

## SERVICE LEVEL AGREEMENT

entered by and between

### THE GEORGE MUNICIPALITY

herein represented by Mr Riaan du Plessis in his capacity as **Director: Financial Services**, being duly authorised thereto

(hereinafter referred to as "**the Municipality**")

and

### TIPP FOCUS HOLDINGS (PTY) LTD

(Registration Number: 2016/275469/07)

herein represented by ..... JACK MAZUZI ....., being duly authorised thereto

(hereinafter referred to as "**the Service Provider**")

hereinafter collectively referred to as "**the parties**"

## **PREAMBLE:**

- A.** The Municipality has appointed the Service Provider, for a period of three (3) years, to perform the Provision of Information and Communication Technology (ICT) Management Services under tender FIN021/2022.
- B.** The Service Provider has accepted such appointment and shall render the Services to the Municipality on the terms and conditions as set out in this Agreement, the tender specifications, the special conditions, applicable to this tender, the stipulations in the Bid document and the appointment letter dated 24 January 2023, which all form part of this agreement.

## **WHEREBY THE PARTIES AGREE AS FOLLOWS:**

### **1. INTERPRETATION**

- 1.1. The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have a corresponding meaning, namely:
  - 1.1.1. **“Agreement”** shall mean this Service Level Agreement, together with the bid documents, Appointment Letter and any other annexures hereto, and **“this Agreement”** shall have a corresponding meaning;
  - 1.1.2. **“Municipality”** means the George Municipality;
  - 1.1.3. **“Parties”** means the Service Provider and the Municipality; and
  - 1.1.4. **“Appointment Date”** means the date on which the final Award Letter was sent to the Service Provider (24 January 2023).
  - 1.1.5. **“Service Provider”** means Tipp Focus Holdings (Pty) Ltd.

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## 2. DURATION

The Services shall be rendered as follows:

A period of three years, starting from the date of signature of the SLA defined as 12 May 2023 to 11 May 2026.

## 3. THE SERVICES

This Service Level Agreement specifically describes the IT Management Consulting services provided by the Service Provider.

### 3.1 Scope

- 3.1.1 The appointed service provider will be responsible for performing the functions that were assigned to the Manager: Information & Communication Technology within the Financial Services Directorate.
- 3.1.2 The tasks involved will include creating a roadmap and a strategy for helping the Municipality use technology effectively for service delivery. The chosen project manager or IT manager will determine which projects are needed to complete the specified scope. The scope also includes the ability to perform ad hoc services that require the assistance of additional consultants while remaining within the scope of this agreement.
- 3.1.3 The specific Job Purpose of the Manager is as follows:
  - (a) Provide an advisory, strategic, developmental and management Information and Communication Technology (ICT) service to the Municipality and approximately 700 users on the IT Network.
  - (b) Maintain and control the information systems, communication network and technology resources for the Municipality ensuring the compliance, availability, continuity and security of the Municipality's data and services.

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- (c) Provide strategic guidance on ICT matters and develop and implement ICT Policies and procedures.
- (d) Manage all other ICT related services in the day to day provisioning of a functional and sophisticated network and various interrelated systems.

3.1.4 The functions are summarised below:

3.1.4.1 **Deliverable 1: IT Policies and Procedures**

To provide strategic guidance on ICT matters to ensure an effective and secure system. Policies and procedures are critical governance tools. Policies dictate the rules; procedures explain how these same rules are practically applied. Policies and procedures set expectations for behaviours and activities, as well as provide mechanisms to enforce these expectations.

**Tasks Associated:**

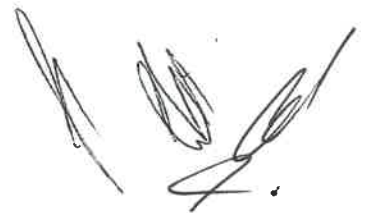
- (a) Regularly research and keep up to date with the latest technological advancements and compliance requirements.
- (b) Write new policies and procedure documents. Given the importance and relative "permanence" of policy and procedure documents, they should be carefully and conscientiously crafted in order to withstand both time and scrutiny.
- (c) Amend and keep existing policies and procedures up to date.
- (d) Train relevant users on procedures.
- (e) Compile and maintain system documentation for all new software. All new software (purchased off-the-shelf or developed in-house) requires system documentation in the form of policies, procedures and training manuals. All documentation is approved by the IT Manager before implementing.
- (f) Review and approve policies prior to submission to IT Steering Committee and the Municipality (when required).



- (g) Review and enhance the ICT Governance Framework to ensure compliance with good governance.
- (h) Conceptualize the ICT Strategic Plan and Master Systems Plan (MSP).
- (i) Provide innovative solutions to be implemented strategically.
- (j) Align the ICT Strategic Plan and Master Systems Plan (MSP) to the Municipality's Integrated Development Plan (IDP).
- (k) Implement and apply policies and strategies to meet the current and future needs of the Municipality and ensure a safe and functional environment.
- (l) Ensure Auditor General Information Technology compliances for0 the Municipality.
- (m) Oversee the annual AGSA external audit process and assistance with addressing AGSA findings.
- (n) Oversee any internal audit process within ICT scope and assistance with addressing any findings.
- (o) Interpreting and analysing audit findings and investigational reports with a view to complying with audit findings and determining levels of intervention required to improve procedural applications.
- (p) Ensure implementation and maintenance of a documented Information Security Policy, network security methods, device security, access control, data security, communications security and all other requirements of the Electronic Communications Security Act 68 of 2002.

