



OLALA INTERIORS

EST. 1993

TERMS OF ENGAGEMENT

Thank you for briefing DAMASQUE INTERIORS CC (REG. NO. 1994/016725/23) trading as OLALA INTERIORS.

Below you will find a detailed breakdown of our standard Design Packages, what they entail as well as the relevant fees associated with each service.

Full Turn Key - This outlines the general range of our scope of supply, options to be selected as per individual project requirements and are billed accordingly

OLALA INTERIORS offers a full combination of all design, décor, manufacturing and installation services. We do everything, from the initial Concept design, Procurement to the final Installation and placing of all furniture and window treatments, as well as a site set-up and clean-up.

OLALA INTERIORS co-ordinates the entire, design, décor, procurement and installation process, (including snagging) paying detailed attention to every attributing factor.

Our Sourced Product offering includes:

- Lighting
- Rugs
- Décor and Accessories
- Bespoke Cabinetry
- Art

We Design & Manufacture:

- Built-in Cupboards
- Kitchens
- Bathroom Vanities
- Cabinetry
- Libraries
- All Furniture

Our Design Service covers the following:

- Brand and Logo development and design
- 2-d Plans
- 3-d Rendering
- Electrical Lay-outs
- Plumbing Lay-outs
- Furniture Design
- Lighting Design
- Rug Design

Our Logistics and Installation Service Includes:

- Project Management
- Window Treatment Solutions
- Sourcing
- Delivery
- Site Management and Set-up

Interior Design - Ideal for new builds & renovations

Interior Design is a highly specialised professional service, required with new builds, renovations and space planning. This service is applied to new or existing spaces including offices, restaurants, lodges, residential homes, hotels and boutique guest houses.

From conception and the initial planning phase, through the entire design process to completion, design plays an integral role. The Interior Design process is an intensive and detailed service, with emphasis on technical drawing work and the overall finishes.

The fee is billed at R 175-00 per habitable square metre off plan, subject to a minimum fee of R38,000-00 (excluding VAT) per project.

Initial “**Concept Planning Design**” phase:

What it includes:

- An extensive Briefing/Consultation meeting, gathering as much information from you as required clarifying the overall design vernacular and basic space planning.
- From architectural drawings in dwg format, we shall draw up the Proposed Furniture Layout and review the plumbing, Electrical and Lighting Layouts (should dwg formatted plans not be available, they can be drawn up at R 850/hr (excl. Vat.)

This will be presented to you for review. Based on your feedback OLALA INTERIORS will implement any minor revisions. All subsequent revisions will be charged separately as a variation order, at R 950(excl. Vat.) per hour's additional work.

Upon understanding and acceptance of the above proposed layouts and design, “**Design Development**” can proceed.

What it includes:

- Furniture; Electrical; Lighting; Plumbing; Tiling /Flooring Layouts.
- A “mood presentation” illustrating what we understand your desired aspirations of the appearance of your new home / space to be
- Detailed Room Floor Plans
- Key Elevations
- Selections of individual fixtures - (Sanitary ware, lighting etc)
- Renders of the room may be requested and quoted based on stated below fees.
- A detailed line item Budget.

Furniture design will be billed out at R 950-00 (excluding VAT) per hour.

Our hourly charge for additional 3D renders and/or furniture design during this stage is R950/hr (excl. Vat) or R3000 per Room.

Interior Decorating - Ideal for Property Investors and / or people looking to update an existing space)

Upon engagement, a fee of R9500.00 (excluding VAT) is payable to OLALA INTERIORS.

What it includes:

- An initial Consultation.
- A post briefing site visit within 30km Radius of our offices.
- A "basic mood board presentation" illustrating the *general* "look and feel" of your space.
- Colour conceptualisations.
- On acceptance of the mood presentation the Design Schematic will be prepared, a refined presentation detailing the individual items of furniture, fabric, wallpaper and decorative lighting.

Our hourly charge for additional 3D renders and/or furniture design during this stage is R950/hr (excl. Vat) or R3000 per Room.

Once the designs and specifications have been accepted by you, an itemised costing schedule will be submitted to you for acceptance. A 15% handling fee will be included on items sourced externally. An order confirmation payment, will be requested to enable us to action the manufacturing and procurement.

