THIS CLAUSE AND EACH OF THE MENTIONED CLAUSES TO INDICATE THAT THE CUSTOMER HAS CONSIDERED THE CLAUSES, IS AWARE OF THEM AND UNDERSTANDS THE EFFECT OF THESE CLAUSES. These clauses are potentially ONEROUS in nature. The Customer should further note that all terms of this Agreement and its annexes are of importance and by highlighting these specific clauses the importance or effect of other clause and terms are in no manner diminished or detracted from. IT REMAINS THE RESPONSIBILITY OF THE CUSTOMER AND/OR HIS AGENT TO STUDY THIS AGREEMENT CAREFULLY AND IN FULL.

The Customer hereby declares that only T/T payment will be made and that under no circumstances will any payment be stopped.

For the Customer: _____

Signed: _____ Place & Country: _____ Date: _____

Printed name(s): _____ Corporate designation of signatory _____

For The Service Provider: HOTSURE

Signed: _____ Place & Country: _____ Date: _____

Printed name(s): _____ Corporate designation of signatory _____

For The Supplier: HOTGROUP

Signed: _____ Place & Country: _____ Date: _____

Printed name(s): _____ Corporate designation of signatory _____



CONTACTS

1. **Customers contact person:**_____

a. _____
Telephone number

a. _____
Fax number

a. _____
Cell number

a. _____
E-mail address

2. **SP contact details (for all Service, Contract, Billing, Account and Payment related matters):
HOTSURE**

2B Hibiscus Close P.O. Box 15071
Centurion Lyttelton
0157 0140

Tel: +27 (12) 661 1613 (Local 0861 HOTSURE)
Fax: 086 640 5744
E-mail: accounts@HOTSURE.co.za

3. **Supplier contact details (for all technical related matters): HOTGROUP**

330 Hans Strydom Ave P O Box 15071
Centurion Lyttelton
0157 0140

Tel no; +27 (12) 661 1613 (Local 0861 HOTCALL)
Fax no: 086 640 5744
E-mail: support@hotgroup.co.za

4. **Banking Details of SP: HOTSURE**

Bank : ABSA
Swift code : ABSAZAJJ
Branch : Hyde Park
Branch number : 632005
Account number : 4069762396
Account type : Current account