#### 3.1.4.2 **Deliverable 2: Strategy and Planning**

To maintain and control the organization's information and communication technology systems and resources and to ensure compliance, availability, continuity and security of the Municipality's data and services.



**Tasks Associated:**

- (a) Manage all aspects of ICT use (business and ICT) and ensure the following is clearly defined, implemented and enforced through independent audits:
  - (i) Necessary strategies;
  - (ii) Architectures;
  - (iii) Plans;
  - (iv) Frameworks;
  - (v) Policies;
  - (vi) Structures (including outsourcing);
  - (vii) Procedures and processes; and
  - (viii) Mechanisms, controls, and culture.
- (b) Participate in strategic and operational ICT governance processes of the business organization as a member of the Senior Management team.
- (c) Manage the development and the implementation of the Corporate Governance Information and Communication Technology (CGICT) Policy and Charter.
- (d) Ensure effective and efficient management of ICT resources to facilitate the achievement of company strategic objectives.
- (e) Lead ICT strategic and operational planning to achieve business goals.
- (f) Initiate innovation, prioritize ICT initiatives, and coordinate the evaluation, deployment, and management of current and future ICT systems across the organization.
- (g) Provide input on developing and maintaining an appropriate ICT organizational structure that supports the needs of the Municipality.
- (h) Establish and apply performance objectives for all employees in the ICT department.

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- (i) Establish ICT departmental goals, objectives, and operating procedures.
- (j) Identify opportunities for the appropriate and cost-effective investment of financial resources in ICT systems and resources, including staffing, sourcing, purchasing, and in-house development.
- (k) Develop business case justifications and cost/benefit analyses for ICT spending and initiatives.
- (l) Direct development and execution of an enterprise-wide Information and Communication technology disaster recovery and business continuity plans.
- (m) Assess and make recommendations on the improvement or re-engineering of the ICT architecture and overall ICT environment.
- (n) Ensure alignment of the ICT strategic plan with the business strategic plans.
- (o) Ensure that ICT Risks are managed and that the ICT function is audited.
- (p) Assess and communicate risks associated with ICT investments.
- (q) Integration of all IT systems currently in use in the Municipality whereby the Municipality is currently utilising amongst other:
  - (i) SAMRAS Financial System;
  - (ii) Ontec Prepaid Electricity vending system;
  - (iii) IMQS Pavement Management System;
  - (iv) IGNITE Action Assist Performance management system;
  - (v) Collaborator Document and Workflow Management System;
  - and
  - (vii) Various other smaller systems to support municipal functions.

#### 3.1.4.3 Deliverable 3: Performance and Risk Management

The objective is to ensure a highly effective IT department that delivers a cost effective, efficient, modern and secure ICT service.

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**Tasks Associated:**

- (a) Establish and apply performance objectives for all employees in the ICT Section.
- (b) Implement an Integrated Risk Management (IRM) process by identifying strategic and operational risks, analysing and evaluating these risks and recording this information in a Risk Register for monitoring and reporting the status and mitigation process.

**3.1.4.4 Deliverable 4: IT Software, Systems and Servers**

The objective here is to provide a first-class service to all departments in order for them to provide effective and efficient service delivery to the Municipality and the community.

**Tasks Associated:**

- (a) Plan, design, and document IT (Server) infrastructure.
- (b) Establish IT infrastructure specifications after determining need and demand.
- (c) Ensure optimal functioning of IT systems through usage control.
- (d) Manage and revise the licensing of hardware/software conditions according to legal standards to ensure licensed systems and software.
- (e) Work on making the computer systems within the Municipality compatible so that information can be shared among departments.
- (f) Align Information Technology system and equipment with the Municipality's requirements.
- (g) Facilitate the sharing of Data between Sections, Departments and Directorates.
- (h) Manage and monitor the data server (Personal back-up drives, Shared network drives and Workgroups drive) for users that are abusing the space and resolve the issue.

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- (i) Review server capacity and system growth rate to establish and plan future requirements.
- (j) Manage and approve/reject changes to the e-mail and archive system.
- (k) Review and ensure successful completion of back-ups.
- (l) Review and approve all system changes (this applies to all IT systems in the Municipality) requested via the change control system for approval.

#### 3.1.4.5 **Deliverable 5: Website and Intranet**

The objective is to ensure timeous uploading of documents to the website in order to comply with the MFMA legislation.

##### **Tasks Associated:**

- (a) Ensure an operational intranet for ease of communication for internal users.
- (b) Manage the release of IT related information on the Website for effective communication to the public.
- (c) Manage the publishing of bid results on the Municipal Website in conjunction with the Media Liaison Section.
- (d) Ensure the website and its content complies with MFMA legislation.

#### 3.1.4.6 **Deliverable 6: System Analysis (New Systems) and Report Generation**

The objective is to ensure that as the municipal processes change, business requirements are translated into technical requirements and specifications, and also to accommodate municipal process and development changes.



