

DRAFT
SERVICE LEVEL AGREEMENT

Entered into by and between

TRANSNET SOC LTD

Registration No. 1990/000900/30
(hereinafter referred to as **"Transnet"**)

and

Registration No.
(hereinafter referred to as **"the Law Firm"**)

(Herein represented by)
In his/her capacity as

Which document shall be referred to as **"the Agreement"**

PREAMBLE

WHEREAS Transnet conducted a procurement process, by issuing Request for Proposal (“RFP”) number to which the Law Firm responded and was selected to render Services to Transnet.

AND WHEREAS the Parties have agreed to enter into this Agreement for the purpose of regulating the relationship between them and for ensuring the attainment and maintenance of high-quality performance and standards.

NOW THEREFORE THE PARTIES HERETO AGREE AS FOLLOWS:

1 INTERPRETATION

1.1 Headings to the clauses of this Agreement are for purposes of convenience and reference only and shall not be used to assist with the interpretation of the terms of this Agreement.

1.2 Words importing:

1.2.1 any one gender shall include the other gender;

1.2.2 the singular shall include the plural and vice versa; and

1.2.3 natural persons shall include juristic entities and vice versa;

1.3 The following terms shall have the meanings assigned to them hereunder and cognate words and expressions shall have corresponding meanings:

1.3.1 “**Agreement**” means this Service Level Agreement, including the RFP documents and annexures thereto submitted by the Law Firm;

1.3.2 “**Applicable Law**” means any legislation, regulation, rules of practice of all the Courts in the Republic of South Africa, bylaw, policy or directive document in existence as at, or coming into existence after the Commencement Date which is of relevance to the

rendering of the Services in terms hereof and is issued by any sphere of government or organ of state;

1.3.3 **“Approved List”** means an approved list of Law Firms as appointed by Transnet from time to time;

1.3.4 **“Attorney”** means a legal practitioner duly admitted and enrolled to practice as an Attorney in the Republic of South Africa;

1.3.5 **“B-BBEE”** means broad-based black economic empowerment as defined in the B-BBEE Act;

1.3.6 **“B-BBEE Act”** means the Broad-Based Black Economic Empowerment Act No. 53 of 2003 as amended, including any codes of good practice issued in terms thereof from time to time;

1.3.7 **“B-BBEE Status”** means, in relation to the Law Firm, its B-BBEE Status, having regard to its overall performance using the relevant scorecard set out in the B-BBEE Act as reflected in the Law Firm’s Verification Certificate;

1.3.8 **“Black”** means Africans, Coloureds and Indians as defined in the B-BBEE Act;

1.3.9 **“Candidate Attorney”** means a person undergoing practical vocational training;

1.3.10 **“Commencement Date”** means the, notwithstanding the Signature Date;

1.3.11 **“Confidential Information”** means all and any information or data in whatever form (including in oral, written, electronic and visual form) relating to Transnet which by its nature or content is identifiable as, or could reasonably be expected to be, confidential and/or proprietary to Transnet;

1.3.12 **“Correspondent Attorney”** means a firm of Attorneys who act as representatives in a different location of the instructing Law Firm who is acting on behalf of Transnet;

- 1.3.13 **“Counsel”** means an advocate admitted to practise as such in terms of the applicable legislation;
- 1.3.14 **“Fees”** means the fees, including disbursements, arbitrator’s, counsel’s and / or any third-party consultant’s or expert’s fees, which is invoiced by the Law Firm for any services rendered in terms of this Agreement to Transnet at its request and special instance;
- 1.3.15 **“Force Majeure”** means, in respect of either Party, any event or circumstance, or combination of events or circumstances occurring during the operation of this Agreement, the occurrence of which is beyond the reasonable control of, and could not have been avoided by steps which might reasonably be expected to have been taken, by such Party;
- 1.3.16 **“General Manager”** means the relevant General Manager in the Litigation department, Commercial Law department or Specialised Litigation department, or in the event of an organisational restructuring, his/her successor in title;
- 1.3.17 **“Intellectual Property”** means means Patents, Designs, Know-How, Copyright and Trademarks and all rights having equivalent or similar effect which may exist anywhere in the world and includes all future additions and improvements to the Intellectual Property;
- 1.3.18 **“Legal Advisor”** means a Legal Professional employed by Transnet to manage Transnet’s legal matters.
- 1.3.19 **“Law Firm”** means a firm of Attorneys practising as such, and appointed to the Approved List;
- 1.3.20 **“Operating Divisions”** means Transnet Freight Rail, Transnet National Ports Authority, Transnet Engineering, Transnet Port Terminals, Transnet Pipelines, and Transnet Property;
- 1.3.21 **“Paralegal”** means a person trained in subsidiary legal matters but not qualified as an Attorney or Candidate Attorney;

