

## **ANNEXURE J**

### **PROCUREMENT OF END-USER COMPUTING DEVICES**

#### **Additional requirements**

## Table of Contents

1. INTRODUCTION .....	3
2. PURPOSE .....	3
3. SCOPE .....	3
4. APPOINTED equipment supplier .....	3
5. Equipment, TEST UNITS AND SOFTWARE IMAGE .....	3
6. Ordering Process .....	4
7. THE SERVICES AND DESCRIPTION OF SERVICES .....	4
8. Start-up Workshop .....	6
9. GOVERNANCE AND Monthly Meetings .....	6
10. Approval of Contractors .....	7
11. PRICING .....	7
12. DEFINITIONS .....	7
APPENDIX A .....	8
APPENDIX B .....	9
APPENDIX C .....	9
APPENDIX D .....	12
APPENDIX E .....	13
APPENDIX F .....	13
APPENDIX G .....	15

## **1. INTRODUCTION**

- 1.1. This Annexure J is issued in terms of the Master Services Agreement (MSA) and save where expressly provided to the contrary herein, shall be subject to the terms and conditions of such MSA, including the definitions and rules of interpretation contained therein.

## **2. PURPOSE**

- 2.1. Transnet Engineering wishes to rent computer hardware equipment (Equipment) from Service Provider from time to time, which Service Provider is able to provide. The parties wish to record this arrangement in respect of the aforementioned in writing in this Annexure J to the MSA.

## **3. SCOPE**

- 3.1. This Annexure J will foster a working relationship between the parties and establish an agreement that is customer-focused, and which provides services that fully support the business requirements of Transnet. Service Provider is committed to Transnet Engineering satisfaction i.e. being accessible and responsive in providing quality products and services that are "best value" in cost and delivery and "in time" in terms of schedule.

## **4. APPOINTED EQUIPMENT SUPPLIER**

- 4.1. The parties will ensure that the market is tested from time to time during this Annexure J to maintain quality and optimum pricing of the Equipment.
- 4.2. Service Provider will enter into a back-to-back agreement with the appointed supplier to ensure that such supplier is able to deliver on the tendered requirements.
- 4.3. The Equipment specifications as approved at the Steering Committee from time to time, are attached in Annexure C to the MSA.

## **5. EQUIPMENT, TEST UNITS AND SOFTWARE IMAGE**

- 5.1. Transnet will provide specifications of the required Equipment to Service Provider and Service Provider shall source such Equipment as per paragraph 4 of this Annexure J.
- 5.2. Service Provider will supply Transnet with one test unit per standard Equipment approved on the contract with full specifications for the duration of this Annexure J. For regional OD's which are not able to test equipment in Gauteng will be provided with additional Equipment for testing at Transnet Offices in Durban.
- 5.2.1. The test Equipment will be supplied free of charge and will be kept at the Transnet's IT Data Services Service Provider premises and Transnet Offices in Durban for the duration of this Annexure J.
- 5.2.2. Test Equipment will be used to create software images which will be tested and signed off by Transnet.
- 5.3. It is noted that every Transnet Operating Division currently has an own image.
- 5.4. Once signed off, software images will be provided to the Appointed Equipment Supplier who will load the image on all Equipment ordered.
- 5.5. Equipment changes may only be affected once submitted to the Steering Committee for approval via the formal Change Control Process as per Annexure K to the MSA. Changes to models or model components must be agreed to with Transnet prior to these changes being implemented.
- 5.6. Where Transnet requires equipment not tendered for and therefore not accommodated in such contract, the relevant Operating Division requiring such equipment will obtain approval from the Steering Committee (as per APPENDIX B) to request Service Provider to fulfil such ad hoc requests following a process similar to the 3-quotes internal Transnet process, provided that the cost of the equipment does not exceed R2m in any given transaction. The terms of payment for such ad hoc equipment may be rental or purchase and will not be covered by the service level agreements as per Annexure E of the MSA. These ad hoc requests will be limited so as not to impact Transnet's objective of EUC standardisation.

