



**CA BATCHELOR INCORPORATED**  
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**ANNEXURE B – Standard Terms and Conditions for Non-audit Services**

All non-audit services provided by **CA Batchelor Incorporated** to a client in accordance with the written agreement with that client will be subject to the following standard terms and conditions in addition to what is stated specifically in the written agreement.

1. Definitions

Unless the context clearly indicates otherwise:

- reference to any gender shall include the other genders
- the singular shall include the plural

In these standard terms and conditions, the words and phrases set out below have the following meanings:

**Client** means the entity/entities, or the persons, named in the written agreement to which or whom services are to be provided by **CA Batchelor Incorporated**

**CA Batchelor Incorporated** means an incorporated accounting practice in the Republic of South Africa; any division of **CA Batchelor Incorporated** entity owned or managed by **CA Batchelor Incorporated** the partners, directors, employees, agents and contractors of **CA Batchelor Incorporated** The contracting element of **CA Batchelor Incorporated** will usually be identified by our letterhead or set out in the **written agreement**.

**Services** mean the non-audit services to be rendered by **CA Batchelor Incorporated** as set out in the **written agreement**.

**Written agreement** means the letter of engagement, or contract, or proposal, or other document between the **client** and **CA Batchelor Incorporated** setting out the services to be provided and the related terms and conditions.

2. Headings have no effect

The headings in the **written agreement** and in these terms and conditions shall not in any way affect or govern the interpretation or construction of the applicable terms and conditions.



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3. General principles

In providing any non-audit services, **CA Batchelor Incorporated** will:

- not act in the capacity of management,
- not act as a formal advocate of or representative for client,
- not decide on what recommendations/alternatives to accept or implement,

whereas the client will be responsible for:

- making all management decisions and performing all management functions including deciding on what recommendations/alternatives to accept and implement.
- designating a competent management member to oversee the services.
- evaluating the adequacy and results of the services.
- establishing and maintaining internal controls and for determining the adequacy of accounting systems.
- monitoring ongoing activities, and
- the maintenance of the accounting records, preparation of the annual financial statements and safeguarding the assets of the company.

The **services, written agreement** and any related matters are governed by South African law and any claims will be subject to the exclusive jurisdiction of the courts in South Africa.

The written agreement and these standard terms and conditions, together with any documents specified in the **written agreement**, constitute the entire agreement between **CA Batchelor Incorporated** and the **client** and supplants any prior oral or written representations, if any. They may be varied only by the **written agreement** of both **CA Batchelor Incorporated** and the **client**.

Where **services** are subcontracted and this has been acknowledged by the **client**, this **written agreement** and any related approvals for the provision of non-audit services will also apply to such subcontracted **services**.

Where it is intended that the non-audit services should also be provided to group companies and divisions of **client**, any approvals given will be deemed to also apply to services to be provided by a member firm which is part of **CA Batchelor Incorporated**



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in terms of a separate engagement letter of agreement that may be concluded with the group company or division concerned.

**CA Batchelor Incorporated** and the **client** are independent contractors. Neither party shall act or represent itself as an agent of the other and shall not in any manner assume or create an obligation of, or in the name of, the other.

4. Validity

Where the written agreement is a proposal, it shall be valid for a period of 60 days from the date of issue, unless otherwise indicated. Where there is a conflict between the terms in the **written agreement** and these standard terms and conditions, these standard terms and conditions will apply.

5. Provision of services

**CA Batchelor Incorporated** will endeavour to deliver the **services** with the requisite level of skill, integrity and professional competence at all times.

**CA Batchelor Incorporated** may subcontract any **services** under this **written agreement** to any member firm which is part of **CA Batchelor Incorporated** or, with the consent of the **client**, to any other party. **Client's** relationship is solely with **CA Batchelor Incorporated** as the entity contracting to provide the **services**.

Where the delivery of the **services** requires information from, or the co-operation of, officials and employees of the **client**, the **client** undertakes to use its best efforts to ensure that its directors, management, officials and employees are available when required and that they provide the necessary information and co-operation on a timely basis. Reasonable facilities and access to data and information will be provided by the **client**.

Where **CA Batchelor Incorporated** personnel to deliver the services are named in the **written agreement**, **CA Batchelor Incorporated** will take reasonable steps to ensure that such personnel are used. Nevertheless, **CA Batchelor Incorporated** personnel may be absent for short periods of time due to other commitments, annual leave or training. **CA Batchelor Incorporated** will endeavour to avoid any disruption to the delivery of the **services** as a result thereof.

**CA Batchelor Incorporated** may need to substitute named personnel and, in such an



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event, reasonable notice thereof will be given to the **client** and replacement personnel of equivalent ability will be provided.

6. Intellectual property

**CA Batchelor Incorporated** shall retain all intellectual property rights in all materials and working papers, including methodologies, know-how, trade secrets, software and tools used, provided or developed by **CA Batchelor Incorporated** in providing and delivering the **services**.