- 1.3.22 **"Parties"** means Transnet and the Law Firm and **"Party"** means either of them as the context may indicate or require;
- 1.3.23 **"POPIA"** means the Protection of Personal Information Act No. 4 of 2013 as may be amended from time to time;
- 1.3.24 **"Practice Area"** means the practice area / discipline of law for which the Law Firm successfully tendered.
- 1.3.25 **"Pricing List"** means the schedule of fees as submitted by the Law Firm with its tender proposal;
- 1.3.26 **"Services"** means the legal services and any other services incidental thereto to be provided by the Law Firm in terms of clause 4 of this Agreement provided the Law Firm has received express instructions to provide such services;
- 1.3.27 **"Signature Date"** means the date on which this Agreement shall be signed by the last signing Party;
- 1.3.28 **"Subsidiary/ies"** means any company or joint venture whether incorporated or unincorporated in which Transnet is the majority shareholder or that is wholly owned by Transnet SOC Ltd; and
- 1.3.29 **"Tax Invoice"** means the document as required by Section 20 of the VAT Act;
- 1.3.30 **"VAT"** means Value-Added Tax chargeable in terms of the VAT Act;
- 1.3.31 **"VAT Act"** means the Value Added Tax Act No. 89 of 1991, as may be amended from time to time;
- 1.3.32 **"Verification Certificate"** means a B-BBEE certificate issued in compliance with B-BBEE Codes of Good Practice and all Sector Codes issued in terms of Section 9(1) of the B-BBEE Act.

- 1.4 When any number of days are prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a Saturday, Sunday, or public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday;
- 1.5 Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail;
- 1.6 Unless the context indicates otherwise, any reference to Transnet is inclusive of its Operating Divisions and Subsidiaries.
- 1.7 A reference to any statutory enactment shall be construed as a reference to that enactment as at the Signature Date and as amended or substituted from time to time.
- 1.8 The rule of construction that the Agreement shall be interpreted against the Party responsible for the drafting or preparation of the Agreement shall not apply.

2 APPOINTMENT

- 2.1 Transnet hereby appoints the Law Firm to the Approved List for purposes of rendering the Services, and the Law Firm hereby accepts the appointment and agrees to render the Services to Transnet on the terms and conditions set out hereunder.
 - 2.1.1 The Law Firm accepts this appointment on the understanding that for purposes of this Agreement, Transnet will be represented by the Legal Advisor and that the Legal Advisor shall be the first point of interface in all matters that pertain to the Services.
 - 2.1.2 While Transnet, guided by its internal rules governing allocation of work, will use reasonable endeavours to achieve an equitable distribution of work to the firms on the Approved List, the Law Firm accepts that this appointment does not guarantee that any work will be allocated to the Law Firm.

- 2.2 Once work has been allocated, the Law Firm undertakes to proceed with its instructions in accordance with and in strict adherence to the terms of this Agreement, Applicable Law, best practice and each applicable instruction letter issued to the Law Firm by Transnet.
- 2.3 The Law Firm acknowledges that B-BBEE is a material business imperative for Transnet. To this end, it is recognised that work allocation in terms of this Agreement may be allocated to law firms in a manner calculated to advance transformation in line with legislative, regulatory or policy requirements, and in compliance with policies or directives that may be issued by Transnet's shareholder Ministry or National Treasury from time to time.
- 2.4 As at the Commencement Date the B-BBEE Status of the Law Firm is the level reflected in the Verification Certificate submitted with the Law Firm's tender documents. Annually, before or on the expiration of the Verification Certificate, the Law Firm shall deliver to the relevant General Manager a renewed Verification Certificate. If for any reason whatsoever there is a change in the B-BBEE Status of the Law Firm at any time after the Commencement Date that adversely affects its B-BBEE Status the Law Firm shall immediately inform Transnet of such change and the corrective measures it will implement to regain its B-BBEE Status. Transnet in its sole discretion after consideration of the corrective measures will have the option to terminate this Agreement or review the allocation of work to the Law Firm.
- 2.5 Should there be any material change to the structure and/or composition of the Law Firm, with particular reference to directorship, partnership, ownership and control, effected after the Commencement Date, the Law Firm shall notify Transnet thereof in writing at least 30 (thirty) days prior to such change and provide Transnet with the following:
- 2.5.1 Full particulars of the new ownership structure, with the full names of new persons in the ownership structure;
 - 2.5.2 An updated Verification Certificate;
 - 2.5.3 A valid original tax clearance certificate;
 - 2.5.4 A statement regarding the competency of the new firm proposed to render the Services;

