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City of Joburg Property Company SOC Ltd.

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Forum 2
Braam Park
33 Hoofd Street
Braamfontein
2017

PO Box 31565
Braamfontein
2017

Tel +27(0) 10 219 9000
Fax +27(0) 10 219 9400
www.jhbproperty.co.za

23 November 2015

**KVG ELECTRICAL
207B SEBEKO STREET
MEADOWLANDS
ZONE 5**

Your Ref:
Our Ref: KVG Electrical

ATTENTION: GEORGE KUBAYI

Tel: 072 699 3554
Fax: 086 669 9958

BY HAND

POP: 14/2015 -PANEL OF SUB-CONTRACTORS (POSC) FOR THE OFFICE SPACE OPTIMISATION PROGRAM (OSOP) FOR ON BEHALF OF THE CITY OF JOBURG PROPERTY COMPANY (JPC)

Dear Sirs

City of Joburg Property Company (SOC) Limited ("JPC"), acting on behalf of the City of Johannesburg ("COJ"), have pleasure in confirming your appointment for inclusion in the panel of sub-contractors for the office space optimisation program (OSOP) on behalf of the City of Joburg Property Company (JPC) on an as and when required contract basis.

1. GENERAL CONDITIONS OF APPOINTMENT

This award is made in terms of JPC's standard general conditions of appointment. All previous correspondence, which has taken place between the two parties in connection with this award, shall be deemed to be of no force and effect and to be replaced by this appointment letter.

Please note that the City of Johannesburg Property Company (SOC) Limited and yourselves will enter into an appropriate service level agreement which will be formulated in due course.

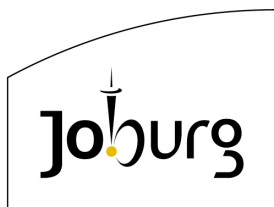
The work will be allocated on an as when required basis in line with the JPC Transformation Strategy in terms of a process that is fair, open, transparent and cost effective.

2. TIME FRAMES

The award is effective for a period of three (03) years commencing from **23 November 2015 until 30 November 2018**, subject to certain terms and conditions which will be communicated to you in due



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course. Notice will be given thirty (30) days before termination of the contract. On termination by effluxion of time or otherwise the sub-contractor will hand over all work in progress to JPC and will have no claim for cost other than stipulated in the Service Level agreement.

3. PAYMENTS TO THE SUB-CONTRACTOR

Kindly be advised that you will be invited on an as and when required basis to submit quotations in line with the required CIDB grading. The terms of engagement and fees structure will be in terms of the relevant professional bodies/and will be negotiated with yourselves.

4. PAYMENTS

4.1 Payments shall be effected to the sub-contractor against invoice within 30 days (Thirty) after invoice and statements.

4.2 The tax invoice shall contain at least the following information:

- POP Number
- Contract address where the works were executed

4.3 Invoices must be submitted to:

City of Joburg Property Company (Pty) Ltd
P O Box 31565
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JPC will not be liable for any additional costs incurred by the sub-contractor through whatever cause, unless JPC has specifically instructed the sub-contractor to incur such costs due to a substantial and material change to the services rendered which has been caused by an act of omission on JPC' part.

GENERAL CONDITIONS OF APPOINTMENT

1. **Appointment in Force and Authorized Signatories:** This appointment is considered to have come into force immediately after all the necessary signatures have been appended.
2. **Independent Contractor:** The consultant is appointed as an independent contractor and no contract of agency and/or employment is created. Save as may be expressly authorized by JPC from time to time in writing, the consultant shall not hold itself out to be the agent of JPC and/or commit JPC to any contract or obligation of whatever nature.
3. **Alterations:** Should circumstances arise which call for modifications of the appointment, these may be made by mutual consent given in writing. Proposals in this respect from one party shall be given due consideration by the other party.
4. **Assignment:** The Consultant shall not without the prior written consent of JPC, cede or assign any of the benefits and obligations under this appointment.
5. **Sub-Contracts:** Any sub-contracts or modifications or termination thereof relating to the performance of the services by the Consultant shall be made only with the prior written consent of JPC.