Should you wish to do your own sourcing, manufacture and installation at this stage, a 15% scheme design fee will be charged on our quotation (including VAT) or in respect of any portion thereof which you decide to source, manufacture or install directly.

Construction Documentation Phase

During this phase every designed aspect is detailed and dimensioned and the drawings required to construct all items, from each custom designed piece of furniture and cabinetry through to every selected finish are prepared.

This Design and Drawing process is intensive and time consuming and a quote will be submitted per individual job for your acceptance, at the hourly rate quoted above.

Procurement:

This Service entails all orders being drawn up, placed and co-ordinated and ensures everything is arranged for installation. This is a particularly administrative process and will vary in extent, as to the type of design service required / selected.

A schedule will be submitted to you reflecting the cost of the items to be ordered, prior to ordering. The schedule will include our handling fee of 15% on the usual retail price of all goods ordered from external suppliers during the procurements stage.

An order confirmation payment (depending on supplier deposit requirements) will be requested to start the manufacturing, ordering and procurement processing in anticipation of installation and completion of the project. Progress payments will be requested with the final payment due within 7 days of installation.

Management Fee:

This Service is whereby we facilitate and oversee any subcontractors work. OLALA INTERIORS will brief the sub-contractors on behalf of the client and oversee their workings. This covers our time, call out and advisory input. We charge a 5% commission on all quotes obtained and then a further 10% on invoices accepted. Payment will work in accordance with the progress payments of works completed. N.B OLALA INTERIORS will not be held responsible for any work carried out by a sub-contractor.

Installations:

This is where the success of all projects is measured. Installation will be effected between 8 – 12 weeks from payment of confirmation of order - depending on complexity – up to 16 -20 weeks for custom manufactured imported items.

It is important to note that OLALA INTERIORS will not take over a site while the builders and sub-contractors are still on site, even if they are only snagging.

Hard experience has shown that high end furniture and décor items cannot be left exposed on site to tilers, plumbers, painters and the like without suffering damage. Consequently, it is agreed that from the moment that the site is handed over to OLALA INTERIORS the site will be closed to all external contractors, suppliers, clients themselves and all other persons who are not employees or representatives of OLALA INTERIORS. On the agreed date and time OLALA INTERIORS will hand back the site.

Should the Client insist that OLALA INTERIORS commence delivery and/or installation while builders or other contractors (electrical, plumbing, painting, cabinet makers, gas installers, etc.) are on site, the delivered and/or installed items will be delivered to or installed on site entirely at the client's own risk and OLALA INTERIORS will not under any circumstances be responsible for any damages to goods delivered or installed to the site. Should OLALA INTERIORS be required to repair or replace damaged items in this case Client will be liable to bear the cost thereof.

While installing, we cannot be held responsible for accidental damage to water or electrical pipes, if not informed of exact location beforehand or placed in possession of current wiring and electrical layout diagrams. If electricals and plumbing was done prior to installation, the client is responsible for the demarcation of points, and any electrical points required for motorisation will be for the client's account. Metal detectors do not pick up rubber and PVC electrical conduiting.

You are required to ensure that you have **comprehensive insurance** cover with respect to all delivered/installed items for the duration of the project as the risk of theft, damage or destruction of these items passes to you on delivery/installation to site. OLALA INTERIORS will assist where damage has occurred after installation, and in the client will be invoiced for repairs and related costs.

Should we not be able to install on the booked day due to any reason beyond our control, goods delivered will be placed in storage and the client will reimburse OLALA INTERIORS for the cost of storage at our usual rate. Currently we charge R 950 (Excl. VAT) per month per 3 x 5 metre storage or part thereof. The quoted delivery charge will also double by reason of the double delivery of the goods.

OLALA INTERIORS will not be held responsible for delays occasioned by force majeure, acts of God or neglect by the client and the contract period will automatically be extended by a period equivalent to the delay. Similarly, you will not be entitled to withhold any scheduled or due payments by reason of said delays.

It is agreed that you will not issue any instructions to employees/sub-contractors of OLALA INTERIORS, or our agents. All instructions or variation orders are to be directed to OLALA INTERIORS in writing before they will be binding on OLALA INTERIORS.

