

SCHEDULE VI

REQUIREMENTS FOR INVOICES

1. FORMAL ACCOUNTING AND LOGISTIC SYSTEM:

The quality of the Carrier's administration and bookkeeping is an important and determining factor of the Carrier's level of service to Teraka Logistics.

To comply with our standard requirements for administration and bookkeeping, it is strongly recommended that the Carrier make use of a recognised accounting and/or logistical software package, such as Pastel, AccPac, QuickBooks, Great Plains or Datatim. A system that allows the daily capturing of orders, which can later be converted to invoices, is desirable. This will ensure that reports of un-invoiced loads/orders are available and will guarantee effortless invoicing as most of the details have already been captured at an earlier stage. Other benefits of such a system are that more than one person can be part of the administrative process, thereby dividing the workload.

Invoices and statements generated in Excel, Word or any other non-accounting software, and especially handwritten invoices and statements, are not considered ideal as all of these have proven to be highly unreliable financial recording systems in the transport industry.

All invoices and statements must therefore preferably be system generated as this will ensure data integrity.

2. RATES, UNITS AND QUANTITIES

Each transport contract (load confirmation) will stipulate the rate/tariff, whether the invoice unit/s should be per load or per ton, and whether the loading or offloading tonnage must be used as the invoice quantity. Payment will strictly be made according to these stipulations, despite any oral instructions to deviate therefrom but not recorded in writing or amended on the load confirmation.

3. ONLY ONE LINE ITEM (I.E. ONE LOAD) IS ALLOWED PER TAX INVOICE

Should a query arise on a load on an invoice with multiple loads, payment for the entire invoice will be withheld until such time that the query is resolved, notwithstanding the fact that any or all of the other load/s on the same invoice are query-free. To prevent this, it is strongly recommended that loads be invoiced individually on separate invoices.

4. FULL LOAD DETAILS TO APPEAR ON INVOICE

- a. Date of loading
- b. Loading point
- c. Offloading point
- d. Product transported
- e. Truck registration number
- f. Our order number (load confirmation number)

5. ITEMS TO APPEAR ON INVOICE IN ACCORDANCE WITH SECTION 20 (4) OF THE VAT ACT

- a. The words "TAX INVOICE" in a prominent place (or "INVOICE" if you are not registered as a VAT vendor)
- b. Your company details (see point 5 below)
- c. Our company details:

Name:	Teraka Logistics (Pty) Ltd
Address:	PO Box 7329
	Stellenbosch, 7599
VAT Number:	4650282629
- d. Invoice number (must be a unique serial number)
- e. Date of issue - Please note this is not necessarily the date of the supply, but the date on which the invoice is issued. "Back-dated" invoices will not be paid.
- f. Full and proper description of service rendered (i.e. "transport" or "logistics service")
- g. Quantity supplied (for example 32.5 tons, or in the case of a load tariff, 1 load)
- h. Price (excl. VAT) (i.e. rate per ton, or rate per load), 15% VAT and invoice total (incl. VAT).
- i. If you are not registered as a VAT vendor, you are not allowed to charge VAT on the invoice.

6. YOUR COMPANY'S STATUTORY DETAILS TO APPEAR ON INVOICE

- a. Company/trust/CC registration number
- b. Telephone number (office/landline number – not cellphone)
- c. Fax number
- d. E-mail address
- e. Full bank details:
 - o Name of account holder
 - o Name of bank
 - o Name of branch
 - o Account number
 - o Branch code

SCHEDULE VII

PAYMENT TERMS

Please note that the standard cut-off dates for invoices and accompanying payment terms are stipulated on each transport contract/load confirmation and automatically agreed to upon commencement of service delivery, unless agreed otherwise and in writing between the duly authorised representative of Teraka Logistics and the Carrier.

Herewith a thorough explanation of the standard cut-off dates and payment terms, as well as other standard conditions for payment:

PAYMENT DATES:

1. The date on which payment for an invoice is due, is not determined by the invoice date, but by the date on which the invoice is delivered to our offices.
2. The cut-off date for receipt of original invoices with complete original load documentation is the 15th of each month to qualify for payment at the end of the following month (30 days after statement).
3. Should invoices be received after the 15th, payment will be carried over to the end of the next month (60 days after statement).
4. Every cut-off date missed will lead to payment being delayed by another 30 days.

EXAMPLE:

- a. March invoices received by 15 March will be paid at the end of April.
- b. March invoices received from 16 March to 15 April will be paid at the end of May.
- c. March invoices received from 16 April to 15 May will be paid at the end of June.

MAIL PROCEDURES:

5. To ensure security and traceability of invoices, please send all mail via a reputable courier company and provide us with the tracking numbers prior to the expected delivery date.
6. It is your responsibility to determine maximum transit times and allow sufficient time for mail to be delivered. No exception will be made if your service provider fails to deliver mail before the cut-off date.
7. Invoices and load documentation that are lost before reaching our offices will not be paid. Please keep copies of all load documentation and invoices for this eventuality. Take note that normal payment terms are voided in this instance, and that such invoices will only be paid after its payment is received by Teraka Logistics from its Customer.
8. Faxed and/or copies of invoices and documentation will not qualify for payment and will only serve as confirmation of delivery, unless arranged with Teraka Logistics in relation to point 7 of this Schedule.