## 6. ORDERING PROCESS

- 6.1. Service Provider shall provide details of its ordering process to Transnet. Service Provider shall use the details of Transnet orders to monitor its capability to deliver on scheduled dates, and inform Transnet if there is a possibility that there are going to be any problems with it delivering on those dates.
- 6.2. Once Transnet has placed a firm order, penalties will apply if delivery is not made on delivery time frames as set out in Annexure E of the MSA

## 7. THE SERVICES AND DESCRIPTION OF SERVICES

### 7.1. Acquisition of Equipment

- 7.1.1. Transnet undertakes to order Equipment from Service Provider. The order form shall detail the requirements and the full address of the end user to which such Equipment shall be delivered (APPENDIX D).
- 7.1.2. Service Provider shall, on behalf of Transnet, order in turn such Equipment from the Appointed Equipment Supplier.

### 7.2. Delivery

- 7.2.1. Service Provider will deliver the Equipment to the specific delivery address indicated on the order form (APPENDIX D).
- 7.2.2. Transnet will obtain and accept delivery of the Equipment from the appointed supplier of such Equipment to a designated employee by signing a Proof of Delivery document on receipt of the equipment (APPENDIX D).

### 7.3. Acknowledgement of the delivered equipment

- 7.3.1. Where Transnet does not receive EUC services from Transnet's IT Data Services Service Provider, Transnet acknowledges that it will examine the equipment before accepting it and will notify Service Provider within 7 days of delivery of any non compliance to the order and specification.
- 7.3.2. Where Transnet receives EUC services from Transnet's IT Data Services Service Provider, Transnet will take delivery of the Equipment and Transnet's IT Data Services Service Provider will be responsible to unpack and examine the equipment for compliance to order and specification before installation and commissioning.
- 7.3.3. Both the Transnet's IT Data Services Service Provider EUC Engineers and the Transnet appointed EUC staff should familiarise themselves with the approved specifications and verify the Equipment delivered against the Order/POD form.
- 7.3.4. Service Provider will replace the faulty Equipment within 7 days of the Equipment being reported as faulty or dead on arrival.

### 7.4. Installation and commissioning

- 7.4.1. Where Transnet's IT Data Services Service Provider is the provider of EUC services, installation and commissioning shall be done by Transnet's IT Data Services Service Provider on request of Transnet and will be charged in accordance with the IMAC pricing as set out in the Pricing Schedule to the IT Data Services MSA. Installation and commissioning is requested by logging a call with the Service Desk as per the agreed process detailed in the IT Data Services MSA.
- 7.4.2. Where Transnet's IT Data Services Service Provider is not the provider of EUC services to Transnet and Transnet should request this service from Transnet's IT Data Services Service Provider, these services will be charged in accordance with the IMAC pricing as set out in the Pricing Schedule to the IT Data Services MSA. Installation and commissioning is requested by logging a call with the Transnet's IT Data Services Service Provider Service Desk.
- 7.4.3. Transnet will arrange for the installation and commissioning of the Equipment. Transnet shall, at its expense, ensure that the installation areas, electrical outlets, connection requirements and access ways are suitable for the installation, electrical connection and commissioning of the Equipment when delivered for installation and thereafter.

### 7.5. Marking of Equipment

- 7.5.1. Transnet requires each item of equipment to be marked in a specific manner in terms of corporate governance requirements. Transnet will communicate these requirements to Service Provider, who will ensure that the marking is appropriately done.

### 7.6. Warranties

- 7.6.1. Service Provider shall provide an onsite warranty for the Equipment supplied. This warranty includes the initial on-site warranty provided by the OEM (Original Equipment Manufacturer); travel costs to all areas in South Africa

where Transnet has an office, either directly or through Service Provider's appointed Service Providers; and parts and labour for the duration of the three years (36 months) at no additional costs.

## 7.7. Maintenance

7.7.1. Service Provider shall be responsible for the maintenance of the Equipment and shall provide such maintenance during the term of the contract on all Equipment against malfunction of any kind. 7.7.2. First-Level support

- Transnet's IT Data Services Service Provider contracted to provide EUC support: The Transnet's IT Data Services Service Provider EUC support staff will provide first-level support. Should users of the Equipment encounter any problems, they will log a call with the Service Desk for Transnet's IT Data Services Service Provider's EUC Engineer to perform a diagnostics check. Should the EUC Engineer establish that there is a hardware fault, the Engineer will escalate the call to the Service Provider.
- Transnet's IT Data Services Service Provider not contracted to provide EUC support: The appointed EUC support staff will provide first-level support. Should users of the Equipment encounter any problems, they will approach their local EUC Engineer to perform a diagnostics check. Should the EUC Engineer establish that there is a hardware fault, the Engineer will escalate the call to the Service Provider's Service Desk.

