

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

### Service Level Agreement

ITEM NO	DETAILS REQUIRED	DETAILS PROVIDED
1	Project Name	Construction of ward 14 sports field
2	The Contractor /Contractor	MVI Construction JV Den Plant Hire
3	Contract Number	6 / 2 / 1 / 211
4	Contractor's Active Postal Address	PO BOX 1020 MARGATE 4275
5	Commencement Date	<u>03-09-2019</u>
	Termination Date	<u>03-04-2020</u>
6	.1 Contractor's Active Fax No.	086 539 4594
	.2 Telephone Numbers	073 128 4594
	.3 Contractor's E-mail Address	mvuyisi@mviconstruction.co.za <u>cent10webmail.co.za</u>
7	Contract Amount	R 7 423 145-25

JFM  
M.M  
ZS

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulum.gov.za](mailto:info@umzimkhulum.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

8	Annexures	(a) Tender Document ; (b) Appointment Letter; (c) Acceptance Letter;
---	-----------	--

### Approval

(By signing below, all Approvers agree to all terms and conditions outlined in this Agreement.) Please note however that the document to be signed will read along together with the document that will be marked "Annexure A" - Tender Document (the document marked Annexure A "shall there in have all the obligations, schedules and other documents that is relevant for the contractor to render service successfully).

In case where the signed documents contradicts any of the terms to this agreement the proposal document shall be then be used as a guiding document to this agreement

Approvers	Role	Signed	Approval Date
Mvi Construction Jv Den Plant Hire	Contractor		08/08/2019
UMZIMKHULU LOCAL MUNICIPALITY	Client		

JF-M

M.M  
Z.S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

### Agreement Overview

This Agreement represents a Service Level Agreement ("SLA" or "Agreement") between Mvi Construction Jv Den Plant Hire herein represented by Mr Mvuyisi Mfingwana in his capacity as the Director and or Sponsor who is nominated in terms of the Joint venture agreement signed between Mvi Construction and then Plant Hire. and UMzimkhulu Local Municipality represented by Mr. ZS Sikhosana in his capacity as the municipal Manager. Whereas this agreement is signed between the said joint companies and Umzimkhulu municipality ,

Whereas Mvusi is a sponsor who will be managing this construction of ward 14 sports field , but he will together with the Director of Den Plant Hire Jointly and severally liable in any claims that may arise as a result of the signing of this agreement

This Agreement remains valid until superseded by a revised agreement mutually endorsed by the stakeholders.

This Agreement outlines the parameters of constructing ward 14 sports field .The Contractor responded to the advert / invitation to a tender no ULM-INFR039/19 for the Construction of ward 14 sports field , and the closing date for the advert was on the 17<sup>th</sup> May 2019

UMzimkhulu Local Municipality thereto appointed Mvi Construction JV Den Plant Hire Wherefore Mvi Construction JV Den Plant Hire was appointment by the UMzimkhulu Local Municipality and the duration of the contract shall be 6 Months starting from the 03-09- 2019 and ending on the 03-04- 2020

### 1. Goals & Objectives

The purpose of this Agreement is for the provision of Constructing ward 14 sports field All the objectives are clearly defined in the schedule marked "Annexure A" (Terms of Reference) wherein the contractor will Construct ward 14 sports field as it is stated in terms of the tender document

J.T.M

M.M  
Z.S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

The municipality shall advise the Contractor in writing whenever there is change that is to be added or to be taken out of this agreement.