- 2.5.5 Proposal regarding existing matters where the Law Firm is terminating, and a new firm is to be formed, a split-up or firms to be merged; and
- 2.5.6 Any other information which may assist Transnet in making its decision.
- 2.6 Transnet may call for such additional information as it may require in considering a request in terms of clause 2.5 and shall advise the Law Firm as soon as possible of its decision.
- 2.7 The Law Firm accepts that Transnet has the final decision as to whether or not any matter may remain with attorneys who leave the Law Firm due to a change contemplated in clause 2.5.
- 2.8 The Law Firm accepts that such a change to the structure and/or composition may amount to constituting a new law firm, which may lead to termination of this Agreement and removal of the Law Firm from the Approved List or may result in the Law Firm having to be re-assessed for B-BBEE purposes, and/or for its continued eligibility to remain on the Approved List.
- 2.9 As soon as a determination as is envisaged in 2.7 and 2.8 above has been made, the Law Firm shall be duly informed in writing of Transnet's decision and the reasons therefor. The decision of Transnet in this regard shall be final.
- 2.10 If Transnet's decision is not to retain the Law Firm, the Law Firm shall transfer all the uncompleted instructions, if any, in accordance with Transnet's written instruction. The Law Firm shall be paid due fees and disbursements, if any, in respect of work already undertaken in respect of such incomplete instructions.

3 DURATION

- 3.1 Unless terminated earlier in terms of its provisions, this Agreement shall commence on being the Commencement Date and shall endure for a period of 5 (five) years, until

- 3.2 Should a matter not be concluded within the period of validity of the Approved List, the General Manager shall decide, in his/her sole discretion, whether or not such matter will remain with the appointed Law Firm. Where the General Manager has made a decision for the matter to remain with the appointed Law Firm, all terms and conditions of the signed Agreement will remain in place until the conclusion of the matter.

4 THE SERVICES

- 4.1 The Law Firm represents that it possesses the appropriate level of experience and expertise in relation to the Services in the Practice Areas in respect of which it has been appointed attach a schedule for the categories appointed contracted for. The Law Firm understands that notwithstanding such representation, Transnet is not obliged to utilise the Services of the law firm in respect of Practice Areas that the Law Firm has been appointed for. The fields of practice in respect of which the Law Firm is appointed will appear on the Approved List.
- 4.2 The Law Firm shall immediately notify Transnet should it lose the necessary capacity, resources, experience and expertise to provide the Services in the Practice Areas it has been appointed for.
- 4.2.1 Upon being notified as is envisaged in this clause, Transnet shall determine whether to remove the Law Firm from the Approved List or to retain the Law Firm as a service provider for the remaining Services.
- 4.2.2 As soon as a determination as is envisaged in 4.2.1 above has been made, the Law Firm shall be duly informed in writing of the decision and the reasons thereof. The decision of Transnet in this regard shall be final.
- 4.3 Unless otherwise advised, the Law Firm shall only accept instructions from, and shall only liaise with the Legal Advisor at all times when providing Services to Transnet. If the Law Firm is in any doubt about the authority of a Legal Advisor, it shall contact the relevant General Manager for confirmation.

- 4.4 Law Firms are strictly prohibited from accepting instructions from Transnet employees or officials who are not Legal Advisors. Any instruction carried out that was not given by the Legal Advisors shall not be remunerated.
- 4.5 It is expected that the Law Firm shall, at all times, provide the Services diligently, in a professional manner and in compliance with all Applicable Laws. This means that the Law Firm shall amongst others:
- 4.5.1 Comply with the professional and ethical rules generally applicable to the legal profession;
 - 4.5.2 Adhere to all relevant Transnet business conduct policies and guidelines and procurement policies.
 - 4.5.3 Ensure that the interests of Transnet are protected at all times;
 - 4.5.4 Ensure that the Services are aligned to legal best practice;
 - 4.5.5 Dedicate to all Transnet matters, specific Attorneys with experience and expertise in the relevant Practice Areas to the demographic requirements in the make-up of any team advising Transnet. Every instruction shall have a senior Black attorney as the lead. In the event that the Law Firm is unable to meet this requirement, the Law Firm shall firstly appoint a white female partner before a white male partner is appointed as the lead, whose supporting team must be all or majority Black practitioners. The Law Firm must be able to indicate skills transfer to Black attorneys in the instance where a white partner has been appointed as the lead. The Law Firm will file a skills transfer plan with the Legal Advisor concerned for that Practice Area.
- 4.5.5.1 Where the Law Firm does not have specific Attorneys with the required experience and expertise, as may be the case with some of the historically disadvantaged Law Firms, Transnet has the option, in its sole discretion:
- 4.5.5.1.1 To re-allocate the instruction to law firm; or

