



SERVICE LEVEL AGREEMENT

Entered into by and between:

RICHMOND LOCAL MUNICIPALITY

A Local Municipality established in terms of the provisions of the Local
Government Municipal Structures' Act No. 117 of 1998

(Herein represented by **Mr. B E MSWANE** in his capacity as the **Municipal
Manager**)

(Hereinafter referred to as "**The Municipality**")

And

XXXXXXXXXXXXXXXXXXXXX

REGISTRATION NUMBER XXXXXXXXXXXXX

(A public company duly incorporated in terms of the laws of South Africa, having its
main place of business at XXXXXXXXXXXX and represented herein by its duly
authorised Director, XXXXXXXXXXXX

(Herein referred to as "**The Service Provider**")

**TENDER NUMBER: RLM_04/2024/2025 ACQUISITION OF FLEET ON A
FINANCE LEASE AGREEMENT FOR A PERIOD OF 60 MONTHS**

NM B E

1. DEFINITIONS AND INTERPRETATIONS

The headings of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of or modify the terms of this Contract nor any clause thereof unless a contrary intention clearly appears.

1.1. Words importing –

- 1.1.1. the singular includes a reference to the plural and vice versa.
- 1.1.2. any one gender includes a reference to the other genders,
- 1.1.3. a natural person includes a reference to a juristic person and vice versa.

1.2. Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this interpretation clause.

1.3. Any reference to any statute, regulation or other legislation or official policy shall be a reference to that statute, regulation or other legislation or national policy as at the time of signature date of this agreement, and as amended or re-enacted from time to time.

1.4. When a number of days is prescribed, such shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on the Saturday, Sunday or Public Holiday, in which case the last day shall be the next succeeding day which is a business day.

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

1.6. In this document, unless otherwise required by the context, the following words and expressions shall have the meanings ascribed to them below:

Agreement	this agreement, Schedule and annexures attached hereto and also includes the General Conditions of Contract, Special Conditions of Contract Form of Tender number 04/2024/2025: Finance Lease for Acquisition of Fleet of Vehicles for a period of 60 (Sixty) months;
Acceptance Date	the date of signature of the Tender Award Letter;
Authorised Repairer	a person that has been approved by the Service Provider, in writing, for the repair, servicing and/or maintenance of the Vehicle;
Business Day	any day in the RSA which is not a Saturday, Sunday or day on which banking institutions in the RSA are customarily closed;
Commencement Date	the date recorded as such in Clause 3 of this agreement and provided that the Municipality has taken delivery of all the Vehicles that meet the provisions of Clause 6 below;
Force Majeure Event	means an event that occurs beyond the reasonable control of either Party and which has the effect of preventing the Party affected by such event from performing its obligations in terms of this Agreement. For the avoidance of doubt a Force Majeure event shall include war (whether declared or not), revolution, riots, strikes or other protest action, a financial market crash or similar event, insurrection, civil commotion, invasion, armed conflict, a hostile act of a foreign enemy, act of terrorism, sabotage,

	radiation or chemical contamination, ionising radiation, act of God or government, plague or other serious epidemic;
Finance Lease	Lease agreement for a fleet of vehicles which on expiration of this agreement, shall
Invoice	the original tax invoice prepared by the contractor reflecting the consideration or the adjusted consideration (if any), owing by the Municipality to the Contractor and which conforms to the provisions of the Vat;
Lease Period	Period of 60 (Sixty) months from the Commencement date;
Manufacturer's Warranty	the warranty for the Vehicles given by the manufacturer of the Vehicle in favour of the Service Provider;
Market Value	in respect of the Vehicle, at any point in time, means an amount equal to the average of the then market value of the Vehicle (including all fitments, improvements, additions and/or accessories fitted to the Vehicle) determined in separate valuations prepared by two Valuators;
Instalment Rate	subject to any adjustments thereto in terms of the Lease, the amount recorded as such in Clause 6 of this Agreement payable by the Municipality to the Service Provider as Finance Lease rental for the Vehicles, which amount includes Value-Added Tax;
Services	the services set out in the tender, in respect of which the Municipality has invited Service Providers to submit proposals and which are set out in a Service Request;
Termination Date	means the date on which the hiring of the Vehicle in terms of the Lease will terminate by the effluxion of time, such date being the date recorded as such in the Schedule;
Valuator	a person who, by his experience, knowledge and ability, is

competent to determine the value of vehicles, appointed jointly by the Service Provider and Municipality and, failing agreement, within 3 (three) Business Days of such appointment being required, appointed by the manufacturer of the Vehicle in question at the request of the Service Provider. The decision of the Valuator shall, in the absence of manifest error, be final and binding on the Parties;

Vehicle the vehicles described in Clause 6 of this Agreement.

2. INTRODUCTION

It is recorded that:

- 2.1. Whereas the Municipality required the services of a qualified and experienced service provider for the acquisition of a fleet of vehicles on a Finance Lease;
- 2.2. Whereas the Municipality advertised a tender for the Acquisition of Fleet on a Finance Lease For a period of 60 (Sixty) Months under Tender No: RLM 04/2024/2024;
- 2.3. Whereas the Municipality, in response to the aforesaid tender, received various bid proposals from Service Providers;
- 2.4. Whereas the Municipality in terms of its Supply Chain Management procedures awarded and/ or appointed XXXXXXXXXXXXXXXX(herein referred to as the Service Provider) as a successful bidder under Tender: RLM 04/2024/2025;
- 2.5. And Whereas the Service Provider accepted the appointment and signed the Tender Appointment letter Marked Annexure "A".

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3. DURATION

- 3.1. This agreement shall commence on the Commencement Date and shall remain in force for a period of five (5) years.

Commencement date: XXXXXXXXXXXXXXXX

Expiration date: XXXXXXXXXXXXXXXX

4. AUTHORISED REPRESENTATIVES

- 4.1 The Municipality hereby appoints XXXXXXXXXXXXXXXX to serve as a Liaison Officer between the respective parties for the purpose of, amongst other functions, monitoring the services, issuing of instruction, taking reports from the Service Provider, evaluating work delivered, receiving, and certifying invoices for payment for work duly delivered and for payment made.
- 4.2 The Municipality warrants that the only person officially authorised to sign any legal document including this agreement on behalf of the Municipality, is Mr. B.E Mswane, who is duly authorised to sign this agreement in his capacity as the Municipal Manager.
- 4.3 Where an instruction or documentation purports to alter or vary the term of this Agreement is given by any other official other than mentioned in clause 4.2. above, the onus will be on the Service Provider to verify the authority of such an official prior to complying with such an instruction.
- 4.4 The Service Provider hereby appoints XXXXXXXXXXXXXXXX as its duly authorized representative to serve as a Liaison Officer between the representatives' parties.
- 4.5 The Service Provider warrants that XXXXXXXXXXXXXXXX in his capacity as the Director is authorised to sign this agreement on behalf of the Service Provider.