Except for cases where a licence is expressly granted by **CA Batchelor Incorporated**, the **client** shall acquire no rights or interest in such property.

Any intellectual property and proprietary rights in material provided by **client** for performing the services shall remain the property of **client**.

7. Non-exclusivity

The **client** acknowledges that **CA Batchelor Incorporated** provides a variety of other **services** to a large and diverse range of clients. The provision of the **services** to the **client** will not prevent **CA Batchelor Incorporated** from providing the same or similar services to other parties, some of whom could be competitors of the **client** or who may be in conflict with the **client**.

The **client** also acknowledges that **CA Batchelor Incorporated** may already have provided the same or similar **services** to other parties.

Where **CA Batchelor Incorporated** is aware of the same or similar services being provided to other parties, safeguards will be implemented to protect the interests of the **client**. These safeguards will include the use of different personnel and other barriers to ensure the confidentiality of information.

Whilst **CA Batchelor Incorporated** will be bound by the confidentiality clauses mentioned below, **CA Batchelor Incorporated** shall have the right to use the name of the **client** and a description of the **services** as a reference in seeking to provide services to other parties, unless the **client** expressly forbids this.



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8. Confidentiality

**CA Batchelor Incorporated** will keep confidential all information obtained from the client except such information as is in the public domain, or where the **client** agrees to **CA Batchelor Incorporated** making this information available to other parties.

Notwithstanding the above clause, **client** acknowledges that **CA Batchelor Incorporated** may be required to disclose confidential information to its legal advisers, insurers, the Independent Regulatory Board for Auditors, or to another party under any law requiring such disclosure. Disclosure in any of these instances will be permissible and will not be a breach of confidentiality.

The client agrees to keep confidential any methodologies, technology, know how, trade secrets, software and tools used, provided or developed by **CA Batchelor Incorporated** in providing and delivering the **services**. Similarly, any information provided or developed by **CA Batchelor Incorporated** will be kept confidential, unless **CA Batchelor Incorporated** expressly agrees in writing to the **client** making this available to other parties. This confidentiality requirement will not apply to any information that **client** is required by law to disclose to another party.

Where the **written agreement** is a proposal for work to be performed and the **client** does not accept the proposal, any documentation or property specifically identified by **CA Batchelor Incorporated** will be returned to **CA Batchelor Incorporated** on request.

The **client** acknowledges that **CA Batchelor Incorporated** is required, in terms of professional standards, to retain documentation to support the work done and any deliverables provided. Where this documentation includes confidential information of the **client**, **CA Batchelor Incorporated** will be entitled to retain such documentation.

9. Professional fees

The basis of charging professional fees is set out in the **written agreement**.

Disbursements and out-of-pocket expenses incurred in providing the **services** will be charged at cost or our predetermined rates. These include all reasonable expenditure necessary for the successful completion of the **services** including but not limited to travelling, subsistence, goods and services purchased on the **client's** behalf, communications, stationery, report and presentation material, secretarial time and computer charges.



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Invoices for fees and expenses/disbursements will be presented as agreed or on completion of the services whichever is the earlier. Invoices are payable on presentation.

Interest will be accrued at **prime** on all amounts outstanding, for whatsoever reason, longer than thirty days from the date reflected on our invoice. Such interest will be calculated on a monthly basis and all payments will be allocated first to interest, then to disbursements, and then to the oldest outstanding fee.

The **client** acknowledges that **CA Batchelor Incorporated** may suspend provision of the services until all amounts due are paid in full.

10. Use of reports and other deliverables

Any advice, report, certificate, schedule or other deliverable arising from or in connection with the **services** will be for the sole use of the party or parties to whom it is addressed and may be relied upon only by that party or parties and used solely for the purpose/s for which it was prepared. No person other than the party or parties to whom it is addressed shall be entitled to place any reliance thereon for any purpose whatsoever.

Any such advice, report, certificate, schedule or other deliverable is based on the particular facts and circumstances of the **client** at a particular point in time and on any applicable prevailing rules and regulations in force. Consequently, such advice, report, certificate, schedule or other deliverable may well not be relevant to another party or at a different time and under different circumstances. **CA Batchelor Incorporated** does not warrant or guarantee that there will be no change to relevant facts and circumstances in the future or that future events or outcomes will transpire.

Unless otherwise indicated in the advice, report, certificate, schedule or other deliverable, copies or extracts therefrom may be made available to the addressee's advisors provided that they are to be used by the advisors solely for the purposes stated in such advice, report, certificate, schedule or other deliverable and provided that the advisors are made aware of paragraphs 11 and 12.

Copies, in whole or in part of the advice, report, certificate, schedule or other deliverable or extracts therefrom may not be made available to any other party without the prior express written consent of **CA Batchelor Incorporated** which consent may be given or withheld at our absolute discretion.



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The **client** indemnifies **CA Batchelor Incorporated** against any claim by any third party arising from a copy of any report, certificate, schedule or other deliverable or extract therefrom which the third party received from the **client** or its advisors.

