

SERVICE LEVEL AGREEMENT

ENTERED INTO BY AND BETWEEN

PASSENGER RAIL AGENCY OF SOUTH AFRICA

a Public entity established in terms of legal success to the South African Transport Services Act 9 of 1989 herein represented by **[INSERT]**, in his/her capacity as Procurement Manager of Passenger Rail Agency of South Africa and duly authorised hereto,

(Hereinafter referred to as “PRASA”)

And

SERVICE PROVIDER

A company duly registered in terms of the laws of the Republic of South Africa under Registration No. **[Insert]**, herein represented by **[insert]** in her capacity as the **[insert]** of the Service Provider, duly authorized hereto.

(Hereinafter referred to as the “Service Provider”)

JOB EVALUATIONS SERVICES (RFP NUMBER: HO/PT/HCM/515/08/2025)

PREMEABLE

WHEREAS PRASA a public entity established in terms of legal success to the South African Transport Services Act 9 of 1989 herein represented by [Insert], in his capacity as [to be included] of Passenger Rail Agency of South Africa and with principal place of business is PRASA Umjantshi House, 30 Wolmarans Street, Braamfontein, Johannesburg, 2001).

WHEREAS DSBD hereby appoints the service provider to provide the services and the Service Provider agrees to render to PRASA the services during the time period on the terms and conditions hereunder, including such additional terms and conditions as may be set forth in any specific task order.

WHEREAS the appointment of the service provider shall not create an employment contract or relationship and the service provider shall not be entitled to any benefits that the employees of PRASA may contractually and in equity be entitled to.

WHEREAS the service provider accepts the appointment. the service provider understands that the appointment in terms of this Agreement does not ensure the issuance of any work to it nor an equitable balance of the value of work ordered and acknowledges that work with regard to services will be allocated (at PRASA sole discretion) as and when specific expertise is needed.

AND WHEREAS a competitive process has been staged for the procurement of such expertise and appointment of Service Providers to be made available to PRASA. the Service Provider has been selected for appointment to provide services to PRASA.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

For the purpose of this Agreement, unless the context clearly indicates a contrary intention, the following expressions shall bear the meanings assigned to them below:

Agreement	means this Service Level Agreement and other annexures referred hereto.
Contract Price	means [to be included] inclusive of VAT and Disbursement.
Days	means calendar days as defined in terms of the Interpretation Act, 1957, (Act No. 33 of 1957);
Duration	means 03 (Three) Years from the Effective Date.
PRASA	means the Passenger Rail Agency of South Africa.
Effective Date	means [] despite the signature date of this Agreement.
Force majeure	means an acts of God, war, civil war, insurrection, earthquake, storm and flood and any event which the Party invoking vis major could not reasonably be expected to prevent or control (including, but without any limitations, any illegal strike and action/s by employees or servants of any Party to this Agreement) but shall exclude any event caused by negligence of such Party or any of its employees or agents or by any failure to observe the standard of care, diligence and skill of an experienced entrepreneur;
Party/ies	means collectively all the Parties to this Agreement, and Party means any one of them as the context may require;

Services	means the service to be provided by the service Provider in accordance with RFP NUMBER: HO/PT/HCM/515/08/2025 for the development of Job evaluation and as more fully described in Annexure A attached hereto .
Service Provider	means [INSERT]
Service Manager	means the representative of PRASA appointed to manage the Agreement and on behalf of PRASA.
VAT	means value added tax in terms of the Value Added Tax Act, 1991 or any similar tax on the supply or sale of services.
LOA	means letter of award as concluded between Parties in relation to Services.
Signature Date	means the signature date of this Agreement by the last Party signing this Agreement or such other date as agreed between the Parties.
Pricing Schedule	means the schedule of payments in relation to the Contract Price attached hereto marked Annexure B .

2. INTERPRETATION OF AGREEMENT

In this Agreement, unless the context otherwise indicates:

2.1. The following documents that form part of this Agreement are to be taken as mutually explanatory of one another and that shall be read and construed as an integral part of the Agreement:

2.1.1. Services Documents comprising of-

2.1.1.1. Annexure A-Scope of Work [To be included]

2.1.1.2. Annexure B-Pricing Schedule [To be included]

2.1.1.3. Annexure C-The LOA [To be included]

2.2. words and phrases used in this Agreement that are defined in any statute, which applies to the subject matter, professional person, goods, or services provided in this Agreement shall be construed in accordance with the applicable statute or regulations.