- 4.6 The said persons referred to in paragraphs 4.2 and 4.3 respectively may execute any document that is required or is permitted to be executed, under this Agreement.

5. GENERAL TERMS

- 5.1 All the rights and obligations arising from this agreement shall be deemed to have come into operation on the commencement date.
- 5.2 Neither the appointment of the Service Provider nor anything in this agreement shall give rise to or be construed as giving rise to an employer/ employee relationship between the parties, nor shall it give rise to a joint venture nor an agreement of partnership between the parties, nor shall it give rise to a labour broking agreement.
- 5.3 The parties acknowledge that neither of the parties has any authority whatsoever to represent or to bind the other party in any capacity. In particular, but without limiting the generality of the foregoing, neither of the parties shall be entitled to conclude any contract or sign any documents on behalf of the other party, or in any way bind the other party's performance or discharge of any obligation.

6. SCOPE OF THIS AGREEMENT

- 6.1 The Service Provider shall provide the Municipality with a fleet of vehicles which shall meet the following specifications:

6.1.1. Six (9) 4x4 Single Cab:

Power Steering, Air-condition, Rear Wheel Driver, Immobilizer, Tow Bar, Spare wheel with tools

Type	: Light Delivery Vehicle
Cab	: Single
Canopy	: Standard Half Door

Engine Capacity	: 2.2. cc Minimum long Wheelbase standard (Rubberising) Minimum of 4 Cylinder and Minimum of 110 kw
Driven Wheels	: 4x4
Model	: Minimum 2024
Colour	: White
Load Capacity	: 1 ton Minimum
Warranty	: Minimum of 5 years or 90 000km
Service Plan	: Minimum of 5 years or 90 000km
Maintenance Plan	: Minimum of 5 years or 90 000km
Fuel type	: Diesel
Wheels and tyres	: Factory Alloy Rims minimum (17-inch-High grip off road tyres)
Radio/CD	: Player Stereo
Transmission	: Manual minimum speed of 5 speed
Licencing & registration	: Full-year period
Branded	: Richmond Local Municipality Logo (Both Doors for passenger, driver and rear)

6.1.2. One (1) 4x4 Super Cab:

Power Steering, Air-condition, Rear Wheel Driver, Tow Bar, Immobilizer, Spare wheel with tools.

Type	: Light Delivery Vehicle
Cab	: Club
Canopy	: Standard Half Door

Engine Capacity	:2.2. cc Minimum long Wheelbase standard (Rubberising) Minimum of 4 Cylinder Minimum of 110 kw
Driven Wheels	: 4x4
Model	: Minimum 2024
Colour	: White
Load Capacity	:1 ton Minimum
Warranty	: Minimum of 5 years or 90 000km
Service Plan	: Minimum of 5 years or 90 000km
Maintenance Plan	: Minimum of 5 years or 90 000km
Fuel type	: Diesel
Wheels and tyres	: Factory Alloy Rims minimum (17-inch-High grip off road tyres)
Radio/CD	: Player Stereo
Transmission	: Manual minimum speed of 5 speed
Licencing & registration	: Full-year period
Branded	: Richmond Local Municipality Logo (Both Doors for passenger, driver and rear)

6.1.3. One (1) 15 Passenger-seater:

Power Steering, Air-condition, Immobilizer, Rear Wheel Drive, spare wheel and tools:

Type	: Passenger Vehicle
Engine Capacity	:2.0 cc, Minimum of 4 Cylinder and 80 kw
Driven Wheels	: 4x2

Model	: Minimum 2024
Colour	: White
Warranty	: Minimum of 5 years or 90 000km
Service Plan	: Minimum of 5 years or 90 000km
Maintenance Plan	: Minimum of 5 years or 90 000km
Fuel type	: Diesel
Wheels and tyres	: Factory Alloy Rims
Radio/CD	: CD Player Stereo with USB front loader
Transmission	: Automatic minimum speed of 5 speed
Delivery	:30 days
Licencing & registration	: Full-year period
Branded	: Richmond Local Municipality Logo
	(Both doors for passenger, driver and rear)

6.1.4. Three (2) Hatch Back for Traffic:

Power Steering, Air-condition, Rear Wheel Driver Immobilizer, Bluetooth, Cruise control Electric window, Power socket, Power steering and Interior leather.

Type	: Passenger Vehicle Hatch Back
Engine Capacity	: 2.0 L Minimum of 4 Cylinder and Minimum of 140 KW
Driven Wheels	: RWD
Model	: Minimum 2024
Colour	: White
Load Capacity	: 5 Passengers
Warranty	: Minimum of 5 years or 90 000km

Service Plan	: Minimum of 5 years or 90 000km
Maintenance Plan	: Minimum of 5 years or 90 000km
Fuel type	: Petrol
Wheels and tyres	: Factory Alloy Rims
Radio/CD	: Player Stereo
Transmission	: Automatic
Window tint	: 50%
Delivery	: 30 days
Licencing & registration	: Full-year period
Branded	: Richmond Local Municipality traffic police logo (Both Doors for passenger, driver and rear) and traffic police siren blue light (colours to be confirmed).

6.1.5. Four (4) 4x4 Double Cabs:

With Power Steering, Air-condition, Immobilizer, Rear Wheel Drive, spare wheel and tools:

Type	: Light Delivery Vehicle
Cab	: Double
Engine Capacity	: 2.2. cc Wheelbase standard (Rubberising) Minimum of 4 Cylinder Minimum of 110 kw
Driven Wheels	: 4x4
Model	: Minimum 2024
Colour	: White
Load Capacity	: 1 ton Minimum
Warranty	: Minimum of 5 years or 90 000km

Service Plan	: Minimum of 5 years or 90 000km
Maintenance Plan	: Minimum of 5 years or 90 000km
Fuel type	: Diesel
Wheels and tyres	: Factory Alloy Rims minimum (17inch)
Radio/CD	: Player Stereo
Transmission	: Automatic
Delivery	: 30 days
Licencing & registration	: Full five-year period
Branded	: Richmond Local Municipality Logo (Both Doors for passenger, driver and rear)

**6.1.6. Two (2) 4x4 SUV Equivalent to Toyota Fortuner
With Power Steering, Air-condition, Rear Wheel Driver, Immobilizer, Tow
Bar, Spare wheel and tools**

Type	: 5 Doors new SUV
Capacity	: 7 Seater
Engine Capacity	: 2.4 Engine Capacity Minimum of 4 Cylinder and Minimum of 110 kw
Driven Wheels	: 4x4
Model	: Minimum 2024
Colour	: White
Warranty	: Minimum of 5 years or 90 000km
Service Plan	: Minimum of 5 years or 90 000km
Maintenance Plan	: Minimum of 5 years or 90 000km
Fuel type	: Diesel

Wheels and tyres	: Factory Alloy Rims minimum (17 inch High grip off road tyres)
Radio/CD	: Player Stereo
Transmission	: Automatic
Delivery	: 30 days from order Richmond
Licencing & registration	: Full five-year period
Branded	: Richmond Local Municipality Logo Traffic Police logo (Both Doors for passenger, driver and rear) and police siren blue light (colours to be confirmed).