We strongly advise that all furniture and fabric accessories immediately be treated with Fabric or Scotch Guard on site – and at least a day or two before you arrive. This is optional, but you can request us to quote on this in any event.

We forecast delivery dates of finished product on the back of dates supplied to us by our suppliers. Should there be any delay in receipt, manufacture or import of any items or fabrics, we will immediately notify you.

Should any products ordered be delayed or become unavailable then OLALA INTERIORS reserves the right to substitute items and/or fabrics with similar products, whilst adhering to the design specification.

When installing away from home, all costs associated with full board and lodging, travelling, flights, delivery, freight and insurance costs of our teams and product will be borne by the client.

Snagging projects:

As with all projects of this nature certain snags may be evident after site handover. For project finality, you are required to supply OLALA INTERIORS with a written snag list within seven calendar days from site handover. We will attend to the snags by either undertaking remedial work or replacing items where remedial work cannot resolve the snagged issue.

Once the listed snags are attended to the balance of all monies due to OLALA INTERIORS will be paid in full. We will obviously attend to any snags which may be reported or discovered after the initial snagging period, subject to full payment having been received.

Guarantees:

Items not manufactured by OLALA INTERIORS will carry the supplier's guarantees and warranties. While we will assist you in lodging guarantee or warranty claims, all claims will lie directly against the supplier thereof, e.g. including but not limited to Mirrors, Countertops, Glass etc.

FREQUENTLY ASKED QUESTIONS AND OUR TERMS RELATING THERETO:

How are payments made? All payments are to be affected by direct electronic funds transfer into our cheque account. Our banking details are:

OLALA INTERIORS
ABSA Branch Code 632 005
Account Number 405 770 5037

Please note that our **banking details will not change** and that you are to ignore any requests for payment to be made into any other account, even if such requests ostensibly emanate from our offices.

Your first payment will signify acceptance and understanding of the above terms of engagement, regardless of whether this document has been signed.

Procurement amounts as indicated are payable on request, once Décor and/or Design proposals are accepted. We will require a minimum payment of 70% of the quoted price per item, depending on supplier requirements. Suppliers may require payment in full prior to

Manufacturing or importing certain items and in this case our initial payment requirement will also be for our full quoted amount for that item. The balance of the project value is payable on-site handover, less the amount retained for snags mentioned in the next paragraph.

Pending resolution of the written snag list referred to under the heading "Snagging projects" on the preceding page, we permit a retention of five percent of the project value or the aggregate itemised value of the items snagged (whichever is the smaller amount) pending resolution of snags. Once the snags **in the written snag list** are attended to the retention amount must be paid in full.

What happens if payments are not made timeously? Delay on the part of the client with respect to payment of deposits or progress invoices will delay the project as we do not offer financing facilities.

Payments are non-refundable and if any payments due, are not made timeously OLALA INTERIORS reserves the right to either cease all work pending receipt of all due payments or to cancel our agreement. In the latter case, the payments made to OLALA INTERIORS to date will be retained as part payment of all damages or losses occasioned to OLALA INTERIORS by reason of the cancellation. These damages may include storage costs, loss of profit and recovery of disbursements already made in pursuance of the project.

When will the client take ownership of the supplied items? As with good business practice, it is a condition of service and supply that **all items** supplied to you remain the property of OLALA INTERIORS until all amounts due to OLALA INTERIORS by you have been paid in full. You are also reminded that while any amounts are unpaid OLALA INTERIORS will retain an improvement LIEN over the premises until final payment has been received.

Furthermore, should we be required to institute action for recovery of monies owed to us and/or delivery of any property which remains in our ownership while any amounts due to us remain unpaid and/or any damages or losses suffered by reason of your default, we shall be entitled in addition thereto to recover the legal costs incurred thereby on the attorney and client scale. All monies due to us will attract interest at the prime overdraft rate charged by ABSA Bank from time to time, plus four percentage points, calculated and compounded monthly in arrears.

Access to the installation address will be afforded to OLALA INTERIORS after site hand over should there be any snags to be attended to, or while any amounts due to OLALA INTERIORS remain unpaid.

No exchanges or refunds on orders. In the event of a variation order, agreed to by OLALA INTERIORS, a 20% handling fee will be charged.