2.3. headings of clauses are for convenience only and shall not aid in the interpretation of the Agreement.

2.4. words importing the singular number include the plural and vice versa, and words importing either gender or the neuter include both genders and the neuter where the context requires; and

2.5. where figures are referred to in numerals and in words and if there is conflict between the 2 (two), the words shall prevail.

2.6. the expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provided that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.

3. SCOPE OF WORK

The Service Provider shall perform the services for PRASAPRASA as set out in this Agreement and **RFP Number: HO/PT/HCM/515/08/2025** issued by PRASA, hereto attached as **Annexure “A”**.

4. INTRODUCTION

PRASA requires a specialist service provider to perform Job Evaluation services and PRASA has appointed [insert] to render the outlined services for an amount not exceeding **[to be included]** inclusive of VAT and Disbursement for a period of **Three (3)** Years.

5. COMMENCEMENT AND DURATION

- 5.1. The Agreement shall commence on the Effective Date and will be valid for a period of **Three (3)** years unless terminated earlier in terms of clauses 14 and/or 15 herein.
- 5.2. The Parties agree that there shall be no expectation of future renewal of this Agreement.
- 5.3. Any decision to renew shall be subject to negotiations and agreement by the Parties and reduced to writing by means of an Addendum.

6. SERVICE PROVIDER'S OBLIGATIONS

The Service Provider shall:

- 6.1 provide technical professional services and advice in respect of the work, which work is fully set out in this Agreement and **Annexure A**.
- 6.2 exercise all reasonable skill, care, and diligence in the execution of the work and shall carry out all its obligations in accordance with those professional standards usually accepted in relation to the Services.

- 6.3 act as a faithful adviser to PRASA in all professional matters related to the Services and, in so far as any of its duties are discretionary, act fairly between PRASA and third parties and shall respect the laws and customs of the provinces in which Services in relation to the relevant Services is conducted.
- 6.4 ensure that all documents, databases, or any other material in any format, prepared by the Service Provider in relation to the work shall be delivered to PRASA promptly upon PRASA request, subject to the agreed deadline and timeframe for deliverables.
- 6.5 be responsible for all salaries and wages, required income tax or other taxation payments or employee benefits for its employees, as required by law with no recourse whatever to PRASA in this regard.
- 6.6 hereby acknowledges that the commencement of any work and finalisation of Services recommendations and/or decisions will be subject to prior written authorisation from PRASA.
- 6.7 The Service Provider may not proceed with the production of a subsequent dependent deliverables/outputs unless PRASA has accepted and approved a preceding deliverable.

7. **PRASA OBLIGATIONS**

PRASA shall:

- 7.1 pay invoices as they become due and payable to the Service Provider as per the agreed payment conditions and pricing schedule attached hereto and marked as **Annexure B**. The invoices shall specify each milestone or portion thereof with deliverables achieved.
- 7.2 supply all reasonable, relevant, available data and information required and requested by the Service Provider for the proper execution of the services and such assistance as shall reasonably be required by the Service Provider in carrying out its duties in terms of this Agreement.

- 7.3 provide feedback on the quality and acceptance of the work (specifying any changes required to such deliverable rendered to further meet the requirements of this Agreement within fourteen (14) business days from receipts of deliverable, with a clear indication of areas of required improvement.