It is therefore agreed between the parties that all product offered items shall comply with the latest relevant code of South African National, Provincial Regulations and Legislations

### 2. Stakeholders

The following Contractor , Mvi Construction Jv Den Plant Hire and Customer(s)/ Client Umzimkhulu Local Municipality will be used as the basis of the Agreement and represent the primary stakeholders associated with this SLA

Contractor (s): Mvi Construction Jv Den Plant Hire

Having its head office at: Lot 1599 , Reveria Crescent

Uvongo

4270

Telephone 073 128 4594

Fax number 086 539 4594

Customer(s): UMzimkhulu Local Municipality ("Client")

Having its office at 169 Main Street, Private Bag 53, UMzimkhulu, 3297

J.T.M

M.M  
Z.S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

### 3. Periodic Review

This Agreement is valid from the Effective Date outlined herein and is valid until further notice (This agreement is valid from the effective date till the time when the intended objectives are met / or This Agreement should be reviewed any time whilst the contractor is still rendering the services to the client; however, in lieu of a review during any period specified, the current Agreement will remain in effect.

The end user department manager ("Document Owner") is responsible for facilitating regular reviews of this document. Contents of this document may be amended as required, provided mutual agreement is obtained from the primary stakeholders and communicated to all affected parties.

The Document Owner will incorporate all subsequent revisions and obtain mutual agreements / approvals as required.

The contractor must report and submit monthly progress report covering all aspects of the project in detail to the end user department manager.

The report must be submitted to the manager not later than 5 days before the end of each month / or can submit the report in terms of the agreed specifications set out in the debriefing meeting that takes place before the project commenced

All the pro forma that may be given to the contractor must be used as the basis of submitting these reports

### 4. Definitions

The following terms shall be interpreted as indicated:

- **"Acceptable bid"** means any bid, which, in all respects, complies with the specifications and conditions of the bid as set out in the bid document.

JF-m

M.M

28

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

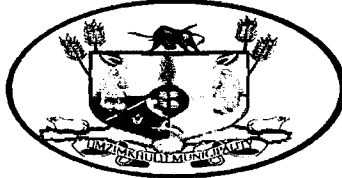
- **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of State for the provision of goods, works or services.
- **“Black enterprise”** means an enterprise that is 50, 1% owned by black persons and where there is substantial management control. Ownership refers to economic interest while management refers to the membership of any board or similar governing body of the enterprise.
- **“Black empowered enterprise”** means an enterprise that is at least 25, 1% owned by black persons and where there is substantial management control. Ownership refers to economic interests. Management refers to executive directors. This is whether the black enterprise has control or not.
- **“Black people”** includes all African, Coloured or Indian persons who are South African citizens by birth or by descent or who were naturalized prior to the commencement of the constitution in 1993. In addition, the term also includes black people who became South African citizens after the constitution's commencement but who would have been able to be naturalized prior to this, were it not for the Apartheid laws which prohibited naturalization of certain persons. This means that an African, Coloured or Indian person who was not a South African citizen before the commencement of the

JF-M

M.M

Z-S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulum.gov.za](mailto:info@umzimkhulum.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

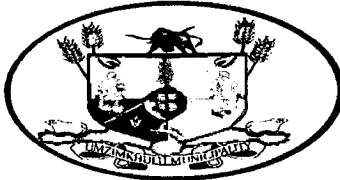
constitution in 1993 but who would have been entitled to apply to be naturalized prior to 1993, will also be considered a black person and therefore a beneficiary of BEE.

- **“Black woman-owned enterprise”** means an enterprise with at least 25, % representation of black women within the black equity and management portion.
- **“Closing time”** means the date and hour specified in the bidding documents for the receipt of bids.
- **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration.
- **“Community or broad-based enterprise”** means an enterprise that has an empowerment shareholder who represents a broad base of members such as a local community or where the benefits support a target group, for example black women, people living with disabilities, the youth and workers. Shares are held via direct equity, non-profit organizations and trusts.

Benefits from the shareholding should in a measurable sense be directed towards the uplifting of the community through job creation, welfare, skills development, entrepreneurship and human rights. At the same time, directors and management of groups should significantly comprise black persons.

