

nk

11

M.A

1.5

In respect of the Short-Term Insurance Cover

AON SOUTH AFRICA
Registration Company Name: AON SOUTH AFRICA (PTY) LTD
(Registration no: 1978/004501/07)
(The Service Provider)

And

WATERBERG DISTRICT MUNICIPALITY
(the Client)

Entered into by:

WATERBERG DISTRICT
MUNICIPALITY

on the Go for Growth

Waterberg
District Municipality



SERVICE LEVEL AGREEMENT

24



M.A

Preamble

Whereas:

The Waterberg District Municipality and Aon South Africa (Pty) Ltd enter into an agreement for the provision of short-term insurance cover services for the Waterberg District Municipality.

It is therefore agreed as follows:

1. Parties:

The parties to this agreement are:

1.1 Waterberg District Municipality (hereinafter referred to as "the client"), represented by **SM Mabotja**, in his duly authorized capacity as Municipal Manager of Waterberg District Municipality; and

1.2 Aon South Africa (Pty) Ltd (hereinafter referred to as "the Service Provider"), represented herein by **Rian Van Dyk**, in his duly authorized capacity as Regional Manager of Aon South Africa (Pty) Ltd.

2. Interpretation

The headings of the paragraphs in this Agreement are for the purposes of reference only and shall not be used in the interpretation of this Agreement. In this Agreement, unless a contrary intention clearly appears:

2.1. the singular includes the plural and vice versa;

2.2. the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely :

2.2.1. 'business day' means any working day, excluding Saturdays, Sundays and public holidays;

2.2.2. 'Client' means the Waterberg District Municipality;

2.2.3. 'commencement date' means the date on which the parties commenced with the performance of their obligations, 01 October 2016

2.2.4. 'contract price' means the total amount of fees that will be charged by the Service Provider, including disbursements and VAT, for the performance of the services in terms of this Agreement;

2.2.5. 'key result' means an indicator or yardstick in terms of which the Service Provider's successful performance of its obligations may be gauged;

2.2.6. 'methodology' means the professional expertise and the system of methods required by the Service Provider to perform the obligations set out in terms of this Agreement;

2.2.7. 'prime rate' means the variable interest rate as charged and calculated by the Service Provider's bankers from time to time;

2.2.8. 'project' means the services to be performed by the Service Provider in terms of the Tender and the corresponding obligations to be fulfilled by the Client;

2.2.9. 'project plan' means the strategy prepared by the parties for the successful completion of the Project submit within a reasonable time, prior to commencement of project;

2.2.10. 'Remuneration schedule' means the details of remuneration.

2.2.11. 'Service Provider' means Aon South Africa, under the registration name: Aon South Africa (Pty) Ltd, a company established in 1978 under Registration number 1978/004501/07

2.2.12. 'services' refers to the professional work to be performed by the Service Provider in terms of this Agreement, as per page 4;

2.2.13. 'Tender' means Tender No. WDM/2017/18-01 (03/15168), advertised by the Client and being in

Handwritten marks: "W.A", "1.5", and a scribble.

NAME	FUNCTION	TELEPHONE	EMAIL
Feziwe	Corporate Services Manager	(014)718 3313	fraphela@waterberg.gov.za
Raphela	Divisional Manager Legal	(014)718 368	tmanaka@waterberg.gov.za
Maureen	Senior Admin Officer	014)718 3314	mngope@waterberg.gov.za
Ngoepe			

4.3 The other service team members from the client side are:

4.2 The project Manager is Ms Maureen Ngoepe and can be reached on telephone number (014) 718 3300/14, Fax: 0866346359 or email:mngope@waterberg.gov.za.

4.1 The team members that will be involved in the project must be according to the proposal and where a team member resigns or leave the institution the client must be informed in writing through Supply Chain Management and the Project Manager.

4. Service Team

3.3. The duration of the project is for 36 (thirty six) months, commencing on Saturday, 01 October 2016 and ending on 30 September 2018, and will be reviewed annually once the Annual Financial Statement (AFS) has been completed.

3.2. The Service Provider will commence and complete the performance of the provision of short-term insurance cover services for the Waterberg District Municipality as indicated in the project proposal and in the letter of appointment or on such other dates as may be agreed by the parties.

3.1. The Client hereby appoints the Service Provider to carry out the services detailed in Paragraph 4 to this Agreement upon the terms and conditions set out herein.

3. Appointment and Duration

2.4. expressions defined in this Agreement shall bear the same meanings in schedules or annexures to this Agreement, which do not themselves, contain their own definitions.

