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ABACUS VERIFICATION IS A SANAS ACCREDITED BEE VERIFICATION AGENCY No. BVA 086

PART A: REQUEST FOR BEE VERIFICATION

SECTION A: Type of BEE Verification Required

Initial BEE Verification (first request) Yes ___ No ___

Annual BEE Verification Yes ___ No ___

Were you consulted on BEE prior to being rated? Yes ___ No ___

Certificate Number if previously rated _____

Name of Verification Agency if previously rated: _____

SECTION B: Details of the Enterprise

Registered Name: _____

Trading Name: _____

Registration Number: _____

VAT Registration Number: _____

Industry: _____

Part of a Group Structure- Yes___/No___ (If yes please provide detail)

Ownership Structure:

-Black Ownership (African, Coloured , Indian): Yes___ No ___ , % Black Ownership ___

% Black Women Ownership ____

-Type of Ownership: Sole Proprietor __ Partnership __ CC__
Private Company__ Public Entity__ Trust__

Number of Employees: _____

Annual Turnover: _____

Audited Financial Statements: Yes/No- Year _____

Name of Auditor: _____

Contact Person: _____ Contact Details _____

SECTION C: Company Contact Details

Physical Address: _____

Postal Address: _____

Contact Person: _____

Telephone Number: _____

Fax Number: _____ E-Mail: _____

SECTION D: Authorisation

Authorisation:

I request ABACUS Verification (PTY) LTD to conduct a BEE verification.

I hereby authorise ABACUS Verification (PTY) LTD to create a link between my website www._____ and the ABACUS website www.bee-abacus.co.za and to display the ABACUS Verification Certificate issued to me on the ABACUS website.

I accept that I will be liable to pay the required fee as per ANNEXURE A upon signing the ABACUS TERMS +CONDITIONS and before any work is carried out by ABACUS Verification even if I decide not to continue with BEE verification.

By signing PART A of this form the signatories acknowledge that he/she has the required authority to bind the entity to the terms and conditions as specified in PART 2 as well as the Abacus Fees Document in Annexure A.

SIGNATURE: _____ DATE _____

PART 2-ABACUS -Terms and Conditions

1. OBLIGATIONS OF THE CLIENT

The client undertakes and / or agrees to the following, namely that:

1.1 It requested ABACUS VERIFICATION AGENCY (PTY) Ltd to perform a Black Economic Empowerment verification audit to certify the BEE status of the client organisation.

1.2 This agreement cancels and supersedes all prior negotiations and agreements entered into between the Parties relation to the matters set forth herein.

1.3 The following basic fees as per the ABACUS FEES SCHEDULE ,ANNEXURE A , will be paid within 14 days into the following bank account in full before the BEE verification will be undertaken:

Account name: ABACUS Verification
 Bank: First National Bank
 Account number: 62179074499
 Branch Code: 210115

1.4 Proof of payment will be submitted to ABACUS VERIFICATION AGENCY (PTY) Ltd:

Fax: 086 661 7037

E mail ivan@bee-abacus.co.za

1.5 The client shall not publish the ABACUS VERIFICATION AGENCY (PTY) Ltd Logo in any instance other than to reflect on the measured entity's final BEE status.

1.6 The client shall promptly provide the Verification Agency with access to all relevant information and interviews with staff of the client organisation which the Verification Agency may request at any stage during its conduct of the verification. (BEE points will only be awarded on the basis of appropriate and relevant evidence.)

1.7 The client hereby warrants that any and all information supplied to the Verification Agency in terms of this Agreement, whether by the client or by any person who represents the client enterprise, or by any person whom the Verification Agency may reasonably believe represents the client on the same for the purposes of conducting the Verification audit in terms of this Agreement.

1.8 With reference to the use of the BEE Verification Agency logo and certificate the client undertakes;

a) To conform to the requirements of ABACUS VERIFICATION AGENCY when making reference to its verification status in communication media such as the internet, documents, brochures or advertising.

b) Not to make or permit any misleading statements regarding its BEE score.

c) Not to use or permit the use of a certificate or any part thereof in a misleading manner.

d) Not to use its verification status in such a manner that would bring ABACUS VERIFICATION AGENCY into disrepute and lose public trust.

