

GENERAL TERMS AND CONDITIONS OF SALE

With effect from June 2005.

The following terms and conditions of sale are applicable to all sales and supplies by AFROX Zambia Ltd and its subsidiaries (herein referred to as "AFROX") to any customer unless expressly agreed in writing to the contrary.

PRICES

Prices, rentals, deposits and other charges appearing in AFROX's quotations, delivery and sale documentation, invoices, catalogues and price lists are those ruling at the date of issue.

QUOTATIONS

Quotations are open for acceptance within a period of 30 days only from the date thereof, and orders placed will only be binding upon AFROX upon written confirmation thereof by the customer.

Quotations are based on costs, taxes and duties ruling at the date thereof. AFROX shall be entitled to adjust prices in the event of variation in costs outside their control and on any variation in taxes and duties.

Special delivery charges may be levied where geographic or commercial reasons so require. The delivery time specified in any quotation is given in good faith and shall not be binding.

PAYMENT

Payment shall be made strictly in accordance with the terms of AFROX's invoice or statement. Interest shall accrue on all overdue amounts at a rate equal to 5% above the lending rate charged from time to time by AFROX's bankers until such overdue amounts are paid in full.

In the event of overdue amounts or payment discrepancies, AFROX shall be entitled to stop supply and/or place an account on a COD basis without notice.

Cheques presented in payment will be subject to verification prior to supply of the Goods. Dishonored cheques will be submitted for publication and be subject to processing charges as may be charged from time to time by AFROX.

The Customer consents to the conducting of creditworthiness check at the election of AFROX prior to the provision of credit facilities or cheque acceptance.

All invoices, quotations and statements are sent "Errors and Omissions Exempt".

RISK AND OWNERSHIP

Risk in goods supplied shall pass on to the Customer on delivery, but ownership shall remain with AFROX until the whole of the contract price together with any interest levied thereon has been paid in full.

Cylinders and Gases – the ownership shall remain the property of AFROX until the full contract price is paid for, then only the gas content thereof will become the property of the customer. The cylinder always remains the sole property of AFROX.

CYLINDERS AND GASES

Cylinders are provided on a 'lend-lease' basis and the allocation and withdrawal thereof shall be at the sole election of AFROX.

Cylinders and components thereof shall remain the sole property of AFROX and shall be returned to AFROX within seven days of demand failing which AFROX shall recover their property at the Customers cost.

The Customer shall ensure that cylinders are only used for their designed purpose and in accordance with reasonable accepted practice and that cylinders are stored and handled safely and in such a manner as to prevent loss, damage or deterioration of condition.

The Customer shall provide unrestricted access to their premises for purposes of cylinder audits as and when required by AFROX and provide every assistance to the auditors.

Any additional AFROX cylinders found during the audit shall be confiscated or added to the records and any missing cylinders shall be regarded as lost.

AFROX shall be entitled to charge rentals and deposits on all cylinders allocated to the customer or found in the customer's possession. Cylinder rentals shall be chargeable for each month or part thereof.

Cylinder deposits shall be refunded within thirty days of return of cylinders to AFROX but subject to presentation by the Customer of receipt for deposits paid.

The customer shall be liable for the replacement or repair cost of any cylinders lost or damaged while under the control or in the possession of the customer. In such event deposits for lost or damaged cylinders shall not be refunded.

The Customer shall not take cylinders beyond the borders of Zambia without prior permission in writing from AFROX and shall not lend or rent-out cylinders to any other party and will be liable for all cylinders allocated to him.

The Customer shall not exchange cylinders with or have cylinders filled by any gas provider other than AFROX which action constitute an illegal filling of AFROX property.

The Customer shall not tamper with, repair or modify cylinders or components thereof in any way and under no circumstances shall gas be decanted.

No refund shall be made or credits given for any unused gases returned to AFROX.

SUPPLY AND DELIVERY

Goods should be examined immediately on receipt. No claim in respect of any damage or apparent defect in the goods will be considered by AFROX unless full details of such damage or apparent defect have been furnished in writing by the Customer to AFROX within seven days of the receipt of the goods.

In all cases where the goods are sent by a carrier other than AFROX, the goods shall be at the risk of the Customer from the time the goods are handed over to the carrier and AFROX shall not be liable for any loss or damage that may occur thereafter.

AFROX shall in no way be penalized for delay in delivery and the Customer shall not be entitled to reduce or cancel the order in such event unless agreed to in writing with AFROX.

GUARANTEE

The goods supplied by AFROX are guaranteed to conform to the relevant AFROX specifications, but the Customer must continually satisfy itself that the goods supplied are suitable for its intended application. No warranty is given as to merchantability or fitness for use.

Should the goods fail to conform to the above guarantee, AFROX shall to the exclusion of any other remedy available to the Customer and at AFROX's election, either replace to point of delivery or pass a credit for such goods. Any claim in this regard must be lodged in writing with AFROX within seven days after the date of delivery of such goods failing which all liability on the part of AFROX shall cease.

Return of defective goods shall be the responsibility of the Customer.

The Customer shall not permit any repairs or inspections to be carried out on any goods other than by AFROX or its authorised agents. Failure to comply shall result in the above guarantee being rendered null and void.

LIABILITY AND INDEMNITY

The Customer shall not have any right of action against AFROX, its agents, employees, representatives or independent contractors and AFROX will not be liable for any loss (including economic loss), damage or injury whether direct, indirect or consequential suffered by the Customer howsoever arising and from whatsoever cause.

The Customer hereby indemnifies AFROX against all liability for loss (including economic loss), damage or injury whether direct, indirect or consequential suffered by any third party arising from the commission of a delict by the Customer or howsoever else. The Customer shall bear sole civil and criminal liability in respect of any damage or offence occasioned by a breach of clause 7.4, and indemnifies AFROX accordingly.

VIZ MAJOR

Notwithstanding anything to the contrary contained herein, AFROX shall not be liable for failing to fulfil any of its obligations if such failure is due to war, civil disturbance, riots, acts of terrorism, fire, storm, industrial dispute, quarantine, breakdown of equipment or vehicles, acts of God or state or to any other cause which is beyond AFROX's reasonable control.

SAFETY

The Customer's attention is drawn to cautionary labels for gases, equipment, vessels, containers and products supplied by AFROX and the procedures and precautions relating to the handling and use of such in regulations and codes of practice promulgated by the Zambian Authorities together with user information published by AFROX from time to time. The Customer shall also draw the above to the attention of all persons engaged in the handling and use of gases, equipment, vessels, containers and products supplied by AFROX.

LEGAL PROCEEDINGS

Any legal proceedings arising shall be governed by the laws of Zambia and adjudged in the relevant Zambian Court. The Customer shall be liable for all legal costs incurred by AFROX, on an attorney and client scale, including collection, commission and tracing charges.

WAIVER OR INDULGENCE

No waiver or indulgence granted by AFROX to the Customer in respect of any matter or thing whatsoever shall be a continuing waiver or indulgence or constitute a novation of any kind.

VARIATION AND PRECEDENCE

No representations, undertakings, guarantees or warranties, or variation of any of these terms or conditions shall be binding unless recorded in writing and signed by both parties. The supply of goods by AFROX shall be governed by these terms and conditions irrespective of the Customers conditions of purchase or any terms and conditions contained in the Customer's enquiry and order documentation and the customers order shall be accepted on such basis. In the event of AFROX and the Customer entering into a written agreement containing terms and conditions which conflict with the terms and conditions stated herein, the terms and conditions of the written agreement shall take precedence.