8. CONTRACT PRICE

- 8.1 PRASA shall pay the Service Provider an amount not exceeding **[To be included]** inclusive of VAT and Disbursement for the duration of the Services.
- 8.2 All payments to or on behalf of the Service Provider under this Agreement shall be made in South African Rand.
- 8.3 All payments shall be effected to the credit of such banking account of the Service Provider as the Service Provider may direct from time to time.
- 8.4 Prices charged by the Service Provider for the Services rendered under and for the entire duration of this Agreement shall not exceed the contract price.
- 8.5 All service charges invoiced by the Service Provider shall include VAT and disbursement where applicable.
- 8.6 The Service Provider shall be paid for the undisputed Services achieved on the Services and such payment shall be due and payable within 30 (thirty) days after receipt of the invoice from the Service Provider and signing-off of deliverables by PRASA.
- 8.7 By signing this Agreement, the Service Provider assures PRASA that it maintains and implements effective, efficient, and transparent financial management.
- 8.8 The Service Provider hereby agrees that the amounts stipulated above are fixed and shall not be exceeded.
- 8.9 The Service Provider shall issue to PRASA invoices in accordance to Pricing Schedule and the invoices shall indicate the VAT number of the Service Provider, the full details of the Service Provider and bank account, be a valid tax invoice in

accordance with the requirements of the South African Revenue Services and indicate the vendor number provided to the Service Provider by PRASA.

9. REPORTING

The Service Provider shall submit the following reports to PRASA as may be required, within a reasonable time from time to time.

10. SERVICES MANAGEMENT AND REPORTING

- 10.1 The HCM team together with Service manager in PRASA will manage the Service Provider, service deliverables and serve as PRASA Services manager.
- 10.2 The Service Provider will co-ordinate regular activities of this Services as agreed in the Inception meeting.
- 10.3 PRASA Services Manager shall supervise and oversee the Services; assist with consultations and engagement as required; and facilitate payment claims, or invoices provided by the Service Provider on an on-going basis.
- 10.4 The Service Provider shall submit all the reports to PRASA Services manager as and when they become due.

11. WARRANTIES

- 11.1 The Parties undertake and warrant that:

- 11.1.1 they hold, obtain and maintain any and all such licenses, permits, approvals, authorization, rights clearances, consents, exemptions, and registrations from any person, organization, or authority as may be necessary to fulfill their obligations and warranties under this Agreement for the term hereof;
 - 11.1.2 they shall not do anything that will be defamatory, injurious or in any way bring the reputation of the other Party, or any third party into disrepute or

expose the Parties to any action, claim or demand by any third party arising out of any intentional or negligent act or omission on the part of any of the Parties or its employees, or any other person(s) acting under its authority with regard to the provisions of this Agreement;

11.1.3 in the exercise of its rights and obligations under this Agreement, they shall ensure that all relevant laws, regulations, license authorization, and permits are complied with; and

11.1.4 all representations and warranties made by them, shall remain true and in force during the term of this Agreement.

11.2 The Service Provider warrants that:

11.2.1 the reports or deliverable items furnished under this Agreement will conform to the obligations as set out in this Agreement.

11.2.2 it has the skill, expertise, and experience to achieve the scope of this Agreement and services.

11.2.3 the reports or deliverable items furnished in terms of this Agreement shall conform to the obligations as set out in this Agreement.

12. INTELLECTUAL PROPERTY RIGHTS

12.1 All intellectual property rights stemming from this Agreement, as well as improvements and additions thereto, shall, without prejudice to the intellectual property rights of the Service Provider, be the sole property and right of PRASA.

12.2 The Service Provider shall retain its pre-existing intellectual property.

12.3 Neither Party shall in any manner alter or effect the display of the respective intellectual property rights of the other Party, vendor, or supplier, without the prior written approval of the other Party, vendor or supplier.

- 12.4 The Parties agree and undertake to treat all information concerning the intellectual property of each other which may come to their attention as strictly confidential.
- 12.5 The Service Provider will grant PRASA the perpetual right to access, at no cost, to all information, relating to the Services, should the following events occur:
- 12.5.1 if the Service Provider liquidated (provisionally or finally) or entered an Agreement/arrangement with his creditors;
 - 12.5.2 if the Service Provider transfers, or attempts to transfer any Intellectual Property rights of the Service;
 - 12.5.3 if the Service Provider is in breach of any term/s of this Agreement and fails to remedy such breach within 10 (ten) days after having received a written notice from PRASA calling on it to do so;
 - 12.5.4 if the Service Provider ceases to trade or ceases to provide the services under this Agreement or Agreement is terminated for breach.