J.F.M  
M.M  
Z-S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 455

These arrangements are appropriate in situations where the activities or operations of an enterprise or industry directly impact on a community or are located in a community, or may benefit a community. Notable examples are large industrial projects, mining and tourism. Other instances, which do assist in broadening the shareholder base, are employee share ownership schemes; these are a viable empowerment shareholder option. In this and other circumstances, these arrangements should not detract from the ability of the shareholder to exercise significant influence or control over the operations of the business.

- **“Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.
- **“Contract”** means the written agreement entered into between the Client and the contractor, this shall also mean (Contractor and Customer), as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- **“Contract price”** means the price payable to the contractor under the contract for the full and proper performance of his contractual obligations.

JTM  
M.M  
Z.S



169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- **“Control”** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.
- **“Co-operative or collective enterprise”** is an autonomous association of persons who voluntarily join together to meet their economic, social and cultural needs and aspirations through the formation of a jointly-owned enterprise and democratically controlled enterprise.
- **“Corrupt practice”** means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- **“Countervailing duties”** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- **“Country of origin”** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially

JFM  
M.M  
ZS

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

different in basic characteristics or in purpose or utility from its components.

- **"Day"** means calendar day.
- **"Delivery"** means delivery in compliance with the conditions of the contract or order.
- **"Delivery ex stock"** means immediate delivery directly from stock actually on hand.
- **"Delivery into consignees store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the contractor bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- **"Disability"** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- **"Dumping"** occurs when a private enterprise abroad markets its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

JFM  
M.M  
Z

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- **"Equity Ownership"** means the percentage ownership and control, exercised by individuals within an enterprise.
- **"Force majeure"** means an event beyond the control of the contractor and not involving the contractor's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the Client in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- **"Fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- **"GCC"** means the General Conditions of Contract.
- **"Goods"** means all of the equipment, machinery, and/or other materials that the contractor is required to supply to the Client under the contract.
- **"Historically Disadvantaged Individual (HDI)"** means a South African citizen -

Jim  
25 M.M

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- who, due to the Apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act 200 of 1993) ("the interim Constitution"); and/or
- who is a female; and/or
- who has a disability:

provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be a HDI.

- **Imported content**" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the contractor or his subcontractor s) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

JT #1

Z.S. M.M.

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- **“Local content”** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- **“Management”** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.
- **“Manufacture”** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- **“Order”** means an official written order issued for the supply of goods or works or the rendering of a service.
- **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.
- **“Parliament”** means Parliament of the Republic of South Africa as set out in Chapter Four of the Constitution.

J.T.M  
25 M.M

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulum.gov.za](mailto:info@umzimkhulum.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- **"Person"** includes reference to a juristic person.

**"Project site"** where applicable, means the place indicated in bidding documents.

- **"Client"** means the organization purchasing the goods.
- **"Rand value"** means the total estimated value of a contract in Rand denomination that is calculated at the time of the bid invitations, and includes all applicable taxes and excise duties.
- **"Republic"** or **"RSA"** means the Republic of South Africa.
- **"RFP"** means Request for Proposal.
- **"RFT"** means Request for Tender.
- **"RFQ"** means Request for Quotation.
- **"SCC"** means the Special Conditions of Contract.
- **"Secretary"** means the Secretary to Parliament.
- **"Services"** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the contractor covered under the contract.

JFM

M.M  
2-5

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulum.gov.za](mailto:info@umzimkhulum.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulations, 2001. In addition to above-mentioned goals, the Regulations [12. (1)] also make provision for organs of State to give particular consideration to procuring locally manufactured products.
- **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (Act 102 of 1996).
- **“Sub-contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such a primary contractor in the execution of part of a project in terms of the contract.
- **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.
- **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
- **“Written” or “in writing”** means handwritten in ink or any form of electronic or mechanical writing.

JFM  
M.M  
25

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

### 5. Application

- These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

### 7. Standards

- The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

### 8. Use of contract documents and information; inspection

- The contractor shall not, without the Client's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Client in connection therewith, to any person other than a person employed by the contractor in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

59-11  
M.M  
25



169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- The contractor shall not, without the Client's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the Client and shall be returned (all copies) to the Client on completion of the contractor's performance under the contract if so required by the Client.