- 4.5.5.1.2 Request the Law Firm to enter into a twinning arrangement with such other Law Firm on the terms to be approved by Transnet; or
- 4.5.5.1.3 Agree to a skills development plan with the Law Firm to develop the necessary expertise.
- 4.5.5.2 The objective of the arrangement referred to in clause 4.5.5.1.2 above would be to impart skills and to assist in the development of the historically disadvantaged Law Firm.
- 4.5.5.3 Details of this arrangement, which shall not be limited to, but which shall include work allocation and fees, shall be agreed to by all the parties involved, prior to commencing with work on an instruction.
- 4.5.6 Where a Law Firm has dedicated a specific Attorney(s) to deal with a particular Transnet matter, no other Attorney should be assigned to the matter without the prior written approval of the Legal Advisor, which shall not be unreasonably withheld or delayed, and the Legal Advisor shall be provided with the name, contact details and charge-out rate of the additional Attorney, together with an estimate of any additional total legal fee and estimated number of hours of additional work to be performed by such additional Attorney.
- 4.5.7 Failure to comply with the above shall lead to the Law Firm forfeiting fees generated in respect of the unapproved Attorney on the particular Transnet matter.
- 4.5.8 Candidate Attorneys shall not be allowed to work on any Transnet matters without the supervision of a senior Attorney and the work carried out by such Candidate Attorney, as the case may be, shall not be chargeable unless the Legal Advisor has given prior written approval to such Candidate Attorney doing the work in question.
- 4.5.9 Where there is a need to appoint Correspondent Attorneys for a Transnet matter, the Law Firm shall only do so after such appointment has been discussed and agreed to in writing with the Legal Advisor.
- 4.5.9.1 Where the services of a Correspondent Attorney are required in an area or region where Transnet has appointed a Law Firm, the Law Firm shall appoint such firm.

4.5.9.2 Where a Correspondent Attorney is appointed, the Law Firm shall ensure that there is no unnecessary duplication of Services, and/or costs.

4.6 The Services will be rendered with the highest degree of professional skill, care and diligence that may reasonably be expected of a skilled, professional person suitably qualified and experienced, in the performance of the Services; and the Law Firm will -

4.6.1 Clarify any ambiguous, poor or unclear instructions;

4.6.2 Comply with any reasonable and lawful instruction or direction of Transnet relating to the performance of the Services;

4.6.3 Not infringe any rights (including Intellectual Property rights) of any person or otherwise act unlawfully toward any person in performing the Services and ensure that the deliverables do not infringe any rights (including Intellectual Property rights) of any person or otherwise be unlawful towards any person;

4.6.4 Promptly notify Transnet of any incident (which is notifiable pursuant to any law, regulatory requirement or code of Conduct) that occurs in performing its obligations under this Agreement;

4.6.5 Ensure that all information and materials of Transnet in the custody of the Law Firm for purposes connected with this Agreement are protected at all times from unauthorised access or use by a third party, and from misuse, damage or destruction by any person;

4.6.6 Provide any report with such regularity and in such format as is reasonably requested by Transnet.

4.6.7 Manage each matter so as to adhere to the agreed timetable. If the Attorney responsible for the matter forms the view, at any point, that an agreed timetable is unlikely to be achieved in any material part, he/she will promptly notify the Legal Advisor, giving him/her complete details explaining the reasons for the anticipated delay, and agree with the Legal Advisor a revised timetable.

- 4.6.8 Work together with Transnet to establish a database of advice and opinions that the Law Firm has provided to Transnet which would be of broader interest or application to Transnet. The Law Firm will assist in updating that database from time to time. It is contemplated that the database will be in electronic or other form as agreed between the Law Firm and the General Manager.
- 4.7 The Services will be rendered in a timely, cost efficient, prudent and reasonable manner as each request for Services requires.
- 4.8 Where no time limits are agreed to, the Services will be rendered within a reasonable period as may be determined by the Parties under the circumstances of each matter and where necessary or applicable, in accordance with prevailing legislation.
- 4.9 The Law Firm shall, until the completion of any instruction, provide Transnet with progress reports at least once a month. In addition, the Law Firm shall on a regular basis advise Transnet of the prospects of success in litigation matters and if required suggestions with regard to settlement.
- 4.10 The Law Firm shall not settle any claim against or initiate and defend litigation on behalf of Transnet, without the necessary consultation and the prior written approval of Transnet.
- 4.11 The Law Firm shall not involve itself in matters where there is a serious conflict of interests, potential or actual, with the interests of Transnet. The Law Firm shall not be involved in any litigation against Transnet or in any commercial transaction to which Transnet is a party in respect of the Practice Areas that the Law Firm may render Services to Transnet. Where any potential or actual conflict of interests exists, the Law Firm shall immediately notify the instructing Legal Advisor and the General Manager thereof, in writing. Such notification shall set out with sufficient particularity the nature of the conflict of interests.
- 4.11.1 Upon being notified as envisaged in clause 4.11 above, the General Manager shall determine whether or not to request the Law Firm:
- 4.11.1.1 Not to accept the conflicting instruction; or
 - 4.11.1.2 Agree that the instruction may be accepted with or without conditions.

