

- 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 client within 30 days of the invoice date.
- 3. Lead time: Synthesis requires on average 6 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 client, 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 client's account unless otherwise stipulated in the proposal. Written approval for such travel will be required from Synthesis senior management.
- 5. Liability: The maximum liability of the company to the client for any loss, liability and expense of any nature which is caused or attributable to the provisions of this proposal, shall not exceed the project fee.
- 6. Non-solicitation: For the duration of the proposal and for 18 months thereafter, the client 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.
- 7. Intellectual Property: All bespoke Intellectual Property will be the property of the client, 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 client 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.
- 8. Working Remotely: Where applicable, Synthesis may elect to work remotely, off-premises, to provide the services to the client.
- 9. Validity: The proposal remains valid for 14 days. A price increase may apply if sign-off is not confirmed within the 14-day period.
- 10. Termination: Synthesis may terminate the proposal at any time on 30 days written notice to the client. Synthesis will not be held liable for any losses or damages incurred as a result of termination of the proposal, other than refunding the client any pre-paid fees.
- 11. Case studies: The client agrees to be referenced and quoted in case studies, for the purposes of marketing and promoting Synthesis. An example of a case study can be found on the Synthesis website under 'Work'.
- 12. 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 client, 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 client based on the impact of the delays (such costs will be addressed in formal scope change document).
- 13. Force Majeure: Synthesis may suspend the performance of any of its obligations where an event or circumstance makes performance impossible.
- 14. 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 client prior to any charges or costs being incurred, and a formal scope change would need to be issued.
- 15. 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 client prior to any charges or costs being incurred as a separate proposal and/or a formal extension of this proposal.
- 16. Partner Funding 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 client 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.
- 17. Partner Funding Receipt: Where a proposal includes Partner funding, the client 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.
- 18. Proposal Discounts: The client 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.
- 19. 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.
- 20. Business Hours: Where a proposal includes the terms Business Hours and After-Hours, the following applies:
 - a. Business hours means any day between 08h30 and 17h30, except a Saturday, Sunday or South African public holiday.
 - b. 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.
 - c. After-hours work on non-business days will be charged at a rate of 2 (two) times the standard rate per hour excluding VAT.
 - d. 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.