Only the final signed report, certificate, schedule or other deliverable should be relied and acted upon. Oral communications and draft reports/certificates/other documents must be regarded as preliminary and intended only for discussion purposes.

11. Reliance on client information

The **services** or any portion thereof, is dependent on information supplied by the **client**. **CA Batchelor Incorporated** shall be entitled to assume that all the data and information provided by **client** is accurate, reliable and complete. **CA Batchelor Incorporated** will not be liable to the **client** or to any third party for any damages suffered as a result of the **client** providing any information that is incorrect or incomplete or where the **client** fails to disclose any relevant information to **<insert name of firm>**; and the client indemnifies **CA Batchelor Incorporated** against any claims or expenses relating thereto.

12. Limitation of liability

Our liability for non-audit services shall be limited as follows:

**CA Batchelor Incorporated** remains responsible to the **client** for all of the **services** under this **written agreement** including services that may be performed by a party subcontracted by **CA Batchelor Incorporated**. Accordingly, to the fullest extent possible under applicable law, **CA Batchelor Incorporated** will not have any liability to the **client** and the client will not bring, and will ensure that no other member of the **client** group brings, any claim or proceedings of any nature (whether in contract, tort, breach of statutory duty or otherwise, and including, but not limited to, a claim for negligence) in any way in respect of or in connection with this **written agreement** against any of the **CA Batchelor Incorporated** entities except **CA Batchelor Incorporated**.

The maximum liability of **CA Batchelor Incorporated**, its partners, employees, and agents in respect of any and all claims which may arise in respect of the **services** shall be limited to two times the fees charged for these services individually. This maximum liability shall be an aggregate liability for all claims howsoever arising, whether by contract, delict, negligence or otherwise.



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Where services are rendered otherwise than in terms of a **written agreement**, this clause shall apply separately to services relating to each invoice issued.

**CA Batchelor Incorporated**, its partners, employees and agents will not be liable to the **client** or any third party for any consequential, punitive or any other loss or damages beyond the maximum liability specified.

Any claims, howsoever arising, must be commenced formally within three years after the party bringing the claim becomes aware (or ought reasonably to have become aware ) of the facts which give rise to the action and, in any event, no later than three years after any alleged breach of contract, negligence, delict or other cause of action.

This limitation will not apply where **CA Batchelor Incorporated** is guilty of wilful misconduct or gross negligence.

**CA Batchelor Incorporated** will not be liable for any delays resulting from circumstances or causes beyond its reasonable control, including without limitation, fire or other casualty, strike or labour dispute, war or other violence or cause through any law, order or requirement of any governmental agency or authority.

Where the services comprise forensic work or litigation support:

the **client**, in addition to the limitations indicated above, indemnifies **CA Batchelor Incorporated** against all liabilities, losses, damages, claims, demands and reasonable expenses including, but not limited to attorney's fees and expenses, in any action brought against **CA Batchelor Incorporated** by any other party except the **client** in connection with or arising out of such **services**. This indemnification shall not apply in respect of wilful misconduct or gross negligence on the part of **CA Batchelor Incorporated**;

**CA Batchelor Incorporated** shall have no responsibility or liability whatsoever in respect of any advice given or work undertaken for the client by persons who are not partners, directors, principals, members of staff or employees of **CA Batchelor Incorporated** , regardless of whether or not such persons were introduced to the **client** by **CA Batchelor Incorporated**.





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13. Termination

The **written agreement** may be terminated forthwith by the **client** or **CA Batchelor Incorporated** in the event of either party going into liquidation or having a judicial manager appointed over all or part of its activities.

In the event of either the **client** or **CA Batchelor Incorporated** being in breach of any of the terms of the **written agreement**, the other party may, by written notice require the party which is in breach to remedy such breach. If this has not been remedied with them 14 days of receipt of such notice, or if the breach is incapable of being remedied, the other party may in writing terminate the **written agreement** without prejudice to its right to claim damages.

**CA Batchelor Incorporated** will be able to terminate the **written agreement** in the event of changes to laws, regulations, or the shareholding/group structure that would render such services illegal or in conflict with independence or professional rules.

14. Legal addresses

The **client** and **CA Batchelor Incorporated** each choose the address set out opposite its name in the address clause of the **written agreement** as its legal address.

Any notice to be given in terms of the **written agreement** or these standard terms and conditions must be in writing and delivered to the legal address of the party concerned.

Written notice given in a correctly addressed envelope, delivered by hand to a responsible person during ordinary business hours shall be deemed to have been received on the day of delivery.

15. Severability of clauses

If any provision or clause of the **written agreement** or of the standard terms and conditions becomes invalid or unenforceable, such provision or clause shall be divisible and be regarded as pro non-scripto and the remainder of the **written agreement** and the standard terms and conditions shall remain in force and be binding.

A waiver or variation of any individual requirements with the **written agreement** or of the standard terms shall not result in a variation of any other terms or in the



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cancellation of the entire **written agreement** or of the standard terms. Waivers or variations will only be of effect if reduced to writing.