7. INSTALMENT RATES AND PAYMENT TERMS

7.1. All services provided under this agreement are to be provided by the Service Provider to the Municipality at the negotiated instalment rate, which is inclusive of VAT as per the table in Clause 7.3 below, with any further additional discounts or charges agreed upon in writing and duly signed by both the authorised representatives of the parties.

7.2. In addition to the amounts tabled in Clause 7.3 below, the Municipality shall be liable for the following additional costs:

7.2.1. a handling Fee of 10% Handling for each Fleet Fuel and e-tag Card assigned to each vehicle;

7.2.2. An amount of R250 monthly card fees , and

7.2.3. A charge of R350 for the replacement of lost fuel and e-tag cards.

7.3. The instalment rate for all services related to this Agreement are contained in the table below.

7.4. The total value of this agreement as indicated below is inclusive of the following charges, calculated for each vehicle:

7.4.1 An Initiation Fee of R 41.67, and

7.4.2. An Administrative Fee of R 50.00.

DESCRIPTION	INSTALMENT RATE	MAINTENANCE	INSURANCE	TOTAL MONTHLY PER UNIT	TOTAL PER MONTH	TOTAL FOR 60 MONTHS TERM
9 x Single Cabs						
1 x Super Cab						
1 X 15-Seater						
2 X 2.0 Hatch Back						
4 Double Cab						
2 X SUV						
Total						

TOTAL MONTHLY PRICE INCLUSIVE OF VAT @ 15% XXXXXXXXX
TOTAL PRICE INCLUSIVE OF VAT @ 15% FOR 60 MONTHS R XXXXXXXXX

8. SCOPE OF SERVICES

8.1. INSURANCE

8.1.1. The Service Provider shall at all times during the Term effect and keep effected a comprehensive insurance policy, with an insurer approved by the Municipality, not subject to being defeated, avoided or declined by reason of any non-disclosure, misrepresentation, breach of warranty or otherwise in the names of the Service Provider and the Municipality for their respective rights and interests as follows:

- a) The policy shall be with a reputable insurer for the vehicles full replacement value against all risks that it is prudent to insure against,
- b) The policy shall note the Municipality's interest in the vehicles; and
- c) The policy shall have regard to the nature of the proposed use of the vehicles against any loss, damage or injury of any kind whatsoever and howsoever caused to any person or property arising out of the vehicle or its use under policy covering all such risks including all claims by third parties,
- d) Insurance against third parties' liability to the extent required by the Municipality, and
- e) Insurance against any other such loss, damage, injury or risk which the Municipality may require in writing from time to time.

8.1.2. The Service Provider shall provide the Municipality with Insurance cover for all vehicles for the duration of this agreement and provide the Municipality with proof of insurance as well as the terms of the insurance cover. The Service Provider shall immediately produce on demand by the Municipality all cover notes, insurance policies, receipts for premiums paid and details of any claims and payments made pursuant thereto.

- 8.1.3. The total monthly payment as indicated in Clause 6 above is inclusive of the Insurance premium for all Vehicles and the Municipality shall be liable for an excess insurance charge at the rate of XXXXXXXXX of the total cost of the payable insurance claim.
- 8.1.4. The Municipality shall not be responsible for any costs relating to collisions, damage, theft and hijackings of vehicles or part thereof unless such cost or loss arises due to:
- a) Unauthorised use perpetrated by an employee of the Municipality;
 - b) a failure by the Municipality or its personnel to report an insurance related accident or incident to the Service Provider within a period of 30 (thirty) days of the insurance accident or incident occurring; or
 - c) a failure by the Municipality or its personnel to submit the required claims documentation within a period of 30 (thirty) days of the insurance accident or incident occurring; or
 - d) a failure by the Municipality or its personnel to comply with the conditions of the insurance policies held by the Service Provider, in which shall be recoverable from the Municipality by the Service Provider.
- 8.1.5. The Municipality shall take all reasonable steps to ensure that its personnel do not do anything to prejudice the Service Provider's rights under the various insurance policies. The Municipality will further render all necessary to assist the Service Provider in processing claims under its insurance policies and in addition shall:
- a) notify the Service Provider forthwith of the happening of any event which may give rise to a claim under any insurance policy held by the Service Provider in respect of the vehicles;
 - b) render to the Service Provider whatever assistance may be necessary or required in connection with or arising out of any claim under any policy; including providing evidence at any proceeding arising out of such claims at no cost to the Service Provider;

- c) observe all the conditions of any policy; and
- d) use its best endeavours not to do, permit anything to be done or fail to do anything that will or is likely to prejudice the Service Provider's rights under any policy.

8.1.6. Should any claim of the Service Provider be repudiated due to the failure of the Municipality or its personnel to report an insurance event or to complete and submit a claim from within the prescribed time period or to adhere to any of the policy conditions of the insurer:

- a) the Municipality will be liable for the cost of repair of the vehicle in question;
- b) in the case of a total loss of the vehicle in question, the Municipality shall pay to the Service Provider an amount equal to the greater of either the Settlement Value of the Vehicle or the trade value for the Vehicle as published in Mead and McGrouther, at the relevant time, which amount shall be paid by the Municipality forthwith after the Service Provider's written demand for same;
- c) the Municipality shall be obliged to issue an order number before the repair of the Vehicle will be authorised; and
- d) the Municipality will be directly liable to any third party should a third-party claim be instituted in respect of any such incident which is the subject matter of a repudiated claim;
- e) the Municipality will be directly liable for all passenger liability claims should such claim be instituted in respect of any such incident which is the subject matter of a repudiated claim; and
- f) the Municipality will be liable for any other damages suffered by the Service Provider or any other person if proven on a balance of probabilities.

8.1.7. If the Vehicle is damaged in an accident, the Municipality shall forthwith advise the Service Provider thereof and simultaneously pursue its claim under the Policy with the relevant insurer.