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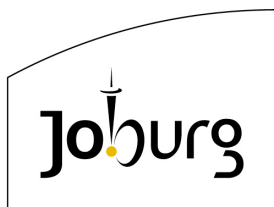
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6. **Compliance with Laws, By-laws and Ordinance:** The consultant shall comply strictly with every applicable law, by-law and ordinance including every regulation, code of conduct or other directive to which the consultant may be subject in its professional capacity. In this regard, the consultant's particular attention is drawn to the requirements of the Occupational Health and Safety Act (OHSA) and its regulations as well as to the Financial Intelligence Centre Act (FICA).
7. **Insurance:** The consultant shall at its own cost and expense maintain professional indemnity insurance and public liability insurance with an insurer approved of by JPC in an amount and for duration as specified in the letter of appointment to which these general conditions of appointment relate.
8. **Postponement and Termination:** JPC may give written notice to the Consultant at any time of its intention to abandon the services, in whole or in part, or to terminate this appointment. The effective termination date of this appointment shall not be less than fourteen (14) days after receipt of such notice, or such other shorter or longer periods as may be agreed between the parties. Upon receipt of such notice, the Consultant shall take immediate steps to bring the services to a close and to reduce expenditure to a minimum. Upon termination of the appointment the consultant shall deliver to JPC the originals of all documents in the possession of the consultant relating to and/or in connection with the appointment in both hard copy and (insofar applicable) electronic format.
9. **Force Majeure:** The Consultant shall promptly notify JPC, in writing, of any situation or event arising from circumstances beyond its control and which he could not reasonably foresee, which makes it impossible for the Consultant to carry out in whole or in part, his obligations under this appointment. Upon the occurrence of such a situation or event, the services shall be deemed to be postponed for a period of time equal to the delay caused by the Force Majeure and a reasonable period not exceeding two weeks.
10. **Claims for Default:** Any claims for damages arising out of default and termination, shall be agreed between JPC and the Consultant, or failing agreement, shall be referred to arbitration in accordance with clause 20.
11. **Rights and Liabilities of Parties:** Termination of this appointment for whatever reason shall not prejudice or affect the accrued rights or claims and liabilities of either party to this appointment.
12. **Confidentiality:** The consultant shall maintain all information relating to the appointment in the strictest confidence.
13. **Indemnity:** The consultant indemnifies JPC and holds JPC harmless against any loss or damage that may be suffered by JPC (including and without limiting the generality of the foregoing any claim that may be brought or threatened against JPC by any third party) arising from or by reason of the failure by the consultant to comply with its obligation in terms hereof.
14. **Skill, Care and Diligence:** The Consultant shall exercise all reasonable skill, care and diligence in the performance of the services under the appointment and shall carry out all his responsibilities in accordance with recognised professional standards. If any documentation prepared or submitted by the consultant to JPC is approved by JPC such approval shall not limit the professional liability of the consultant in respect thereof. The consultant shall remain professionally liable in respect of such documentation notwithstanding the approval thereof by JPC.
15. **Faithful Advisor:** The Consultant shall, in all professional matters, act as a faithful advisor to JPC and, in so far as his duties are discretionary, act fairly as between JPC and third parties.
16. **Indirect Payments:** The remuneration of the Consultant charged to JPC, shall constitute his only remuneration in connection with the appointment and neither he nor his personnel shall accept any



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trade commission, discount, allowance or indirect payment or other consideration with or in relation to the appointment or to the discharge of his obligations thereunder.

17. **Royalties:** The Consultant shall not have the benefit, whether directly or indirectly, of any royalty on or of any gratuity or commission in respect of any patented article or process used on or for the purposes of the appointment, unless it is agreed to by JPC in writing that he may.
18. **Ownership of Equipment, Materials, Supplies and Facilities:** Equipment, materials, supplies and facilities furnished to the Consultant by JPC or purchased by the Consultant with funds wholly supplied or reimbursed by JPC shall be the property of JPC and shall be so marked. Upon completion or termination of the services under this appointment, the Consultant shall furnish to JPC, inventories of the equipment and materials referred to above as it then remains and dispose of same as directed by JPC
19. **Copyright:** All copyright in and to all documents, plans, designs and other material of whatever nature prepared or produced by the consultant in the course and scope of its appointment shall be and remain vested in JPC for which purpose the consultant cedes to JPC all such copyright.
20. **Settlement of Disputes:**
 - a. Any dispute or difference arising out of this appointment, including those considered as such by only one of the parties, shall be finally settled by Arbitration.
 - b. Such arbitration shall be conducted in accordance with the provisions of the Arbitration Act (Act No. 42 of 1965, as amended from time to time), provided that:
 - i. The arbitration proceedings shall take place at Johannesburg.
 - ii. It shall not be compulsory to strictly apply the requirements of the law of procedure or procedure of the usual rules of evidence.
 - iii. The arbitrator shall be a practicing senior advocate as appointed by the chairman of the Johannesburg Bar Council.
 - iv. The arbitrator shall be entitled to call for the evidence of specialists as required by the nature of the dispute.
 - v. The decision of the arbitrator shall be final and binding on both parties and may be made an order of a competent court.
 - c. Unless otherwise requested by JPC, the implementation of the project shall, despite the submissions of a dispute to arbitration, in no manner be suspended or in any way delayed by the consultant.

Please signify your acceptance of appointment by signing the endorsement at the foot of this letter and returning same to us.

Signed for and on behalf of City of Joburg Property Company SOC Ltd.

Supply Chain Management Unit

Name: Fitzgerald Ramaboea

Title: Senior Supply Chain Manager

Signature: _____



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Date: _____

Finance

Name: Imraan Bhamjee

Title: CFO

Signature: _____

Date: _____

Signature on behalf of KVG Electrical

Name: _____

Capacity: _____

Signature: _____

Date: _____



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