1. The Customer agrees that (a) this Agreement (where this Agreement means these Standard Terms and Conditions as well as the agreement to which it forms an annex and all annexes hereto) represents the entire Agreement between the Customer and The Service Provider (hereinafter HOTSURE) and that no alterations or additions to this Agreement may be effected unless agreed to by both parties, reduced to writing and signed by both parties or their duly authorised representatives; (b) that this Agreement will govern all future contractual relationships between the parties; (c) is applicable to all existing debts between the parties; (d) this Agreement is final and binding and is not subject to any suspensive or resolutive conditions; (e) any conflicting conditions stipulated by the Customer are expressly excluded; (f) these terms supersede all previous conditions without prejudice to any securities or guarantees held by HOTSURE.
2. This Agreement only becomes final and binding on final signature thereof by HOTSURE and the Supplier (hereinafter HOTGROUP), such date hereinafter being referred to as the Final Date.
3. **(initial)** The Customer acknowledges that it does not rely on any representations made by HOTSURE or its agents (including any third party subcontractors as contemplated 5.9) in regard to the Service (Service being defined as per this Agreement and Service shall include any and all Equipment related thereto) or any of its qualities leading up to this Agreement other than those contained in this Agreement. All specifications, price lists, performance figures, advertisements, brochures and other technical data furnished by HOTSURE and/or HOTGROUP in respect of the Service orally or in writing will not form part of the Agreement in any way unless agreed to in writing by HOTSURE.
 - 4.1 **(initial)** The Customer agrees that neither HOTSURE nor any of its employees or its agents (including any third party sub-contractors contemplated in 5.9) will be liable for any negligent or innocent misrepresentations made to the Customer nor will they be liable for any damage, costs or loss (including consequential damages) occasioned by their negligent conduct or omissions that occur during the subsistence of this Agreement, whether in relation to the delivery of the Service or not, and the Customer fully indemnifies HOTSURE, HOTGROUP and any of their employees in this regard.
 - 4.2 It is the sole responsibility of the Customer (which responsibility the Customer hereby accepts) to determine that the Services ordered are suitable for the purposes of intended use.
 - 4.3 The Customer will be liable for all and any costs (including wasted costs) resulting from any acts or omission of the Customer that causes the suspension of work by HOTSURE and/or HOTGROUP, arising from modification of requirements introduced by the Customer not accepted in terms of the relevant Agreement, failure or delay by the Customer in providing any and all required information or equipment to enable work by HOTSURE, HOTGROUP or their agents to proceed on schedule (including requests that work be completed earlier than agreed).
 - 5.1 All quotes will remain valid for a period of 30 days from the date of the quote.
 - 5.2 **(initial)** All quotes are subject to the availability of the Service and subject to correction of bona fide errors by HOTSURE and/or HOTGROUP, and the prices quoted are subject to any increases in the cost price, including currency fluctuations, as well as increases in the Service Fee due to currency fluctuations. For purposes of clarity the increases in cost due to whatever factor shall allow an increase in the Service Fee at any stage during the subsistence of this Agreement.
 - 5.3 **(initial)** The parties hereby confirm, and the Customer accepts the obligation and responsibility to ensure that the Service fully and specifically correspond, on delivery and installation, to the Service ordered by the Customer at the prices agreed to by the Customer and should the Customer not then and there, on receipt of a delivery note or tax invoice, in writing note any discrepancy the Customer shall forthwith be barred from instituting any claim for loss or damage due to any actual discrepancy that may exist. Furthermore failure by the Customer to, immediately on delivery and installation, note any defect in the Service shall result therein that the Customer shall be deemed (1) to have accepted such delivery and installation as successful and without any patent defects including the operation of the Equipment; (2) to have inspected same (including any and all Equipment and its installation) to the Customer's satisfaction and (3) constitute a declaration by the Customer that same conforms in all respects to the quality and quantity ordered and are free from any noticeable defects.
 - 5.4 In the case of rentals HOTSURE, as agent for HOTGROUP, will invoice the Customer as determined in 9.1 and the Customer shall on signature of this Agreement sign the accompanying debit order authorization being Annex C hereto.
 - 5.5 The Customer shall upon his/its signature of this Agreement pay one Billing Year's Service Fee up front (the First Payment). A Billing Year shall be the period from the date of signature until the same date the following year and the Service Fee shall be the fee determined in terms of clause 15 of the Service Agreement. The First Payment shall be in respect of the first Billing Year upon Signature Date.
 - 5.6 Any delivery note or waybill (copy or original) signed by the Customer or his agent shall be conclusive proof that delivery was made to the Customer.
 - 5.7 **(initial)** The risk of damage to, destruction or theft of any Equipment forming part of the Services shall pass to the Customer on delivery and the Customer agrees and understands that it must make its own arrangement for safeguarding of the Equipment and any insurance related thereto. THE FULL RISK OF DAMAGE DESTRUCTION OR THEFT RESTS WITH THE CUSTOMER and the Customer shall be liable to replace, at his/its own cost damaged, destroyed or stolen Equipment.
 - 5.8 **(initial)** Delivery, installation and performance times given are merely estimates and are not binding on HOTSURE.
 - 5.9 HOTSURE is entitled to engage a third party to transport and/or install any Equipment.
 - 5.10 **(initial)** The Customer indemnifies HOTSURE against any claims, cost, loss or damages that may arise from such transport and or instalment contemplated in clause 5.9. against HOTSURE.
 - 5.11 All matters related to warranties in respect of Equipment, repairs of Equipment (falling within or outside warranty periods) and maintenance matters shall specifically be dealt with in Annex B hereto.
 - 5.12 The Customer acknowledges that all intellectual property (IP) including copyright related to the Service (including the Equipment) is that of HOTSURE (any licensors and HOTGROUP's) and the Customer shall not duplicate copyrighted material under any circumstances or in any manner infringe upon HOTSURE's or any licensor's or Supplier's IP and any breach of such obligations shall constitute a material breach of this Agreement. The Customer acknowledges that such breach may result in unquantifiable losses for HOTSURE, the licensor and/or HOTGROUP.
 - 5.13 **(initial)** The Customer hereby indemnifies HOTSURE and HOTGROUP against any claims, costs and expenses arising out of the infringement of copyright, patent, trademark or design.
 - 6.1 The Equipment forming part of the Service is guaranteed according to the manufacturer or installer's product specific warranties only (12 months fair wear and tear on a carry in basis) and all other guarantees including common law guarantees are hereby specifically excluded. Equipment is guaranteed for a period of 30 days against faulty workmanship and parts are guaranteed according to the manufacturer's product specific warranties
 - 6.2 Liability under Clause 6.1 is restricted to the cost of repair or replacement of faulty Equipment or granting of a credit at the sole discretion of HOTSURE.
 - 6.3 **(initial)** No claim under this Agreement shall arise unless the Customer has, in respect of patent defects acted