**Tasks Associated:**

- (a) Meet with the departmental officials who require a new or existing system to be enhanced or a report/s to be developed, including GIS reports.
- (b) Conceptualize an ICT solution and provide inputs and guidance accordingly.
- (c) Review and approve systems requirements specifications (SRS), the technical interpretation of the stakeholder's requirements with specific claim to:
  - (i) Inclusion of interface details;
  - (ii) Business rules;
  - (iii) Design constraints; and
  - (iv) Related considerations such as performance characteristics complete with the requisite UML (Unified Modelling Language) diagrams and images to provide the developer/s with accurate development instructions.
- (d) Oversee the development of new systems, system enhancements or reports.
- (e) Provide guidance and solutions to development issues as and when they arise.
- (f) Review, guide and approve system/ report prior to user testing.
- (g) Analyse reports to ensure consistency with the SRS.
- (h) Interpret reports developed to ensure they are consistent with the required outcomes by the stakeholder.

**3.1.4.7 Deliverable 7: Data Analysis and Cleansing**

The objective is to ensure that an intricate understanding of the data in question exists to enhance the concept of providing "clean" information which also requires regular interrogation and cleansing of information.

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**Tasks Associated:**

- (a) Review and approve all analysis, cleansing and manipulation policies and procedures prior to implementation on the data set.
- (b) Manage and provide guidance on the extraction of data from various sources to perform data cleansing.
- (c) Identify incomplete, incorrect, inaccurate, irrelevant parts of the data and then replace, modify or delete dirty data.
- (d) Manage and provide guidance on the cleansing of data using a variety of software tools (e.g. SQL Server, Microsoft Access and Excel), including:
  - (i) Looking for inconsistencies by running a number of customized queries specific for the cleansing task at hand; and
  - (ii) Customized queries are complex coded tasks, unique to each cleansing activity, used to manipulate data in order to find anomalies and fix them.
- (e) Manage and plan data migration (this is the moving of data from an old legacy system to a new system) when setting up a new system that requires information from an existing electronic system. This can be a complex task as the structure of the data will vary and the process of moving the data can take many occurrences before moving correctly. Checks and balances need to be continually performed to ensure there is no loss or corruption of data.

**3.1.4.8 Deliverable 8: Communication Networks (+/- 700 Users on our Network)**

The objective is to ensure a fully operational LAN, WAN/wireless, radio in order for users to access critical business systems, communication and internet services.



**Tasks Associated:**

- (a) Design and plan the WAN (Wide Area Network)/Wireless and LAN (Local Area Network) networks to ensure maximum speed and uptime (greater than 97% per month).
- (b) Decide, manage and monitor effective WAN, LAN network and equipment. Require a variety of services, from re-design to administration, which connects staff within the Municipality.
- (c) Ensure the availability, continuity, and security of data and information technology services.
- (d) Manage bandwidth allocation to users.
- (e) Manage users abusing the network, by uploading/downloading large files or accessing inappropriate web pages.
- (f) Direct the network, and its related computing environment, includes hardware, systems software, applications software, and all other computer-related configurations.
- (g) Oversee, advise and support the Telemetry/SCADA communication system for the Water Works department. (This is a radio communication network that is critical to the monitoring of the water levels in the various pump stations located around the municipal area).

**3.1.4.9 Deliverable 9: Acquisition and Deployment**

The objective is to deliver economic and effective ICT services that is aligned to the ICT strategic plan as per the budget. The Municipality intends to migrate to a Smart City Concept and has already started to procure software and hardware in certain sectors, example Smart water meters to migrate from manual meter reading to automated meter reading. Like wise, strategies would need to be developed to expand the CCTV and fibre network to include pressure and smart sensors to detect and curb vandalism; illegal dumping; land invasion, etc.



**Tasks Associated:**

- (a) Identify institutional objectives of Smart City Journey;
- (b) Define a set of projects anticipated to be implemented;
- (c) Assess the likelihood of each projects' implementation success;
- (d) Assess the impact of each project and select the most promising projects;
- (e) Manage and facilitate consultation with stakeholders to define business and systems requirements for new technology implementations;
- (f) Approve, prioritize, and control projects and the project portfolio as they relate to the selection, acquisition, development, and installation of major information systems;
- (g) Review hardware and software acquisition and maintenance contracts and pursue master agreements to capitalize on economies of scale; and
- (h) Define and communicate corporate plans, policies, and standards for the organization for acquiring, implementing, and operating ICT systems.

**3.1.4.10 Deliverable 10: Operational Management**

The objective is to ensure an effective, efficient and economic Information and Communication Technology Department that delivers.

**Tasks Associated:**

- (a) Ensure continuous delivery of ICT services through oversight of service level agreements with end users and monitoring of ICT systems performance.
- (b) Ensure that ICT system operation adheres to applicable laws and regulations.
- (c) Establish lines of control for current and proposed information systems.



