

SERVICE LEVEL AGREEMENT

ENTERED BY AND BETWEEN

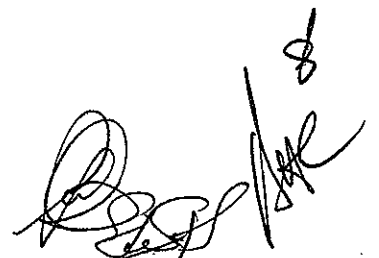
THE SIYANCUMA LOCAL MUNICIPALITY HEREIN REPRESENTED BY MR IWJ STADHOUER IN HIS CAPACITY AS THE ACCOUNTING OFFICER AND HE BEING DULY AUTHORISED TO DO SO.

(Hereinafter referred to as "the Municipality")

AND

ABUTI MANAGEMENT CONSULTING WHICH IS A CLOSE CORPORATION WITH REGISTRATION NUMBER 2000/14473/23 WITH ITS PRINCIPAL BUSINESS ADDRESS AT 14 ERIC ROSENDORFF STREET, FICHARDTPARK, 9317 HEREIN REPRESENTED BY ALBERT HERMIAS CORNELIS VAN ZYL IN HIS CAPACITY AS THE PROJECT MANAGER AND HE BEING DULY AUTHORIZED TO DO SO

(Hereinafter referred to as "the Consultant")



1. PREAMBLE

WHEREAS the Siyancuma Local Municipality (the Municipality) is to provide an organisational development and hands support solution to the municipality

AND WHEREAS the Municipality requires the services of the Consultant to conduct the said project on its behalf;

AND WHEREAS the Consultant's tender in this regard had been accepted by the Department, thereby establishing a tender contract.

AND WHEREAS certain finer details have to be further elaborated upon, as provided for by the tender contract.

NOW THEREFORE THE PARTIES FURTHER SPECIFICALLY AGREE AS FOLLOWS:

2. DEFINITION AND INTERPRETATION

In this agreement, unless the context indicates otherwise:

"Commencement date" 1 December 2012;

"Consultant" means Abuti Management Consulting;

"Contract price" means the approved R150,000.00 (One Hundred And Fifty Thousand) per month excluding VAT, for 36 months, payable by the last working day per month on a tax invoice delivered by the consultant

"Municipality" means the Siyancuma Local Municipality

"Parties" means the Municipality and the Consultant;

"Termination date" means 30 November 2015;

"This agreement" means this agreement, all its appendices and any amendments to it.



3. OBLIGATIONS OF THE PARTIES

3.1 THE CONSULTANT

The Consultant must:

- 3.1.1 Collate and analyse all information on service delivery projects undertaken within the developmental local government context in the province.
- 3.1.2 Verify all the information with all municipalities and stakeholders involved.
- 3.1.3 Provide a consolidated close out report to the Municipality as expected in terms of this agreement.
- 3.1.4 Attend all steering committee convened by the Department: Provided that the Consultant may, when it is necessary to do so, requests the Municipality to convene such steering committee meeting.
- 3.1.5 The parties agree that the Consultant shall perform its obligations in terms of this agreement as contained in the project work plan appended hereto as annexure "A"

3.2 THE MUNICIPALITY

The Municipality must:

- 3.2.1 Co-operate with the service provider and not interfere with or obstruct the proper performance of the service.
- 3.2.2 At all material times and where necessary, assists the Consultant in fulfilling its undertakings in this agreement.
- 3.2.3 Process and effect payment to the Consultant timeously.
- 3.2.4 The Municipality and the consultant must extend the reserves agreement after its expiry date if both parties are in agreement to extend the agreement

4. REMUNERATION AND DURATION OF THE AGREEMENT

- 4.1 Payment shall be done per month, on the last working day of the month, on deliverance of an tax invoice.



- 4.2 If for whatever reason, there is a dispute on some parts of amounts reflected in the invoice, the parties agree that the Municipality shall pay such amounts that are not in dispute and must settle the dispute within 5 working days.
- 4.3 This agreement commences on 1 December 2012 until 30 November 2015 which is termination date. The agreement is for a period of 36 months and comes to an end on the termination date.

5. DELIVERABLES

The Consultant must submit the deliverables to the Municipality as outlined in the project work plan appended to this agreement.

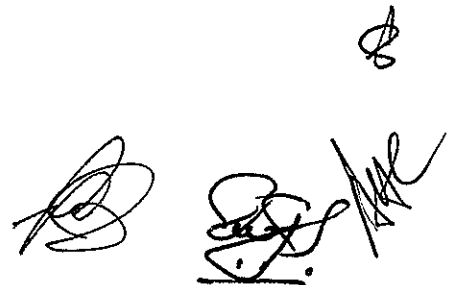
6. WARRANTIES

The Consultant warrants that it possesses the necessary capacity, experience and expertise to provide the services required by the department.

