

## TERMS AND CONDITIONS OF SERVICE:

### FLOCK PLATFORM

(REGISTRATION NUMBER 2013/177894/07)

(HEREINAFTER REFERRED TO AS THE SUPPLIER)

### AND

### THE CLIENT

(WHO HAS ACCEPTED THESE TERMS AND CONDITIONS BY ACCEPTING THE QUOTATION ISSUED TO IT BY THE COMPANY)

#### 1. DEFINITIONS

- 1.1. **Agreement** means the entire content of this document including all schedules and attachments hereto;
- 1.2. **Client Content** means all content including materials, provided by Client for use in the preparation of and/or incorporation in the Deliverables;
- 1.3. **Copyright** means the property rights in original works of authorship, expressed in a tangible medium of expression;
- 1.4. **Deliverables** means the services and work product specified in the quotation to be delivered by the Supplier to Client;
- 1.5. **Project** means the scope and purpose of the Client's identified usage of the work product as described in the Quotation.
- 1.6. **Quotation** means a written description of the Project and the costs in relation thereto addressed to the client. The Quotation shall form part of this

agreement.

1.7. **Services** means all services and the work to be provided to the Client by the Supplier, as described and otherwise further defined in the Quotation.

1.8. **Supplier Tools** means all tools developed and/or utilized by Supplier in performing the Services;

## 2. **INTERPRETATION**

2.1. Expressions defined in the Act shall bear the meanings assigned to them therein;

2.2. References to sections shall be construed as referring to sections of the Act;

2.3. Words importing natural persons shall include a reference to bodies corporate and other legal personae and *vice versa*;

2.4. Words importing the masculine shall include a reference to the feminine and other genders;

2.5. Words importing the singular shall include a reference to the plural and *vice versa*;

2.6. Annexures to this agreement shall be deemed to have been incorporated herein and shall form an integral part hereof;

2.7. A reference to a party in a document includes that party's successors and permitted assigns;

2.8. Any reference to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time;

2.9. Where the day on or by which anything is to be done is not a business day, it

shall be done on or by the 1<sup>st</sup> (first) business day thereafter;

- 2.10. When any number of days is prescribed in this agreement, same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a Saturday, Sunday or Public Holiday, in which case, the last day shall be the next succeeding day which is not a Saturday, Sunday or Public Holiday;
- 2.11. A reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- 2.12. The captions appearing in this agreement are for reference purposes only and shall not affect the interpretation hereof;
- 2.13. if any provision is a definition (or under this heading "*Interpretation*" and/or any other heading in this agreement) and is a substantive provision conferring rights or imposing obligations on any party, notwithstanding that it is only in the definition (or such other clause) effect shall be given to it as if it were a substantive provision in the body of the agreement;
- 2.14. Where figures are referred to in numerals and words, if there is any conflict between the two, the words shall prevail.

### 3. **QUOTATION**

- 3.1. The terms of the Quotation shall be effective for 14 days after presentation to Client, unless specifically agreed otherwise between the parties. In the event this Agreement is not executed by Client within the time identified, the agreement shall lapse and be of no force and effect.

### 4. **FEES AND CHARGES**

- 4.1. In consideration of the Services to be performed by the Supplier, the Client shall pay to the Supplier all amounts set forth in the Quotation, and all

applicable additional charges, even if calculated or assessed subsequent to the payment schedule.

- 4.2. *Additional Costs.* The Project pricing includes Supplier's fee only. Any and all outside costs will be billed to Client, unless specifically otherwise provided for in the Quotation.
- 4.3. *Invoices:* all invoices are payable on presentation of invoice, unless specifically agreed otherwise by the parties. Should any invoice remain unpaid after a period of thirty days interest shall become payable at a rate of 24% per annum, calculated and compounded monthly. The Client shall be responsible for all legal fees necessitated by default in payment on an attorney and own client scale. The Supplier reserves the right to withhold delivery and any transfer of any rights in any current work if invoices are not paid in full.
- 4.4. The Supplier shall not be obliged to continue with the supply of any services should any invoices not be paid timeously.