### 7.7.3. Second-level support

- Full on-site restoration of service shall be done by Service Provider within 12 hours (one day) of reporting the incident to Transnet's IT Data Services Service Provider Service Desk. Should repair within this time not be possible, replacement (loan) Equipment shall be provided by Service Provider.
- Service Provider shall have a maximum of 72 hours (3 days) to return the original Equipment to Transnet in proper working order.

7.7.4. Service Provider shall at all times keep a stock of Equipment available for loan to Transnet ("the loan stock"). The minimum loan stock levels shall be maintained at 1% of the total number of Equipment rented or purchased by Transnet from Service Provider at any point in time. Spares must be readily available to be used for repairs and/or maintenance. Spares include, but are not limited to hard disks, mouse, screens, keyboards, CD/DVD Rom, power supply, additional laptop power supply. Service Provider acknowledges that spares will have to be kept locally (i.e. in South Africa) to meet this obligation. Transnet shall have the right to audit the spares and loan equipment kept by Service Provider.

7.7.5. The Equipment that is distributed country-wide must be serviced on site. The following shall apply with regard to the service criteria:

- With all warranty calls, repairs will be affected within 12 hours (one day) of reporting of the call.
- If required, a higher service level of 4 hours to clear calls can be provided. This higher service level will be subject to an additional service charge. In the case of 4-hour response calls, Service Provider will have an engineer on site with appropriate parts within four hours of the call being logged. Charges for these will be linked to the prices benchmarked for VIP EUC support.
- Where the Equipment is located more than 80kms from a Service Provider service centre, the time to respond on site shall be extended by one hour for every 80kms.

## 7.8. Upgrades

7.8.1. Subject to anything to the contrary contained in this Annexure J Transnet shall have the right, subject to the provisions of clause 7.8.2, to upgrade parts of the Equipment during the currency of this Annexure J.

7.8.2. Such upgrade will be subject to the following conditions -

- Transnet shall be entitled to upgrade any component available under the "upgrade options" of the Equipment specifications as contracted;
- the upgrade may only be conducted by Service Provider or its agents;
- the cost of upgrade will be as reflected in the agreed pricing;
- for rental Equipment, upgrades will be reflected on its own Rental Schedule on a Rental Term equal to the remainder of the Rental Term of the Equipment on which the upgrade has been affected;
- the replaced components will be kept by Transnet's IT Data Services Service Provider as "boot stock".

## 7.9. Lost, stolen or damaged rental equipment

7.9.1. If any of the Equipment is lost, stolen or damaged, Transnet must immediately notify Service Provider in writing and the parties may elect to either:-

- Early terminate the applicable Rental Schedule, in which case Transnet shall remain liable for the payment of all payments outstanding; or
- Require Transnet, at its cost, to replace such Equipment with equipment of a like nature as approved by Service Provider.

7.9.2. Title in respect of such replacement equipment will vest in Service Provider from the date on which it is delivered to Transnet and the Rental Schedule will continue with respect to the replacement equipment as if it was the original Equipment. Transnet agrees and undertakes to accept delivery of such replacement equipment on Service Provider's behalf with the intention that Service Provider will become the owner of such replacement equipment. Transnet agrees to enter into an amended Rental Schedule recording the replacement equipment.

**7.10. Decommissioning and removal or return of rental equipment**

7.10.1. Transnet will arrange for the decommissioning of the Equipment.

7.10.2. Where Transnet's IT Data Services Service Provider is the provider of EUC services, decommissioning shall be done by Transnet's IT Data Services Service Provider on request of Transnet and will be charged in accordance with the IMAC pricing as set out in the Pricing Schedule to the IT Data Services MSA. The request for decommissioning is logged with the Service Desk as detailed in the EUC SOW to the IT Data Services MSA.

7.10.3. Where Transnet's IT Data Services Service Provider is not the provider of EUC services to Transnet and Transnet should request this service from Transnet's IT Data Services Service Provider, these services will be charged in accordance with the IMAC pricing as set out in the Pricing Schedule to the IT Data Services MSA. Calls for decommissioning must be logged with the Transnet's IT Data Services Service Provider Service Desk.