The contractor shall permit the Client to inspect the contractor's records relating to the performance of the contractor and to have them audited by auditors appointed by the Client, if so required by the Client

### 9. Patent rights

- The contractor shall indemnify the Client against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the Client.

### 10. Performance security

- Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the Client the performance security of the amount specified in SCC.

S.T.M  
M.M  
Z.S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- The proceeds of the performance security shall be payable to the Client as compensation for any loss resulting from the contractor's failure to complete his obligations under the contract.
- The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the Client and shall be in one of the following forms:
  - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the Client's country or abroad, acceptable to the Client, in the form provided in the bidding documents or another form acceptable to the Client; or
  - (b) a cashier's or certified cheque
- The performance security will be discharged by the Client and returned to the contractor not later than thirty (30) days following the date of completion of the contractor's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

### 11. Warranty

- The contractor warrants that the goods supplied under the contract are new, unused, of the most recent or current models and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The contractor further

54m  
M.M  
25

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the Client's specifications) or from any act or omission of the contractor, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

- This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- The Client shall promptly notify the contractor in writing of any claims arising under this warranty.
- Upon receipt of such notice, the contractor shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the Client.
- If the contractor, having been notified, fails to remedy the defect(s) within the period specified in SCC, the Client may proceed to take such remedial action as may be necessary, at the contractor's risk and expense and without prejudice to any other rights which the Client may have against the contractor under the contract.

5 Jan  
M.M  
25

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

Municipal VAT No: 4300156819.; Contractor 's VAT  
No and Contractor 's signature;

- Invoice to clearly state TAX INVOICE;
- All invoices should be addressed to the Municipal  
Manager, Umzimkhulu Municipality, P.O. Box 53,  
Umzimkhulu, 3297 and shall quote the Project Name  
and Number.

### 13. Prices

- Prices charged by the contractor for goods delivered and services  
performed under the contract shall not vary from the prices quoted  
by the contractor in his bid, with the exception of any price  
adjustments authorized in SCC or in the Client's request for bid  
validity extension, as the case may be.

### 14. Contract amendments

- No variation in or modification of the terms of the contract shall be  
made except by written amendment signed by the parties  
concerned.

M.M. JFM

2-5

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

### 15. Assignment

- The contractor / Contractor shall not assign, in whole or in part, its obligations to perform under the contract, except with the Client's / Customer prior written consent.

### 16. Subcontracts

- The contractor shall notify the Client in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the contractor from any liability or obligation under the contract.

### 17. Delays in the contractor's performance / Contractor

- Delivery of the goods and performance of services shall be made by the contractor in accordance with the time schedule prescribed by the Client in the contract.
- If at any time during performance of the contract, the contractor or its subcontractor (s) should encounter conditions impeding timely delivery of the goods and performance of services, the contractor shall promptly notify the Client in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the contractor's notice, the Client shall evaluate the situation and may at his discretion extend the contractor's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

ST.M  
M.M  
Z.S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the contractor's point of supply is not situated at or near the place where the supplies are required, or the contractor's services are not readily available.
- Except as provided under GCC Clause 25, a delay by the contractor in the performance of its delivery obligations shall render the contractor liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- Upon any delay beyond the delivery period in the case of a supplies contract, the Client shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the contractor's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the contractor .

ST.M  
M.M  
2-5

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

### 18. Penalties

- Subject to GCC Clause 25, if the contractor fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the Client shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The Client may also consider termination of the contract pursuant to GCC Clause 23.