- 8.1.8. As soon as it comes to hand, the Municipality shall furnish the Service Provider with a copy of the quotation of the Authorised Repairer accepted by the insurer together with the insurer's claim number.
- 8.1.9. The Municipality shall be liable to pay all amounts in respect of the accident not covered by the insurer, including, but not limited to, the excess payable on such claim.
- 8.1.10. The Service Provider shall ensure that the Vehicle is repaired by an approved Authorised Repairer and that, pursuant to the aforementioned, the Vehicles is restored to its manufacturer's specifications.
- 8.1.11. The Service Provider shall be entitled to receive all money payable to the insurer under the relevant policy of insurance or by any other person in respect of damage to or loss of the vehicle.
- 8.1.12. Subject to the rights of any insurer and for the duration of this agreement, the Service Provider is hereby irrevocably authorised to use the Municipality's name and to act on the Municipality's behalf in exercising any rights or instituting carrying on and enforcing any legal proceedings which Service Provider deems desirable to protect the Service Provider's rights in the vehicles.

8.2. THE SERVICE PLAN AND MAINTANANCE PLAN

- 8.2.1. On delivery of the vehicles listed in Clause 6.1 and for the duration of this Agreement, the Service Provider shall ensure that all the Vehicles have adequate Warranty, Service and Maintenance Plans.
- 8.2.2. The Municipality shall:
 - a) make the Vehicle available to an Authorised Repairer by prior appointment during such Authorised Repairer's normal working hours in a reasonably clean condition at or before the relevant service intervals specified in the Vehicle's service booklet, and as and when reasonably requested by the Service Provider for the performance of any preventative treatment or checks specified by the Service Provider;

- b) make the Vehicle available for inspection by the Service Provider when same is requested by the Service Provider; provided that the Service Provider shall endeavour to minimise any disruptions to the business of the Municipality in making this request;
 - c) adhere to all instructions for the use of the Vehicle contained in its service booklet, particularly those instructions regarding the running-in of the Vehicle, engine speeds, road speeds and the use of lubricants and other service products shall be carried out accurately and fully;
 - d) ensure that if any defect or failure occurs in the Vehicle all reasonable measures are taken to minimise the occurrence of any consequential damage that may arise through delayed attention or negligence;
 - e) on no account allow the use of the Vehicle by any other person other than its servants and employees, whether on loan or otherwise;
 - f) as and when requested by the Service Provider, produce proof of the distance travelled by the Vehicle as recorded on its odometer;
 - g) ensure that all maintenance and repairs in respect of the Vehicle are performed by an Authorised Repairer;
 - h) report any storage and/or recommissioning of the Vehicles to the Service Provider and permit only a dealer authorised by the Vehicle's manufacturer to carry out the necessary measures for storage and/or recommissioning of the Vehicle.
- 8.2.3. If repairs are required to be effected to the Vehicle due to the misuse or abuse by the Municipality of the Vehicle, the Municipality shall be liable for the full costs of such repairs. Should the Municipality dispute any claim of misuse or abuse by the Service Provider then the Municipality and the Service Provider shall jointly appoint a technical advisor, who, by virtue of his experience, knowledge and ability is competent to determine whether the Vehicle has been misused or abused resulting in repairs being required (the "Technical Advisor"). If the Service Provider and Municipality cannot agree on a Technical Advisor within 3 (three) days of the dispute arising, then the dispute shall be referred to the technical adviser of the manufacturer of the Vehicle. The Technical Advisor, or

the relevant technical advisor of the manufacturer of the Vehicle, shall, in resolving the dispute, act as an expert and not as an arbitrator and such person's decision shall be final and binding on the Parties.

- 8.2.4. Any dispute arising as to the liability of a Party for payment of any maintenance or repairs shall be referred to the Valuator.
- 8.2.5. The Service Provider shall not be liable for maintenance and repair costs incurred outside the RSA unless prior authority has been obtained by the Municipality from the Service Provider to have services effected outside RSA and, if prior authority has been obtained.
- 8.2.6. Any claims payable by the Service Provider relating to Clause 8.2.5. above shall be subject to the following:
- a) the Service Provider's liability shall not exceed the reasonable amount that such maintenance and repairs would have cost if they had been performed within the RSA and
 - b) any balance of such costs of maintenance and repairs shall be for the account of the Municipality.

8.3. FUEL CARDS AND E-TAGS

- 8.3.1. The Service Provider shall provide one Fuel and E-Tag card for each vehicle under this Agreement and shall provide the Municipality with tracking systems or procedures. Further, the Service Provider shall provide the Municipality with the payment process for the incurred fuels and e-tag charges.
- 8.3.2. The Service Provider shall at its sole cost, be responsible for the licensing of the Vehicle and shall ensure that the Vehicle is, at all times, properly licensed.
- 8.3.3. The Municipality shall be liable for all fines and traffic violations incurred in respect of the Vehicle or its operation, provided that such fines and traffic violations are incurred as a result of the wrongfulness, negligence or intent of the Municipality or its employees, agents or any other person operating the Vehicle.
- 8.3.4. The Municipality acknowledges that it shall not be necessary for the Service

Provider to prove that the Municipality or its representative was driving the Vehicle at the time of the offence and that the fact that the Vehicle was under the control of the Municipality will be sufficient proof of the liability of the Municipality in this regard.

- 8.3.5. The Service Provider is hereby authorised to pay on behalf of the Municipality any traffic fine which may be imposed in respect of the Vehicle or on the driver thereof if a summons in respect of that fine is served on the Service Provider and the Municipality fails to advise the Service Provider in writing prior to the payment of the fine that the Municipality intends disputing liability in respect of that fine. In the event of payment by the Service Provider as aforementioned, the Municipality shall, forthwith upon receipt of the Service Provider's written demand therefore, pay to the Service Provider the full amount of any fine paid by the Service Provider

8.4. VEHICLE LICENSING

The Service Provider shall be responsible for the registration and renewal of vehicle licence disks for the vehicles relating to this agreement. This shall include the payments, the collection of license disk from licensing local authority and the tracking of the validity of the license disks.

8.5. TOW-IN SERVICE

- 8.5.1. The Service Provider shall provide the Municipality with a reliable and reputable Tow-In service and shall ensure that all Vehicles have a visibly affixed sticker affixed providing details of the Designated Towing Services and the contact details which shall be a share- call telephone number.
- 8.5.2. The Service Provider shall ensure that that the vehicles are towed to an approved merchant which shall be closest to the location of the vehicle requiring the towing service.
- 8.5.3. The storage charge for authorised tow-ins shall be carried by an appointed contractor.

8.6. BRANDED AND SIREN

The contractor shall, ensure that all lease vehicles are branded with municipal logo and department, traffic vehicle must be fitted with siren and disaster vehicle. The municipality will communicate with appointed contractor with the detail compliance.