- 4.11.2 If the General Manager is of the opinion that the conflict of interest is material, and the Law Firm does not act in accordance with a request in terms of clause 4.11.1 Transnet may remove the Law Firm from the Approved List.
- 4.11.3 As soon as the determination as is envisaged in 4.11.2 above has been made, the Law Firm shall be duly informed of the General Manager's decision and the reasons thereof. The decision of the General Manager in this regard shall be final.
- 4.11.4 Failure to notify the instructing Legal Advisor and the General Manager in terms of this clause of the existence of a potential or actual conflict of interest may lead to removal of the Law Firm from the Approved List.
- 4.12 Transnet is responsible for handling all media enquiries and contacts concerning its business. Should the Law Firm be contacted by any media representative regarding Transnet or its business, the Law Firm shall decline to comment/ make any statement and refer such media representative to the Transnet Legal Advisor who issued the instructions.
- 4.13 It is recorded that information disclosed to the Law Firm in terms of this Agreement shall be deemed Confidential Information and may not be disclosed to third parties unless Transnet has consented to such disclosure. The Law Firm is bound by attorney-client confidentiality and must handle the Confidential Information of Transnet with the strictest confidence. Should it come to the attention of Transnet that personnel of the Law Firm have disclosed Transnet Confidential Information to any unauthorised third party, the Law Firm shall be removed from the Approved List. Transnet reserves the right to recover from the Law Firm any damages it may suffer as a consequence of such unauthorised disclosure.
- 4.14 Should there be a request to disclose information in terms of the provisions of the Promotion of Access to Information Act 2 of 2000 or any other legislation in South Africa or similar legislation in another jurisdiction that is directed to the Law Firm, the Law Firm shall not make such information available but shall immediately forward the request to the Chief Information Officer of Transnet and notify the General Manager of such request.

5 INSURANCE

- 5.1 For the duration of this Agreement the Law Firm must effect and maintain Professional Indemnity insurance in accordance with any statutory requirements applicable in amounts and on terms consistent with what would be procured and maintained by a prudent legal firm providing services of the same type and magnitude as those which the Law Firm provides to Transnet.
- 5.2 Prior to the Commencement Date (and annually thereafter during the Term) the Law Firm must deliver to the General Manager evidence of such Professional Indemnity insurance.

6 INDEMNITIES FROM LAW FIRM

- 6.1 The Law Firm indemnifies and must keep indemnified Transnet from and against any and all claims suffered or incurred by Transnet directly or indirectly in connection with any of the following:
- 6.1.1 Any breach by the Law Firm or its personnel of the Law Firm's obligations under this Agreement.
 - 6.1.2 Any negligence by the Law Firm or its personnel in relation to this Agreement or the provision of the Services.
 - 6.1.3 Any unauthorised disclosure of Transnet's Confidential Information; and
 - 6.1.4 Fraud, or fraudulent misrepresentation, wilful misconduct or repudiation of this Agreement by the Law Firm or its personnel in relation to this Agreement or the provision of the Services.
- 6.2 Each indemnity in this Agreement is a continuing obligation of the Law Firm, whether or not legal proceedings are instituted, and despite any settlement of account or the occurrence of any other thing and survives the termination or expiry of this Agreement.
- 6.3 Each indemnity in this Agreement is an additional, separate and independent obligation of the Law Firm and no one indemnity limits the generality of any other indemnity.

6.4 Transnet may recover a payment under an indemnity in this Agreement before it makes the payment in respect of which the indemnity is given. The Law Firm's total aggregate liability for any claim whatsoever or howsoever arising shall be limited to and shall not exceed the amount recoverable by way of recourse against the Firm, its assets and its professional indemnity cover. There shall be no recourse to and no claims will be capable of being brought or instituted against an individual in their personal capacity.

6.5 The indemnities in this Agreement:

6.5.1 Apply whether the claim arises in connection with negligence, misrepresentation, or other cause and include legal expenses on a full indemnity basis and damages and other compensation paid on the advice to Legal Advisors to compromise or settle any claim, whether of Transnet or another person.

6.5.2 Without limiting Transnet's other rights or remedies under this Agreement, if an audit performed in terms of clause 11 demonstrates that the Law Firm's invoiced charges for the period of the audit exceeded the correct costs for that period, or any other material non-compliance with this Agreement, the Law Firm must:

6.5.2.1 refund to Transnet the amount of any overcharge;

6.5.2.2 bear the cost of remedying promptly, any deficiencies in the performance of the Services or the Law Firm's other obligations under this Agreement (or in any operations, procedures, processes or systems underlying that performance).