### 19. Termination for default

- The Client, without prejudice to any other remedy for breach of contract, by written notice of default sent to the contractor, may terminate this contract in whole or in part:
  - (a) if the contractor fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the Client pursuant to GCC Clause 21.2;
  - (b) if the Contractor fails to perform any other obligation(s) under the contract; or
  - (c) If the contractor, in the judgment of the Client, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

S.T.M  
M.M  
Z

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulum.gov.za](mailto:info@umzimkhulum.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

20. In the event the Client terminates the contract in whole or in part, the Client may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the contractor shall be liable to the Client for any excess costs for such similar goods, works or services. However, the contractor shall continue performance of the contract to the extent not terminated.

### 21. Anti-dumping and countervailing duties and rights

- When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favorable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

JFM

M.M  
ZS



169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

### 22. Force Majeure

- Notwithstanding the provisions of GCC Clauses 22 and 23, the contractor shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- If a force majeure situation arises, the contractor shall promptly notify the Client in writing of such condition and the cause thereof. Unless otherwise directed by the Client in writing, the contractor shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

### 23. Termination for insolvency

- The Client may at any time terminate the contract by giving written notice to the contractor if the contractor becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the contractor, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Client.
- This agreement shall terminate on occurrence of any of the following events:
- In the event that the contractor breaches any term of this Agreement and has failed to correct its breach within the time

J.M

M.M  
25

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

provided therefore, then and in that event the customer may proceed to cancel and terminate the agreement.

- In the event of termination of this Agreement for any reason whatsoever, irrespective of whether it is by agreement, breach or expiry of time. This agreement shall be considered as terminated;

### 24. Settlement of Disputes

- If any dispute or difference of any kind whatsoever arises between the Client and the contractor in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Client or the contractor may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- Notwithstanding any reference to mediation and/or court proceedings herein,

J.T.M  
M.M  
Z.S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulum.gov.za](mailto:info@umzimkhulum.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the Client shall pay the contractor any monies due the contractor .

### 25. Limitation of liability

- Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
  - (a) the contractor shall not be liable to the Client, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the contractor to pay penalties and/or damages to the Client; and
  - (b) the aggregate liability of the contractor to the Client, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

5/1  
A

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulum.gov.za](mailto:info@umzimkhulum.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## **BUDGET & TREASURY DEPARTMENT**

PROVINCE OF KWAZULU-NATAL  
KZN 435

### **26. Governing language**

- The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

### **27. Applicable law**

- The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

### **28. Notices**

- Every written acceptance of a bid shall be posted to the contractor concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

### **29. Taxes and duties**

- A foreign contractor shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the Client's country.

GTm

M.M.

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulu.gov.za](mailto:info@umzimkhulu.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- A local contractor shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the Client.
- No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid, Parliament must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services (SARS).

### 30. Ownership and Copyright

- Ownership of all products produced in terms of this agreement, of whatever nature, vest in Parliament.
- The copyright of products, of whatever nature, commissioned and produced in terms of this agreement, and that have been paid for by the Secretary are owned exclusively by Parliament.

### 31. Service Agreement

The contractor shall render services as stipulated therein in the scheduled marked "Annexure A" should there be conflict to the annexure bid proposal marked "Annexure B" (Request for provision / to provide the Constructing ward 14 sports field shall serve as the guarding line to any conflicts arise out of this agreement.

### 32. Customer Requirements

Customer responsibilities and/or requirements in support of this Agreement include:

J.T.M

M.M.S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulum.gov.za](mailto:info@umzimkhulum.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- Payment for all support costs at the agreed interval.
- Reasonable availability of customer representative(s) when resolving a service related incident or request.
- Shall provide any information necessary to help the contractor achieve outlined objectives in "Annexure A"
- Shall upon receipt of any relevant documentation on payments, pay the contractor as it prescribed by the treasury regulations

### 33. Contractor Requirements / Contractor

- Provision of the Constructing ward 14 sports field as in terms of the tender documentation tendered and accepted by the client.

### 34. Service Expected from the Contractor

Coverage parameters specific to the service(s) covered in this Agreement are as follows:

- The Contractor will be required to render / provide the services as stipulated by "Annexure A", and drive the project in conjunction with the necessary stakeholders and all other relevant interested and affected groups.

