SERVICE LEVEL AGREEMENT

Made and entered into between:

DEPARTMENT OF HUMAN SETTLEMENTS

(A Department within the Government of the Republic of South Africa)

Herein represented by Mr Johan Wallis in his capacity as the Chief Director: Project Implementation Facilitation and he being duly authorized hereto.

(Hereinafter referred to as "the Department/DHS")

And

CENTRE FOR MUNICIPAL RESEARCH AND ADVICE

(An entity related to the South African Local Government Association)

(VAT: 4610227623)

Herein represented by Ms Letitia Naid in her capacity as the Chief Executive Officer and she being duly authorized thereto.

(Hereinafter referred to as "the Service Provider")
RECORDAL

A. Whereas

the National Department of Human Settlements (DHS) has appointed the Centre for Municipal Research and Advice (CMRA) in terms of their proposal approved by the Department of Public Service and Administration (DPSA) to train municipal officials with the exception of councilors, on rendering services to the public with regard to the Rental Housing Amendment Act 35 of 2014 (the Act) and the consequences thereof.

B. Accordingly,

CMRA (the Service Provider) shall provide training in municipalities within the Gauteng, KwaZulu Natal, Limpopo, Mpumalanga, North West, and Western Cape Provinces and the Service Provider accepts the appointment on terms and conditions recorded in this Agreement, including the Approved Proposal (herein attached as Annexure A), which shall govern the relationship between the Parties.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS

1  DEFINITIONS AND INTERPRETATIONS

1.1  In this Service Level Agreement unless inconsistent with or otherwise indicated by the context:

1.1.1  "Agreement" means this Service Level Agreement and any annexure/s attached and to be attached in the future as agreed to in this Agreement.

1.1.2  "Effective Date" Notwithstanding the date of signature herein this Agreement shall be effective from 06 February 2017.

1.1.3  "Department/DHS" means the National Department of Human Settlements as fully described in the first page of this Agreement.

1.1.4  "Parties" means the Parties as fully described on the first page of this Agreement.
1.1.5 "Project" means the entire facilitation of the Services as recorded in clauses 3 and 4.

1.1.6 "Services" shall bear the meaning ascribed thereto in clause 3.

1.1.7 "Service Provider" refers to Centre for Municipal Research and Advice as fully described on the first page of this Agreement.

1.1.8 "Termination date" means 18 (eighteen) months after effective date which is 05 August 2018, unless the Agreement is terminated earlier in terms of clause 12 below, or is extended for a further period based on mutual agreement between the parties.

1.2 The headings in this Agreement have been inserted for convenience only and shall not be taken into account in its interpretation.

1.3 The expiry and termination of this Agreement shall not affect provisions of this Agreement which have been expressly provided that they will operate after expiry or termination, notwithstanding the fact that the clauses themselves do not expressly provide for this.

1.4 If any provision of this Agreement is in conflict or inconsistent with any law, the invalidity of such provision shall not affect the validity of the remainder of the provisions thereof.

1.5 Annexures to this Agreement shall be deemed to have been incorporated herein and shall form an integral part hereof.

1.6 Any reference to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time.

1.7 Where the day on or by which anything is to be done is not a business day, it shall be done on or by the first business day thereafter.
1.8 When any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a Saturday, Sunday or Public Holiday, in which case, the last day shall be the next succeeding day which is not a Saturday, Sunday or Public Holiday.

1.9 The rule of construction that the Agreement shall be interpreted against the Party responsible for the drafting or preparation of the Agreement shall not apply.

1.10 Each Party warrants that it has the full power and authority to enter into this Agreement.

2 APPOINTMENT OF THE SERVICE PROVIDER

2.1 The Department hereby confirms the appointment of Centre for Municipal Research and Advice as the Service Provider to provide training to municipal officials on Rental Housing Amendment Act 35 of 2014 in Gauteng, KwaZulu Natal, Limpopo, Mpumalanga, North West, and Western Cape Provinces, and on conditions and terms agreed to in this Agreement.

2.2 The appointment of the Service Provider is on the understanding that the Service Provider has the necessary experience and expertise in matters related to:

2.2.1 Development & training of employees;
2.2.2 Development of training manuals;
2.2.3 Capacity Building; and
2.2.4 The Rental Housing Amendment Act and consequences of non-compliance thereof.

2.3 The Service Provider accepts the appointment and undertakes to execute the Services with professionalism, due care and skill required to fulfil the terms and conditions of this Agreement, and in accordance with and in strict adherence to prevailing best practice and applicable legislation.

2.4 The Service Provider is appointed for a period not exceeding 18 (eighteen) months from 06 February 2017, to provide training for municipal officials on Rental Housing Amendment Act 35 of 2014 in municipalities within Gauteng, KwaZulu Natal, Limpopo, Mpumalanga, North West and Western Cape Provinces and as agreed to in this
Agreement, unless the appointment is terminated earlier in terms of any applicable provision of this Agreement.