## 5. **TIMING**

- 5.1. The Supplier will perform the Services identified in the Quotation, and will undertake commercially reasonable efforts to perform the Services within the time identified in the Quotation.
- 5.2. *Testing and Acceptance:* The Supplier will exercise commercially reasonable efforts to test Deliverables requiring testing and to make all necessary corrections prior to providing Deliverables to the Client. The Client shall immediately notify the Supplier, in writing, of any failure of such Deliverable to comply with the specifications set forth in the Quotation, or of any other objections, corrections, changes or amendments that the Client wishes made to such Deliverable. Any and all objections, corrections, changes or amendments shall be subject to the terms and conditions of this Agreement. In the absence of such notice from Client, the Deliverable shall be deemed accepted.

## 6. **CLIENT RESPONSIBILITIES**

Client acknowledges that it shall be responsible for performing the following in a reasonable and timely manner:

- 6.1. Provision of required information in a suitable form.

## 7. **CONFIDENTIAL INFORMATION**

- 7.1. Each party acknowledges that in connection with this Agreement it may receive certain confidential or proprietary technical and business information and materials of the other party, including without limitation to Preliminary Works (“Confidential Information”). Each party, its agents and employees shall hold and maintain in strict confidence all Confidential Information, shall not disclose Confidential Information to any third party, and shall not use any Confidential Information, except as may be necessary to perform its obligations under the Quotation, except as may be required by a court. Notwithstanding the foregoing, Confidential Information shall not include any information that is in the public domain or becomes publicly known through no fault of the receiving party, or is otherwise properly received from a third party without an obligation of confidentiality.

## 8. **RELATIONSHIP OF THE PARTIES**

- 8.1. *Independent Contractor.* The Supplier is an independent contractor, not an employee of the Client or any company affiliated with Client. The Supplier shall provide the Services under the general direction of the Client, but the Supplier shall determine, in the Supplier’s sole discretion, the manner and means by which the Services are accomplished. This Agreement does not create a partnership or joint venture and neither party is authorized to act as agent or bind the other party, except as expressly stated in this Agreement. All rights, if any, granted to Client are contractual in nature and are wholly defined by the express written agreement of the parties and the various terms and conditions

of this Agreement.

- 8.2. *No Solicitation.* During the term of this Agreement, and for a period of one year after expiration or termination of this Agreement, the Client agrees not to solicit, recruit, engage or otherwise employ or retain, on a full-time, part-time, consulting, work-for-hire or any other kind of basis, any designer, employee or Supplier Agent of the Supplier, whether or not said person has been assigned to perform tasks under this Agreement. In the event such employment, consultation or work-for-hire event occurs, Client agrees that the Supplier shall be entitled to an agency commission to be the greater of, either (a) 100 percent of said person's total annual package with Client, or (b) 100 percent of the total fees paid to said person for the first year of engagement, if engaged by Client as an independent contractor. In the event of (a) above, payment of the commission will be due within 30 days of the employment starting date. In the event of (b) above, payment will be due at the end of any month during which the independent contractor performed services for Client. The Supplier, in the event of non-payment and in connection with this section, shall be entitled to seek all remedies under law.
- 8.3. *No Exclusivity.* The parties expressly acknowledge that this Agreement does not create an exclusive relationship between the parties. Client is free to engage others to perform services of the same or similar nature to those provided by the Supplier, and the Supplier shall be entitled to offer and provide services to others, solicit other clients and otherwise advertise the services offered by the Supplier.

## 9. **WARRANTIES AND REPRESENTATIONS**

- 9.1. *By Client.* The Client represents and warrants to the Supplier that:
- 9.1.1. Client owns all right, title, and interest in, or otherwise has full right and authority to permit the use of the Client Content,
- 9.1.2. to the best of Client's knowledge, the Client Content does not infringe the

rights of any third party, and use of the Client Content as well as any Trademarks in connection with the Project does not and will not violate the rights of any third parties,

9.1.3. all information furnished to the Supplier is accurate,

9.1.4. Client shall comply with all laws and regulations as they relate to the Services and Deliverables.

9.2. *By Supplier:*

9.2.1. The Supplier hereby represents and warrants to Client that the Supplier will provide the Services identified in the Quotation in a professional and workmanlike manner and in accordance with all reasonable professional standards for such services.

9.2.2. Except for the express representations and warranties stated in this agreement, the Supplier makes no warranties whatsoever. The Supplier explicitly disclaims any other warranties of any kind, either express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose or compliance with laws or rules and regulations applicable to the project.

## 10. **STORAGE OF FILES**

10.1. The Supplier shall store the files for a maximum of six months.

10.2. The Supplier shall make available to the Client the relevant Client files and it is the Client's responsibility to ensure that it undertakes to store its own files.