8.7. ADDITIONAL SERVICES

8.7.1. The following services do not form part of this Agreement. However, to the extent that the Municipality lacks capacity internal, the Municipality may, in line with the relevant procurement regulations and policies, request a Quotation from the Services Provider for one or more of the values adding services listed below, namely:

- a) Speed limiter management,
- b) Improved driver safety,
- c) Fuel Management,
- d) Fuel Technology Solution,
- e) Fine Management,
- f) Fleet management advice and training, and
- g) Owned Vehicle disposal.

8.7.2. The Municipality has the sole discretion of accepting or rejecting the said quotation by the Service Provider. The Municipality shall accept or reject and the request for further services shall be subject to the requisite process and approval.

9. OBLIGATIONS

9.1. The Service Provider shall, within Thirty (30) days of the commencement of this agreement, deliver at the offices of the Municipality all the vehicles listed in Clause 6 above.

9.2. At the expiration of this agreement, the ownership of all the vehicles that are subject to this Agreement shall revert in full to the Municipality and the Service

Provider shall return all registration certificates, handbooks, warranty forms and other documents relating to the vehicles.

10. MAINTANANCE

10.1. The following maintenance and repairs shall be for the account of the Service Provider:

- a) all maintenance and service tasks in respect of the Vehicles as recommended in the Vehicle's service booklet, including the supply of engine oil, transmission oil and service products at the times specified in the aforementioned service booklet;
- b) any preventative treatment, checks or other work which the Service Provider, in its absolute discretion, deems necessary;
- c) all repairs required as a result of wear and tear in the normal use of the Vehicle as the Service Provider, in its absolute discretion, deems necessary; and
- d) the replacement of tyres as and when required in order to comply with any applicable law, but only to the extent that same results from normal wear and tear.

10.2. The Service Provider shall not be liable for any of the costs incurred in respect of the matters listed below, all of which shall be for the account of the Municipality:

10.2.1. rectification of any damage caused to the Vehicle by one or more of the following:

- a) the use of oils and other service products not approved by its manufacturer or the Service Provider;
- b) the neglect, misuse, abuse or improper handling of the Vehicle or any of its parts by the Municipality or any of its servants, agents or other users;
- c) persons other than Authorised Repairers having performed work on the Vehicle and the use of parts not approved by its manufacturer;

- d) damage to tyres other than normal wear and tear
- e) repair to or maintenance of any bodywork or equipment, accessories or fitments, which were not fitted to the Vehicle at the manufacturer or with the Service Provider's consent or which have been altered without the Service Provider's written permission;
- f) rust prevention, rust inspections, paint and trim preservation, body cleaning or treatment or engine cleaning or due to the deterioration of or minor damage to the paint, body, trim and related items not covered by the Manufacturer's Warranty or attended to in the normal course of recommended periodical maintenance and services;
- g) any repairs or maintenance which are occasioned or partly occasioned by failure of the Municipality to perform any obligation in terms of or referred to in this Agreement and any costs incidental thereto;
- h) any alteration to the Vehicle not approved by the Service Provider and any costs incidental thereto;
- i) recovery, towing, travelling and related costs due to the error or omission on the part of the Municipality or its employees;
- j) all fuel consumed by the Vehicle;
- k) cosmetic defects to the Vehicle after expiry or termination of this Agreement;
- l) any other maintenance and repair which is carried out without the Service Provider's authorisation.

11. DELIVERY

The Service Provider shall within 30 days ensure that the Vehicles are delivered to the Municipality at such place and on such date as is recorded in the Schedule.

12. INSTALMENT RATES

12.1. The Municipality shall pay the Instalment rate in respect of all the Vehicles listed

in Clause 6 above commencing from the Commencement Date and provided all the vehicles have been delivered to the Municipality.

- 12.2. The Instalment is payable monthly in arrears on or before the last Business Day of the calendar month immediately succeeding the billing month in question.
- 12.3. The instalment, and any other amounts payable in terms of this agreement, shall, subject to the proviso to this clause, be paid at the Service Provider's address or such other address or to such other person as the Service Provider may stipulate at any time and from time to time in writing; provided that completion and signature by the Municipality of the relevant portion of the Schedule dealing with debit orders shall constitute the Municipality's consent to allow the Service Provider to draw against the Municipality's bank account all amounts payable by the Municipality to the Service Provider under the agreement.
- 12.4. Any Instalment, or other amounts payable in terms of the Agreement, which are not paid on the due date shall bear overdue interest at the Banker's Prime Rate plus 2% (as certified by any manager of the Banker whose appointment shall not be required to be proved), such interest to be calculated from the date on which the amount in question fell due for payment until the date on which it is paid by the Municipality to the Service Provider (both days inclusive), on the basis that such interest shall accrue daily and be compounded monthly.
- 12.5. The Service Provider shall be entitled to appropriate any amount paid to it by the Municipality as the Service Provider, in its reasonable discretion, elects.
- 12.6. The Instalment is calculated on the assumption that the Banker's Prime Rate applicable to the Vehicle (as recorded in Clause 7) will remain unchanged during the currency of the Agreement. If the Banker's Prime Rate changes during the currency of the Agreement, then the Service Provider shall, except where a fixed rate has been agreed and is recorded in writing, re-calculate the Instalment which will fall due on or after such change and adjust the Instalment upwards or downwards, as the case may be, having regard to the changed rate. The new Instalment calculated in the aforementioned manner shall become effective forthwith after receipt by the Municipality of the Service Provider's written notice in this regard and shall remain subject to further change pursuant to any further

changes in the Banker's Prime Rate.

12.7. The Municipality shall not be entitled to withhold payment of the Instalment or other amount payable in terms of this Agreement for any reason whatsoever.

12.8. All Instalment s and any other amounts payable under this Agreement are inclusive of and shall be subject to the applicable statutory tax acts.

13. TERMINATION DUE TO LOSS

13.1. Subject to the Termination Clause 21, the Agreement Terms shall be adjusted or amended by agreement, as the case may be. If a Vehicle is lost or stolen and not recovered within a period of 14 (fourteen) days from the date of such loss or theft, or is destroyed or damaged beyond economical repair the agreement terms shall be adjusted in respect of same. The Vehicle shall be deemed to be damaged beyond economical repair only if the insurer elects to treat it as a total loss or if the Service Provider notifies the Municipality in writing that, in its reasonable opinion, the Vehicle has been damaged beyond economical repair and the necessary amendments to this agreement shall be recorded in an addendum to this Agreement.

13.3. The Service Provider shall use its reasonable endeavours together with the Municipality to trace and/or locate the Vehicle and thereby mitigate any loss to the Municipality.