7 TRANSNET'S OBLIGATIONS

7.1 Transnet shall, within a reasonable period, submit its request for Services to the Law Firm and shall endeavour to avoid any delays that could lead to urgency.

7.2 Transnet shall, within a reasonable period, provide adequate information or all requested information to the Law Firm when requesting Services or when such is requested by the Law Firm.

- 7.3 Transnet shall retain ownership of the information, and of the copyright and all other Intellectual Property rights in the information that is disclosed to the Law Firm for purposes of providing the Services, and shall obtain and retain ownership and Intellectual Property rights of agreements, advice on evidence, memoranda, opinions and all deliverables drafted by the Law Firm or Counsel on the instruction of the Legal Advisor.

8 ARBITRATOR AND COUNSEL APPOINTMENT

- 8.1 The Law Firm shall not appoint any arbitrator, Counsel or expert in respect of any instruction without the consent of the instructing Legal Advisor.
- 8.2 In identifying any arbitrator or Counsel for appointment the Law Firm shall take into account the fact that Transnet ascribes to black economic empowerment and the transformation of the legal profession, in general.
- 8.3 In particular, the appointment of Counsel, arbitrators and experts by the Law Firm shall only follow after recommending for appointment on any instruction and for Transnet to approve such appointment.

9 TENDERED LEGAL SERVICES

- 9.1 Notwithstanding the provisions of this Agreement, Transnet reserves the right to approach the open market for the provision of legal services in respect of specific instructions that Transnet may be involved in during the tenure of this Agreement.
- 9.2 Transnet further reserves the right to tender out any instructions to all or some law firms on the Approved List in respect of a specific Practice Area to achieve cost effective and competitive legal services to Transnet.

10 FEES

- 10.1 The fee rates of the Legal Firm will be as reflected in the Agreement agreed to by the Parties. The rates shall remain applicable for period of 1 (one) year from the Commencement Date.

- 10.2 The Agreement will be subject to price adjustment in accordance with CPI on the anniversary date of the contract.
- 10.3 Transnet will only pay for disbursements, in addition to agreed charge out rates, which have actually been agreed to as set out in Annexure B hereto and incurred. If Counsel, Correspondent Attorneys or other experts have been involved, proof of their Fees must also be attached to the Law Firm's Tax Invoice and provide for disbursements.
- 10.4 Tax Invoices for services rendered shall be submitted to the Legal Advisor who issued the instructions. Billing should be supported with an itemised Bill recording the time spent by the professional resource who attended to the provision of the service, together with a description of the attendance and the applicable rate as specified in Annexure B hereto narrative or block billing is not acceptable. Each entry should set forth the related work product.
- 10.5 The amounts billed must, where applicable, be calculated based on the time rounded off to the nearest quarter of an hour.
- 10.6 Tax Invoices are to be submitted monthly to the Legal Advisor who issued the instructions. The Law Firm may not withhold the submission of the Tax Invoice for Services rendered for more than two (2) months. In the event of the Law Firm submitting a Tax Invoice pertaining to Services rendered more than two (2) months prior, Transnet shall be entitled to a ten percent (10%) discount on the Fees.
- 10.7 Transnet shall not be liable for any interest charges on outstanding Fees, whether these being for the engagement of Counsel or other experts arising from any delays by the Law Firm to timeously submit the Tax Invoice.
- 10.8 Payments will be effected within 30 (thirty) days from the date of receipt of the undisputed original Tax Invoice. Bank account details must be as provided when the Law Firm was registered as a supplier with Transnet. Any request for payment to any other bank account will result in the Law Firm having to provide necessary verification details and a delay in payment.

10.9 Costs for travelling within a radius of 50 kilometres from the Law Firm's offices shall not be reimbursed. Expenses for necessary lodging, meals and transportation shall be at reasonable rates. The Law Firm must use the lowest airfare available and must be diligent in planning trips in order to increase the use of the available discounted fares.

10.10 Transnet shall not pay for any other staff service charges such as filing or proofreading or secretarial or word processing services. A Paralegal may be used, however, Transnet does not expect a paralegal to bill for clerical work such as filing, indexing, and photocopying, but rather expect the Paralegal to perform work such as issuing, document analysis and research.

11 AUDITS

11.1 Transnet shall appoint a Legal Advisor and /or auditor of its choice to conduct an audit at least on an annual basis in a manner that the General Manager deems fit in respect of the Law Firm.