2.3. figures are referred to in numerals and in letters and if there is any conflict between the two then the letters shall prevail; and,

respect of the provision of short-term insurance cover services for the Waterberg District Municipality.

NR



M.A

1.5

1. Properties (Buildings Combined)

The insurance cover will be for the following assets and/or services:

7. Scope of Services

- 6.2. In the event of conflict between the provisions of any of the aforesaid documentation and this Agreement, the provisions of this Agreement shall prevail.
 - 6.1.5. National Treasury Conditions of Contract
 - 6.1.4. This Agreement.
 - 6.1.3. Letter of appointment (Schedule 3); and,
 - 6.1.2. The Service Provider's proposal (Schedule 2);
 - 6.1.1. All tender documents comprising the Tender (Schedule 1);
- 6.1. This Agreement consists of the terms and conditions set out in the documentation listed as follows:

6. Extent of terms and conditions

5.1 In case where the shareholders of the company during the year change, the client must be informed in writing of such changes.

5. Shareholders

NAME	FUNCTION	TELEPHONE	EMAIL
Rian van Dyk	Regional Manager	012 471	rian.vandyk@aon.co.za
Nathi Kone	Clients manager	012 471	nathi.kone@aon.co.za
Diana Maphutha	Claims Service Advisor	012 471	diana.maphutha@aon.co.za
Melisse van Heerden	Internal broker	012 471	Melisse.vanheerden@aon.co.za

Anto Venter Branch Manager (02) 171-1512 anto.venter@aon.co.za

4.4 The other team members from the service Provider side shall be:

Jean-Pierre Meyers Internal Bidder (02) 171-1517 jean.meyers@aon.co.za



- 8.1 Aon South Africa (Pty) Ltd. is appointed for the provision of short-term insurance services for the Waterberg District Municipality at ~~R423 969.42~~ **R423 969.42** **VAT Inclusive.** *K381 301 Vat Inclusive*
- 8.2 The fee shall be payable annually in advance within 14 (fourteen) days of receipt of invoice.
- 8.3 Any additional assets or service shall have a separate remuneration apart from the price quoted in Clause 8.1.
- 8.4 The assets amount for 2016/17 will be declared with Aon South Africa (Pty) Ltd once the 2015/16 ARS has been completed, which might increase or decrease the premium.

The contract price in respect of the Tender is as per the pricing schedules provided in by Aon South Africa (Pty) Ltd. proposal as follows:

8. Price fee
14. Contractors All Risk
13. Public Liability
12. Laptops
11. Employers Liability
10. Electronic equipment
9. Fidelity
8. Group Personal Accident
7. Motor Liability
6. Money
5. Business All Risk
4. Motor Vehicles
3. Motor glass
2. Office Contents

27

M.A

1.5

9. Obligations of the Service Provider

9.1. The aforesated services shall be rendered diligently and to the standard required by the Client;

9.2. The service provider shall act in the best interest of the client at all times;

9.3. The service provider shall at all times exercise due care and skill in delivering services;

9.4. The service provider shall perform the services based upon the client's insurance requirements as agreed;

9.5. The service provider shall in all their dealings comply with all applicable laws and regulations, including without limitation, the Short Term Insurance Act no. 53 of 1998, Financial Advisory and Intermediary Services Act, relevant anti-corruption, anti-bribery, trade restriction and anti-money laundering laws;

9.6. The service provider is required to submit written progress reports on a monthly basis, indicating all the claims for that particular month.

9.7. The Service provider appoints **Nathi Kone** in his capacity as **Client Manager** of Aon South Africa (Pty) Ltd as the project manager and key point of contact and liason for all matters relating to the project by and between the Service Provider and Client.

10. Obligations of the Client

10.1 The Client shall provide reasonable support to the Service provider to enable it to perform its duties.

10.2 The Client shall ensure that the Service Provider has reasonable access to and the support of whatever information or personnel, respectively, may be necessary for the Service Provider to fulfill its obligations.

10.3 The Client appoints **MM Ngoepe** in her capacity as Senior Admin Officer of the Waterberg District Municipality as the project manager and key point of contact and liason for all

Mk
[Handwritten scribbles]
M.A
15

matters relating to the project by and between the Service Provider and Client.

11. Remuneration

11.1. The Client hereby agrees to remunerate the Service Provider strictly in accordance with the quotation.

11.2. The Client shall also pay in addition to the quoted amount, any cover on new assets that the municipality acquires, and/or cover for any new employees appointed during that particular financial year.