On completion and payment, a full VAT invoice together with a detailed product list and reconciliation, will be issued to the Client.

Can you stay in your budget? That depends on your changing needs and whether you require any variations on the original quotation. Whilst we endeavour to include all anticipated costs in the budget or initial quotation, these amounts are subject to change in the event there are any changes or variations to the original brief or the project is affected by unforeseen contingencies. Based on past experience, it would be prudent to allow for a contingency of 10 – 15% of the contract value for this. All quotes are obviously only valid for 7 days only and are subject to currency fluctuations. First payment constitutes acceptance of the quotation.

What is Copyright?

OLALA INTERIORS is a Professional Interior Design & Decorating Company, and a Corporate Member of the Institute of Interior Design Professions, the only registered professional institute representing the South African Interior Design Industry. As such, all our conceptual ideas and drawings, as well as the final products are protected under Copyright and Intellectual Property laws of South Africa.

All designs are created and emanate from the talent and labour of our designers and our experience and expertise in the field of interior décor and design. All copyright in and to all drawings, reports, specifications, designs and samples provided by our designers shall remain vested in and reserved by OLALA INTERIORS.

No section or detail may be used, copied or sold, whether for this project or any other, without our written permission. Any use of these, in part or in whole, will result in you being liable for a design fee of 15% on that project value.

We also reserve the right to use photographs and other media depicting your project for purposes of advertising, portfolios, references and publishing.

Do we charge for postages and petties? For all projects over R450,000 we charge a once-off fixed telephone fee of R1250, an administration fee of R2,500 (for printing, general office costs, postages and petties) and local travel fee of R2,500.

How will OLALA INTERIORS account to us for the project? We supply transparent and detailed line item quotes and final accounts, using an internationally acclaimed interior project costing system. If we have made any errors or have omitted something, it will be corrected and included. Please note that we charge per item. If the item is not specifically specified, it is not included. A mood image is just that - and refers to the look and feel. For example, when we quote on cabinetry – the visuals may show for example ovens or stone tops or mirrors - if it is not quoted and specified in the line item costing– it is not included in our price.

QUOTES & ACTUALS All projects start with a budget and select materials and for example appliances. During the project, items may be interchanged or replaced. This will automatically influence the pricing on the project. If a project has been approved in principle, the pricing will be effected and adjusted at date of payment for that item, and is subject to current market price fluctuations and exchange rates. In our industry, there are price increases every March and September. The building market is even more volatile.

We pride ourselves on excellent Client, Supplier and Contractor relationships, meeting and exceeding expectations, and removing most stresses associated with building, renovations and moving. Our craftsmanship is unequalled on the Coast, our delivery on par with the highest international standards, and we share in the enjoyment of successful installation with our Clients.

Thank you for taking the time to read through this document. We would love to have your feedback and thoughts should any of the foregoing require clarification.

Any payments to OLALA INTERIORS constitutes acceptance of our Terms and Conditions and engagement of our Services.

Kindly fill in the form on the next page for our administrative records.

Kind Regards

OLALA INTERIORS TEAM

Acceptance of Conditions of Engagement

I, _____ (name of Client) hereby accept the basic terms as explained herein and would like to engage OLALA INTERIORS.

Address of Projects:

Address for billing:

Name to be invoiced: _____ VAT NO _____

Scope of Works: Decorating: Design: Other:

Cell Number: _____

Office Number: _____

Spouse Name: _____

Contact Number: _____

Person with Keys, name and Number: _____

The engagement fee will be transferred to OLALA INTERIORS, ABSA, branch 632005 Account Number 405 770 5037, and confirmation thereof emailed to admin@olalainteriors.com

SIGNED AT _____ ON THIS DAY _____ 20____

_____ Signature*

NAME IN FULL _____ IDENTITY NUMBER _____

***SURETYSHIP:** *Should the Client not be a natural person, the signatory hereto binds him/herself to OLALA INTERIORS as surety and co-principal debtor for the performance of all of the Client's obligations hereunder. The signatory waives the benefits of revision of accounts, calculation error, no value received and agrees that, that execution need not be first done against the Client before steps may be taken against the signatory in terms hereof.*