



PURITY WAVE

Compliance Notice for the Purchase, Use and Transport of Alcohol Products

To assist our customers in understanding the regulatory requirements that may apply to the purchase, use, storage, handling and transport of alcohol products in South Africa, we provide the general compliance guidance below.

This notice is provided for general informational purposes only. It does not constitute legal, tax, regulatory, transport or technical advice and should not be relied upon as a substitute for independent professional advice. Customers are responsible for ensuring that their activities, facilities, transport arrangements and intended use of the product comply with all applicable laws, regulations, permits, standards and local authority requirements.

1. Legal Requirements for Purchasing Alcohol Products

Any party intending to purchase alcohol products must ensure that it is legally permitted and operationally prepared to receive, store, handle and use the product ordered.

Depending on the product type, intended use, quantity, location, packaging format and delivery method, customers may need to comply with requirements arising under customs and excise legislation, transport legislation, occupational health and safety requirements, fire and environmental requirements, municipal by-laws, zoning controls and any other applicable legal or regulatory framework.

Failure to meet the applicable requirements may result in delivery delays, refusal of delivery, additional costs or other legal and regulatory consequences.

2. Excise Duty and Rebate Considerations

The production, distribution, denaturation, storage and use of ethanol and other alcohol products in South Africa are regulated under the Customs and Excise Act, 1964, as amended, together with the applicable rules, schedules and notices issued from time to time.

Alcohol intended for beverage use is generally subject to the applicable excise duty.



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Alcohol intended for industrial use, scientific use, manufacturing processes or the manufacture of non-beverage products may, in appropriate circumstances and subject to the applicable statutory requirements, qualify for a partial or full rebate or refund of excise duty.

Eligibility depends on the applicable legal provisions, the nature of the product, the intended use, the applicable rebate item, whether denaturation is required, and compliance with all registration, licensing, record-keeping, formula and process requirements.

Where a customer intends to receive or use alcohol under any applicable excise rebate or refund mechanism, the customer must ensure that it has obtained all registrations, approvals, licences and authorisations required by law. Certain categories of product or use may be subject to different requirements or exceptions under the applicable SARS rules and schedules.

Customers are solely responsible for confirming the excise treatment applicable to their intended purchase and use of the product, including whether any rebate, refund, denaturation or rebate-user registration requirements apply.

For official guidance, customers should consult the South African Revenue Service and, where necessary, obtain independent tax or legal advice.

3. Transport Compliance Requirements

3.1 General Transport Classification and Safety

Alcohol products may be classified as dangerous goods for transport purposes depending on their composition, concentration, flash point, packaging configuration, quantity, mode of transport and the applicable legal and technical standards.

Where a product is classified as dangerous goods, its transport must comply with all applicable dangerous goods transport requirements, including those relating to classification, packaging, marking, labelling, documentation, emergency information, vehicle suitability, route planning, training and operational safety controls.

In South Africa, dangerous goods transport compliance is governed by the applicable statutory framework and relevant technical standards.



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Customers and transport operators must not assume that transport requirements can be determined solely by alcohol strength. The correct transport classification and compliance obligations must be confirmed for each product and shipment.

Any non-compliance may result in delays, refusal of loading or delivery, regulatory action, penalties, additional costs, loss or damage, and other legal consequences.

3.2 Responsibilities of the Parties Involved

Depending on the transaction and delivery arrangement, the transport of alcohol products may involve the consignor, the transport operator and the consignee. Each party remains responsible for compliance with the obligations applicable to it under law and under the relevant commercial arrangements.

(A) Our Responsibilities as Consignor

Where we act as consignor, we will take reasonable steps, as applicable to the product and shipment, to:

- provide relevant product information reasonably necessary for lawful and compliant dispatch, including product description and available safety information;
- supply or make available the relevant Safety Data Sheet where applicable;
- package and dispatch products in a manner appropriate to the product classification and agreed delivery format;
- ensure that any dangerous goods shipment dispatched by us is prepared in accordance with the applicable legal and technical requirements;
- cooperate with the appointed transport operator regarding loading, dispatch and required shipment information; and
- refrain from knowingly misdeclaring the nature of the goods.

(B) Responsibilities of the Transport Operator

The appointed transport operator, whether nominated by the customer or otherwise arranged, is responsible for ensuring that it is legally authorised and operationally competent to carry the relevant shipment.

This includes, where applicable:

- holding all permits, licences, approvals and authorisations required for the transport of the shipment;
- using vehicles, equipment and packaging systems that are suitable and legally compliant for the relevant product classification;



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- ensuring that drivers and any other required personnel are properly trained, competent and authorised;
- carrying the required documentation, placards, emergency information and safety equipment;
- maintaining vehicles and safety systems in good operating condition; and
- conducting the transport operation in compliance with the applicable law, standards and route or operational restrictions.

(C) Responsibilities of the Customer / Consignee

The customer or consignee is responsible for ensuring that its receiving, unloading, handling and storage arrangements are suitable for the product ordered and compliant with all applicable legal requirements.

This includes, where applicable:

- ensuring that the delivery site, unloading area, storage area and receiving equipment are safe, accessible, compatible with the delivery method and suitable for the relevant product;
- ensuring compliance with all applicable occupational health and safety, fire, environmental, zoning, building, municipal and local authority requirements;
- ensuring that appropriately trained and authorised personnel are available to receive and supervise the unloading process;
- checking the shipment against the order and delivery documentation before unloading;
- ensuring that receiving tanks, containers, hoses, couplings or other receiving systems are suitable, compatible and have sufficient capacity;
- stopping unloading immediately if leakage, spillage, damage, mismatch, unsafe conditions or any other abnormality is identified; and
- obtaining any site-specific permits, approvals or permissions required for the lawful receipt or unloading of the product at the delivery location.

Where the product being delivered is flammable or otherwise hazardous, the customer must also ensure that all additional site safety controls required by law and good operating practice are in place before unloading commences.

4. Compliance Reminder and Limitation of Responsibility

All parties involved in the purchase, transport, receipt, storage, handling and use of alcohol products must comply with the laws, regulations, standards, licence conditions and local requirements applicable to their specific activities.



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Nothing in this notice relieves any customer, consignee, transport operator or other third party of its own legal responsibility to determine and comply with the requirements applicable to its operations, facilities, permits, intended use and transport arrangements.

We reserve the right to refuse, suspend or delay supply or delivery where we reasonably believe that a transaction, shipment, delivery site or receiving arrangement does not satisfy applicable compliance or safety requirements.

For official guidance, customers should consult the relevant South African authorities, including SARS and any other competent regulatory, transport or local authority bodies, and should obtain independent professional advice where appropriate.