

§1 preamble: focus

environmental systems training&consulting ESTC (Pty) Ltd. trading as **eco-systemix Namibia** is a training, consulting and production support firm focusing on:

- the protection of the natural environment from pollution and resource depletion through **resource use efficiency** training
- the creation of **sustainable value** through **viable management systems** planning and installation
- **integrated building and construction systems** planning, consulting and evaluation,
- planning, consulting and evaluation of maintenance systems **to safe on life cycle costs** and connected training of planners, artisans and operation&maintenance personnel
- development of **resource use efficient low-income housing** units or parts thereof.

§2 area of applicability

The following general business terms&conditions [GBT&C] apply to *environmental systems training&consulting ESTC (Pty) Ltd. trading as eco-systemix Namibia* [thereafter ESTC|ECO-SYSTEMIX] as long as no other ESTC|ECO-SYSTEMIX agreement has been entered into. This includes the scope of the above five focal points and any other selections or combination thereof made. The client shall accept the following terms and conditions upon written acceptance of an order or upon a mutually agreed and signed contract.

The following GBT&C are an integral part of any of ESTC|ECO-SYSTEMIX's quotations and countersigned orders or mutually agreed upon and signed contracts. The client's procurement terms and conditions do not obligate, even if ESTC|ECO-SYSTEMIX's do not directly contradict them. ESTC|ECO-SYSTEMIX's general business terms&conditions apply exclusively even if the client's order contains restrictions or amendments which read otherwise.

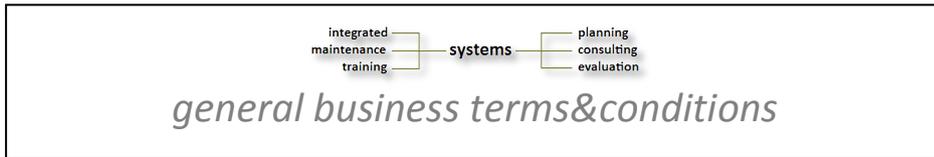
§3 our procurement principles (values 1)

With placing an order or signing a mutually agreed upon contract with ESTC|ECO-SYSTEMIX, the client shall fully support our procurement principles.

Our procurement processes are focused on the delivery of **Best Value** outcomes. This is seen to be not necessarily the lowest cost, but the best balance of design quality and integrity, service provision, resource protection and 'whole-life cost' to meet the user requirement. The client recognizes that ESTC|ECO-SYSTEMIX needs to be able to obtain an adequate return to be able to remain sustainable and viable. Fees shall not be forced down to the point where ESTC|ECO-SYSTEMIX cannot afford to assign competent&committed and properly qualified staff for sufficient periods of time.

ESTC|ECO-SYSTEMIX encourages **S-M-A-R-T partnering approaches** (working together to improve design and service provision, encourages innovation and reduce accidents and costly future maintenance activities; *S-M-A-R-T relates to specific, measurable, allocated, realistic and timed*) where appropriate to the project. Consideration is given to the benefits of pre-qualification -on attributes- of consultants and service providers we work with, particularly for large impact projects. ESTC|ECO-SYSTEMIX encourages the installation of a mutually agreed systematic **and** systemic monitoring approach for the performance on any contract we are involved in. If ESTC|ECO-SYSTEMIX is the lead agency it will automatically propose and install such a monitoring approach. Our selection of partners and suppliers is based on quality as it **contributes** to *Best Value* outcomes. For ESTC|ECO-SYSTEMIX the project scope is finalised when the client has had an opportunity to thoroughly discuss the project details for *Best Value* creation, this always includes **client education** to achieve *Best Value*.

ESTC|ECO-SYSTEMIX follows **health and safety practices/criteria**, consistent with all legislative OHS-requirements and we select our partners accordingly. Relevant factors relating to **sustainable and viable development** and the **environment** are built into our contract specifications. We adhere to recognised quality assurance systems. Performance measurement **indicators** and the use of **tools** such as value and risk management and whole-life costing are adopted as standard.



§4 the objectives of our procurement principles (values 2)

With placing an order or signing a mutually agreed contract with ESTC|ECO-SYSTEMIX, the client shall fully support our procurement objectives.

Positive relationships

From the beginning our procurement process is based on cooperative and innovative problem solving, which is not adversarial as may be the case in “first cost” based selection simply focused on price.

Clearly defined and mutually agreed upon project scope

The project scope is best determined when the client has had an opportunity to thoroughly discuss the desired project outcomes. Agreement can be reached upon the number of alternatives to be explored; i.e. the degree of attention to be given to environmental issues; cost effectiveness; resource budgets; social impacts; operation costs and maintenance management requirements. We approach our clients for periodic scope updating.

