



Standard Terms and Conditions for Suppliers – Pronex Engineering Management Consultants (Pty) Ltd

1. Definitions

1.1 For the purposes of these Standard Terms and Conditions of Sale, the following definitions shall apply:

- **Pronex:** Refers to Pronex Engineering Management Consultants (Pty) Ltd, the seller of goods and/or services.
- **Supplier:** Any entity supplying goods, services, or both to Pronex under a Purchase Order or Contract.
- **Products:** Any tangible goods, materials, or equipment supplied to Pronex
- **Services:** Any work, expertise, or assistance provided by the Supplier to Pronex
- **Purchase Order (PO):** A formal document issued by Pronex specifying the terms of purchase.
- **Contract:** A legally binding agreement between Pronex and the Supplier.
- **Force Majeure:** Events beyond reasonable control that prevent contractual fulfilment.

2. Scope and Application

2.1 Pronex's Standard Terms and Conditions for Purchase Orders apply to all Contracts/Purchase Orders placed by Pronex with its Suppliers. Any terms and conditions deviating from this document must be expressly stated in Pronex's Purchase Order and agreed upon in writing by both parties. Suppliers may provide goods, services, or both under this agreement.

3. Product and Service Specifications

- 3.1 All deliverables supplied under this agreement shall be subject to formal acceptance by Pronex following inspection after delivery. Title to all deliverables shall pass to Pronex, free of any liens, claims, or encumbrances, upon such acceptance.
- 3.2 The Supplier shall ensure that the Products and Services provided comply fully with the technical drawings, descriptions, or service scope provided by Pronex at the time of acceptance of the Purchase Order or as agreed upon in writing.
- 3.3 Should any Products or Services be rejected by Pronex due to defects, non-compliance, or deficiencies, the Supplier shall, at its own cost and without undue delay, remedy the defects or replace the Products/Services as agreed with Pronex and resubmit the Products/Services within the agreed timeframe.





- 3.4 Pronex will provide the Supplier with a Return of Goods document upon rejection of parts. Both parties must sign this document.
- 3.5 Pronex shall accept the deliverables as soon as possible following delivery. If any deliverables are not accepted or formally rejected by Pronex within thirty (30) calendar days of delivery, such deliverables shall be deemed accepted.
- 3.6 All technical information and drawings provided to the Supplier remain the property of Pronex or Pronex's client and may not be distributed to third parties without written approval from Pronex. Upon request, all electronic and paper copies must be destroyed.
- 3.7 The Supplier warrants that all Products and Services supplied will be free from defects in materials, workmanship, and execution and will conform to applicable industry standards and regulations.

4. Documentation Required from Supplier

The Supplier must provide the following documentation with each delivery or service completion:

- 4.1 A Tax Invoice containing:
 - All Products or Services listed by part number, quantity, unit price, and total price.
 - Pronex's Purchase Order number.
- 4.2 For all imported or standard parts, the relevant HS code per part must be provided.
- 4.3 A Packing List detailing the shipped items (if applicable).
- 4.4 A Certificate of Conformity (CoC) for each delivery, ensuring compliance with Pronex's specifications.
- 4.5 A Delivery Note confirming the dispatch and contents of the shipment or service completion report.
- 4.6 A Quality Check Report verifying adherence to all critical dimensions and product/service properties.

5. Contractual Documents

The following documents will apply in order of precedence in case of discrepancies or disputes:

- 5.1 The Purchase Order issued by Pronex.
- 5.2 PO Annexure with relevant appendices (if applicable).
- 5.3 Pronex's Standard Terms & Conditions for Suppliers.



- 5.4 Any separate agreements or contracts signed between Pronex and the Supplier.

6. Delivery and Service Performance Terms

- 6.1 The Supplier shall adhere to the delivery date or service completion date specified in the Purchase Order.
- 6.2 If the Supplier fails to meet the delivery or service date by more than seven (7) days without prior agreement, Pronex reserves the right to impose a penalty of 10% of the Purchase Order amount or relevant parts thereof.
- 6.3 If the Supplier fails to meet the delivery or service date by more than fourteen (14) days without prior agreement, Pronex reserves the right to cancel the Purchase Order. If a prepayment has been made, the Supplier shall return the payment within seven (7) days of receiving notification of cancellation.
- 6.4 If Pronex makes changes to the Purchase Order affecting the quantity, drawings, service scope, or other relevant details after the Supplier has accepted the PO, a new delivery or completion date must be agreed upon in writing.
- 6.5 The Supplier shall notify Pronex within seven (7) days of becoming aware of any potential delays and provide an updated estimated delivery or completion schedule.

7. Payment Terms

- 7.1 Payment will be made thirty (30) days after receipt of a valid Tax Invoice or as per an alternative agreement between Pronex and the Supplier.
- 7.2 Pronex reserves the right to withhold payment for any deliveries or services not meeting the agreed specifications, quality, or documentation requirements.
- 7.3 Any disputes regarding invoices must be resolved before payment is due.