11.2 The audit shall be based on the following:

11.2.1 the service level provided by the Law Firm in line with the provisions of this Agreement;

11.2.2 adherence to cost estimations and cost-effectiveness on completed instructions;

11.2.3 timelines;

11.2.4 reporting milestones;

11.2.5 success rate;

11.2.6 quality and practical application of services provided;

11.2.7 B-BBEE; and

11.2.8 the efforts made by the Law Firm to empower the previously disadvantaged individuals in each matter it is handling.

11.3 Transnet will arrange review feedback meetings and determine with the Law Firm any corrective steps to be implemented by the Law Firm.

11.4. All services relating to the audit report are not billable to Transnet.

12 REPORTS

12.1 The Law firm shall on or the last business day of each month submit progress reports on matters it is attending to.

12.2 The Law Firm shall submit a tax clearance certificate to Transnet annually.

13 TERMINATION

13.1 Notwithstanding the provisions of clause 3, failure on the part of the Law Firm to provide the Services in compliance with clause 4 shall amount to a material breach of this Agreement, and shall entitle Transnet to terminate the Law Firm's mandate in respect of any specific instructions and/or to terminate this Agreement and remove the Law Firm from the Approved List.

13.2 The Law Firm accepts that as a result of the special nature of the working relationship envisaged in this Agreement, Transnet shall also be entitled to terminate this Agreement and remove the Law Firm from the Approved List should the Law Firm or any member of its staff conduct himself or herself in any manner that may adversely affect this working relationship, including but not limited to:

13.2.1 making any false statements or representations which relate to the structure and/or composition of the Law Firm before or after the Commencement Date;

13.2.2 making any false statements or representations relating to obligations arising from this Agreement;

13.2.3 consistently rendering poor service;

13.2.4 falsifying any documents or records relating to obligations arising from this Agreement;

13.2.5 failure to execute instructions timeously or at all;

13.2.6 being struck off the roll by a ; High Court;

13.2.7 being found guilty of misconduct or criminal offence by any government agency, or Legal Practice Council ;

13.2.8 Failure to maintain its B-BBEE rating or failure to render its annual Verification Certificate and/or valid tax clearance certificate timeously; or

Any other reason in terms of which Transnet terminates or suspends suppliers or service providers in terms of Transnet's procurement procedures.

13.3. In the event that this Agreement is terminated in terms of this clause 13, the Law Firm shall furnish Transnet with all documentation produced pursuant to the rendering of the Services, including interim and/or draft reports and/or working papers, as well as all documentation made available to it for purposes of rendering the Services, forthwith after the termination of the Agreement.

13.4. Transnet shall pay the Law Firm all Fees, which became due prior to the termination of this Agreement in terms of this clause 13, which amounts although due, were not paid to the Law Firm.

14 ASSIGNMENT

14.1 Subject to clause 14.2 below, neither Party hereto may cede and delegate any of its rights and obligations (including liabilities) under this Agreement without the prior written consent of the other Party.

14.2 Notwithstanding the above, Transnet may on written notice to the Law Firm cede and delegate its rights and obligations under this Agreement to any of its Subsidiaries or Operating Divisions which may be converted to separate legal entities.

15 NOTICES AND DOMICILIA

15.1 The Parties choose as their *domicilia citandi et executandi* their respective addresses set out in 15.2 for all purposes arising out of or in connection with this Agreement at which addresses all processes, notices and communications arising out of or in connection with this Agreement, its breach or termination may validly be served upon or delivered to the Parties, as well as ordinary business correspondence addresses.

15.2 For purposes of 15.1 the Parties' respective addresses shall be:

15.2.1 Transnet SOC Limited:

Physical Address (domicilium)

Group Legal Services

12th Floor

138 Eloff Street

Johannesburg

2000

Postal Address (business correspondence)

P.O Box 72501

Parkview

2122

Telephone number: + 27 (0)11 308 2350/3962

E-mail: Stanley.Mamaregane@transnet.net

15.2.2 Law Firm:

Physical Address (domicilium)

.....

Telephone number: + 27

E-mail:

Or at such other physical or postal address of which the Party concerned may notify the other in writing.

15.3 Any notice given in terms of this Agreement shall be in writing and shall -

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

15.3.2 if posted by pre-paid registered post be deemed to have been received by the addressee on the 12th (twelfth) day following the date of such posting; and

15.3.3 if successfully transmitted by facsimile or electronic mail be deemed to have been received by the addressee 1 (one) day after dispatch.

15.4 Notwithstanding anything to the contrary contained in this Agreement written notice of communication actually received by one Party from the other Party including by way of email shall be adequate written notice of communication to such Party.