13. CONFIDENTIALITY

- 13.1. All confidential information related to this Agreement will be regarded as confidential and may not be disclosed or published by either Party, its employees and to any person or to a person not working on a specific matter within or for and on behalf of either Party. This includes information regarding:
- 13.1.1. internal policy discussions related to new or evolving policies or revisions to PRASA policies which have not been formally determined and have not been announced to the public;
 - 13.1.2. the Parties' discussions which are confidential in nature or meetings where confidential matters are discussed;

13.1.3. minutes of meetings, including submissions, which are confidential in nature;

13.1.4. internal or external submissions which are confidential in nature; and

13.1.5. any other matter which the Parties would reasonably regard as being confidential.

13.2. Parties shall not release any information whatsoever about any activities undertaken for and on behalf of the other in either electronic or print media.

13.3. Both Parties shall hold in confidence all information received from the other Party directly or indirectly, which could possibly harm the good name, reputation and standing of the respective Parties.

14. BREACH AND TERMINATION

14.1 Subject to the provisions of this clause 14 this Agreement may be terminated by PRASA following the occurrence of Service Provider.

14.2 In the event of a termination as contemplated in this clause, the Service Provider shall have no claim whatsoever based on enrichment, or reimbursement, or any other claim of any nature whatsoever, against PRASA in respect to or arising from or connected to termination contemplated in this clause.

14.3 The termination as contemplated in this clause 14 shall not constitute a dispute and shall not be subject to any mediation or arbitration.

14.4 PRASA reserves the right to terminate this Agreement for convenience by giving 30 days termination notice.

15. DISPUTE RESOLUTION

15.1. In the event of any dispute or difference of any kind whatsoever arising between the Parties regarding the terms or interpretation of this Agreement,

the Parties as represented by designated representatives shall make every effort to resolve amicably such dispute or difference by mutual consultation.

- 15.2. If the Parties fail to resolve their dispute or difference within 5 (five) days of such dispute arising by such mutual consultation, then either Party may give notice to the other Party of its intention to commence with mediation. No mediation in respect of this matter may commence unless such notice is given to the other Party.
- 15.3. In the event it is not possible to settle a dispute by means of mediation, within 22 Business Days, either of the Parties may refer the dispute to arbitration, which proceedings shall be held in Johannesburg in accordance with the Arbitration Foundation of South Africa Rules and the award in Arbitration shall be final and binding upon parties.
- 15.4. This clause constitutes an irrevocable consent by the Parties to any proceedings in terms hereof, and neither of the Parties shall be entitled to withdraw from the provisions of this clause or claim at any such proceedings that it is not bound by this clause.
- 15.5. This clause is severable from the rest of this Agreement and shall remain in effect even if this Agreement is terminated for any reason.
- 15.6. This clause shall not preclude either Party from seeking urgent relief in a court of appropriate jurisdiction, where grounds for urgency exist

16. INDEMNITY

- 16.1 The Service Provider, including any person acting for or on behalf of the Service Provider, shall exercise due care and diligence in the performance of its duties in terms of this Agreement, and the Service Provider, including any person acting for or on behalf of the Service Provider, shall be liable to PRASA where the Service Provider has failed to exercise such due care and diligence.
- 16.2 The Service Provider, including any person acting for or on its behalf, acts as an independent contractor and not as an agent or employee of PRASA and

has no authority or right to bind PRASA, shall be liable for any action where it seeks to bind PRASA.

- 16.3 The Service Provider indemnifies and holds PRASA harmless against all losses or expenses incurred or claims made of whatever nature, criminal or civil, together with any legal fees and costs incurred by the Service Provider, arising out of the conduct of the Service Provider, its employees, agents and or other natural or juristic persons connected with the Service Provider, in conducting the work pursuant to this Agreement.
- 16.4 Notwithstanding anything to the contrary set out in this Agreement, the Service Provider hereby indemnifies and shall hold harmless PRASA against any claims, damages, expenses, and costs (including those asserted by third parties) directly related to this Agreement, in delict, for acts by Service Provider for breach of statutory duty or otherwise. Neither Party shall be liable for Consequential and/or indirect damages in terms of this Agreement.
- 16.5 The Service Provider hereby indemnifies and shall hold harmless PRASA against any claims that the products or deliverables infringe upon any patent, copyright, trade secret or other right of any third party. In the event of such a claim, the Service Provider shall furthermore at its own expense either:
- 16.5.1 Obtain from PRASA the right to continue using the product; or replace the products or deliverables or the infringing parts thereof with an equivalent product or part thereof.

17. ANTI-CORRUPTION AND GOOD FAITH

- 17.1 In implementing this Agreement and in all further dealings with each other, the Parties undertake to observe utmost good faith and to give effect to the intent and purpose of the Agreement.
- 17.2 The Service Provider shall not make or cause to be made any offer, gift or payment or consideration or benefit of any kind, which would or could be construed as an illegal or corrupt practice, either directly or indirectly to any Party,

as an inducement or reward in relation to relaxation of any provision in the execution of this Agreement. Any such practice will constitute a ground for termination of this Agreement.

18. PUBLIC RELATIONS AND PUBLICITY

18.1 PRASA acknowledges that certain information pertaining to the Services required to be disclosed in accordance with the statutory reporting obligations of PRASA as it may be required to publish from time to time in response to enquiries from:

18.1. Parliament and its members and officers in accordance with the provisions of the Public Finance Management Act; and

18.2 the Auditor-General under the Public Audit Act; and

18.3 persons acting in public interest in accordance with the provisions of the Promotion of Access to Information Act, 2000.

18.2 Subject to Clause 18.1 neither Party shall communicate with representatives of the press, television, radio or other communications media on any matter concerning this Agreement without the prior approval of the other Party, such consent not to be unreasonably withheld.

19. CONFLICT OF INTEREST

The Service Provider shall not engage in any activity, which may conflict with the interests of PRASA, during the term of this Agreement.

20. FORCE MAJEURE

19.1 Neither Party shall be responsible for or liable due to any failure to observe its obligations in terms of this Agreement where such failure or liability is due to any event of force majeure.

- 19.2 A Party claiming force majeure hereunder shall notify the other Party within 3 (three) business days of the circumstances of such force majeure event arising and, when known, of the likely duration of the force majeure event and shall use all reasonable diligence to remedy the force majeure event, or to avoid or minimize the consequences of suspending performance of the obligation affected by the force majeure event, provided that nothing herein shall require such Party to settle strikes or other labour disputes contrary to its interest, and shall continue with its obligations after the force majeure event has ceased to exist. Performance of the obligations affected by the force majeure event shall be deemed suspended for as long as such force majeure event continues to prevent or delay performance.
- 19.3 If a force majeure arises, the Service Provider shall promptly notify PRASA in writing of such condition and the cause thereof. Unless otherwise directed by PRASA in writing, the Service Provider shall continue to perform its obligations under the Agreement as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
- 19.4 If any event(s) of force majeure continues for a period in excess of 10 (ten) days, a Party not claiming force majeure may elect, at its sole discretion and upon written notice to the other Party, to terminate this Agreement.

21. GENERAL

- 20.1 This Agreement constitutes the whole Agreement between the Parties and no Agreements, representations, or warranties between the Parties regarding the subject matter hereof other than those set out herein are binding on the Parties.
- 20.2 No amendment, consensual cancellation of this Agreement, waiver of any rights arising from this Agreement, nor breach or termination shall be of any force and effect unless reduced to writing and signed by all the Parties or their duly authorized representatives.

- 20.3 Any indulgence permitted or allowed by any Party to the other Party in respect of the performance of any obligation hereunder, shall in any circumstances be construed to be implied consent or election by such Party or operate as a waiver or novation of or otherwise affect any of the Party's rights in terms of this Agreement or estoppel or preclude such Party from enforcing at any time and without notice, compliance with the terms of this Agreement.
- 20.4 The Service Provider shall not without the written consent of PRASA, subcontract any of the services required in terms of this Agreement to any third party, and provision of the consent does not raise any contractual liability for PRASA towards the subcontract.
- 20.5 Both Parties undertake to perform their obligations under this Agreement in utmost good faith.
- 20.6 Each Party shall bear its own costs in the negotiation, preparation, and finalization of this Agreement.
- 20.7 Neither Party shall cede, assign, or otherwise alienate this Agreement without the written consent of the other Party.
- 20.8 If any clause or provision of this Agreement is found to be invalid, illegal, or unenforceable in any way, such clause or provision shall be deemed to be separate and severable from the remaining provisions of this Agreement, and the validity and enforceability of those provisions shall not be affected.