STATEMENTS AND PAYMENTS:

9. Please provide a detailed statement before the 20th of each month to enable us to reconcile our payment amount with your statement total. If no statement is provided, payment will be withheld. Late receipt of statements will result in later payment at the discretion of the Financial Manager of Teraka Logistics.
10. Should you wish to oppose any deductions from payment (such as claims and rate or weight differences), please inform the creditor clerk in writing via fax on 086 540 6152 or email at info@teraka.co.za
11. Please note that payments are effected via electronic funds transfer (EFT) from our Nedbank account. Please allow 2 working days after the payment date for the payment to appear on your account statement.

SCHEDULE 8

RISK POLICY AND CLAIMS MANAGEMENT

It is the risk management policy of Teraka Logistics to account for all potential and realised claims when payment is made to a Carrier. This risk management policy is specifically intended to protect Carriers from unforeseen claims.

Our transport notices stipulate this risk policy under "Additional Conditions" as follows:

"The allowed tolerance for weight loss per load is 0.25% of the loaded mass. If the tolerance is exceeded, the total loss will be for the Carrier's account. An estimated provision will be reserved from payment for a load if a potential claim is not yet validated/voided before the payment date."

The tolerance of 0.25% of the loaded mass is based on the industry standard for bulk agricultural loads. Other commodities carry different tolerances.

- a. Claims on bagged loads are determined according to the amount of bags loaded and condition received. Even if only one bag is missing, wet or broken, the Customer can issue a claim.
- b. Claims on packaged and/or palletised loads are determined according to the amount of product and condition thereof received. Even if there is only one bottle or box missing, wet or broken, the Customer can issue a claim.
- c. Some products, such as coal, have a higher tolerance because of its relatively low product value, as well as conditions during loading, offloading and during transit which affect the product more severely than other products.

Our risk policy is managed by the following procedure:

1. If the tolerance of 0.25% of the loaded mass is exceeded, a load is automatically flagged with a potential claim.
2. Potential claims are only validated or voided by written confirmation by our customer.
 - a. If a claim is **validated** by the Customer before the date on which payment is due to the Carrier, the exact claim amount will be deducted from payment for that load to the Carrier.
 - b. If a claim is **voided** by the Customer before the payment date, the potential claim will be written off and payment to the Carrier will be made in full.
 - c. If a claim is **not confirmed** before the payment date, an average estimate of the potential claim will be withheld from payment. This amount will be held in reserve until such time that the claim is confirmed by the Customer.
 - d. Once **validated** by the Customer, the actual claim amount will be offset against the reserved provision for that claim and any difference will then be deducted from, or paid out with, the next scheduled payment due to the Carrier.
 - e. If voided by the Customer, the reserved provision will be released for payment with the next scheduled payment due to the Carrier.
 - f. According to law, the right to lodge a claim only expires after three years. Is it not uncommon for some customers to only issue claims several months, a year or even longer after the fact. Unfortunately, Teraka Logistics has no control over this.
3. **The Carrier will not issue a credit note for an estimated provision.** The Carrier will only issue a credit note for a validated claim, for which a proper tax invoice will be issued and supplied by Teraka Logistics.
4. Teraka Logistics will always issue a claim to the Carrier in exactly the same manner as it is received from the Customer. Any leniencies allowed by the Customer, is therefore transferred to the Carrier.
 - a. If the Customer deducts the tolerance from the total claimed, the Carrier receives this benefit.
 - b. If the Customer allows for a higher tolerance, the Carrier will also receive this benefit.

Please communicate the following notes to all drivers:

5. Only claims arising from covered, defined events (such as theft, hi-jacking, accidents or fire etc.) can be claimed from insurers. Claims arising from differences between loading and offloading tonnages, and not linked to a specific event which caused such loss in product mass, are most often not reimbursed by insurers. It is not uncommon of vehicle owners to resort to deducting such claims from drivers' salaries. Drivers should therefore be highly diligent and do all in their power to prevent any and all such differences, whether explainable or not.
 - a. All weighbridges have valid calibration certificates and accordingly it is difficult to prove that errors with the scale or weighing procedure can be attributed to these differences, especially when it is only contested after the fact.
 - b. It is therefore very important that drivers are aware and take extra precautions when weighing in and out during loading and offloading. If any irregularities arise, this must be brought to the attention of Teraka Logistics immediately.
 - c. Any peculiar incidents must be reported to Teraka Logistics by telephone. This must be done before the driver leaves the premises where the incident occurred.
 - d. A complete written report and/or remarks regarding the incident must be recorded on the POD, along with the weighbridge supervisor's name, signature and contact details.
 - e. Without this record of events, the Carrier and Teraka Logistics do not have any case against the customer's claim.

SCHEDULE 9
TERAKA LOGISTICS DETAILS

Registered Name	TERAKA LOGISTICS (Pty) Ltd
Registered Address	Platinum Square, 20 Techno Drive, Technopark, Stellenbosch, 7600
Physical Address	Platinum Square, 20 Techno Drive, Technopark, Stellenbosch, 7600
Postal Address	PO Box 7329, Stellenbosch, 7599
Telephone	021 880 9300 (Switchboard)
Fax	086 619 2402
E-mail	info@teraka.co.za
 Company Registration Number	 2017/649652/07
VAT Registration Number	4650282629

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