7.10.4. **Confidentiality and data protection.** Transnet shall have the right to reformat data-carrying components of the Equipment prior to handing over the Equipment to Service Provider. Where Transnet's IT Data Services Service Provider is the provider of EUC services, Equipment will be cleansed of all data and Transnet licensed software during decommissioning. Where Transnet's IT Data Services Service Provider is not the provider of EUC services, Transnet shall be responsible for data cleansing and removal of Transnet licensed software. The OEM product software must be restored on the Equipment.

7.10.5. **Collection and Removal.** Service Provider shall collect and remove the equipment at its own cost at the expiry or earlier termination of a Rental Agreement, if Transnet has given notice that it does not intend to continue leasing the Equipment.

7.10.6. **Make good charges and replacement.** To the extent that any Equipment is in a condition worse than that which would be occasioned by fair wear and tear, Transnet shall be liable for reasonable costs of repair and refurbishment.

- **Damages to returned equipment.** Reasonable costs of repair and refurbishment to returned Equipment shall be limited to the LCD, monitor, motherboard or hard-drive, which may not exceed 15% of the total cost of capital. Only damage beyond repair to the LCD, monitor, motherboard or hard-drive will be paid for in terms of this clause.
- Provided that it is not possible for Transnet to return the Equipment to Service Provider due to loss or destruction in accordance with the provisions of this Annexure J, then Transnet must immediately, at the expiration of the applicable Rental Term or at the earlier termination of the Rental Addendum in terms of this Annexure J and at Transnet cost, replace the equipment with equipment of a similar nature to the Equipment, approved by Service Provider. The parties may also agree to a settlement amount equal to the rental amounts outstanding up to month 36 plus an amount of no more than 10% of the original purchase amount further reduced by 2% for every 6 months after the initial 36 month period. for of such Equipment that cannot be returned.

## 8. START-UP WORKSHOP

8.1. Service Provider and its contractors (if any), undertake to attend a start-up workshop to discuss and agree upon processes that will be used. The workshop shall be co-ordinated and convened by Transnet.

## 9. GOVERNANCE AND MONTHLY MEETINGS

9.1. Service Provider and its contractors (if any), undertake to attend monthly meetings to discuss and agree upon support and other issues.

9.2. The governance of this Services Steering Committee is provided in Annexure J and details the purpose and mandate of the monthly meeting.

9.3. Service Provider shall report on all matters relating to the Equipment at these monthly Steering Committee meetings and shall ensure that the asset and inventory management of the Equipment is 95% accurate.

9.4. Failing to produce accurate and timely reporting will incur penalties as set out in Annexure E to the MSA.

9.5. Any item for attention, discussion or decision of the Services Steering Committee needs to be submitted to the secretary and the Chairman of the Monthly Meeting at least 48 hours before the meeting.

## 10. APPROVAL OF CONTRACTORS

10.1. Service Provider shall have the right to subcontract any portion(s) of its obligations in terms of this agreement to a contractor. However, Transnet shall approve all contractors in writing prior to them being used by Service Provider. This shall not absolve Service Provider from any of its obligations in terms of this agreement. Service Provider shall not contract on terms that are contrary to, or in conflict with the terms of this agreement.

## 11. PRICING

### 11.1. Rental Equipment

11.1.1. From time to time, Transnet may request Service Provider to lease Equipment to Transnet by delivering to Service Provider a completed and signed order as illustrated in Annexure B.

11.1.2. **Lease Rate.** The Equipment will be leased to Transnet at not more than Prime less 2.5% for a minimum initial term of 36 months. The parties further agree that if the Prime lending rate goes up, the lease rate also goes up but the margin below prime remains the same.

11.1.3. **Extended Rental Term.** At the end of the initial term Service Provider is prepared to allow Transnet to continue the use of the Equipment at a reduced rental as indicated below. Unless covered by an extended warrantee, repairs to units on extended contracts will be done on a quotation basis.

EXTENSION TERM	EXTENDED RENTAL DISCOUNT
Monthly extension	15%
6 month extension	30%
12-month extension	50%
24-month extension	75%

11.1.4. **Ownership of rental equipment.** Transnet acknowledges that the Equipment will remain the property of Service Provider and/or its successors or assigns, and that Transnet only has the right to use the Equipment.

11.1.5. **Movable property.** Transnet further acknowledges and agrees that the Equipment is movable property and will not accede or become permanently attached to any Designated Address or other property asset. On cancellation or termination of any Rental Agreement for whatever cause, the relevant Equipment shall be returned to Service Provider without compensation to Transnet. Transnet indemnifies Service Provider against any costs, loss or liability that Service Provider may reasonably incur if the removal of the Equipment is required.