Economic viability and ecological sustainability, the central goal of procurement

Fees will be fairer to the client, the contractor and the consultants because they are negotiated after the value parameters of the assignment are fully established. Providers will not be under pressure to achieve a low cost outcome that could result in their minimising their efforts or compromising on materials and design quality and integrity. This means the project will better enhance the built environment, minimise impact on the natural environment and be safer, more efficient, more durable and more economic to operate over its life cycle.

Technological appropriateness and long term cost effectiveness

We strive to achieve technological appropriateness and long term cost effectiveness knowing that the correct selection of top qualified providers has a major impact on the overall project costs and project sustainability, knowing that the decisions made by the providers in the first 5 % of their involvement in the project, have the highest impact on the life cycle of the project (*re# sustainability impact in dimensions ecology, economy, society and technology*).

Socially fair solutions and OHS focus

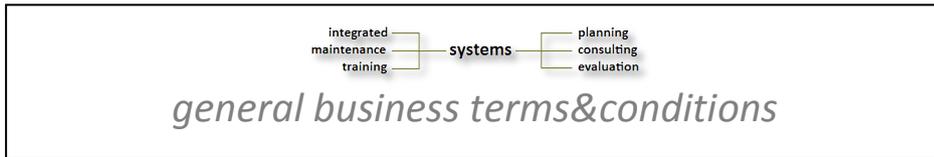
Our project proposals provide for *Best Value* through self organizing systems that ensure sufficient time is provided to plan&design and incorporate health and safety elements throughout the life of the project, incorporating health and safety practices/criteria in the providers’/sub contractor selection process, consistent with all statutory and regulatory requirements. ESTC|ECO-SYSTEMIX constantly strives to **empowering people** through training and capacity building, contributing substantially to social stability.

§5 services

ESTC|ECO-SYSTEMIX services are only understood as a recommendation and aid (advice) and/or information service for the client. The findings, recommendations and any form of advice are not binding. Our auditing/monitoring/consulting/training services do not release our clients from the requirement to check the suitability of our products/services for their intended purpose at their own risk and responsibility. The same is valid for technical findings, advice and/or recommendations on designs, analyses and calculations, plans, training documents, pre-buy inspections, cost calculations and all other related subjects. ESTC|ECO-SYSTEMIX reserves the right to address printing errors, general errors and alterations in its documentation.

§6 prices, rates & quotes

All ESTC|ECO-SYSTEMIX quotations are estimate recommendations based on estimated man-hours and consumable costs as per experience and current market conditions, in which we reserve the right to address printing errors, error and alterations. All estimates and or calculations of estimated man-hours and costs are not binding if the scope of work changes during service provision. Independent system- and/or quality audits based on completed work is priced as per effective hours spent to complete an audit and to compile the respective documentation.



The prices/rates in ESTC|ECO-SYSTEMIX quotes/invoices are selling prices for the country in which the service is conducted, value-added tax (VAT) is **excluded** in these quotations. Prices are not binding unless otherwise stated in our quotes. Charges are calculated in Rand/Namibia Dollar at the prices valid on the day of product/service delivery, or in any other clearly stated monetary unit when it is applicable.

§7 placing orders

Written and signed orders shall only be legally binding if they have been confirmed by ESTC|ECO-SYSTEMIX in writing. Verbally or electronically transmitted orders will be dealt with as first requests/expression of interest, will be confirmed by us and need to be re-confirmed by the client in writing and signed. Alternatively a mutually agreed contract is set up in writing and signed by the parties involved.

§8 delivery

If unforeseeable circumstances hinder ESTC|ECO-SYSTEMIX in the fulfilment of its obligations, the delivery time will be extended accordingly if the delivery or provision is still possible. Unforeseeable circumstances include but are not limited to operational interruptions or transportation interruptions or force majeure, irrespective of whether these take place in our facilities, at the client, at our suppliers, or at any subcontracting party involved.

If service provision becomes impossible through the above circumstances, ESTC|ECO-SYSTEMIX becomes released from the stated obligations. The delivery time will also be extended appropriately in case of a strike or lockout unless delivery or service provision is impossible; if service provision becomes impossible through the above circumstances, ESTC|ECO-SYSTEMIX is released from its obligations.

ESTC|ECO-SYSTEMIX's obligation is suspended as long as the client is in arrears with (1)payments, (2)information and/or material provision and/or human resource provision or (3)access to the client's facilities is not possible. In such case the client has to pay deficiency compensation on a time and cost basis as per rates in our quotations up to the level of the contractually agreed scope. However, for independent system and/or quality audits based on completed work (post-process audit) our quotes are **based on full resource access** to all completed units, and any additional time spent on the project due to lack of access will be charged on a time and cost basis as per rates in our quotations. The term 'full resource access' relates to full access regarding project budget financial, material, human and information resources and access to the facility.