16 DISPUTES

16.1 Should there be any dispute, difference or a need to make a determination as is envisaged in clauses 2.6 and 4.2.1 above, the following procedure will be followed;

16.1.1 The dispute, difference or envisaged determination shall be referred in writing to the General Manager and a Senior Partner of the Law Firm within 7 (seven) days of either Party becoming aware of the dispute, difference or envisaged determination;

16.1.2 A meeting between the General Manager and a Senior Partner of the Law Firm, wherein the Law Firm will be required to make representations, shall be convened within 7 (seven) days from the date of the referral envisaged in 16.1.1 above.

16.1.3 The meeting shall be held at a venue within the area of Johannesburg unless otherwise agreed to by the Parties.

16.1.4 Having considered representations made on behalf of the Law Firm, the General Manager shall then make a finding and communicate same to the Law Firm. The decision of the General Manager shall be final.

17 FORCE MAJEURE

17.1 If vis major or Force Majeure or casus fortuitus ("the interrupting circumstances") cause delays in or failure or partial failure of performance by a Party of all or any of its obligations hereunder, this Agreement, or as the case may be, the affected portion thereof shall be suspended for the period during which the interrupting circumstances prevail.

17.2 Written notice of the interrupting circumstances specifying the nature and date of commencement thereof shall be dispatched by the Party seeking to rely thereon (on whom the onus shall rest) to the other as soon as reasonably possible after the commencement thereof. Written notice of the cessation of the interrupting circumstances shall be given by the Party who relied thereon within 7 (seven) days after such cessation.

17.3 The Party whose performance is interrupted by the interrupting circumstances shall be entitled, provided that such Party shall be given notice to that effect with the written notice of the interrupting circumstances as provided above, to extend the period of this Agreement by a period equal to the time that its performance is so prevented.

17.4 For the purposes hereof, vis major and Force Majeure include acts or omissions of any government, government agency, provincial or local authority or similar authority, any laws or regulations having the force of law, riots, sabotage, pandemics, acts of war or public enemy, flood, storm, fire or (without limitation *eiusdem generis*) any other circumstances

beyond the reasonable control of the Party claiming Force Majeure or vis major and comprehended in the terms Force Majeure or vis major.

17.5 If the Agreement is terminated by any Party pursuant to an event of force majeure:

17.5.1 The Law Firm shall furnish Transnet with all interim and/or draft reports and/or working papers, as well as all documentation made available to it for purposes of rendering the Services, forthwith after the termination of the Agreement;

17.5.2 Transnet shall pay the Law Firm all Fees, which became due prior to the termination due to Force Majeure, which amounts although due, were not paid to the Law Firm.

18 GOOD FAITH

The Parties shall display good faith in all their dealings with each other.

19 WHOLE AGREEMENT

19.1 This Agreement constitutes the whole Agreement between the Parties relating to the subject matter hereof.

19.2 No amendment or consensual cancellation of this Agreement or of any provision or term hereof or of any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this Agreement, and no extension of time, waiver, relaxation or suspension of any of the provisions or terms of this Agreement or of any agreement, bill of exchange or other document issued pursuant to or in terms of this Agreement shall be binding unless recorded in a written document signed by duly authorised representatives of the Parties. Any such extension, waiver, relaxation or suspension which is so given or made shall be construed as relating strictly to the matter in respect whereof it was made or given.

19.3 No extension of time, waiver or relaxation of any of the provisions or terms of this Agreement or any agreement, bill of exchange or other document issued or executed pursuant to or in terms of this Agreement, shall operate as an estoppel against any Party in respect of its rights under this Agreement, nor shall it operate so as to preclude such Party thereafter from exercising its rights strictly in accordance with this Agreement.

20 WARRANTY OF AUTHORITY

The persons signing this Agreement on behalf of each of the Parties respectively warrant their authority to do so.

21 PROTECTION OF PERSONAL INFORMATION

21.1 The Parties acknowledge that this Agreement may contain personal information as defined in the POPIA. By signing this Agreement, the Parties consent to the processing of personal information in accordance with the requirements of POPIA, and acknowledge –

21.1.1 That personal information must be collected and processed for a specific explicitly defined purpose;

21.1.2 That the purpose for processing personal information in this instance is for the execution of this Agreement; and

21.1.3 That, to be lawful, any further processing of personal information must be compatible with this purpose.

SIGNED by the Parties and witnessed on the following dates and at the following places respectively:

Signed at _____ **on this** **2025**

For and on behalf of TRANSNET SOC LTD duly authorised hereto	For and on behalf of duly authorised hereto
Name: Advocate Sandra Coetzee	Name:
Position: Chief Legal Officer	Position:
Signature:	Signature:
Date:	Date:
Place:	Place:

Witnesses	Witnesses
Name:	Name:
Position:	Position:
Signature:	Signature:
Date:	Date:
Place:	Place: