

These standard terms and conditions apply to all products and/or services rendered by Synthesis to a Customer, including any proposal, service requests or statement of work issued by Synthesis to a Customer.

1. **Value Added Tax:** All prices and rates quoted exclude VAT. For South African clients, VAT will be added at the rate applicable on invoice date. For international clients, VAT will be zero.
2. **Settlement:** Invoices will be issued as per the pricing section of the Proposal and must be settled by the Customer within 30 days of the invoice date. Should payment of any amount not be made on the due date, Synthesis shall be entitled to: (i) charge interest on the outstanding amount at a rate of prime overdraft rate (percent, per annum) charged by its then current bankers from time to time, from the due date of payment to the date of actual payment (both days inclusive), monthly in arrears, and (ii) halt the provision of services in its sole discretion until all payments in arrears have been paid in full, and charge reasonable costs incurred in recommencing the services.
3. **Lead time:** Synthesis requires on average 6 (six) weeks from signature to resource the proposed team with the ideal skills but endeavours to allocate resources sooner. Where applicable, a staggered approach may be agreed with the Customer, with initial resources allocated to meet start-up requirements and the balance of the team joining per project requirements.
4. **Travel:** All travel and subsistence outside of the Johannesburg metropolitan area will be for the Customer's account unless otherwise stipulated in the Proposal. Written approval for such travel will be required from Synthesis senior management.
5. **Warranties.** Each of the parties hereto warrant that: (i) it has the legal right and full power and authority to exercise its rights and perform its obligations under the Proposal, (ii) it has not been induced to enter into the Proposal by any prior representations, warranties or guarantees (whether oral or in writing), except as expressly contained in the Proposal, (iii) the execution of, and the performance of its obligations under, the Proposal does not and shall not contravene any law or regulation to which it is subject or conflict with or constitute a breach of any of the provisions of any other agreement, obligation, restriction or undertaking which is binding on it, (iv) all requisite licences, permits, consents and authorisations required in order to carry on its business and perform its obligations under the Proposal have been obtained in advance and shall be maintained, and (v) the use of any materials and/or data made available to Synthesis for purposes of carrying out its obligations under the Proposal does not and will not infringe the rights of any other person, and hereby indemnifies and holds the other harmless from any claim, damages, penalty or fine by any third-party as a result of the breach of any of the aforesaid warranties, including legal costs on an attorney and own client basis.
6. **Liability:** In no event shall Synthesis be liable for any indirect, incidental, special or consequential damages and losses (whether foreseeable or unforeseeable) of any kind arising out of the Proposal. The maximum liability of Synthesis to the Customer for any loss, liability and expense of any nature which is caused or attributable to the provisions of the Proposal, shall not exceed the project fee.
7. **Non-solicitation:** For the duration of the Proposal and for 18 (eighteen) months thereafter, the Customer shall not, directly or indirectly, solicit or offer employment to any Synthesis employee who is, or was, employed or involved in the provision of the services, nor shall it solicit, entice, encourage, or persuade any such employee to terminate his/her employment with Synthesis.
8. **Intellectual Property:** All bespoke Intellectual Property will be the property of the Customer, save for Synthesis Components. Synthesis will irrevocably transfer all of its rights and interest in all bespoke Intellectual Property arising in the course of this project to the Customer upon its development. Synthesis Components means all separate and divisible software components (including both source code and object code), set of instructions, architecture (including logic and system architecture), product sets, building blocks, application codes and applications, systems, specifications, manuals, documents and processes, framework (including software development frameworks) and libraries that Synthesis develops from time to time in the process of its ongoing software engineering and development activities that perform generic functions and may be included in Synthesis' proprietary software from time to time. Synthesis grants the Customer a perpetual, non-exclusive, royalty-free, non-transferable licence to use any Synthesis components embedded or incorporated in a Deliverable. All right, title and ownership of any codes, forms, algorithms or materials developed by a party hereto independently and

outside of the ambit of the Proposal and/or provided during the course hereof shall remain the sole property of that party providing same.