11.3. If the Client defaults or falls into arrears with any payment then the Service Provider reserves its right to claim payment of interest at the prime rate, calculated from 30 (thirty) days after the payment has become due to the actual date of payment. Unless the client is awaiting clarification of issues on the invoice, the payment may exceed (39 days).

12. Variations and cancellations

12.1. No agreement varying adding to, deleting from or cancelling this agreement shall be of force or legal effect unless reduced to writing and signed by or on behalf of the parties.

13. Limitation of liability

13.1. The Service Provider hereby protects and secures the Client against all legal liability with regard to any claims that may arise as a result of a breach of contract or negligence on the part of the Service Provider in respect of its obligations in terms of this Agreement.

13.2. The maximum liability of the Service Provider in respect of the aforesaid claims shall be limited to the aggregate of fees that have accrued to the Service Provider for the obligations that form the subject of the breach of contract or negligence as at the time that the cause of action arose.

14. Amicable Settlement

14.1. If any dispute arises in terms of this contract, either party may give five (5) days written notice to the other of such dispute, whereupon the parties shall meet promptly and in good faith attempt to reach an amicable settlement.

mk
15
MA

NK

M.A

1.5

15. Disputes

15.1. In the event that a dispute arises between the Client and the Service Provider it shall be referred to mediation within 5 (five) business days of either party declaring such a dispute. In this regard:

15.1.1. A mediator shall be appointed by the parties, alternatively by the chair of the Attorneys Association in the Province where the dispute arose, to preside over the mediation; and,

15.1.2. The parties shall seek ways and means to resolve the dispute in the most expedient manner.

15.2. Should the dispute not be resolved within 10 (ten) business days of the commencement of mediation it shall be referred to arbitration. Accordingly:

15.2.1. An arbitrator shall be appointed by the parties, alternatively by the chair of the Arbitration Foundation of South Africa (AFSA), to preside over the arbitration; and,

15.2.2. The rules of AFSA shall govern the conduct of the arbitration.

15.3. Nothing in this paragraph shall prevent either party from approaching the High Court for suitable judicial relief.

16. Breach

16.1. If either party breaches this Agreement or fails to perform any of its obligations, then the other party shall provide written notice, calling upon the first party to rectify its breach within a period of not less than 10 (ten) business days.

16.2. Should the party in breach have failed to rectify the breach within the aforesaid time period, the other party may cancel this Agreement and claim recovery of damages.

16.3. Timeframe for this project is 36 (thirty-six) months upon receipt of the appointment letter or earlier.

- 16.4. Any request for an extension on timeframe must be done in writing and be approved by the Accounting Officer or penalties will be imposed on the Service Provider.
- 16.5. Penalties in case of breach, extension on timeframe or inferior quality of goods will be determined by the client on his/her own discretion (penalties can be from 2% - 25%).

17. Termination

- 17.1. This Agreement may be terminated upon 20 (twenty) business days' written notice, after the terminating party has consulted the other about its intention.

- 17.2. The aforesated termination shall not prejudice either party's rights in respect of the obligations already performed or to be performed as at the date of termination.

18. Severability

- 18.1 Any provision of this agreement found or held invalid or unenforceable, such terms shall be severable and the validity of all other terms shall not be affected thereby.

19. Whole agreement

- This Agreement constitutes the whole agreement between the parties unless supplemented by further agreements, which shall be in writing.

20. Domicilium citandi et executandi

- 20.1. The parties choose as their *domicilia citandi et executandi* the addresses set out hereunder :

20.1.1.

Client :

Office of the Municipal Manager
Waterberg District Municipality
44 Harry Gwala Street
Modimolle

1.5

M.A

NR



NR

207

Handwritten initials and scribbles at the top of the page.

22.1 The expiry date for the implementation period for this project is 30 September 2018. 19

22.2 No extension will be granted for this project without good motivation and any failure to deliver the expected results before or on the specified date of the 30 September 2018 will automatically result in penalties to be effected by WDM. 2019

22. Penalty Clause

21.1 No amendments and/or alterations to the terms of this Agreement shall be valid or binding unless reduced to writing and signed by all Parties.

21. Amendments and alterations

20.2. Either party may change its *domicilium citandi et executandi* by giving written notice to the other, the new address becoming effective at the expiry of 10 (ten) business days from the communication of notification.