- in terms of 5.3 and in respect of latent defects (provided that such defect occurs within a relevant warranty period), within 14 days of the alleged breach or defect occurring, given HOTSURE 30 days written notice by prepaid registered post to rectify any defect or breach of the Service and/or Agreement.
- 6.4 The Customer shall return any defective Equipment to the premises of HOTSURE at the Customer's own cost and packed in the original packaging of the Equipment.
- 6.5 All guarantees are immediately null and void should any Equipment be tampered with or should the seals on Equipment be broken by anyone other than HOTSURE or should the Equipment be operated or stored outside the manufacturer's specifications.
- 6.6 (initial)** Any Equipment delivered, under any circumstances, to HOTSURE, by or on behalf of the Customer, shall serve as a pledge in favour of HOTSURE for present and past debts of the Customer to HOTSURE and HOTSURE shall be entitled to retain or realise such pledges, as it deems expedient at the value as determined by an independent valuer. The sworn or realised value of pledged goods will be offset against the Customer's debts and any remaining balance will be paid to the Customer.
- 7.1 Under no circumstances shall HOTSURE (or HOTGROUP) be liable for any consequential damages or for any delictual liability of any nature whatsoever.
- 7.2 Under no circumstances shall HOTSURE (or HOTGROUP) be liable for any damage arising from any misuse or abuse of the Equipment or any damage whatsoever caused by the non-operation or malfunctioning of the Equipment.
8. Delivery of the Equipment to the Customer shall take place at the place of business of the Customer or such other agreed place.
- 9.1 The Customer agrees that the Service Fee contained in a Tax Invoice for the Service, issued by HOTSURE, shall be due unconditionally, within 30 days from the date of a Tax Invoice issued by HOTSURE except for the First Payment which shall be made by bank transfer on signature of this Agreement and prior to delivery. The First Payment shall be for the first Billing Year's Service and the Customer shall thereafter be invoiced for the Service in ADVANCE.
- 9.2 (initial)** The Customer agrees to pay the amount on the Tax Invoice to HOTSURE. The Customer acknowledges that HOTSURE is acting as agent for HOTGROUP in collecting and receiving payments due under this Agreement. The Customer however also agrees and acknowledges that HOTSURE is entitled to collect the contemplated payment as HOTSURE has provided funding for acquisition of the Equipment AND HOTSURE IS THE OWNER OF THE EQUIPMENT and therefore the Customer acknowledges and agrees that payment shall be effected to HOTSURE regardless of any failure by HOTGROUP to provide the Service or any defect in the Service or related Equipment.
- 9.3 The risk of payment rests with the Customer.
- 10.1 (initial)** The Customer has no right to withhold payment for any reason whatsoever and agrees that no extension of payment of any nature shall be extended to the Customer and any such extension will not be applicable or enforceable unless agreed to by HOTSURE and HOTGROUP, reduced to writing and signed by the Customer and a duly authorised representatives of HOTSURE and HOTGROUP.
- 10.2 (initial)** The Customer is not entitled to offset any amount due to the Customer by HOTGROUP against debts owing to HOTSURE by the Customer.
- 10.3 All discounts (if any) shall be forfeited if payment in full is not made on the due date.
- 11.1 The Customer agrees that the amount due and payable to HOTSURE may be determined and proven by a certificate issued and signed by Financial Director or a financial manager of HOTGROUP. Such certificate shall be binding and shall be prima facie proof of the indebtedness of the Customer.
- 11.2 Any printout of computer evidence tendered by any party shall be admissible evidence and no party shall object to the admissibility of such evidence purely on grounds that such evidence is computer evidence or that the requirements of the Computer Evidence Act have not been met.
12. The Customer agrees that interest shall be payable on any moneys due to HOTSURE at the maximum rate, as prescribed in terms of the National Credit Act, Act No. 34 of 2005, from the date it falls due and as determined in respect of Incidental Credit.
13. The Customer agrees that if an account is not settled in full within the period agreed in clause 9.1 above, HOTSURE is: (i) entitled to immediately institute action against the Customer at the sole expense of the Customer; or (ii) to cancel the Agreement and retake possession of any Equipment delivered to the Customer and claim damages. These remedies are without prejudice to any other right HOTSURE may be entitled to in terms of this Agreement or in law.
- 14. (initial)** In the event of cancellation for breach (including as contemplated in 13) of the Agreement by HOTSURE, the Customer shall in all and every circumstance remain liable for the **FULL** payment of the Service Fee (and any costs or charges) for the remainder of the contract period and at the election of HOTSURE all such payments shall become immediately due and payable. On cancellation (for whatever reason) the Customer shall immediately return all rental and loan Equipment failing which HOTSURE may take steps to ensure return of the Equipment and all other costs incurred in the repossession of the Equipment shall be for the account of the Customer. The Customer shall likewise return all rental and loan Equipment at expiry of this Agreement at the cost of the Customer, which cost shall include the cost of removal of Equipment.
- 15.1 All rental and loan Equipment supplied by HOTSURE shall remain the property of HOTSURE for the duration of this Agreement and thereafter and it is specifically agreed that HOTSURE shall in all respects have all the required *locus standi* to exercise any right of HOTSURE as contained in this Agreement related to the Equipment.
- 15.2 The Customer may under no circumstances allow Equipment to leave the Customer's direct control and possession.
- 16. (initial)** The Customer shall be liable to HOTSURE and/or HOTGROUP (as the case may be) for all legal expenses on the attorney and own client scale incurred by HOTSURE and or HOTGROUP in the event of (a) any default by the Customer or (b) any litigation in regard to the validity and enforceability of this Agreement. The Customer shall also be liable for any tracing, collection or valuation fees incurred as well as for any costs, including stamp duties, for any form of security that HOTSURE and/or HOTGROUP may demand.
17. The Customer agrees that no indulgence whatsoever by HOTSURE or HOTGROUP will affect the terms of this Agreement or any of the rights of HOTSURE or HOTGROUP and such indulgence shall not constitute a waiver by HOTSURE or HOTGROUP in respect of any of its rights herein. Under no circumstances will HOTSURE or HOTGROUP be stopped from exercising any of its rights in terms of this Agreement.
18. HOTSURE or HOTGROUP shall have the right to institute any action in either the Magistrate's Court or the Supreme Court at its sole discretion.
- 19.1 Any document shall be deemed duly received by the Customer within (i) 3 days of prepaid registered mail to any of the Customer's business or postal addresses or to the personal address of any director, member or owner of the Customer; or (ii) within 24 hours of being faxed to any of the Customer's fax numbers or any director, member's or