9. Working Remotely: Where applicable, Synthesis may elect to work remotely, off-premises, to provide the services to the Customer.
10. Validity: The Proposal remains valid for 14 (fourteen) days. A price increase may apply if sign-off is not confirmed within the aforesaid period.
11. Termination: Synthesis may terminate the Proposal at any time, notwithstanding acceptance by the Customer, on 30 (thirty) days written notice to the Customer. Synthesis will not be held liable for any losses or damages incurred as a result of termination of the Proposal, other than refunding the Customer any pre-paid fees. Should either party: (i) commit a material breach of the Proposal and fail to remedy such breach within 7 (seven) calendar days of having been called upon in writing by the other Party to do so, (ii) fail to pay any invoice which is more than 60 (sixty) calendar days outstanding, (iii) effect or attempt to effect a compromise or scheme of arrangement with Defaulting Party's creditors, or (iv) be provisionally or finally liquidated or be placed in judicial management, whether provisionally or finally, then the other party may, in its discretion and without prejudice to any other rights, cancel the Proposal on written notice.
12. Dispute Resolution: In the event of any dispute arising between the parties relating to the Proposal, the parties shall meet to attempt to settle such dispute, and failing settlement within 7 (seven) Business Days, the dispute shall on written demand by either party be submitted to arbitration in Johannesburg in accordance with the AFSA Rules for commercial arbitration, which arbitration shall be administered by AFSA by an arbitrator or arbitrators appointed by it. Nothing herein contained shall be deemed to prevent or prohibit a party to the arbitration from applying to the appropriate court for urgent relief or for judgment in relation to a liquidated claim.
13. Notice: All legal notices made in connection with the Proposal must be sent by hand and via email to 34 Melrose Boulevard, First Floor, Melrose Arch; legal@synthesis.co.za.
14. Delays: Should there be any delays at the commencement of, or during the project, related to inter alia inability to access client infrastructure, client resources or any other information required by Synthesis from the Customer or which is inaccurate or incomplete, or failure to notify Synthesis timeously of any issues, concerns or disputes, and which is outside of the ambit of Synthesis' control, billing will, notwithstanding such delays, proceed as per the agreed billing schedule. In addition, project timelines, allocations and dates will remain unchanged in the case of Agile (Fixed Allocation, Fixed Timeline) projects. In the case of Waterfall (Fixed Outcome) projects, delays may lead to an extension of project timelines and additional cost for the Customer based on the impact of the delays (such costs will be addressed in formal scope change document). For the sake of clarity, where we are unable to provide the expected days/hours due to factors within Synthesis' control, this time will not be billed for. However, should the delays or reduced hours be due to factors outside Synthesis' control, we reserve the right to bill in full.
15. Force Majeure: Synthesis may suspend the performance of any of its obligations where an event or circumstance makes performance impossible.
16. Waterfall project scope: For projects following a Waterfall methodology, the scope of the deliverables in this project is fixed. Should the scope of services or details of the deliverables change materially, this will most likely result in a cost impact. Synthesis will agree to this in writing with the Customer prior to any charges or costs being incurred, and a formal scope change would need to be issued.
17. Agile projects Timing and Allocation: For projects following an Agile methodology, resource allocation and timing is fixed for this project (as opposed to the scope being fixed), with specified start dates, capabilities and capacities of resources. Should it be determined that additional resources and/or time is required, Synthesis will agree to this in writing with the Customer prior to any charges or costs being incurred as a separate Proposal and/or a formal extension of the Proposal.
18. Partner Funding:
 - a. Pre-Approval: Where Proposals include a pre-approved partner funding element, the Proposal is drafted subject to the Partner approving such funding, such application to commence on contract signature. Should pre-approval not be in place prior to project start, the Customer will be given the option to