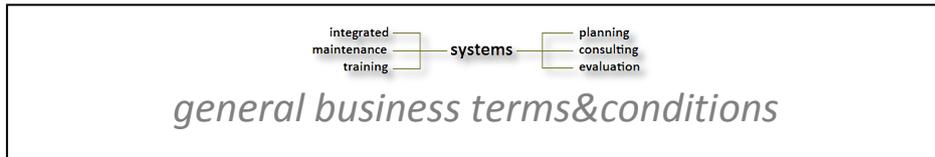
§9 claims, complaints, guarantee, and liability

The client must check the products/services as soon as they are received to determine whether they match the products/service ordered and the quantity is correct. Claims for defects which later become apparent despite an immediate and correct check, must be made as soon as they are discovered but at the latest within **three month** of the receipt of services.

If the client does not make a claim for defects in a timely manner, the quality and quantity are considered as accepted. Claims for defects do not release the client from a payment obligation. Defective products may only be returned with ESTC|ECO-SYSTEMIX's express agreement. No return shipments will be accepted without prior written approval.

If the client has filed a claim for a defect or incorrect delivery of services or products on time and if the claim is founded, the services or products will either be replaced or refunded at our discretion.

Maximum liability clause: A client's claim for damage compensation through delay or impossibilities others than under '§8 delivery' above **and** where ESTC|ECO-SYSTEMIX is at fault is at maximum limited to the amount of the value of the invoice for the specific quantity of goods and/or services relating to that claim. The client has to provide the proof that the claim is justified. ESTC|ECO-SYSTEMIX is not responsible for damage that has been caused due to gross negligence on the side of the client.



§10 payment terms and conditions

Payments for delivered goods and services are due net 14 calendar days from the date of the invoice. The obligation to pay is only considered as fulfilled when the invoice amount has been credited to the ESTC|ECO-SYSTEMIX bank or postal account. ESTC|ECO-SYSTEMIX is entitled to charge late interest at going bank rates for late payments. Cash discounts lapse in principle even if prepayments or payment without making use of a payment objective is made. ESTC|ECO-SYSTEMIX may demand prepayments or guarantees when initiating a new business relationship. ESTC|ECO-SYSTEMIX may also demand prepayments if a payment deadline is missed or doubts about the customer's creditworthiness exist; in these cases, ESTC|ECO-SYSTEMIX can also retract payment deadlines already established.

§11 ownership reservations

All goods delivered by ESTC|ECO-SYSTEMIX remain our property until the client has met all of his obligations resulting from the mutual business relationship. ESTC|ECO-SYSTEMIX are entitled to record its ownership reservation in the public registry maintained by the collection office in the clients place of residence should we consider this necessary.

§12 no obligation advice

ESTC|ECO-SYSTEMIX's clients are advised about technical applications and process solutions in good faith, within the scope of ESTC|ECO-SYSTEMIX's capacities or possibilities, but without obligation. This applies especially in regard to observing any protective rights of third parties. ESTC|ECO-SYSTEMIX's auditing/monitoring/consulting/training services do not release our clients from the requirement to check the suitability of our products/services for their intended purpose at their own risk and responsibility.

§13 intellectual property rights

The purchase of ESTC|ECO-SYSTEMIX's products/services is not linked to a licensing of our patent rights or intellectual property rights in any form. ESTC|ECO-SYSTEMIX would like to specifically point out that the export of ESTC|ECO-SYSTEMIX's products/services can result in violations of the commercial patent rights of third parties and we assume no liability for such actions. The brand labelling with the ® means that the labelled brand is protected in the product's country of origin. In individual cases, brands are protected in other countries as well.

§14 confidentiality

ESTC|ECO-SYSTEMIX and the client do acknowledge and grant confidentiality and non-disclosure of technical, professional and pricing information about the other party to a third party, unless prior permission was granted in writing by both sides. This also holds true for information obtained during discussions, negotiations or exchanged verbally or in writing in relation to our products/services.

§15 voiding of individual terms or conditions

Should individual portions of these general business terms&conditions be voided, this shall not affect the validity of the other terms and conditions.

§16 legal validity

With the publication of these general business terms&conditions all previous GBT&C's are void and the client/buyer accepts all points hereof through each placement of an order or mutually agreed upon and signed contract. These general business terms&conditions as well as all contracts entered into on the basis of these are subject to Namibian law.

Namibia, Windhoek, 15. April 2008