10.3. The Supplier shall assume no liability whatsoever in the event that client files are lost or damaged as a result of technical failures.

10.4. Personal information shall be treated in terms of the Suppliers Privacy Policy,

a copy of which is available on the Supplier's website, alternatively, will be made available to the Client on request of same from the Supplier.

## 11. **INDEMNIFICATION/LIABILITY**

11.1. *By Client.* Client agrees to indemnify, save and hold the Supplier harmless from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by a third party arising out of any breach of Client's responsibilities or obligations, representations or warranties under this Agreement. Under such circumstances the Supplier shall promptly notify Client in writing of any claim;

11.1.1. The Supplier provides Client with information and authority necessary to perform Client's obligations under this section. Client will reimburse the reasonable out-of-pocket expenses incurred by the Supplier in providing such assistance.

11.1.2. The Supplier assumes no responsibility for the hosting of any offensive, defamatory, illegal, immoral or similar content hosted at the client's instance.

11.2. *Limitation of Liability.* The services and the work product of the Supplier are sold "as is." In all circumstances, the maximum liability of the Supplier, its directors, officers, employees, supplier agents and affiliates ("Supplier Parties"), to client for damages for any and all causes whatsoever, and client's maximum remedy, regardless of the cause of action, whether in contract, delict or otherwise, shall be limited to the net profit of the Supplier. In no event shall the Supplier be liable for any lost data or content, lost profits, business interruption or for any indirect, incidental, special, consequential, exemplary or damages arising out of or relating to the materials or the services provided by designer, even if designer has been advised of the possibility of such damages, and notwithstanding the failure of essential purpose of any limited remedy.

## 12. **TERM AND TERMINATION**



- 12.1. This Agreement shall commence upon the Effective Date and shall remain effective until the Services are completed.
- 12.2. In the event of a fixed term agreement, after the expiry of the agreement, the agreement shall continue of a month to month basis, terminable on two calendar month's notice from either party to the other and subject to an increase in the rate as set out in the schedule.
- 12.3. This Agreement may be terminated at any time by either party effective immediately upon the mutual agreement of the parties, or if any party:
  - 12.3.1. becomes insolvent, enters into business rescue, makes an assignment for the benefit of its creditors; or
  - 12.3.2. breaches any of its material responsibilities or obligations under this Agreement, which breach is not remedied within 10 days from receipt of written notice of such breach.
- 12.4. In the event of termination, the Supplier shall be compensated for the Services performed up to and including the date of termination in the amount of (a) any advance payment, (b) a prorated portion of the fees due, or (c) hourly fees for work performed by the Supplier or the Supplier's agents as of the date of termination, whichever is greater; and Client shall pay all Expenses, fees, out of pockets together with any Additional Costs incurred through and up to, the date of cancellation. The Client shall pay all Expenses and additional costs incurred by the Supplier and shall compensate the Supplier at its hourly rate for all additional work performed after the termination of the Agreement.
- 12.5. In the event of termination by Client and upon full payment of compensation as provided herein, the Supplier grants to Client such right and title as provided for in Schedule A of this Agreement with respect to those Deliverables provided to, and accepted by Client as of the date of termination.

12.6. Upon expiration or termination of this Agreement: (a) each party shall return or, at the disclosing party's request, destroy the Confidential Information of the other party, and (b) other than as provided herein, all rights and obligations of each party under this Agreement, exclusive of the Services, shall survive.

### 13. **DOMICILIA AND NOTICES**

13.1. For the purpose of this agreement, including the giving of notices in terms hereof and the serving of legal process, the parties choose *domicilium citandi et executandi* ("*domicilium*") as follows:

13.1.1. The Supplier at:

**FLOCK PLATFORM (PTY) LTD**

Northlands Corner,  
First Floor, Block A,  
Corner Witkoppen and New Market Roads,  
Northriding

13.1.2. The Client at:

The billing address which has been furnished to the Supplier by the Client.

13.2. Any notice or communication required or permitted to be given in terms of this agreement shall be valid and effective only if given in writing.

13.3. A party may at any time change its *domicilium* by notice in writing, provided that the new *domicilium* is in the Republic of South Africa and consists of, or includes, a physical address at which process can be served.

13.4. Any notice given in connection with this agreement may be delivered by hand; or be sent by prepaid registered post; to the *domicilium* chosen by the party concerned. Any notice or process delivered on any party in connection with any matter or subject arising out of this agreement or any notice shall be deemed to have been delivered if handed to any responsible person at the *domicilium* chosen by any party and it shall not be necessary to hand such

process or notice to any party personally.