- continue with the project at full value, with the billing scheduled revised accordingly, or elect to cancel the project entirely.
- b. Partner Funding Receipt: Where a Proposal includes Partner funding, the Customer agrees that the pricing presented in the Proposal is subject to such funding and/or credits being received from the relevant third party, as listed in the costing section. Should any funding and/or credits not be received for any reason, then any discounts that were subject to third party funding and/or credits will be reversed and the Customer will be liable for the full non-discounted amount, unless the reversal is attributable to action, or non-action, from Synthesis.
19. Proposal Discounts: the Customer agrees that any discounts included in the Proposal are directly linked to the other terms of the Proposal, including the full project duration. Should the project change in any way, including but not limited to early termination, reduction in the scope of the project and/or any other material changes, Synthesis reserves the right to reverse all discounts applied, and the Customer will be liable for the full non-discounted amount.
20. Allocation: Resource allocation to a project is based on a 20-day month, at 8 hours per day, to accommodate for leave and other internal commitments. The minimum time of Support, Consulting or Standby time of 1 (one) hour may be booked at a time. The resources allocated as per this engagement are not named resources and will be allocated from a resource pool. A resource may be rotated at the discretion of Synthesis, or as agreed by both parties.
21. Business Hours & After-hours: Where a Proposal includes the terms Business Hours and After-Hours, the following applies: (i) Business hours mean any day between 08h30 and 17h30, except a Saturday, Sunday or South African public holiday, (ii) After-hours hours mean any work outside of Business Hours:
- After-hours work on Business Days will be charged at a rate of 1.5 (one point five) times the standard rate per hour (excluding VAT) to a maximum of 4 (four) hours overtime for a given day. Thereafter, the non-business day after-hours work rate is applied.
 - After-hours work on non-business days will be charged at a rate of 2 (two) times the standard rate per hour excluding VAT.
 - After-hours work will be agreed in writing between the parties prior to the work being performed.
 - Should the Synthesis resource be required on standby, written notice must be provided to Synthesis 2 (two) weeks prior to the event.
 - Synthesis will provide a Time and Materials quote that must be accepted, in writing, no later than 1 (one) week prior to the event. Standby time is quoted and invoiced in advance, at the quoted rate above, with a 20% discrepancy allowance on the quoted time allocation. Should the time required overrun the allowance, a written agreement is required by both parties – including any required approval from the Customer – before the work may continue as needed.
 - Should the agreed standby time be cancelled by the Customer in less than 2 (two) business days before the event, the Customer will be held liable for the full amount.
22. Good Faith: The parties shall at all times owe each other a duty of good faith and shall, in all dealings with each other.
23. Miscellaneous: The Proposal constitutes the entire agreement between the parties in respect of the subject matter hereof and neither party shall be bound by any undertakings, representations, warranties or promises not recorded herein. No amendment hereto shall be effective unless in writing and signed by the parties. No granting of time or forbearance shall be or be deemed to be a waiver of any term hereof. If any part hereof is void or voidable or unenforceable, that part shall be severed and the remainder of the Proposal shall have full force and effect, provided such severance does not alter the nature of the agreement between the parties. Each party shall be responsible for its own costs in carrying out its obligations in terms hereof.

24. Counterparts: The Proposal may be executed in any number of counterparts, each of which will be an original, and such counterparts together will constitute one and the same instrument.
25. Commencement: A signed copy of the Proposal will be required prior to any work commencing, however should Synthesis have, for whatever reason, commenced work prior to receipt of a signed Proposal, the Customer shall remain liable to Synthesis in respect of such work and Synthesis shall be entitled to invoice the Customer for all work completed up until the date the parties agree to disengage.
 - a. After-hours work on business days will be charged at a rate of 1.5 (one point five) times the standard rate per hour (excluding VAT) to a maximum of 4 (four) hours overtime for a given day. Thereafter, the non-business day after-hours work rate is applied.
 - b. After-hours work on non-business days will be charged at a rate of 2 (two) times the standard rate per hour excluding VAT.
 - c. After-hours work will be agreed in writing between the parties prior to the work being performed. Should a Synthesis resource be required to work on standby and/or after-hours, parties hereby agree that written notice must be provided to Synthesis a minimum of 24 (twenty-four) hours in advance prior to the event within reason.