- (d) Keep current with trends and issues in the ICT industry, including current technologies and prices.
- (e) Advise Council; Executives and Management on the competitive or financial impact to the Municipality of new IT systems.
- (f) Promote and oversee strategic relationships between internal ICT resources and external entities, including government, vendors, and partner organizations.
- (g) Provide leadership and set goals and standards for ICT teams.
- (h) Implement appropriate facilities and mechanisms to ensure full compliance to all health and safety, physical access security, confidentiality and data protection requirements as applicable in the ICT industry.
- (i) Participate in the annual reviews by the Auditor General and Risk Management by Internal Audit.
- (j) Respond to enquiries and propose corrective measures as may be required.
- (k) Report to the ICT Steering Committee on progress with the implementation of corrective measures.
- (l) Manage the Information- and Communications Technology functions throughout the Municipality.
- (m) Perform project management functions including the setting of priorities, allocating resources and tracking progress through completion.
- (n) Ensure the availability of client/server applications.
- (o) Oversee the physical security, integrity, and quality control of the server environment.
- (p) Provide direct supervision, coordination and control to:
  - (i) Information Systems;
  - (ii) Operations/Support; and
  - (iii) ICT Governance/Administration.

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- (q) Provide assistance and guidance with the appointment procedures and application of disciplinary processes.
- (r) Manage the effective and efficient functioning of the Section including:
  - (i) Reports;
  - (ii) Budget;
  - (iii) Meetings; and
  - (iv) Correspondence.
- (s) Participate in the Garden Route District ICT Management Forum.
- (t) Participate in the Western Cape ICT Manager's Forum.

#### 3.1.4.11 **Deliverable 11: Contract Management**

The objective is to ensure contractual terms and conditions entered into, and agreed to, are complied with and specific responsibilities discharged accordingly without any risk to the Municipality.

##### **Tasks Associated:**

- (a) Do cost analyses and draw up Information Technology projects budgets for implementation and management until finalization of projects.
- (b) Guide the drafting, adjudication and reporting processes with regards to contracts and tenders awarded and verify details, terms and conditions, specifications, etc. to comply with the Municipality's approved policies, regulations and procedures.
- (c) Brief parties (consultants/ vendors, etc.) on the terms and scope of such appointments and evaluate, investigate and approve submissions on progress, performance and costs.
- (d) Monitor contractor/ vendor performance against agreed terms and conditions (service level agreements) through ongoing interaction with site personnel, on-site inspections etc. and alert the





contractor/vendor to any acts of non-conformance prior to approving payment certificates.

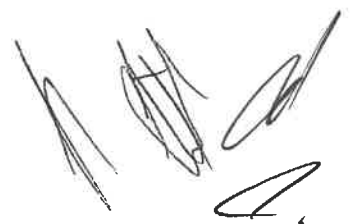
- (e) Resolve technical conflicts and contractual claims and prepare the necessary reports presenting the Municipality's arguments at arbitration.
- (f) Manage and control all service and maintenance contracts for all IT systems.
- (g) Manage external IT service providers and establish and maintain relationship with outside IT vendors and support entities.

#### 3.1.4.12 Deliverable 12: General IT Management

The objective is to ensure that the ICT Section can solve/resolve multiple ICT and business-related problems daily.

##### **Tasks Associated:**

- (a) Daily problem solving which involves diverse decision making of cross-cutting IT issues (network, servers, systems, business procedures, system procedures, data problems, personnel issues).
- (b) Advise and guide Councillors, Municipal Manager and Directors on all ICT related issues.
- (c) Maintain good interrelationships between all directorates, departments and Councillors to ensure service delivery excellence of the Municipality.
- (d) Logical decision making based on a thorough understanding of all IT disciplines and its interlinking functions.
- (e) Provide innovative / ground-breaking / out-of-the-box solutions for business problems across the Municipality.

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**3.1.4.13 Deliverable 13: Disaster Recovery and Business Continuity**

The objective is to ensure timely recovery in cases of disaster or hardware and software failures and to ensure the availability, continuity, and security of data and information technology services.

**Tasks Associated:**

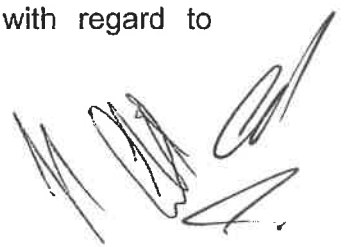
- (a) Formulate and implement the ICT Disaster Recovery Plan (DRP).
- (b) Review and update the DRP regularly.
- (c) Identify, set-up and manage the disaster recovery site in accordance with good governance practices.
- (d) Design and test disaster recovery procedures.
- (e) Implement and manage the disaster recovery procedures.
- (f) Establish acceptable emergency procedures and handling of crises to ensure that Information Technology system and services for the Municipality are available at all times.
- (g) Communicate emergency plans and disaster recovery policies and procedures to users and management.
- (h) Ensure the two Information Technology security aspects are considered:
  - (i) Computer security, making software and networks safe; and
  - (ii) Keeping track of users and information.

**3.1.4.14 Deliverable 14: Technology, Communication, Systems and Data Research**

The objective is to Research IT techniques and new or advanced technology, by consulting as necessary and to keep abreast of newest technology and methods.

**Tasks Associated:**

- (a) Prioritize future Information Technology needs with regard to municipal objectives.