### 35. Service Requests

In support of services outlined in this Agreement, the Contractor will respond to service related incidents and/or requests submitted by the Customer within the following time frames:

- 0-8 hours (during business hours) for issues classified as High priority.
- Within 48 hours for issues classified as Medium priority.
- Within 5 working days for issues classified as Low priority.

G.T.M  
M.M  
2-5

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

Remote assistance will be provided in-line with the above timescales dependent on the priority of the support request.

### 36. Breach

If the contractor commits;

- Commits a material breach of this Agreement and fail to remedy the breach within 10 (ten) Business Days after receipt from the customer of written notice calling upon it to do so;
- Commits or attends to commit an act of insolvency;
- Goes into liquidation whether provisionally or finally;
- Delegate, cedes or subcontracts this Agreement or part thereof in contravention of the provisions hereof;
- Offers, promises or gives a bribe or other gift or remuneration to any officer or employee in the service of the ULM in connection with the execution of this Agreement;
- Abandons or otherwise repudiates any of its obligation in terms of this Agreement;
- Consistently fails to observe any material provision of this Agreement;

Then the customer shall be entitled in addition to its step-in-rights to without prejudice to any other right it may have in law or in terms of this Agreement to enforce specific performance of the terms of this Agreement or to cancel this Agreement forthwith on notice to the contractor and in either event recover such damages as it may have sustained.

The customer;

JT.M  
M.M.S

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- Commits a material breach of this Agreement and fails to remedy the breach within 10 (ten) Business Days of receipt from the contractor calling upon it to do so or;
- Commits a breach of any payment obligation in terms of this Agreement and fails to make payment within 30 (thirty) Business Days after receipt from the contractor of notice calling upon it to do so, then contractor will be entitled, in addition to and without prejudice to any other right it may have in law to enforce specific performance in the terms of this Agreement or to cancel the Agreement forthwith and in either event to recover such damages as it may have sustained.

### 38. General

No act of relaxation on the part of the customer in regard to the carrying out of any of the contractor's obligations in terms of this Agreement shall prejudice or be deemed to be a waiver of any of the customer's rights and terms hereof.

- No act of relaxation on the part of the contractor in regard to the carrying out of any of the customer's obligations in terms of this Agreement shall prejudice or be deemed to be a waiver of any of the contractor's rights in terms hereof.
- This agreement constitutes the entire contract between the parties to this Agreement and neither of them may rely on any representation, undertaking, term or condition that is not included in this Agreement.
- No agreement to vary, add or cancel this Agreement shall be of any force or effect unless reduced to writing and signed on behalf of the parties.

JF.M

M.M  
ZS



169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhulum.gov.za](mailto:info@umzimkhulum.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

- The service shall report to the Infrastructure department - manager in charge of the project on monthly basis. Unless otherwise indicated in the bidding documents, the Client shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

SIGNED BY THE CUSTOMER" ULM" AT UMZIMKHULU THIS 8<sup>th</sup> DAY OF  
AUGUST 2019

Z.S. SIKHOSANA

Name

In his capacity as the ULM Municipal Manager

Witness

1. Mthobisi Mthoko

Name

Signature

Witness

2. \_\_\_\_\_

Name

Signature

SIGNED BY THE Contractor AT Umzimkhulu THIS 8<sup>th</sup> DAY OF  
AUGUST 2019

The Director

M. M. FINGWANA

Name

169 Main Street  
Private Bag 53  
Umzimkhulu  
3297



Email: [info@umzimkhululm.gov.za](mailto:info@umzimkhululm.gov.za)  
Tel: (039) 259 5000/5300  
Fax: (039) 259 0427

## BUDGET & TREASURY DEPARTMENT

PROVINCE OF KWAZULU-NATAL  
KZN 435

Witness

1. APHIWE MFINGWANA

Name

Witness

2. S. SIBIYA

Name

Signature

Signature