3 THE FUNCTIONS AND RESPONSIBILITIES OF THE SERVICE PROVIDER

3.1 The Service Provider is tasked with the provision of training municipal officials on Rental Housing Amendment Act 35 of 2014 in Gauteng, KwaZulu Natal, Limpopo, Mpumalanga, North West and Western Cape Provinces, and shall be responsible for the realization of the following objectives (together, the "Services"):

3.1.1 Develop a Training Manual.
3.1.2 Print manuals for the trainees.
3.1.3 Upload manuals on the Departmental Website.
3.1.4 Provide training for municipal officials on the content of the Act.

3.2 The services mentioned above shall be performed as fully detailed in Annexure A.

4 DELIVERABLES

4.1 The Service Provider, in providing the Services, shall ensure that the following deliverables are comprehensively created, compiled and submitted to the Department in terms of this Agreement:

4.1.1 Development of the Training Manuals, no later than (6) months after the Effective Date;
4.1.2 Printing of the training manual, no later than (1) month after the approval of the manual;
4.1.3 Upload the approved training manuals on the Departmental website no later than (1) month after the approval of the manual;
4.1.4 Continuous preparations and planning of the training sessions in the municipalities and the submission of monthly progress reports and quarterly reports to that effect;
4.1.5 Execution of the trainings, and documentation of the proceedings, to commence immediately after the approval of the training manual;
4.1.6 Submission of a close-out report no later than (1) month after the conclusion of the trainings.
5 MONITORING, EVALUATION AND COMPLIANCE

The Department of Human Settlement's Chief Directorate: Project Implementation Facilitation shall monitor and evaluate the performance and progress achieved in respect of deliverables, functions and responsibilities of the Service Provider.

6 THE DEPARTMENT'S OBLIGATIONS

6.1 The Department shall, within a reasonable period, provide adequate information or all requested information where available, when such is requested by the Service Provider.

6.2 The Department shall retain ownership of the information, and of the copyright and all other intellectual property rights in the information that is disclosed to and compiled by the Service Provider for purposes of providing the Services and shall obtain and retain ownership of advice on evidence and all reports drafted by the Service Provider on the instruction of or any authorized representative of the Department.

6.3 The Service Provider shall be remunerated for Services rendered in terms of this Agreement and on the achievement of the deliverables encapsulated in clause 4 above and with due regard to clause 7 (Payment) of this Agreement.

6.4 Payment for Services rendered in terms of this Agreement shall be made within 30 (thirty) days and on receipt of a valid tax invoice.

6.5 The Department has appointed a Designated Official as encapsulated in clause 6.7 below, who shall be responsible for the certification of all claims by the Service Provider as prescribed in the Public Finance Management Act (PFMA) and Treasury Regulations, and the Service Provider will be notified of the official's contact details immediately after signature of the Agreement.

6.6 An invoice for payment shall be supported by proof of expenditure and/or achievement of a deliverable(s) in terms of Treasury Regulations and in order to enable the Department to validate and effect payment timeously. The Department can only pay for Services rendered, costs of which will have been incurred.
6.7 All invoices, credit notes and monthly statements shall be addressed to:
National Department of Human Settlements
Govan Mbeki Building
240 Walker/ Justice Mahomed Street
Sunnyside
Attention: Chief Director, Project Implementation Facilitation

7 PAYMENT

7.1 The Service Provider will be paid an amount not exceeding R1 483 000.00 (One Million Four Hundred and Eighty Three Thousand Rand) for the entire Project and on tranches as fully detailed in clause 7.2 below:

7.2 On achievement of the following deliverables, the corresponding amounts shall be paid to the Service Provider by the Department and in terms of this Agreement:

7.2.1 R 393 197.00 (Three Hundred and Ninety Three Thousand One Hundred and Ninety Seven Rand) on submission and approval of a Developed Training Manual Report.

7.2.2 R 793 198.00 (Seven Hundred and Ninety Three Thousand One Hundred and Ninety Eight Rand) on submission and approval of a report on the provided training for municipal officials.

7.2.3 R 296 605.00 (Two Hundred and Ninety Six Thousand Six Hundred and Five Rand) on submission and approval an assignment close-out report.

7.3 The amounts set out in 7.2 above are inclusive of VAT and all disbursements (including costs incurred due to necessary printing, phone, email and the like).

8 PENALTY PROVISIONS

8.1 Should the Service Provider not perform its obligations in terms of this Agreement, in particular, clause 3 and 4, to the satisfaction of the Department, the Department shall be
entitled (apart from exercising other remedies available to it in law including the common law), in its sole discretion to impose the following penalties against the Service Provider.

8.1.1 The Department may withhold payment after giving the Service Provider written notice within 7 (seven) days of the breach. Such payment shall be released only if the Service Provider remedies the breach to the satisfaction of Department within 7 (seven) days of receiving notice of the breach.

8.1.2 The Department may reduce the contract price (or tendered amount) by the amount which represents the cost of the unperformed activity if the Service Provider fails to remedy the breach to the satisfaction of the Department within 7 (seven) days of receiving notice of the breach as per clause 8.1.1

9 CONFLICT OF INTERESTS

9.1 The Service Provider shall notify the Department, immediately, in the event that an interest exists whether personal or through a spouse, partner or associate and which has a direct or indirect financial implication; and that may preclude the Service Provider from performing the functions of the Service Provider in a fair, unbiased and proper manner.