2. OBLIGATIONS OF THE VERIFICATION AGENCY

2.1 Subject to payment referred to above, the Verification Agency shall conduct a BEE Verification of the client organisation within a time period mutually agreed to between the Parties in writing, which time period shall afford the Verification Agency sufficient time within which to conduct such evaluation, and which time period shall afford the client sufficient time to prepare the evidence for such a BEE verification audit.

2.2 Upon completion of the BEE verification audit the Verification Agency shall issue the client with a BEE report and BEE verification certificate according to the prescriptions of SANAS and the Department of Trade and Industry.

2.3 The Verification Agency shall, in its provision of the BEE Verification, comply with any policy documents and / or Codes of Good Practice which may be issued by the Department of Trade and Industry from time to time.

3. TERMINATION

Either party shall be entitled to terminate this Agreement upon granting of reasonable written notice to the other Party. Termination shall be without prejudice to all rights which may have accrued to either Party prior to the termination thereof. The Verification Agency shall be entitled to issue an invoice in an amount adequate to cover all unbilled fees pertaining to Evaluation work already conducted, whether in part or in full (including any disbursements incurred).

4. RESERVATION OF OWNERSHIP

4.1 The Verification Agency shall remain owner at all times of all copyright, design, trade mark and any other intellectual property right, whether registered, pending or unregistered which may attach to the Logo or anything else produced by the Verification Agency (such report, BEE software and BEE certificate) during the provision of the evaluations.

4.2 The Verification Agency shall at all times remain owner of all working papers used in the provision of the Evaluations.

5. CONFIDENTIALITY

5.1 During the provision of the verification audit by the Verification agency to the client, the Verification Agency may acquire knowledge, related to the verification audit, of certain information, documents, material, knowledge, know-how, trade secrets and proprietary interests concerning the Measured Enterprise, including but not limited to its business and strategic plans, adherence to BEE, financial information, technology, computer systems, licensing arrangements, and other technical information concerning its customers, financiers and suppliers, its methods of carrying on business and other confidential information which is not in the public domain and not readily available to a competitor of the client (hereinafter collectively referred as "the confidential information").

5.2 The Verification Agency undertakes to and in favor of the client that:

5.2.1 It shall maintain and uphold the confidentiality and good faith in relation to the confidential information.

5.2.2 It shall not divulge, publish or disclose to any person, firm, company corporation, trust, or other entity whatsoever ("third party") any of the confidential information.

5.2.3 It shall not at any time use any of the confidential information or any part or extract thereof for its own benefit or for the benefit of any third party.

5.2.4 It shall, upon the request of the client at any reasonable time and as soon as practically possible, return and surrender to the client all of the confidential information in its possession or under its control and all documents and other material containing confidential information together with all copies thereof.

5.2.5 The undertakings given by the Verification Agency herein shall not preclude it from disclosing the confidential information:

5.2.6 To the extent that it may be obliged to do so in law, including, without limitation, any disclosure to the Department of Trade and Industry.

5.2.7 In so far as such disclosure is necessary for the purpose of the provision of the verification audit, to its officers, employees and professional advisers.

5.3 The undertakings given by the Verification Agency shall not apply to any part of the confidential information which is public knowledge at the time of its disclosure.

6. IMPARTIALITY,

The client declare that:

6.1 ABACUS Verification Agency management or staff or their immediate family have no direct or indirect economic interest in the measured entity.

6.2 It is not aware of any relationship that might constitute a conflict of interest between ABACUS Verification Agency and the measured entity during the previous 2 years.

6.3 ABACUS Verification Agency management or staff have no decision making powers in or serve as director on the management of the measured entity.

6.4 ABACUS Verification Agency management or staff have no financial interest, shareholding or loans in the measured entity.

6.5 All dealings with ABACUS will relate to the verification only and no financial or other benefit will accrue to ABACUS, its directors, staff or analyst or any contractors as a result of conducting a verification or being allocated a more favorable BEE – compliance level except as stated in the published commercial fees of ABACUS.

6.6 It will always be objective and will not pressurize or influence any of ABACUS Verification management or staff during the verification process.

