

CORRESPONDENT TERMS AND CONDITIONS

To ensure excellent services to our Correspondents, we offer the following terms to the use of our services.

1. INTERPRETATION

In this document, the following words shall have the following meanings:

- 1.1. "Firm" means the Law Firm which instructs the Service Provider to attend to a Correspondent transaction
- 1.2. "Service Provider" means Korf Attorneys
- 1.3. "Correspondent transaction" means any conveyancing matter in which the Firm instructed the Service Provider to supply the Services.
- 1.4. "Services" mean attending to the preparation, lodgment and registration of a conveyancing matter in the Cape Town Deeds Office.

2. INSTRUCTIONS

- 2.1. By instructing the Service Provider to attend to a Correspondent Transaction, the Firm agrees to the Terms and Conditions provided in this document. The person instructing the Service Provider guarantees that he/she has all rights and authority to legally bind the Firm.
- 2.2. For each Correspondent transaction instructed by the Firm and accepted by the Service Provider, the Service Provider undertakes to provide the Services to the best of its ability and to fulfill the duties and responsibilities on the terms and conditions herein contained against payment of Fees, Expenses and as herein agreed.
- 2.3. The Service Provider and Firm undertake in favour of each other to uphold the conduct normally expected from Attorneys, Notaries and Conveyancers as prescribed by the Legal Practitioners Council, the Deeds Registries Act 47 of 1937, the Sectional Titles Act 95 of 1986 and any other applicable legislation and regulations, and to apply their best efforts and utmost good faith in all interactions with each other.

3. SERVICE PROVIDER DUTIES AND RESPONSIBILITIES

- 3.1. The Service Provider's main duties and responsibilities shall be to examine, prepare, lodge and register each correspondent transaction instructed to the Service Provider by the Firm. The Service Provider shall perform the Services with reasonable skill and care in accordance with recognised standards and codes of practice.
- 3.2. The Service Provider shall provide the Firm with regular progress reports and confirmations of all milestones achieved.
- 3.3. After examining the conveyancing documentation for lodgement the Service Provider will report to the Firm potential errors and request instructions from the Firm.
- 3.4. The Service Provider will assist in solving any potential errors and problems in all agreed practical ways and perform such ancillary services as may be reasonably necessary or required to properly carry out and perform the Services as required in terms hereof.
- 3.5. Should services outside the scope of this Agreement be required, the Service Provider furnish the Firm with a quotation for the additional services. Should the quote not be accepted, the Firm will be entitled to cancel the instruction to the Service Provider against payment of a pro rata portion of the fees, and costs and expenses.
- 3.6. The Service Provider will only amend and rectify documents as per the Firm's instructions, and will endeavour to do so in the most cost and time effective way, where possible without sending any documents back to the Firm for amendment or rectification. Any changes made to documents will be conveyed to the Firm prior to lodgement or registration of the documents in the Deeds Office.
- 3.7. The Service Provider shall adhere at all times with all instructions and directions issued by the Firm in writing, subject to the terms of clause 2.3.
- 3.8. The Service Provider will not register a Correspondence transaction without the written consent of the Firm.
- 3.9. The Service Provider will not sign documentation on behalf of the Firm without the written consent of the Firm.
- 3.10. Although the Service Provider is a Firm of qualified experienced Conveyancers, the Service Provider does not guarantee that documents will not be rejected by the Deeds Office. In the event of a rejection, the Service Provider will immediately discuss the notes with the Firm and rectify the error as per the Firm's instructions.
- 3.11. The scope of the duties may be amplified by mutual agreement between the Firm and the Service Provider from time to time in which event the Parties will agree on an amended fee structure.
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- 3.13. The Service Provider will not be entitled to incur any expenditure in relation to above duties and responsibilities for which the Firm will be held liable, except with the prior express authority of the Firm in writing.

4. FIRM OBLIGATIONS

- 4.1. The Firm shall collect and confirm FICA compliance on its Clients as Accountable Institution.
- 4.2. Give clear and prompt instructions to the Service Provider in writing.
- 4.3. Provide the Service Provider will all documentation, information and and written confirmations reasonably required by the Service Provider to enable the Service Provider to fulfill its duties and responsibilities in terms hereof and to ensure that there is no risks of professional liability for either the Firm or the Service Provider.
- 4.4. To assume responsibility for the correctness of all documents, communications and instructions sent to the Service Provider.
- 4.5. Only e-mail the Service Provider original electronic Transfer Duty receipts and Municipal Rates Clearance Certificates directly as generated by SARS E-filing. Municipality or Conveyancing Program and authorise the Service Provider to sign the documents as true versions thereof.
- 4.6. Settle the Service Provider's invoice upon receipt thereof