11.1.6. Transnet will inform Service Provider in writing of any rental Equipment that has been moved from the Designated Address to which it was initially delivered.

11.1.7. Upon expiry of the Rental term, Transnet will be allowed to purchase the Equipment for 10 (ten) percent of the original Equipment value. If the Rental Term was extended the value of the equipment will further be reduced with 2% for every 6 (six) months the term was extended with.

## 12. DEFINITIONS

In this Annexure J the following terms shall have the meanings set out below:

12.1. **"Authorised Signatory"** means a signatory referred to in the Rental Schedule (APPENDIX C) hereto;

12.2. **"Business Day"** means any day other than a Saturday, Sunday and/or a public holiday as gazetted by the government of the Republic of South Africa from time to time.

12.3. **"EUC"** means End User Computing

12.4. **"Designated Address"** means the address at which the Equipment will be kept, as specified in the Rental Schedule;

12.5. **"Effective Date of Rental"** means in respect of each Rental Schedule, the date of delivery of the Equipment ordered by Transnet to the premises of Transnet;

12.6. **"Equipment"** means the equipment described in a Rental Schedule together with any software and manuals supplied with that equipment, and includes any part of that equipment or any substituted equipment;

12.7. **"Expiry Date of Rental"** means no less than thirty six (36) months from Effective Date or such other future date agreed between the parties in writing and in accordance with this Annexure J;

12.8. **"Premises"** means the physical address to which the Equipment is delivered or kept as at effective date or any physical location to which the Equipment may be moved after obtaining Service Provider' written consent;

- 12.9. **"Prime Rate"** means the publicly quoted rate (per cent, per annum) from time to time charged by Service Recipient's bankers current at the time, for similar amounts on unsecured overdraft to its prime customers in good standing in the private sector, as certified by any manager of that bank whose appointment it shall not be necessary to prove, calculated on a daily basis and compounded monthly in arrears.
- 12.10. **"Rental Agreement"** comprises the Master Services Agreement, this Annexure J and a particular Rental Schedule, which shall come into effect on the basis upon signature and as set out in APPENDIX C.
- 12.11. **"Rental Schedule"** means a Rental Schedule substantially in the form of APPENDIX C hereto;
- 12.12. **"Rental Term"** means in respect of each Rental Schedule the rental term stipulated in the Rental Schedule;
- 12.13. **"Services"** means the services, functions, activities and responsibilities as described in this Annexure J and that may evolve during the continued duration of this Annexure J and as they may be supplemented, enhanced, modified or replaced in accordance with the terms of this Annexure J and includes any management, planning and other services that are ancillary to and appropriate for the performance of any of the foregoing;
- 12.14. **"Service Level"** means a quantitative or qualitative level of service specified in this Annexure J as to which Provider's performance of the Services must conform and is a standard for performance of the Services, which sets Provider and Service Recipient expectations, describes the products or services to be delivered, and specifies the metrics by which the effectiveness of service activities, functions and processes will measured, examined, changed and controlled.
- 12.15. **"Software Licence Agreement"** means a written agreement regulating the granting of software licences concluded between the Parties;
- 12.16. **"Steering Committee"** As defined in Annexure A
- 12.17. **"Working Hours"** means 07:00 to 16:30, Mondays to Fridays, excluding Public Holidays.

## APPENDIX A

### AUTHORISED SIGNATORIES

The following specific Transnet employees set out in Table 1: Authorised Signatories below, the people holding or being held out to hold any of the positions specified in the relevant table below and such other persons whose names and specimen signatures are advised in writing to Service Provider by Transnet from time to time are Authorised Signatories of Transnet for all purposes arising in connection with this Annexure J.

**Table 1: Authorised Signatories**

Specific Transnet employees authorised as Authorised Signatories		
Name		
Title Position CORPORATE		Specimen Signature (above)
Name		
Title Position CORPORATE		Specimen Signature (above)



## APPENDIX B

### CONTRACT GOVERNANCE

#### Services Steering Committee

**Steering Committee.** Management of the relationship between the parties shall vest in a steering committee to be constituted within 30 (thirty) days of the effective date of this Annexure J, or such longer period as the parties may agree in writing.