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- (b) Define the goals of the system and divide the solutions into individual steps and separate procedures.
- (c) Evaluate and analyse systems and to make recommendations to the Municipality's Management to ensure that informed decisions may be taken.
- (d) Analyse computer and information needs for the Municipality from an operational and strategic perspective and determine immediate and long-range personnel and equipment requirements.
- (e) Prepare cost-benefit and return-on-investment analyses to help management decide whether implementing the proposed technology will be financially feasible.
- (f) Help determine both technical and business goals in consultation with top management and make detailed plans for the accomplishment of goals.
- (g) Evaluate the latest and most innovative technologies and determine the integration with current computer systems and mobile technology.

#### 3.1.4.15 **Deliverable 15: Municipal IT Training Requirements**

The objective is to ensure the future Information Technology capacity of Municipal staff.

##### **Tasks Associated:**

- (a) Conduct needs assessment for Information Technology Training to improve user performance.
- (b) Give recommendations to management on Information Technology training programs.
- (c) Implement and coordinate all Information Technology training programs and provide information systems training.
- (d) Promote the effective utilization of information technology to enhance efficiency at all levels.

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- (e) Train and support users of the electronic communications systems, products and related services.
- (f) Provide consultancy services on the security and protection of electronic communications services, systems and products.

#### 3.1.4.16 Deliverable 16: Budget Management

The objective is to ensure accurate estimates are prepared in relation to requirements enabling the Section to contribute positively towards meeting maintenance objectives and sustaining the quality and standards of service delivery.

##### **Tasks Associated:**

- (a) Develop, track and control the Information and Communication Technology annual operating and capital budgets.
- (b) Compile and manage the capital and operating budget of the ICT Department.
- (c) Provide amendment recommendations for the adjustment budget.

## 3.2 Services

- 3.2.1 While the initial scope of work required a 3-working day a week proposal, discussions were held with management and budget considerations made, it was then agreed that the Service Provider will provide IT Management Consultancy services at the Municipality for at least 5 working days per week. A working day is 07:45 to 16:30 daily including a 45 minute lunch break (8 hours a day). The Service Provider will assign a project manager or IT manager to oversee both the main and auxiliary operations of the Municipality. An ongoing monthly retainer will be used to pay for the IT Management Consultancy's services. Ad hoc assignments will furthermore follow an hourly rate model.

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- 3.2.2 Ad hoc requests for additional staff to be deployed at the Municipality will be quoted at a daily rate. Any additional work to be done remotely by the three staff levels quoted will be priced at the hourly rate as provided in the pricing schedule as amended by the negotiated rates process.
- 3.2.3 Any disbursements linked to above services will be settled at actual cost rate and must be linked to the Municipality's Cost Containment Policy. The Municipality reserves the right to negotiate disbursement rates to be in line with municipal policies.

#### **4. ROLES, RESPONSIBILITIES AND LEVELS OF SERVICE PROVIDED**

##### **4.1 Responsibilities of the Municipality**

- 4.1.1 Participate actively in assisting the service provider to execute the above scope of works at the Municipality.
- 4.1.2 Make available the necessary resources to support the Service Provider.
- 4.1.3 Provide the Service Provider with adequate office space at the Municipality and controlled access to its IT network and infrastructure environment.
- 4.1.4 Make sure that all IT related & systems service providers co-operate with the service provide to achieve necessary integrated targets and Smart City objectives.

##### **4.2 Service Provider Responsibilities**

- 4.2.1 The Service Provider will provide the infrastructure, technology, personnel, processes, and monitoring tools necessary to deliver IT Management Consultancy services as described in this document.

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## **5. PAYMENT**

5.1 The Municipality shall pay the Service Provider in accordance with the amount payable of the tender document, within thirty (30) days of receipt of a detailed tax invoice, provided that the Services to which the tax invoice relates, have been checked by the Municipality.

5.2 The following details must be reflected on the invoice forwarded to the Municipality by the Service Provider:

5.2.1 The total amount payable regarding the activities and outputs referred to in Clause 3 of this Agreement, as well as details of time spent on such activities; and

5.2.2 VAT payable.

5.3 The Municipality will verify the correctness of services rendered, and notify the Service Provider of any possible discrepancies within ten (10) days of sending the invoice. If the invoice is correct the amount due shall be payable within thirty (30) days from receiving the invoice.

5.4 If the Municipality identifies any material discrepancies the invoice will be referred back to the Service Provider, and the amount due will be payable within thirty (30) days from receiving of a correct invoice, provided that the Services to which the relevant invoice relates has been achieved to the satisfaction of the Municipality.

## **6. MONTHLY REPORTING & PERFORMANCE MANAGEMENT**

6.1 Monthly status quo reports of activities implemented will be sent to the client on the 3<sup>rd</sup> of each new month.

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6.2 Monthly status meetings will be held on the 1st Friday of each month.

## **7. INDEPENDENT CONTRACTOR**

7.1 The Service Provider is appointed as an independent contractor, and not as an employee, and at all relevant times during the currency of this Agreement no employer/employee relationship shall exist between the Parties.