13.4. Notwithstanding the provisions of the Termination Clause 21, the date of termination of the Agreement shall be the date on which the Municipality has paid to the Service Provider any amounts due, but not yet paid, by the Municipality to the Service Provider under this Agreement and until which time the Municipality shall continue to be bound by the provisions of the Lease.

14. OBLIGATIONS OF THE MUNICIPALITY:

- 14.1. The Municipality shall afford the Service Provider, such access to information, records and other relevant material, necessary to the provision of the services by the Service Provider.
- 14.2. The Municipality shall make available personnel to liaise with the Service Provider.
- 14.3. Advise the Service Provider of any changes to the Municipality's policies and regulations as soon as may be reasonably practicable in the circumstances, where it is necessary to advise the Service Provider.
- 14.4. The Municipality shall be entitled to suspend or to terminate the operation of any instruction under this agreement and the Service Provider shall have no claim against the Municipality arising out of such suspension or termination.
- 14.5. Subject to performance in terms of this Agreement, payment shall be made by the Municipality to the Service Provider within thirty (30) days of receipt of an invoice: Provided no written objection is recorded by the Municipality. In which case the Municipality shall effect payment in terms of its normal payment procedures.
- 14.6. Payment due and payable to Service Provider shall be effected in its account as provided to the Municipality.
- 14.7. Payment shall be made no later than thirty (30) days upon receipt of the invoice, provided that no objection is raised by the Municipality within five (5) business days of receipt of the invoice. An objection shall be in respect of specific performance by the Service Provider in terms of this Agreement.

15. PERFORMANCE

- 15.1. The Service Provider assumes professional and technical responsibility for its performance, which will be in accordance with recognised professional standards employed by a Service Provider performing work of a comparable nature, and that the qualitative and quantitative value added is to the satisfaction of the Municipality.

- 15.2. The Service Provider shall ensure that all personnel performing the Services shall be its employees. In the event that the services are rendered by the individual or entities who are not employees of the Service Provider, the Service Provider shall, nonetheless, be bound by the warranties set out in this Agreement.
- 15.3. The Service Provider warrants that the Services shall conform and be provided in accordance with the highest degree of professionalism and in accordance with the highest quality, principles and technique.
- 15.4. The Service Provider warrants that, in the delivery of the services, it will observe and comply with all statutory requirements imposed on it in terms of the appropriate legislations of the Republic of South Africa.
- 15.5. The Service Provider undertakes to keep all records and documents related to this Agreement for the duration of the term of this Agreement and for a further period of Five (5) years thereafter and to make such records available at the request of the Municipality and or that of the Auditor General.
- 15.6. The Service Provider, for the duration of this Agreement, undertakes to promptly comply with any contract management requirements and requests that the Municipality may impose in accordance with its statutory obligations.
- 15.7. The Service Provider shall furnish detailed monthly progress reports on the service provided to the Municipality in respect of this Agreement and shall proactively provide details of any matter that is pertinent in the mitigation of any loss or damage to the Municipality.
- 15.7. Non-compliance with this clause will be considered to be a material breach of this agreement and will entitle the Municipality to terminate this agreement with the Service Provider, without limiting the Municipality's right to recover damages from the Service Provider resulting from such cancellation, or to take all steps and to do all things necessary to remedy such a contravention itself.
- 15.8. Upon such delay beyond the set date, the Municipality may, without terminating this agreement, be entitled forthwith to obtain similar Services from a third party as the Municipality may require.

16. PERIODIC REVIEW

- 16.1. The Municipality shall review this agreement and assess performance of the Service Provider twice a year.
- 16.2. The Service Provider shall furnish the Municipality with Monthly progress reports all the services rendered to the Municipality under this Agreement.
- 16.3. The reports stated above shall include but not limited to:
- 16.3.1. All the services rendered in terms of this Agreement;
 - 16.3.2. Records of any Fuel and e-Tag cards charges,
 - 16.3.3. Any Insurance Claim related information, and
 - 16.3.2. Any other information relating to this Agreement.
- 16.4. Should the Municipality not be satisfied with the performance of the Service Provider, the Municipality shall be entitled to terminate this agreement in accordance with the relevant termination provisions under this Agreement.

17. ASSESSMENT

- 17.1. The Service Provider shall be assessed on the following criteria during contract monitoring meetings:

EVALUATION CRITERION	WEIGHT	SCALE	TOTAL SCORE (WEIGHT SCALE)
Service delivered within stipulated timeframes	5		
Quality if service specified/agreed	5		
Invoice delivered on time and correctly	5		

General ease of working with the Service Provider	5		
TOTAL			
FORMULA: TOTAL SCORE 80%			%
TOTAL SCORE MATRIX: - Poor: 50%; Average: 50- 59%; Excellent: 70%			

18. NON-ENFORCEMENT/ INDULGENCES GRANTED

The non- enforcement of any provision of this agreement or any indulgence that either Party may grant to the other Party shall be without prejudice to the rights of such first mentioned Party to insist upon strict compliance by such other Party with all the provisions of this Agreement or to enforce its rights in respect of which such indulgence was granted.

19. NON- EXCLUSIVITY

Notwithstanding the delivery of the Letter of Appointment and the signing of this agreement, the Municipality reserves the right, within the framework of the law, to replace or to procure Services from any other Service Provider.

20. BREACH

20.1. In the event of breach by either Party, then either Party may in its sole discretion elect to either:

- 20.1.1. condone the non-performance by the other Party if there is a reasonable explanation for such non-performance; or
- 20.1.2. to terminate the entire contract on ten (10) business days' notice, in the case of material breach; or
- 20.1.3. by notice in writing, require the other Party to perform the obligations within thirty (30) days of receipt of the notice.

- 20.2. Notwithstanding what has been stated above, nothing shall prejudice the right of either Party (the aggrieved Party) to cancel this Contract where any breach occurs (*excluding material breach*), provided it may only do so if it gives the other Party (the defaulting Party) notice of the default complained of, calling upon the defaulting Party to rectify the default within thirty (30) days of receipt of the notice, failing which the aggrieved Party will be entitled to cancel this Contract without prejudice to its rights to claim damages in breach of Contract, if any.

21. TERMINATION

- 21.1. This Agreement shall run from the effective date and endure until it automatically terminates on the expiration date as provided in Clause 3 of this Agreement, being the last operational date by effluxion of time.
- 21.2. This Agreement shall also terminate, based on the following:
- 21.2.1. Either Party exercising the right to cancel the Agreement because of breach of the terms and conditions of this Agreement;
 - 21.2.2. A material breach referred to in this Agreement;
 - 21.2.3. Physical impossibility by either Party to perform provided that the provisions of Clause 25 shall be observed; and
 - 21.2.4. Mutual agreement by the Parties.
- 21.3. Any termination in terms of this clause shall be in writing by giving the other Party at least fourteen (14) Business Days' notice and the written notice may be shorter only in an instance where the duration of the Agreement renders the observation of the period of fourteen (14) Business Days impossible to do so.