**Ambit.** The steering committee shall be responsible for monitoring the rental and procurement of the Equipment in terms of this Annexure J, subject to the further terms and conditions herein set out.

**Constitution of Steering Committee.** The steering committee shall be constituted and shall function in accordance with the following provisions –

1. The steering committee shall comprise representatives from each of the participating parties. Such representatives must be mandated appropriately and shall be authorised to make decisions at steering committee;
2. The chairperson of the steering committee is elected by the members and may be replaced by the steering committee from time to time. The chairman shall not be entitled to a second or casting vote;
3. Any appointment, removal or replacement of representatives pursuant to the above provisions shall be by written notice to the other parties and shall be operative as soon as such notice is received by the other parties;
4. The steering committee may from time to time co-opt additional persons to sit on the steering committee, whether in a voting or monitoring capacity;
5. The steering committee shall meet on at least a monthly basis during the currency of this Annexure J and, in addition, the steering committee shall meet upon the request on reasonable notice of any party or to conduct other ad hoc function contemplated in this Annexure J. The time and place for meetings shall be determined by the members;
6. Duly appointed alternate representatives shall be entitled to attend meetings of the steering committee and shall have the right to speak thereat but no alternate shall be entitled to vote if his principal is present at that meeting;
7. A quorum for a meeting of the steering committee shall be two representatives each from the appointed Equipment supplier and Service Provider and representation from Transnet Corporate and at least 2 other Transnet Operating Divisions;
8. Each member of the steering committee shall be entitled to one vote;
9. Questions arising at meetings of the steering committee shall be decided by consensus;
10. The parties shall ensure that all areas of the contract (architecture, EUC etc.) are duly represented to ensure meaningful feedback.

**Minutes of Meetings.** All business transacted at meetings of the steering committee shall be recorded and signed by a member of the steering committee representing each of the parties and the minutes so kept shall be circulated to the members of the steering committee within 14 (fourteen) days of each meeting. Such minute book shall at all times be available for inspection by the members of the steering committee or their duly authorised agents who shall be entitled to take copies thereof or to make extracts there from.

Any item for attention, discussion or decision of the Services Steering Committee needs to be submitted to the secretary at least 48 hours before the meeting.

## APPENDIX C

### RENTAL SCHEDULE

#### RENTING OF EQUIPMENT

From time to time, Transnet may request Service Provider to rent Equipment to Transnet by delivering to Service Provider a completed and signed order as per Annexure A.

**Rental Schedule.** An Authorised Signatory must sign the Rental Schedule. Transnet acknowledges that by forwarding a Rental Schedule for acceptance by Service Provider, Transnet authorises Service Provider to pay the supplier of the Equipment.

**Acceptance.** Service Provider will indicate its acceptance of such requests by signing and returning to Transnet a copy of the Rental Schedule. Upon Service Provider signing the Rental Schedule a Rental Agreement will come into effect between the parties.

**Early delivery.** If Equipment is delivered to Transnet before Service Provider accepts a Rental Schedule, Transnet must in any event observe the provisions of this Annexure J relating to care, insurance and use of the Equipment.

## RENTAL TERM

**Commencement and duration.** In respect of each Rental Agreement such Agreement shall commence on the applicable Effective Date of Rental and continue for the Rental Term as indicated on the applicable Rental Schedule.

**Early settlement.** Transnet shall be entitled to effect early settlement equal to the rental amounts outstanding up to month 36 plus an amount of no more than 10% of the original purchase amount further reduced by 2% for every 6 months after the initial 36 month period.

The rental term shall coincide with the 36-month standard warrantee period of the Equipment. Shorter rental periods may be requested by Transnet for which rental amounts applicable will be provided upon request.

## RENTAL AND PAYMENT

**Rental instalments.** In respect of each Rental Agreement, Transnet will throughout the applicable Rental Term pay Service Provider the rental instalments specified in the applicable Rental Schedule.

**Payment.** All payments in terms of this Annexure J shall be made without deductions of any kind and shall be free of exchange, bank costs and other charges. In the event that any dispute arises between the parties, Transnet shall, pending settlement or Equipment of such dispute, continue to pay all rentals instalments or other amounts payable in terms hereof on their due dates for payment.

**Time of payment.** The rental instalments are payable monthly and the terms and conditions as set forth in the MSA will apply.