7.2 This Agreement replaces any other previous verbal or written agreement entered between the Parties.

## **8. VALIDITY PERIOD AND TERMINATION**

8.1 This agreement remains valid for the duration of the contract period.

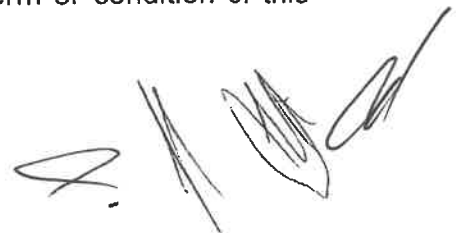
8.2 The term or renewal term can be terminated as per a 30-day cooling off period after the commencement or renewal date of the agreement. Notice of this termination must be made in writing.

8.3 If the customer terminates the agreement prematurely to its term, then any unpaid Maintenance Service Fees will be invoiced.

8.4 If the agreement is ended by any party, the Service Provider is responsible for providing the client with all data, files, and databases associated with the services provided.

## **9. ENTIRE AGREEMENT**

9.1 This Agreement constitutes the entire agreement between the Parties and no amendment, alteration, addition or variation of any right, term or condition of this

Handwritten signatures of the parties involved in the agreement.

Agreement will be of any force or effect unless reduced to writing and signed by the Parties to this Agreement.

- 9.2 The Parties agree that there are no conditions, variations or representations, whether oral or written and whether expressed or implied or otherwise, other than those contained in this Agreement.

## 10. WAIVER

- 10.1 No waiver of any of the terms and conditions of this Agreement shall be binding unless expressed in writing and signed by the Party giving the same, and any such waiver shall be affected only in the specific instance and for the purpose given.
- 10.2 No failure or delay on the part of either Party in exercising any right, power or privilege precludes any other or further exercising thereof or the exercising of any other right, power or privilege.
- 10.3 No indulgence, leniency or extension of time which any Party (*"the Grantor"*) may grant or show the other Party, shall in any way prejudice the Grantor or preclude the Grantor from exercising any of its rights in terms of this Agreement.


## 11. CONFIDENTIAL INFORMATION

- 11.1 The Service Provider shall not, during the currency of this Agreement, or at any time thereafter, utilize or cause to be utilised, and/or directly or indirectly publish or cause to be published or otherwise disclose or cause to be disclosed to any third party, any of the Confidential Information of the Municipality, government in any other sphere, or any government institution or organ of state.
- 11.2 For purposes of this clause "Confidential Information" shall mean –





- 11.2.1 any information disclosed, revealed or exchanged and which pertains to, but is not limited to, all intellectual property rights, all trade secrets, all agreements (whether in writing or not) which exists at the time of revealing the content thereof to the Service Provider, the content of all possible future agreements which may be entered into with any other party, all knowledge obtained by way of research and development, irrespective of whether the aforementioned information that is revealed is applicable to technical, operational or financial aspects of the Municipality, government in any other sphere, or any government institution or organ of state;
- 11.2.2 any information of whatever nature, which has been or may be obtained by the Service Provider, whether in writing or in electronic form or pursuant to discussions between the parties, or which can be obtained by examination, testing, visual inspection or analysis, including, without limitation, scientific, business or financial data or information, know-how, formulae, processes, designs, sketches, photographs, plans, drawings, specifications, sample reports, models, studies, findings, computer software, inventions or ideas;
- 11.2.3 analyses, concepts, compilations, studies and other material prepared by or in possession or control of the Service Provider which contain or otherwise reflect or are generated from any such information as is specified in this definition;
- 11.2.4 all information which a third party has in terms of any agreement made available to the Municipality and which has become known to the Service Provider in the course of rendering the Services; and
- 11.2.5 any dispute between the Parties resulting from this Agreement.





11.3 The Service Provider shall –

- 11.3.1 use the Confidential Information only for rendering the Services;
- 11.3.2 treat and safeguard the Confidential Information as private and confidential; and
- 11.3.3 ensure proper and secure storage of all Confidential Information.

11.4 Any documents or records (including written instructions, notes or memoranda) relating to the Services which are to be provided to the Service Provider or which come into the Service Provider's possession during the currency of this Agreement, are deemed to be the property of the Municipality and shall be surrendered to the Municipality on demand, and in the event of the expiry or termination of this Agreement, the Service Provider will not retain any copies thereof or extracts therefrom without obtaining the prior written permission of the Municipality.

11.5 The Service Provider –

- 11.5.1 acknowledges that he/she has carefully considered the provisions of the clause;
- 11.5.2 agrees that this clause is, after taking all relevant circumstances into account, reasonable and necessary for the proper protection of the interests of the Municipality and the Government of the Republic of South Africa and that if he/she should at any time dispute the reasonableness of this clause, then the onus of proving such unreasonableness shall be on the Service Provider; and
- 11.5.3 acknowledges that he/she has entered into this Agreement freely and voluntarily and that no circumstances exist and/or existed for him/her

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alleging, either now or at any future time, that he was at a disadvantage in agreeing to the restraints set out in this clause, or was not in an equal bargaining position with the Municipality in agreeing thereto.

#### 11.6 The Municipality –

- 11.6.1 acknowledge that is their responsibility to take into account POPIA regulations pertaining to users and their information being used on software developed by the Service Provider.

### 12. BREACH

12.1 If the Service Provider breaches the terms and conditions of this agreement, the Municipality must notify the Service Provider in writing to remedy the breach within 7 (seven) days after becoming aware of the alleged breach.