5. FEES

- 5.1. The Service Provider will be entitled to a flat fee calculated in the bracket in which the Purchase Price or Bond amount falls for each transfer or bond instruction. The flat fees are as follows:

PURCHASE PRICE / BOND AMOUNT	FLAT FEE
R1 – R100 000	R750
R100 001 – R500 000	R1 000
R500 001 – R1 000 000	R2 000
R1 000 001 – R2 000 000	R3 000
R2 000 001 – R3 000 000	R4 000
R3 000 001 – R4 000 000	R5 000
R4 000 001 – R5 000 000	R6 000
Over R5 000 000	R7 000

- 5.2. The Service Provider reserves the right to change its fees at any time. Any changes will be effective when such changes are posted in the Virtual Lawyers website, provided that the flat fee will remain fixed once an instruction has been accepted by the Service Provider.
- 5.3. In addition to the Flat fee, the Firm will be liable to pay all the expenses in relation for the registration of the Correspondent Transaction in the Deeds Office, as per the Deeds Office regulations and standard practice, and all costs incurred by the Service Provider, provided that the Firm has agreed to these costs prior to the costs being incurred.
- 5.4. The following are not included in the Service for which the Flat Fee is payable:

Deeds Office fees and expenses	As per Deeds Office Regulations
Deeds office dedicated clerks, lodgement covers and petty expenses	R200-00 per cover
Application for Transfer Duty Receipts	R650-00 (program costs included)
Electronic Application for Rates Clearance Certificates	R650-00 (program costs included)
Drafting of additional documents for lodgement	R100 per page
Drafting of Transfer document on Lexis Convey	R850-00 (program costs included)
Conveyancing transactions (other than transfers and bonds)	10% of prescribed fees
Requests for Deeds Office rulings, discussions with examiners, black bookings, restorations, expedited registrations and deliveries	As per pre-agreed fee

- 5.5. The Fees, Expenses and costs payable to the Service Provider shall be due and payable on presentation of an Invoice to the Firm for each Correspondent Transaction without setoff, counterclaim, deductions or withholdings.
- 5.6. Should the Firm fail to pay any amount due on the due date, interest on the amount due calculated at the prime bank overdraft rate of ABSA Bank plus two percent from the due date until the actual date of payment, both days included, will be payable.
- 5.7. The Service Provider may suspend or terminate its Services, should the Firm be in arrears with its payments on any matter.

6. INDEMNITIES

- 6.1. The Firm and Service Provider undertake to comply fully with all statutory requirements.
- 6.2. The Firm indemnifies the Service Provider against all loss, liability, damage, expense, interest, penalties, consequential damages and claims, or whatever nature, which the Service Provider may suffer or sustain as a result of or which may be attributable to any act or omission by the Firm in relation to the Correspondent transaction, documentation, informations and instructions provided by the Firm.
- 6.3. The Service Provider shall not be liable for any direct loss or damage suffered by the Firm howsoever caused, as a result of any negligence, breach of contract or otherwise in excess of the fees of the Services.
- 6.4. The Service Provider shall not be liable under any circumstances to the Firm or any third party for any indirect or consequential loss of profit or other economic loss suffered by the Firm howsoever caused, as a result of any negligence, breach of contract, misrepresentation or otherwise.
- 6.5. The Service Provider cannot accept liability for items lost in the post en route to the Service Provider or to the Firm.

7. CONFIDENTIALITY AND CO-OPERATION

- 7.1. The Service Provider shall keep confidential all information disclosed to it by the Firm and to use it only for the purpose of this agreement.
- 7.2. The Service Provider and Firm shall stand in a fiduciary relationship to one another and agree that they will at all times ensure that the necessary procedures are in place and the necessary precaution is taken to ensure that the rights, privileges and interests of the individual Parties (nothing excluded) are at all times properly safeguarded, managed and protected by whatever appropriate means, methods and procedures that may be necessary or appropriate at the relevant time.

8. SUMMARY TERMINATION

- 8.1. Any Party (affected party) may terminate the instructions pertaining a Correspondent transaction immediately or at any time thereafter, should the other Party do anything which in the reasonable opinion of the affected party brings or is reasonably likely to bring the name or logo or reputation or goodwill of the affected party into disrepute, or should the affected Party (in its sole discretion) determine that the other Party is in violation of clause 2.3.
- 8.2. In event of termination, the Service Provider will return all documentation to the Firm against payment of a pro rata portion of the fees, and costs and expenses