6.7 It will not solicit money, gifts or favors from any ABACUS Verification Agency Management or staff member and shall not accept or offer gifts in the form of cash or any other gifts.

6.8 It will disclose any personal relationship, or prior association with ABACUS Verification Agency that creates the potential for any real or apparent conflict of interest.

6.9 It undertakes to report any conduct that constitute a breach of the ABACUS Impartiality Policy, applicable law or codes of conduct to the Managing Director of ABACUS Verification.

7. EXCLUSION AND LIMITATION OF LIABILITY

7.1 The Measured Enterprise hereby indemnifies and holds harmless the Verification Agency against all and any liability which may arise as a result of:

7.1.1 Any loss or damage suffered by the client pertaining to the decision referred to or any of the Evaluations provided by the Verification Agency in terms of this Agreement.

7.1.2 The factual inaccuracy of any information supplied by the client or by any person who represents the Measured Enterprise or by any person whom the Verification Agency may reasonably believe to represent the Measured Entity.

7.1.3 Any act performed by the Verification Agency or any representative thereof which is in accordance with the BEE Codes of Good Practice and which act may diverge from the provisions of this agreement.

7.1.4 Any breach of this agreement by the client including, without limitation, the provision of inaccurate factual information by the client to the Verification Agency.

7.2 Notwithstanding anything to the contrary contained in this agreement, the Liability of the Verification Agency in respect of any claim arising out at this agreement or in connection with the Evaluations provided to the measured entity in terms of this agreement, shall be limited to the fees payable in accordance with the tariffs, and shall not include any liability for any indirect or consequential loss or damages incurred by the measured entity or any other person.

8. SUB-CONTRACTORS

Notwithstanding anything to the contrary contained in this agreement, the Verification Agency shall be entitled to appoint sub-contractors from time to time and to the extent necessary to assist it in the provision of the verification audit. The appointment of such sub- contractors shall be in the sole discretion of the Verification Agency.

9. SOLICITATION OF EMPLOYEES

The client undertakes to and in favor of the Verification Agency that it shall not solicit for employment, either for itself or for any third party, any employees of the Verification Agency who are in the employment of the Verification Agency as at the date of the execution of this agreement and at any time during the provision of the verification audit.

10. FORCE MAJEURE

If any Party is prevented or restricted directly or indirectly from performing all or any of its obligations under this agreement by reason of strike, lock-out, fire, explosion, riot, war, accident, act of God, embargo, legislation, shortage of or a breakdown in transportation facilities, civil commotion, unrest or disturbances, cessation of labour, government interference or control, or any other cause or contingency beyond the control of that Party, the Part so affected shall be relieved of its obligations hereunder during the period that such event and its consequences continue but only to the extent so prevented and shall not be liable for any delay or failure in the performance of any obligations hereunder or loss or damages which the other Party may suffer due to or resulting from such delay or failure.

11. PROHIBITION OF ASSIGNMENT

The client shall not cede, delegate or assign any or all of its rights or obligations in terms of this agreement without obtaining the prior written consent of the Verification Agency.

12. BREACH

If either of the Parties commits a breach of this agreement (the defaulting party), and / or fails to comply with any of the provisions hereof, then the other Party against whom the breach is committed (the innocent party) shall be entitled to give the defaulting party 14 days notice in writing to remedy such breach and / or failure and if the defaulting party fails to comply with such notice, then the innocent party shall forthwith be entitled, but not obliged, without prejudice to any other rights or remedies which the innocent party may have in law, including the right to claim damages:

12.1 To cancel this agreement

12.2 To claim immediate performance and / or payment of all the obligations of the defaulting party in terms hereof.

13. DISPUTE RESOLUTION

Should any dispute, disagreement or claim arise between the Parties (the dispute) concerning this agreement, the parties shall endeavor to resolve the dispute by negotiation

13.1 This entails one of the Parties inviting the other in writing to meet and to attempt to resolve the dispute within 7 days from date of written invitation.

13.2 If the dispute has not been resolved by such negotiation within 7 days of the commencement thereof, then the Parties shall:

13.2.1 Submit the dispute to mediation to be administered by the Arbitration Foundation of South Africa

13.2.2 Failing agreement as aforesaid within 7 days of the dispute being submitted to mediation, the Parties shall refer the dispute to arbitration.