12.2 If the breach consists of the non-payment of money due, then the period will be not less than 10(ten) days and if the breach is of other nature, then the period will be not less than 30(thirty) days.

12.3 In the event of the Service Provider failing or being unable to remedy the breach the Municipality may, without prejudice to any other rights it may have in law, exercise all or any of the following rights to:

- 12.3.1 Cancel this Agreement and/or;  
12.3.2 Demand specific performance, together with a claim for any damages and interest.

12.4 If the Municipality breaches the terms and conditions of this Agreement, the Service Provider must notify the George Municipality in writing to remedy the breach within 7 (seven) days after becoming aware of the alleged breach.

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12.5 If the breach consists of the non-payment of money due, then the period will be not less than 10 (ten) days and if the breach is of other nature, then the period will be not less than 30 (thirty) days.

12.6 In the event of the Municipality failing to or being unable to remedy the breach, the Service Provider without prejudice to any other rights it may have in law, exercise all or any of the following rights:

12.6.1 Cancel the Agreement; or

12.6.2 Demand Specific Performance together with a claim for any damages and interest.

12.7 The Service Provider accepts liability for all legal costs, including attorney and own client charges and collection charges, and other expenses of any nature whatsoever, which may be incurred by the Municipality by reason of the Service Provider breach of any term or condition of this Agreement.

12.8 Notwithstanding the above, the Municipality reserves the right to impose penalties or claim damages in lieu of penalties, as contemplated in clause 19 below due to late performance or non-delivery of the Services.

12.9 The Service Provider acknowledges and agrees that any negative public statement made by the Service Provider, whether directly or indirectly, about the Municipality, its employees, both political or administratively appointed, whether on radio, television, print media, news media, social media or any other mass media channel, shall be considered a material breach of this contract. In the event of such breach, the Municipality may, at its sole discretion, need to reconsider its ongoing contractual relationship with the Service Provider.

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### 13. NOTICE AND DOMICILIUM

13.1 The Parties choose as their respective *domicilium citandi et executandi* for the purposes of legal proceedings and for the purpose of giving or sending any notice provided for or necessary in term of this Agreement, the following addresses:

**THE MUNICIPALITY:**

THE GEORGE MUNICIPALITY  
Office of the Municipal Manager  
Third floor, Civic Centre, 71 York Street,  
George  
6530

**THE SERVICE PROVIDER:**

TIPP FOCUS HOLDINGS (PTY) LTD  
Building 8  
Fourways Manor  
Macbeth Ave  
Fourways  
2191

13.2 All notices to be given in terms of this Agreement shall be given in writing and be delivered or sent by prepaid registered post to the Party's chosen *domicilium citandi et executandi*.

13.3 If delivered by hand, a notice shall be presumed to have been received on the date of delivery, or, if sent by prepaid registered post, be presumed to have been received 7 (seven) business days after the date of posting.

13.4 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by one of the Parties from the other Party shall be adequate written notice of communication.

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13.5 The above clause will not be so construed as to oust the service procedures, specifically those of personal service as depicted in any applicable legislation of the Republic of South Africa.

#### 14. DISPUTE RESOLUTION

14.1 If any dispute arises between the parties in connection with or arising out of this Agreement the parties shall make every effort to resolve amicably, such dispute or difference by mutual consultation.

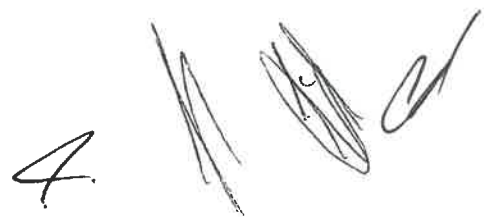
14.2 Should a dispute which pertains to this SLA Agreement arise between the parties to this Agreement then the parties can agree to refer the dispute in question to arbitration.

14.3 Referral to arbitration must be by way of written notice delivered to the *domicilium citandi et executandi* of the other party/ies involved in the dispute.

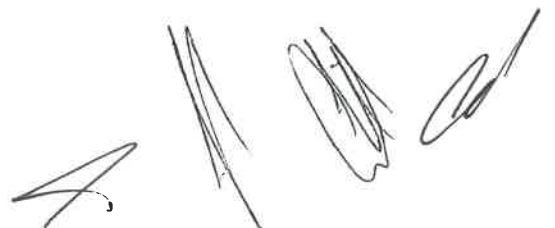
14.4 In the event of arbitration, the Parties shall use their best endeavours to ensure that the arbitration is held and concluded, and a decision handed down within 30 (thirty) working days after the delivery of the referral to arbitration.

14.5 Arbitration shall be held in Cape Town and/or George, or as may be agreed between the parties informally and otherwise in accordance with the provisions of the Arbitration Act, No. 42 of 1965, it being intended that, if possible, it shall be held and concluded within ten business days.

14.6 The arbitrator shall be a person agreed between the parties to the dispute alternatively and party to the dispute may request the Chairperson for the time being of the Legal Practice Council (Western Cape Provincial Office) to appoint an arbitrator, which he is authorized to do in his sole discretion, save that the appointed arbitrator must be independent.