22. DOMICILIUM CITANDI ET EXECUTANDI

- 21.1. Any notice in terms of this Agreement shall be hand delivered to the physical addresses of the Parties, in which event proof of acknowledgment shall be endorsed upon a copy of the notice together with the name of the recipient and date of receipt or shall be sent by registered post to the nominated postal addresses of the Parties, in which event a proof of postage issued by the relevant postal authority will serve as proof.

- 21.2. The Service Provider chooses for the purpose of this Agreement its domicilium citandi et executandi as follows:

Street Address: [INSERT]

Postal Address: [INSERT]

Cell Number: [INSERT]

E-mail address: [INSERT]

- 21.3 PRASA chooses for the purpose of this Agreement its domicilium citandi et executandi as follows:

Street Address: [INSERT]

Attention: [INSERT]

Postal address: [INSERT]

Mobile number: [INSERT]

E-mail: [INSERT]

- 21.4 Any Party to this Agreement may change its domicilium citandi et executandi by giving the other party 10 (ten) days' notice.

- 21.5 Any notice given in terms of the Agreement shall be in writing and shall:

21.5.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery.

21.5.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 10th (tenth) business day following the date of such posting; and

21.5.3 if transmitted by e-mail be deemed to have been received by the addressee within a business day after the successful transmission thereof.

22 GOVERNING LAW

The Acts, the laws and the legal principles of the Republic of South Africa determine the interpretation of the provisions of this Agreement.

23 ATTESTATION

The Parties hereby acknowledge having read and signed this Agreement, the contents of which are understood and accepted by both the undersigned Parties.

24 PUBLIC RELATIONS AND PUBLICITY

24.1 PRASA acknowledges that certain information pertaining to these services is required to be disclosed in accordance with the statutory reporting obligations of PRASA as it may be required to publish from time to time in response to enquiries from:

24.1.1 Parliament and its members and officers in accordance with the provisions of the Public Finance Management Act; and

24.1.2 the Auditor-General under the Public Audit Act; and

24.1.3 persons acting in the public interest in accordance with the provisions of the Promotion of Access to Information Act, 2000.

24.1.4 Subject to Clause 24.1 neither Party shall communicate with representatives of the press, television, radio or other communications media on any matter concerning this Agreement without the prior approval of the other Party, such consent not to be unreasonably withheld.

For SERVICE PROVIDER

THUS, DONE AND SIGNED AT _____ ON THIS _____ DAY 2025.

WITNESSES NAME AND SIGNATURE:

1 _____

2 _____

[INSERT]

For PRASA

THUS, DONE AND SIGNED AT _____ ON THIS _____ DAY OF _____.

WITNESSES NAME AND SIGNATURE:

1 _____

2 _____

[INSERT]

ANNEXURE A – SCOPE OF WORK

The scope of work for the Job evaluation, but is not limited to:

- 1.** Analyse/review jobs through various methodologies such as interviews or surveys to obtain detailed information on specific jobs.
- 2.** Train/capacitate HCM employees and JE Committee members on Job Evaluation process.
- 3.** Grade jobs and positions across the organization. Jobs and positions that are envisaged to be at non-management level will be graded in conjunction with JE Committees.
- 4.** Compile a comprehensive Job Evaluation report for all evaluated/graded jobs and positions.
- 5.** Conduct job analysis sessions.
- 6.** Train/capacitate HCM employees and JE Committee members on Job Evaluation.

7. Assess jobs based on pre-determined structured job evaluation methodology that correlates with three or more grading systems including Paterson grading system.
8. Grade jobs and positions within scope and submit a JE report timeously.
9. Compile a comprehensive Job Evaluation report for all evaluated/graded jobs and positions.

ANNEXURE B – PRICING SCHEDULE

Parties will agree on the payment arrangements, and it will be attached here as Annexure B after the appointment of suitable service provider.