

## TERMS & CONDITIONS OF BOREHOLE DRILLING

- a) The Purchaser hereby engages and employs SDS Drilling a subsidiary of Shelton Drainage Solutions  
cc, hereafter to be referred to as the drilling contractor, who agrees, subject to the terms and conditions herein contained, to drill a water borehole on that land owned by or under the control of the Purchaser.
- b) The said borehole position is to be marked on site by the Purchaser and the responsibility rests with the client to ensure that the drill rig is set up on the correct position before commencement of the drilling operation.
- c) The minimum depth of the borehole shall be 20m, unless water is found before this depth. This agreement shall be considered complete when at least one of the following criteria is satisfied.
  - a. Sufficient (estimated) water is obtained after the minimum depth is reached.
  - b. The Purchaser requests the Drilling Contractor to stop after the minimum depth has been reached.
  - c. The Drilling Contractor has drilled to a depth agreed to by the purchaser.

### The Drilling Contractor

- a) Shall determine the time, manner, means and method of doing the work.
- b) Shall furnish all labour, tools and machinery necessary to carry out his part of the agreement and shall complete the work under this agreement diligently and in good workmanlike manner.
- c) Agrees that the purchaser will not be responsible in case of any accident or injury to persons or employees in connection with the drilling operations, and further agrees to carry the necessary insurance to cover such incidents.
- d) Warrants that the borehole will be drilled, to allow the installation of the borehole pump to the full depth of the borehole.
- e) Accepts no responsibility for, nor shall make good any damage caused to underground services, structures, or obstructions of any form. The Purchaser shall indemnify us from any claims, losses or liabilities arising from such damage unless the position of such underground services, structures, or obstructions has been indicated on site, and in writing on drawings supplied to us before the commencement of work.
- f) Provides no guarantee on the quality or quantity of water delivered from the borehole.

## The Purchaser

- a) Hereby warrants that he has full right and authority to enter into this agreement and to authorize the Drilling Contractor to drill on the aforementioned land. The Purchaser is required to obtain licences, sanctions, and wayleaves from the authorities or third parties by law to enable us to fulfil the terms of the contract.
- b) Does hereby grant the Drilling Contractor full right to ingress and egress to and from the said previously mentioned property to complete this contract. The Purchaser also agrees to allow operational continuity without having to move off-site and re-establish. In the event of the Drilling Contractor having to move off-site and re-establish for reasons beyond our control, the cost for such re-establishment will be charges at R5900.00 per occasion. In the event that we do not have continuity of work, our standing rate is RS00/hour.
- c) The Purchaser, agrees to indemnify the Drilling Contractor against any claim of whatsoever nature which may be made against us, arising out of any injury to any person or damage to any property which shall be due to the negligence of or the emission by the client, their servants, agents, invitees, or any other person and, without limiting this indemnity, their failure to comply with any of the obligations cast upon them in terms of these conditions.
- d) Will provide to the Drilling Contractor at no charge, such space at the drill site and its proximity, as the Contractor may require for his equipment and material and agrees not to hold the Drilling Contractor liable in the event of accidental damage to crops, buildings, trees, fences, walls, or any other property upon or adjacent to such a site.  
S.S. Will provide the Drilling Contractor with an adequate supply of fresh water free of charge.
- e) Will provide full sanitation facilities to the Contractor and his employees during the time they are on site unless otherwise agreed with the Contractor.
- f) required at their own cost, to provide protection to existing structures such as, but not limited to, paving, walls, slabs or other erections and surfaces against damage from our equipment and operations.
- g) The Purchaser will pay a deposit as per the attached quotation upon signature of this agreement.

## The Quote

- a) The final invoice is subject to measurement of the depth drilled and material quantities used at the rates quoted.
- b) The quote does not allow for penalties, damages and retentions.
- c) The quote is valid for 30 days from date of issue.
- d) All prices are quoted nett. Payment of the balance of the final price is payable in full on completion of drilling and presentation of the invoice. Interest of 2% per month will be charged on overdue amounts.

## Miscellaneous

- a) In the event of the client committing any breach of any of the terms and conditions of our contract with that client or in the event of the client failing to make timeous payment of any amounts on the due date and, failing to remedy such breach on seven (7) days written notice from us to do so, then we, in addition to and without prejudice to any other rights we may have, shall be entitled to either:
  - a. Terminate this agreement by written notice to the Purchaser, in which event the Purchaser will be liable to us for payment of the value of work completed to that date of termination and all other damages suffered by reason of termination of the contract
  - b. Institute legal proceedings against the Purchaser arising out of this contract and that you, the Purchaser specifically consent to the jurisdiction of the Magistrates court in terms of Section 45 of The Magistrates Court Act no. 34 of 1944, notwithstanding that any amount so claimed or action instituted would otherwise exceed such jurisdiction.
- b) All materials remain our property until payment has been received in full, and in terms of this agreement, the client specifically grants the Drilling Contractor and his agent, permission to enter his property to remove such materials in the event of clause (7.2) being applicable.
- c) No waiver of any condition herein shall be deemed to be a waiver of any other conditions contained herein, unless agreed to by us in writing.

### **Director R. Kugelmann.**

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