Contact number: 012 471 4500/083 408 7250

20.1.2 Service Provider :
 4th Floor Sage Building
 Aramist Street
 Menlyn Maine
 Waterkloof Glen

Or

P.O.Box 14053
 Hatfield
 0028

Contact number: 014 718 3300/071 472 3219

Private Bag X 1018
 Modimolle
 0510

NK

M.A

1.5

23.1.3 which the Receiving Party has received or will receive on a non-confidential basis from any party (including any third party) which is not in breach of an obligation of confidentiality towards the Disclosing Party or any party

23.1.2 which was or is already known to the Receiving Party before it had been or will be disclosed by the Disclosing Party, provided that such information may not reasonably be considered by the Receiving Party as confidential;

23.1.1 which is generally available to the public, or which will become generally available to the public other than by breach by the Receiving Party of its obligations hereunder;

23.1 For the purposes of the Agreement Confidential Information means any and all information, including but not limited to, technical, financial, product and commercial information - disclosed in writing or otherwise by the Disclosing Party to the Receiving Party, whether disclosed in view of the purpose before or after the date of the Agreement and shall be deemed to include all documents and other material (including samples, models and computer software) containing or embodying or based on the Confidential Information (or part thereof) together with all notes, summaries and other material derived there from and all copies or reproductions of the foregoing. Such Confidential Information shall not include information:

23. Confidentiality

22.5 National Treasury Conditions of Contract will also apply in terms of penalties imposed.

22.4 The penalties for non-performance will be calculated from 2% to 25% of the total project amount on the discretion of the municipality. Penalty percentage can be increased from 25% depending on the severity of the penalty.

22.3 The penalties for delays in completion will be calculated as 1% of the total once-off project amount for every delayed week.

(including any third party), provided that such information may not reasonably be considered by the Receiving Party as confidential; and

23.1.4 which is independently developed by or on behalf of the Receiving Party.

23.2 All Parties shall:

23.2.1 hold the other Party's Confidential Information in the strictest confidence;

23.2.2 not make use thereof other than for the performance of its obligations under the Agreement; and

23.2.3 only release such Confidential Information on a "need to know" basis subject thereto that the persons to whom such Confidential Information is released shall undertake to be bound by the confidentiality obligations contained herein.

23.3 No parties shall be entitled to use the name of the other Party publicly releases or advertising or for other promotional purposes without procuring the prior written approval of the Party concerned.

23.4 The Parties' obligation in terms of this clause will survive the termination of this Agreement including the termination thereof by the effusion of time.

23.5 In the case of a release, announcement or document which is required to be given, made or published by law or under the rules of the JSE Securities Exchange South Africa or any other relevant stock exchange, the Party liable so to give, make or



M.A

7.5

NK

publish the same shall give to the other Party as much advance warning thereof as is reasonable in the circumstances together with drafts or a copy thereof as soon as it is at liberty to do so.

24. Warrant of Authority

The persons signing this agreement on behalf of the parties warrant their authority to do so.

Signed at **Modimolle** this 01 day October 2016 of

AS WITNESSES:

For and on behalf of the Client

MAMP A M. A

SM Mabofoja
Municipal Manager

Signed at **Pretoria** this 01 day October 2016. of

AS WITNESSES:

For and on behalf of the Service Provider

Anita Verter

Rian van Dyk
Regional Manager

Regional Manager



SIGNATURE

[Handwritten Signature]

DATE

2016-10-03

I, *Mampela M.A.* in my capacity as Manager Social Development & Community Services hereby accept appointment as Acting Municipal Manager as stated above and take full responsibility for all my actions and decisions taken in that capacity.

ACCEPTANCE OF APPOINTMENT

SM MATABOGE
EXECUTIVE MAYOR

[Handwritten Signature]
APPROVED: NOT APPROVED

DATE

~~25/10/2016~~
03/10/2016
[Handwritten Signature]

MS MABOTJA
MUNICIPAL MANAGER

[Handwritten Signature]

DATE

29/10/16

Me M Mampela is hereby appointed to act as Municipal Manager for the period 03 - 05 October 2016, during which period the Municipal Manager will be absent or unable to execute the duties of the office.
The Acting Municipal Manager assumes all the duties and responsibilities of this office, except those duties and responsibilities expressly excluded by the Municipal Manager, but will ensure that, where there is doubt or in dealing with obviously sensitive or controversial matters, she will make all attempts, where practical and possible, to contact the Municipal Manager.

APPOINTMENT OF ACTING MUNICIPAL MANAGER

on the Go for Growth

Waterberg
District Municipality



Harry Gwala Street, Modimolle, 0510
Private Bag X 1018, Modimolle, 0510
Tel: (014) 718 3320
Fax: (014) 717 2931