22. INDEMNITY

- 22.1. During the subsistence and termination of this Agreement, the Service Provider undertakes to:

- 22.1.1. keep the Municipality indemnified against all indirect and consequential and special or direct losses, damages, expenses, costs and claims including, but not limited to legal fees and expense suffered by the Municipality or any third party where such loss or damage or expense or cost is the result of any wrongful action or omission or negligence or breach of any contract by the Service Provider or its employees and/or its agents; and
- 22.1.2. the Municipality shall not be liable for damages, expenses or costs suffered or incurred by the Service Provider or any of its employees caused by performance of the obligation to implement the terms of this Agreement or any failure to implement the project in accordance with this Agreement or such unnecessary or irrelevant work done outside the scope of this Agreement.
- 22.2. The Municipality shall be entitled to recover from the Service Provider any direct loss or expenses, excluding consequential damages, suffered, or incurred by the Municipality occasioned by the failure and/or incorrect implementation of the project in terms of this Agreement.

23. TRANSFER OF SKILLS

As a value add to the Municipality, the Service Provider shall ensure that for the duration of this Agreement, sufficient skills related to Fleet Management and/ related skills, are transferred to the identified members of staff at the Municipality and records of such skills transfer must be detailed as well be provided to the Municipality on request.

24. MEETINGS

In addition to the provisions of Clause 16 above, the Parties undertake to meet on an as and when required basis during the course of this agreement for the purpose of taking reports and monitoring of progress in terms of the deliverables. To ensure that the purpose and objectives of the instructions accomplished, the Parties shall periodically exchange views and furnish all

such information as may be reasonably requested regarding progress, performance and other matters relating to the instruction.

25. FORCE MAJEURE

25.1. If a Party ('the Affected Party') is unable to perform all or part of its obligations in terms of this Agreement due to a Force Majeure Event, the Affected Party shall, as soon as reasonably practicable but no later than forty-eight (48) hours of it becoming aware of the Force Majeure Event, notify the other Party ('the Non-Affected Party') in writing (a 'Force Majeure Notice') setting out:

25.1.1. full particulars of the Force Majeure Event;

25.1.2. the impact of the Force Majeure Event on the Affected Party's obligations under this Agreement;

25.1.3. the Affected Party's reasonable estimate of the length of time which its performance has been and will be affected by such Force Majeure Event; and

25.1.4. the steps which it is taking or intends to take or will take to remove and mitigate the adverse consequences of the Force Majeure Event on its performance hereunder.

25.2. The Affected Party shall have the burden of proving both the existence of any Force Majeure Event and the effect (both as to nature and extent) which any such Force Majeure Event has on its performance.

25.3. If the Parties are, on the basis of the Force Majeure Notice and any supporting documentation, unable to agree as to the existence or as to the effect of a Force Majeure Event by the date falling sixty (60) days after the receipt by the non-Affected Party of the Force Majeure Notice, either Party shall be entitled to cancel this Agreement.

25.4. In the event of the occurrence of the Force Majeure Event the Affected Party shall not be liable for any failure to perform an obligation under this Agreement, to the extent that:

- 25.4.1. such performance is prevented, hindered or delayed by a Force Majeure Event; and
 - 25.4.2. such failure could not have been mitigated by the Affected Party taking reasonable action.
- 25.5. The Affected Party shall endeavour with due diligence to resume compliance with its obligations under this Agreement and do all that it reasonably can to overcome or mitigate the effects of any Force Majeure Event.
- 25.6. The Affected Party shall give the other Party (a) regular reports on the progress of the mitigation measures and (b) prompt notice on the cessation of the Force Majeure Event.
- 25.7. If the Force Majeure Event continues in effect for more than sixty (60) consecutive days, the Non-Affected Party shall have the right to terminate this Agreement after having given fourteen (14) days written notice to the Affected Party of such termination at any time prior to the cessation of such Force Majeure Event.

26. DISPUTE RESOLUTION

- 26.1. In the event of any dispute or difference arising between the Parties in relation to or arising out of this Agreement, including the interpretation, rectification, termination or cancellation of this Contract, the Parties shall forthwith meet to attempt to settle such dispute or difference, and failing such settlement within a period of 14 (fourteen) Business Days.
- 26.2. If the Parties are unable to resolve such dispute or difference the matter will be referred to the Managing Director who shall record that it is their intention that the specified officials will use their respective best endeavours to resolve the issue in question as expeditiously as possible, but in any event within a period of fourteen (14) Business Days from the matter being referred to them.
- 26.3. Should the Senior Officials fail to resolve such dispute or difference within the aforesaid period or such longer period as the Parties may agree in writing, such dispute or difference shall be referred to arbitration as herein provided.

- 26.4. The arbitration shall be undertaken by a single arbitrator to be agreed upon between the Parties or, failing such agreement, within seven (7) Business Days of the dispute being referred to arbitration, be appointed according to the Rules of the Arbitration Foundation of Southern Africa upon the written request of either Party, subject only to the requirement that the arbitrator be experienced in the resolution of commercial disputes.
- 26.5. The appointment of the arbitrator shall be final and binding on the Parties.
- 26.6. The Party having referred the dispute or difference to arbitration shall, within twenty-eight (28) Business Days of the appointment of the arbitrator, file its claim, setting out the nature of the claim and the detailed facts and documents in support thereof, by serving a copy thereof on the arbitrator and on the other Party.
- 26.7. Within twenty-eight (28) Business Days of receipt of the claim, the other Party shall file its answer thereto, setting out in detail the grounds and facts upon which the claim is resisted and any documents in support thereof, by serving a copy thereof on the arbitrator and the claiming Party.
- 26.8. Unless agreed to in writing by the Parties, the rules applicable to the filing of pleadings and of discovery in the conduct of civil proceedings shall be applicable.
- 26.9. The arbitrator shall, save as herein provided, have the powers conferred upon an arbitrator under the relevant statutory prescriptions according to South African law but shall not be obliged to follow the procedures under such legislation to the extent permitted in terms of the statute, it being the intention of the Parties that the dispute resolution procedures should be concluded as expeditiously as possible and the arbitrator shall be entitled to decide on such procedures as the arbitrator may consider desirable for the speedy determination of the dispute.
- 26.10. The decision of the arbitrator shall be final and binding on the Parties and may be made an order of court of competent jurisdiction.

26.11. The arbitrator shall make an award in respect of the costs of the arbitration having regard to the substantial success of each Party in the outcome of the proceedings.