8. Warranty and Liability

- 8.1 The Supplier warrants that all Products and Services shall be free from defects and shall perform according to agreed specifications for a period of at least twelve (12) months from delivery or service completion.
- 8.2 If defects arise within the warranty period, the Supplier shall, at its expense, replace or repair the defective Products or re-perform defective Services within a reasonable timeframe agreed upon by both parties.
- 8.3 The Supplier shall indemnify Pronex against any claims, damages, or losses arising from defective or non-compliant Products or Services supplied.
- 8.4 The Supplier must inform Pronex in writing of any subcontractors or secondary suppliers used in fulfilling the Purchase Order. The Supplier must ensure that any subcontractors or secondary suppliers engaged in fulfilling the Purchase Order adhere



to the same level of liability, quality assurance, and risk management as required by these Terms and Conditions and applicable to the Supplier..

9. Confidentiality

- 9.1 The Supplier shall treat all information received from Pronex as confidential and shall not disclose it to third parties without prior written consent from Pronex.
- 9.2 The Supplier shall be required to sign a Non-Disclosure Agreement (NDA) as a condition of engagement.
- 9.3 The confidentiality obligation remains in effect for a period of five (5) years after termination or completion of the contract. Or as per the period stated in the applicable NDA.
- 9.4 The Supplier shall without undue delay notify Pronex in writing of any material change in its circumstances, including but not limited to: Insolvency, bankruptcy, or liquidation proceedings; Change in control, ownership, or organizational structure (e.g., acquisition, merger); Suspension of operations or significant financial instability; Any event that could impact the Supplier's ability to fulfill the Purchase Order or Contract.
- 9.5 In the case of planned merger or acquisition of the Supplier by a third-party the Supplier shall inform Pronex about the same without undue delay and if instructed so by Pronex take all the measures necessary to ensure that the third-party does not get access to any Deliverables produced based on the Purchase Order, including physical destruction of all hardcopies and deletion of files/records from all computer systems. The foregoing does not apply on any records related to the Purchase Order the Supplier needs to retain and archive as per applicable legal requirements (e.g. retention of certain financial records). The Supplier shall flow down this obligation to all its suppliers and subcontractors engaged in connection with performance under this Agreement and ensure it can be effectively enforced as per request by Pronex.

10. Termination

- 10.1 Pronex reserves the right to terminate any Purchase Order or Contract, in whole or in part, with immediate effect by providing written notice to the Supplier in the event of:
 - Material breach of the Terms and Conditions;
 - Repeated failure to meet delivery or quality requirements;
 - Supplier insolvency, liquidation, or suspension of operations;
 - Regulatory or legal issues that prevent contract fulfillment.
- 10.2 Pronex also has the right to terminate the PO wholly or partly for convenience at any time. Should Pronex terminate the PO for convenience, Pronex shall notify the Supplier in writing and the termination shall take effect on the Supplier's receipt of such notification, unless the notification stipulates otherwise. In such cases, Pronex shall compensate the Supplier for any work or goods completed up to the date of termination,



provided such work or goods are in accordance with the Purchase Order and accepted by Pronex. Compensation for any unfinished work-in progress will be agreed between the Parties in good faith within the next 60 calendar days depending on actual proven costs incurred by the Supplier in connection with the Deliverables impacted and the progress the Supplier made on those prior to termination.

- 10.3 The Supplier may terminate the Purchase Order or Contract upon written notice if Pronex materially breaches any obligation and fails to remedy such breach within thirty (30) calendar days of receiving written notice.
- 10.4 Termination shall not affect any accrued rights or obligations of either party up to the date of termination.

11. Compliance with Laws and Regulations

- 11.1 The Supplier shall ensure compliance with all applicable laws, regulations, and industry standards in relation to the Products or Services supplied.
- 11.2 The Supplier shall maintain and provide upon request all necessary certifications, licenses, and permits required for the manufacture, import, service execution, and sale of the Products.

12. Force Majeure

- 12.1 Neither party shall be liable for failure to fulfil contractual obligations due to circumstances beyond their reasonable control, such as natural disasters, war, strikes, or government-imposed restrictions.
- 12.2 The affected party must notify the other party within seven (7) days and take all reasonable steps to mitigate any resulting delays or damages.

13. Governing Law and Dispute Resolution

- 13.1 These Terms & Conditions shall be governed by the laws of South Africa.
- 13.2 Any disputes arising under this agreement shall first be attempted to be resolved amicably through negotiation. All disputes arising out of or in connection with this Agreement which cannot be amicably resolved within 30 days from the date of written notice by a Party requesting resolution shall be referred to the exclusive jurisdiction of the competent court in Pretoria, South Africa.
- 13.3 If any provision or part of a provision of these Terms and Conditions is found to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect and shall not be affected or impaired thereby.



14. Survival

- 14.1 Any provisions of these Terms and Conditions which by their nature are intended to survive the termination, expiration, or completion of the agreement shall remain in full force and effect. This includes, but is not limited to, provisions regarding confidentiality, indemnity, warranties, intellectual property rights, and dispute resolution.

By accepting a Purchase Order (PO) from Pronex Engineering Management Consultants (Pty) Ltd, the Supplier acknowledges and agrees to these Standard Terms and Conditions for Suppliers.