7. OWNERSHIP OF DATA AND DOCUMENTS

- 7.1 All research reports, statistics and any raw data or processed data generated during the research shall be submitted to and shall be the property of the Municipality
- 7.2 The ownership and copyright of all reports as prepared by the Consultant for execution of his duty under this agreement vests with the Municipality
- 7.3 The Municipality shall be entitled, either directly or indirectly, to make use of such reports as deemed fit.

8. CONFLICT OF INTEREST

Handwritten signatures and initials at the bottom right of the page. There are three distinct signatures: a large, stylized signature on the left, a signature in the middle, and a signature on the right with a small circular mark above it.

- 8.1 Unless otherwise agreed to in writing by the municipality, the Consultant and its personnel shall have no interest in nor receive remuneration in connection with this agreement other than provided for herein.
- 8.2 The Consultant may not engage in any activity that may conflict with the interest of the Municipality under this agreement.

9. PUBLICITY AND PUBLICATION

- 9.1 The Consultant may not release public or media statement or public material related to the services without the written approval of the Department, which approval may not be unreasonably withheld.
- 9.2 The Municipality may not make premeditated public or media statements relating to the services provided by the Consultant without the prior and full knowledge of the Consultant.

10. BREACH

Should either party breach any material term, condition, undertaking or representation contained in the agreement, and fail to remedy such breach within fourteen (14) days or such longer period as may be reasonably be necessary in terms of the circumstances of the notice of demand, the party requiring such breach is entitled at its election to invoke any sub-clause under clause 11.

11. DISPUTE RESOLUTION

11.1 SETTLEMENT

The parties shall negotiate in good faith, with a view to settling any dispute or claim arising out of or relating to this agreement, and may not initiate any further proceedings until either party has, in writing to the other, declared that such negotiations have failed.



11.2 MEDIATION

- 11.1.1 The parties must strive to settle any dispute arising out of or in connection with this agreement amicably.
- 11.1.2 The parties must jointly refer, to a mutually agreed mediator, any dispute which cannot be settled amicably, to be carried out by and on such terms as determined by the mutually agreed mediator.

11.3 ARBITRATION/LITIGATION

If either party is dissatisfied with the outcomes of the mediation or should the mediation fail, then such party may:-

- a. Serve process instituting action out of such dispute in a competent civil court; or
- b. with the consent of the other party, refer the dispute to arbitration by a single arbitrator mutually agreed by the parties or, if failing to agree, to be nominated by a mutually respected person. The arbitration must be in accordance with the provisions of the Arbitration Act of 1965 as amended.

12 DOMICILIUM CITANDI ET EXECUTANDI

12.1 The Parties choose as their domicilia citandi et executandi for all purposes under this agreement, whether in respect of court process, notices or documents or communication of whatsoever nature, the following addresses:

The Municipal Manager
Siyancuma Local Municipality
P.O.Box 32813
Douglas
8730
Telephone numbers: 053 298 1018
Facsimile: 053 298 3141



The Project Manager
Masilakhe Management Consulting
2b Schmidtsdrift
KIMBERLEY
P.O.BOX 899
KIMBERLEY
8301
Telephone number: 051 522 6766
Facsimile: 086 650 8824

- 12.2 Every notice to be given by one party to the other in terms of this agreement must be in writing and must be:
- 12.2.1 delivered by hand, in which case it is deemed to have been delivered to the recipient party;
 - 12.2.2 posted by registered post, in which case it is deemed to have been delivered and the recipient party will be deemed to have been informed of the contents of the notice on the fifth business day excluding Saturdays, Sundays and public holidays after the posting;
 - 12.2.3 sent by facsimile transmission to the receiving station situated at the domicilium citandi et executandi of the recipient party, in which case it is deemed to have been received by the recipient party and such party will be deemed to have been informed of the contents.

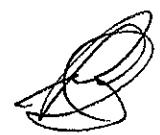

SIGNED at DOUGLAS on this 15th day of NOVEMBER 2012.

AS WITNESSES:

1. 

2.


For the Municipality

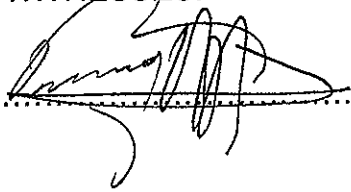
 

I.W.J. STADHOVER

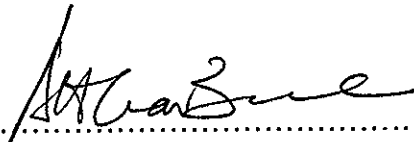
Name in block letters

SIGNED at DOUGLAS on this ^{15th}.....day of NOVEMBER 2012.

AS WITNESSES:

1. 

2.



For the **CONSULTANT**

A.H.C. VAN ZYL

Name in block letters