13.3 The decision of the mediator shall become final and binding within 7 days of delivery thereof to the Parties, unless one or either of the Parties disputes the mediator's decision by written notice to the other Party within the aforesaid 7 day period, in which event the dispute shall be referred to arbitration.

13.4 Unless otherwise agreed in writing by all the Parties, any such negotiation, mediation or arbitration shall be held in the area where the BEE Verification Agency office rendering the service, resides.

14. GOVERNING LAW AND CONSENT TO JURISDICTION

This agreement shall be governed in accordance with the Republic of South Africa. The Parties consent to the jurisdiction of the Magistrates Court, notwithstanding that the claim by either Party may exceed the normal monetary jurisdiction of the Magistrates Court. Notwithstanding the afore going consent, either Party may institute proceedings in any other court of competent jurisdiction at its own discretion.

15. NOTICES AND DOMICILIA

Each of the Parties chooses *domicilium citandi et executandi (domicilium)* for the purposes of the giving of any notice, the payment of any sum, the serving of any process and for any other purposes arising from this agreement at their respective addresses set forth on the first page of this agreement.

16. GENERAL

- a. No extension of time or indulgence granted by either Party to the other shall be deemed in any way to affect, prejudice or derogate from the rights of such Party in any respect under this agreement, nor shall it in any way be regarded as a waiver of any rights hereunder, or a novation of this agreement
- b. No alteration, cancellation, variation of, or addition hereto shall be of any force or effect unless reduced to writing and signed by both the Parties and their duly authorised representatives.
- c. This document contains the entire agreement between the Parties and neither Party shall be bound by any undertakings, representations, warranties, promises or the like not recorded herein.

- d. All the provision of this agreement shall be severable and no provision shall be affected by the invalidity of any other provisions of this agreement.
- e. Nothing in this agreement shall constitute a partnership, joint venture or agency agreement between the Parties in any shape or form; or entitle or authorise either Party to incur liability on behalf of the other
- f. In the implementation of this agreement, the Parties undertake to observe good faith and they warrant in their dealings with each other that they shall neither do nor refrain from doing anything which might prejudice the rights, assets or interests of the other of them.

ANNEXURE A

ABACUS Verification Fees

The entity requesting verification needs to identify its classification to determine the cost of the BEE verification by ABACUS VERIFICATION.

CLASSIFICATION:

1. **Exempted Micro Enterprise (EME)** meaning an enterprise with a Total Annual Revenue of less than **R5 million** per financial year.
 - **R 850-00** excluding VAT and courier fees
 - Travel will be charged at R 3-50 per km

2. **Qualifying Small Enterprise (QSE)** meaning an enterprise with a Total Revenue between **R 5 million and R 35 million** per financial year.
 - **Audited** financial statements :QSE from **R 5 800-00** excluding VAT
 - **Non-Audited** QSE (based on management accounts) from **R 8 700-00** excluding VAT
 - Includes a pre-site visit and site visit by a junior analyst based on 7 hours (travel time inclusive)
 - If more info/visits are required fees will be charged at R 350-00 per hour or part thereof
 - Travel will be charged at R 3-50 per km

3. **Generic Scorecard (GS)** meaning an enterprise with a Total Annual Revenue greater than **R 35 million** per financial year.
 - **Audited financial statements:** Generic Scorecard (GS) from **R 9 600 -00** excluding VAT
 - Includes a pre-site visit and site visit by a senior analyst based on 7 hours (travel time inclusive)
 - If more info/visits are required fees will be charged at R 550-00 per hour or part thereof
 - Travel will be charged at R 3-50 per km

 - **PLEASE NOTE:**

For obtaining suppliers verification certificates on behalf of Clients the cost will be R 50-00 per supplier.

SIGNED AND ACCEPTED THIS ____ DAY OF _____ IN _____

VERIFIED ENTITY: _____

WITNESSES:

1 _____ 2 _____

SIGNED AND ACCEPTED THIS ____ DAY OF _____ IN _____

ABACUS VERIFICATION : _____

WITNESSES:

1 _____ 2 _____