- 14.7 The arbitrator shall have the fullest and freest discretion regarding the procedure applicable to the proceedings; whether he shall require assessors to assist in his decision making; as well as the venue and timing thereof, subject to the other terms of this clause 14.
- 14.8 Save as otherwise specifically provided herein, the Arbitrator shall be if the matter in dispute is:
- (a) Primarily a legal matter, a practicing Senior Advocate of the Cape Bar;
  - (b) any other matter, an independent and suitably qualified person as may be agreed upon between the parties to the dispute.
- 14.9 If agreement cannot be reached on whether the question in dispute falls under 14.8 (a) or 14.8 (b) and/or upon a particular Arbitrator within three business days after the Parties have agreed to refer the dispute to arbitration, then the Chairperson for the time being of the Cape Bar Council shall be requested to:
- (a) determine whether the question in dispute falls under 14.8 (a) or 14.8 (b); and/or
  - (b) nominate the Arbitrator within seven days after the Parties have failed to agree.
- 14.10 The Arbitrator shall give his or her decision within five (5) business days after the completion of the arbitration. The Arbitrator may determine that the costs of the arbitration are to be paid either by one or the other or by both of the Parties.
- 14.11 The decision of the Arbitrator shall be final and binding and may be made an order of the Western Cape High Court, Cape Town, upon the application by any party to the arbitration.



14.12 Notwithstanding the provisions contained in clause 27 of the GCC, disputes between the Parties shall be governed exclusively by, and settled in terms of, clauses 14.1 to 14.11 of this Service Level Agreement.

14.13 A party to this Agreement may institute court proceedings if:

14.13.1 same is necessary for the protection of any rights pending the resolution of an arbitration in terms hereof; or

14.13.2 same is necessary to obtain relief where grounds justifying urgent relief exist.

14.13.3 same is necessary to compel a party to abide by the terms of this arbitration clause.

## **15. ASSIGNMENT, CESSION AND DELEGATION**

15.1 The Service Provider shall not assign, cede or transfer any of its rights, interests and obligations (in whole or in part) under this contract.

## **16. INJURY OR DAMAGE TO PERSON OR PROPERTY**

16.1 The Service Provider shall indemnify and keep indemnified the Municipality against all losses and against all claims for injury or damage to any person or property whatsoever which may arise out of or in consequence of the Service Provider or Service Provider employees providing the services and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever, in respect thereof or in relation thereto.

## **17. FORCE MAJEURE**

17.1 If *force majeure* causes delays in or failure or partial failure of performance by a party of all or any of its obligations hereunder, this agreement, shall be suspended



for the period during which the *force majeure* prevails. Written notice of the *force majeure* specifying the nature and date of commencement thereof shall be dispatched by the party seeking to rely thereon to the other party as soon reasonably possible after the commencement thereof, but not later than even (7) days. Written notice of the cessation of the force majeure shall be given by the party who relied thereon within seven (7) days of such cessation. No party shall subsequently be obliged to comply with obligations suspended during such period. For purpose hereof, force majeure includes any laws or regulations having the force of law, civil strife, riots, insurrection, sabotage, acts of war or public enemy, illegal strikes, interruption of transport and interruption in product supply, caused by the supplier, flood, storm, fire (or without limitation *eiusdem generis*) any other circumstances beyond the reasonable control of the party claiming *force majeure*.

## 18. IMPLEMENTATION AND GOOD FAITH

- 18.1 The parties undertake to do all such things, perform all such acts and take all steps to procure the doing of all such things and the performance of all such acts, as may be necessary or incidental to give conducive to the giving of effect to the terms, conditions and import of this Agreement.

## 19. PENALTIES

- 19.1 It is recorded and agreed that, in the event that the Service Provider fails to deliver the Services within the period stipulated in this Agreement, the Municipality shall be entitled to impose penalties on the Service Provider in the manner as set out in clause 22 of the GCC.
- 19.2 The Municipality's right to impose penalties shall not in any way detract from the Directorate's right to claim damages in lieu of penalties in the event of a breach by the Service Provider of any or all of the terms and conditions of this Agreement.

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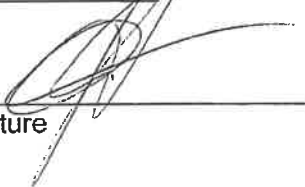


## 20. SIGNATURE

This agreement is signed by the parties on the date and at the places recorded herein.

Signed at FOURWAYS on this 12<sup>TH</sup> day of MAY 2023

AUTHORISED BY:

  
Signature

JACK MAWZI (Name & Surname)  
for Tipp Focus Holdings (Pty) Ltd being duly  
authorised

**WITNESSED BY:**

  
Signature

NILESIA PRETORIUS  
Full Name and Surname

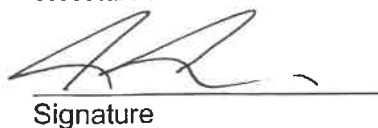
Signed at GEORGE on this 12<sup>TH</sup> day of MAY 2023

AUTHORISED BY:

  
Signature

Mr. Riaan du Plessis  
in his capacity as Director: Financial Services of George  
Municipality being duly authorised

**WITNESSED BY:**

  
Signature

GERALD GOUSSARD  
Full Name and Surname