26.12. The arbitration shall take place exclusively in the Municipality.

26.13. Nothing in this clause shall preclude either Party from seeking any interim relief from any competent court having jurisdiction pending the institution of any arbitration proceedings.

27. NO WAIVER

27.1. Failure by either Party to enforce any of the provisions of this Contract shall not be construed as a waiver by such Party of any such provisions nor in any way affect the validity of this Contract or any part thereof.

28. CONFIDENTIALITY

28.1. The Parties agree that the terms of this Contract, all information of the Parties that has been exchanged pursuant hereto, including but not limited to details concerning pricing will be received in strict confidence and not be divulged to any Person, save for employees directly involved with the execution of this Contract and be used only for the purpose of this Contract.

28.2. Each Party will use the same means as it uses to protect its own confidential information, but in no event less than reasonable means, to prevent the disclosure and to protect the confidentiality of such information. No information referred to in this Contract will be disclosed by the recipient Party, its agents, representatives, or employees without the prior written consent of the other Party.

28.3. These provisions do not apply to information which is:

28.3.1. publicly known or becomes publicly known through no unauthorised act of the recipient Party;

- 28.3.2. rightfully received by the recipient Party from a third party; independently developed by the recipient Party without use of the other Party's information;
 - 28.3.3. disclosed by the other Party to a third party without similar restrictions;
 - 28.3.4. required to be disclosed pursuant to a requirement of a governmental agency or any applicable law, so long as the Party required to disclose the information gives the other Party prior notice of such disclosure; or
 - 28.3.5. publicly disclosed with the other Party's written consent.
- 28.4. This Clause shall survive the termination of this Contract but will cease as being enforceable 12 months after the expiry date of this Contract.

29. DOMICILIUM CITANDI ET EXECUTANDI

- 29.1. Any notice, notification, request, demand or other communication for any purpose under this Contract shall be in writing addressed –

29.1.1. **RICHMOND LOCAL MUNICIPALITY**

PRIVATE BAG X1028

RICHMOND

3780

Tel: 033 212 2155

Fax: 033 212 2102

EMAIL ADDRESS.....

marked for the attention of the **MUNICIPAL MANAGER**

29.1.2. **XXXXXXXXXXXXXXXXXXXXX**

XXXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXX

Tel: XXXXXXXX

Fax:

COMPANY EMAIL ADDRESS.....

Marked for the attention of XXXXXXXXXXXXX

or to such other addresses, or for the attention of such other persons or department, as the Service Provider and the Municipality may from time to time notify to each other.

29.2. All notices, notifications, requests, demands or other communications including accounts, shall be deemed to have reached the other Party -

29.2.1. if delivered by hand, on the date of delivery;

29.2.2. if posted by ordinary mail or registered post, on the 5th (fifth) calendar day following the date of such posting, and in the case of an account on the 5th (fifth) calendar day following the date of the account;

29.2.3. if transmitted by facsimile or any other electronic medium acceptable to both Parties, on the first Business Day following the date of transmission / publication / delivery.

29.3 Either Party may, by written notice to the other, change its abovementioned *domicilium*.

30. **ASSIGNMENT**

No transfer of obligations, duties and rights vested in terms of this Contract shall be transferable unless permitted in writing by the respective parties.

31. **GENERAL**

31.1 This Contract may be signed by way of two or more counterparts.

31.2 The Parties acknowledge that the lapsing of the Contract due to effluxion of time shall cease the legal relationship between the Parties.

- 31.3 No Party shall be bound by any express or implied term, representation, warranty, promise or the like, not recorded herein.
- 31.4 No addition to, variation or consensual cancellation of this Contract shall be of any force or effect unless in writing and signed by or on behalf of all the Parties.
- 31.5 No indulgence by a Party to another, or failure strictly to enforce the terms hereof, shall be construed as a waiver or capable of founding an estoppel.
- 31.6 The Parties undertake at all times to do all such things, to perform all such acts and to take all such steps and to procure the doing of all such things, the performance of all actions and taking of all such steps as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms, conditions and import of this Contract.
- 31.7 Save as is specifically provided in this Contract, the Service Provider shall not be entitled to cede or delegate any of its rights or obligations under this Contract without the prior written consent of the Municipality.
- 31.8 Any notice or communication required or permitted to be given in terms of this Contract shall be valid and effective only in writing.
- 31.9 All communications engagement, liaison and submit of any written and/ or soft copies relating to it's the performance of the obligations in terms of this contract shall be by and between the Designated Representatives.
- 31.10 This Contract shall be governed by and interpreted in accordance with the laws of the republic of South Africa.

32. ENTIRE AGREEMENT

This Agreement contains all the express provisions agreed on by the Parties with regard to the subject matter of this Agreement and supersedes all previous negotiations, arrangement, or agreements in respect of this Agreement.

SIGNED for and on behalf of **THE MUNICIPALITY** by the signatory below who warrants that she is duly authorised.

Signature.....**Date:**

Full Names:

Title:

As Witnesses:

1. **Full Names:**.....**Signature:**

Title:

2. **Full Names:** **Signature:**

Title:

SIGNED for and on behalf of XXXXXXXXXXXXXXX by the signatory below who warrants that he/she is duly authorised.

Signature.....**Date:**

Full Names:

Title:

As Witnesses:

1. **Full Names:** **Signature:**

Title:

2. **Full Names:** **Signature:**

Title:

ANNEX "X"**SCHEDULE**

In compliance with, and subject to, the terms of the Agreement executed between us on or about, the following information is recorded in respect of the Vehicle/s described below on the basis that a Lease/s in respect of the aforementioned Vehicle/s will be constituted between the Parties on execution by them of this Schedule:

Description of the Vehicle (including accessories)	
Make and Model	
Registration number	
Chassis / Serial number	
Engine number	
Accessories	
Purpose for which the Vehicle is to be used	
Special conditions (if any)	
Contract Details	
Client Account Number	
Commencement Date	
Delivery Date	
Delivery Place	
Termination Date	
Lease Period (months)	
Hours or Kilometers	
Starting Kilometres/Hours	
Monthly Kilometre / Hours Allowance	
Maximum Kilometres/Hours	
Excess Kilometre/Hours Rate	
Replacement of Tyres – Y/N?)	

Financial Information	
Instalment (excluding VAT)	
Fixed or variable rate?	
Bankers Prime Rate at the Commencement Date	
Municipality's Domicilium Details	
Address	
Telefax	
Marked for the attention of:	
Banking account details for debit order purposes	See schedule 1 hereto

Signed at on this day of 20.... for the Service Provider in the presence of the undersigned witnesses

Witnesses:

1. _____

2. _____

For: service provider

Signed at on this day of 20.... for the Municipality in the presence of the undersigned witnesses

Witnesses:

1. _____

2. _____

For: Richmond Local Municipality