13.5. A notice given as set out above shall be presumed to have been duly delivered:

13.5.1. on the date of delivery if delivered by hand;

13.5.2. on the 10<sup>th</sup> (tenth) day from the date of posting including the date of posting if posted by pre-paid registered post from within the Republic of South Africa; and

13.5.3. on the 14<sup>th</sup> (fourteenth) day from the date of posting including the date of posting if posted from outside the Republic of South Africa.

#### 14. **ENTIRE AGREEMENT**

14.1. This agreement constitutes the entire agreement between the parties with regard to the matters dealt with herein and no representations, terms, conditions or warranties express or implied not contained in this agreement shall be binding on the parties.

#### 15. **VARIATION AND CANCELLATION**

15.1. No agreement varying, adding to, deleting from or cancelling this agreement, and no waiver whether specifically, implicitly or by conduct of any right to enforce any term of this agreement, shall be effective unless reduced to writing and signed by or on behalf of the parties. It is recorded that there exists no collateral and/or other agreements and that this is the sole agreement entered into by and between the parties.

#### 16. **INDULGENCES**

16.1. No indulgence granted by a party shall constitute a waiver of any of that party's rights under this agreement; accordingly, that party shall not be precluded from

as a consequence of having granted such indulgence, from exercising any rights against the other which may have arisen in the past or which may arise in the future.

## 17. GENERAL

- 17.1. *No Assignment.* Neither party may assign, whether in writing or orally, or encumber its rights or obligations under this Agreement or permit the same to be transferred, assigned or encumbered by operation of law or otherwise, without the prior written consent of the other party.
- 17.2. *Force Majeure.* The Supplier shall not be deemed in breach of this Agreement if the Supplier is unable to complete the Services or any portion thereof by reason of fire, earthquake, labour dispute, act of God, death, illness or incapacity of the Supplier or any local authority or international law or any other event beyond the Supplier's control (collectively, "Force Majeure Event"). Upon occurrence of any Force Majeure Event, the Supplier shall give notice to Client of its inability to perform or of delay in completing the Services and shall propose revisions to the schedule for completion of the Services.
- 17.3. *Governing Law.* The formation, construction, performance and enforcement of this Agreement shall be in accordance with the laws of the Republic of South Africa, without regard to its conflict of law provisions or the conflict of law provisions of any other jurisdiction. In the event of a dispute arising out of this Agreement, the parties' shall at all times be entitled to approach a competent court for relief.
- 17.4. *Severability.* Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect.
- 17.5. *Integration.* This Agreement comprises the entire understanding of the parties hereto on the subject matter herein contained, and supersedes all prior and

contemporaneous agreements, understandings and discussions between the parties relating to the subject matter of this Agreement. In the event of a conflict between the Quotation and any other Agreement documents, the terms of the Quotation shall be given effect to.

- 17.6. *Precedence*: This agreement shall take precedence over all other agreements entered into between the parties apart from any channel partner or reseller agreements.

18. **EXECUTION**

By their execution, the parties hereto have agreed to all of the terms and conditions of this Agreement effective as of the last date of signature, and each signatory represents that it has the full authority to enter into this Agreement and to bind her/his respective party to all of the terms and conditions herein.

19. **ACCEPTANCE**

This agreement shall be accepted by virtue of the Client accepting the quotation, in which the client has confirmed that the client has read this agreement and accepts the terms hereof.

## **Schedule A: Interactive-specific Terms and Conditions**

### **1. ADDITIONAL WARRANTIES AND REPRESENTATIONS**

- 1.1 *Designer Tools*. Subject to the representations and warranties of the Client in connection with the materials supplied by the Client, the Supplier represents and warrants that, to the best of the Supplier's knowledge, the Supplier Tools do not knowingly infringe the rights of any third party, and use of same in connection with the Project will not knowingly violate the rights of any third parties except to the extent that such violations are caused by Client Content, or the modification of, or use of the Deliverables in combination with materials or equipment outside the scope of the applicable specifications, by the Client or third parties.

### **2. COMPLIANCE WITH LAWS**

- 2.1 The Supplier shall use commercially reasonable efforts to ensure that all Services shall be designed to comply with the known relevant rules and regulations. The Client, upon acceptance of the Deliverables, shall be responsible for conformance with all laws relating to the transfer of software and technology.