9.2 In the event that, and at any time, it appears to the Service Provider that a matter being considered in relation to the training of municipal officials, an interest as encapsulated in clause 9.1 above exists, the Service Provider shall promptly inform the Department by disclosing the nature of interest in writing and await the Department’s response.

10 ASSIGNMENT

Neither Party hereto may cede and delegate any of its rights and obligations (including liabilities) under this Agreement without prior written consent of the other Party.

11 LIABILITY

The Parties’ liability for damages hereunder is limited to direct, actual damages only and neither Party shall be liable for, to the other, for special, consequential, incidental, punitive, exemplary or indirect damages under this Agreement.

SLA: Municipal officials training on Amended Rental Housing Act  Version 3  2017-01-31
CD: Legal Services: RYL
12 BREACH

Should either Party breach the terms and conditions of this Agreement, the Party not in breach ("the aggrieved Party") shall furnish to the other Party ("the defaulting Party") notice to rectify the breach within 7 (seven) days failing which the aggrieved Party may, without limiting any of its other legal rights, either terminate this Agreement or claim for specific performance.

13 SETTLEMENT OF DISPUTES

13.1 This Agreement shall be governed by, and construed in accordance, with the laws of the Republic of South Africa.

13.2 In the event of any dispute or differences arising between the Parties relating to, or arising out of this Agreement, the Parties shall make every effort to settle such dispute or difference amicably.

13.3 If the dispute or difference is not amicably resolved or settled, the said dispute shall be elevated to the Senior Management/Executive of the Parties, or their duly designated representatives for mediation purposes.

13.4 Should the dispute, despite such mediation, remain unresolved after being so referred to the Senior Management/Executive of the Parties, the matter will be adjudicated by means of arbitration or other Agreements between the Parties. The decision of the arbitrator may be appealable once after which appeal, the appeal decision shall be final and binding on the parties.

13.5 The provisions of this Agreement as expressly provided that they will operate after such expiration or termination shall continue to be binding on the Parties notwithstanding any termination or cancellation of this Agreement.

14 VARIATION NOT EFFECTIVE UNLESS IN WRITING

No variation, modification or waiver of any of the provisions of this Agreement, or consent to any departure there from shall in any way be of any force and effect, unless confirmed in writing and signed by all Parties. Then such variation, modification, waiver
or consent shall be effective only in the specific instances and for the purpose and to the extent for which made or given.

15 DOMICILIUM CITANDI ET EXECUTANDI

15.1 The Parties choose the following addresses as being their domicilium citandi et executandi for the delivery and service of any notices:

A: The Director General,
   National Department of Human Settlements
   Govan Mbeki House
   240 Walker/ Justice Mahomed Street
   Sunnyside, Pretoria

B: The Managing Director, (CEO)
   29 Forbes Reef Road
   Waterkloof Heights
   WATERKLOOF
   0065

15.2 The Parties choose the following addresses as being their domicilium citandi et executandi for the delivery of any documentation or any other written records:

A. National Department of Human Settlements
   Private Bag X644
   PRETORIA
   0001

B. Centre for Municipal Research and Advice
   P.O Box 98341
   Waterkloof
   PRETORIA
   0065
15.3 Any Party may give notice of change of address stated in sub-paragraph 15.1 and 15.2 above, to another address.

15.4 Every notice to be given by one Party to the other, in terms of this Agreement, shall be in writing and shall be either:

15.4.1 Delivered by hand to the domicilium citandi et executandi of the other, in which case it shall irrefutably be deemed to have been given, and such Party shall be deemed to have been informed of the contents of such notice on the date of delivery;

15.4.2 Posted by prepaid registered post to such other Party's domicilium citandi et executandi, in which case it shall irrefutably be deemed to have been given to the such Party, and such Party shall be deemed to have been informed of the contents of such notice on the 5th (Fifth) business day (excluding Sundays and public holidays) after posting.

15.5 Notwithstanding anything to the contrary herein contained, a written notice as communication actually received by one of the Parties from the other shall be and adequate written notice as communication to such Party, notwithstanding that it was not sent or delivered at the Party’s chosen domicilium citandi et executandi.

16 SOLE AGREEMENT

This Agreement constitutes the sole Agreement between the Parties and no representations not contained herein shall be of any force and effect between the Parties.
THUS DONE AND SIGNED AT Pretoria ON THIS 21st DAY OF FEBRUARY 2017

For and on behalf of

The National Department of Human Settlements

1. Ronald Mutshembe

Witness Name

2. Busisiwe Nkumca

Witness Name

THUS DONE AND SIGNED AT Pretoria ON THIS 01st DAY OF FEBRUARY 2017

For and on behalf of the Service Provider

1. Andrew Kailisi

Witness Name

2. Bokang Motau

Witness Name

DHS LEGAL SERVICES

Print Name: K. Mutuna

Sign: [Signature]

SLA: Municipal officials training on Amended Rental Housing Act

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