owner's fax numbers; (iii) on being delivered by hand to the Customer or any director, member or owner of the Customer; or (iv) within 48 hours if sent by overnight courier.

19.2 The Customer chooses domicilium citandi et executandi at the business address or the physical addresses of any Director (in the case of a company), Member (in the case of close corporations) or of the Owner(s) or Partner(s).

19.3 The Customer undertakes to inform HOTSURE in writing within 7 days of any change of Director, Member, Shareholder, Owner or Partner or address or 14 days prior to selling or alienating the Customer's business and failure to do so will constitute a material breach of this Agreement.

20. The Customer agrees to the standard rates of HOTSURE for any Service rendered, which rates the Customer acknowledges having studied fully before entering into this Agreement, and the availability of which and the attendance to study same the Customer fully acknowledge.

21. The invalidity of any part of this Agreement shall not affect the validity of any other part.

22. (initial) This Agreement including any Service may be cancelled by HOTSURE, without any liability of whatsoever nature to the Customer on the part of HOTSURE (and

HOTGROUP) due to force majeure from any cause beyond the control of HOTSURE, including (without restricting this clause to these instances): inability to secure labour, power, materials or supplies, or by reason of an act of God, war, civil disturbance, riot, state of emergency, strike, lockout, or other labour disputes, fire, flood, drought or legislation.

23. (initial) This Agreement may be cancelled by HOTSURE if the Customer breaches any material term of this Agreement or makes any attempt to compromise with its creditors, liquidate or sequester the legal entity or business (as the case may be); or judgement is recorded against the Customer or any of its principals and such judgement remains unsatisfied for 30 days or no proceedings for review or appeal is instituted within the applicable time period, where after the provisions of clause 14 will apply.

24. The Customer agrees that HOTSURE (and HOTGROUP) will be immediately and irrevocably released from any contractual damages and penalty obligations should any event in clause 22 or 23 occur.

25. This Agreement and its interpretation are subject to South African law.