**Interim period.** The Effective Date is the 1st of the month following delivery of the Equipment and no interim period shall be applicable. This must not affect the OEM warrantee that must coincide with the same 36 month period from the time that lease or procured devices take delivery.

## END OF RENTAL TERM

**Transnet option.** At the conclusion of the applicable Rental Term, Transnet may either return the Equipment or request Service Provider to agree to extend the applicable Rental Term or vary the Equipment rented. Extension of the initial Rental Term shall be charged at the reduced rates as set out in paragraph 11.1.3 of this Annexure J.

**Return period.** At the end of the rental period for any equipment, Transnet will have a maximum of a 4 week period within which to return the equipment to Service Provider during which no charges will be levied by Service Provider.

**Extension of Warranty.** Transnet shall have the option to extend the warranty, and negotiate the basis of this extended warranty during the 90 day period prior to expiry of the initial rental period.

**Notification.** Transnet must in either case give Service Provider written notice of Transnet intention at least 30 (thirty) Days prior to the expiry of the applicable Rental Term. If Transnet does not give Service Provider written notice within the above-mentioned period Transnet agrees that, unless Service Provider otherwise notifies Transnet in writing, the applicable Rental Term will be automatically extended on a month to month basis.

## SAMPLE RENTAL SCHEDULE

Between

Service Provider

And

Transnet Limited  
TRANSNET



("Transnet")

#### THE ATTACHMENT DETAILS

<b>Rental Schedule Number</b>	
<b>Equipment Attachment Number</b>	

#### APPLICABLE DOCUMENTS

Transnet offers to rent from Service Provider the Equipment described below. By signing this Rental Schedule Service Provider agrees to rent the Equipment to Transnet at the rental and for the period set out below and subject to the terms and conditions of -

1. the Master Service Agreement;
2. the Equipment Addendum;
- and
3. this Rental Schedule.

#### THE EQUIPMENT

Description of Equipment	Serial Numbers

#### THE DESIGNATED ADDRESS


#### THE TERM

<b>Effective Date</b>	
<b>Term (Number of months of rental)</b>	

#### RENTAL INSTALLMENTS

The rental instalment specified in the table below is payable quarterly/monthly on each payment date

<b>Rental Instalment</b>	R	<b>Payment Date</b>	
<b>VAT</b>	R	<b>Total</b>	R

#### PAYMENT

In accordance with the MSA, Transnet will deposit payment by electronic transfer into the bank account of Service Provider, the current details which are detailed in the table following.

Bank	Branch	Account Number

#### INSURANCE

<b>Insurance Required</b> (Please tack appropriate box)	Yes		No	
--	-----	--	----	--

<b>Service Provider Insurance Required</b> (Please tack appropriate box)	Yes		No	
---	-----	--	----	--



#### PLEASE TAKE NOTE OF THE FOLLOWING – PRIOR DELIVERY

Please note that if the above mentioned Equipment is delivered to Transnet before Service Provider accepts this Rental Schedule, Transnet must in any event observe the provisions of the rental Attachment relating to care, insurance and use of that Equipment as if the rental Attachment were applicable thereto.

#### AUTHORITY

Transnet irrevocably acknowledges and agrees that the forwarding of this Rental Schedule for acceptance by Service Provider shall constitute an irrevocable authority to Service Provider to pay the supplier of the Equipment referred to in this Rental Schedule in order for Service Provider to procure that Equipment.

#### INSURANCE

By signing this Rental Schedule Transnet acknowledge that (a) Transnet has been given prior written notice of Transnet entitlement to the freedom of choice referred to in section 43 of the Short term Insurance Act, 53 of 1998, (b) that Transnet exercised that freedom of choice; and (c) that Transnet was not subject to any coercion or inducement as to the manner in which Transnet exercised that freedom of choice.

Signed at:- _____	
Date:- _____	
For and on behalf of <b>Service Provider</b>	
Signature _____	
Name _____	
Designation _____	
I warrant that I have been duly authorised to sign this Schedule	

Signed at:- _____	
Date:- _____	
For and on behalf of <b>Transnet</b>	
Signature _____	
Name _____	
Designation _____	
I warrant that I have been duly authorised to sign this Schedule	

AS WITNESSED BY:	
Full Name	Signature
Full Name	Signature

#### APPENDIX D

#### ORDER FORM AND POD

TO: Service Provider

**ORDER NO: .....**

**ORDER FOR RENTAL DESKTOP**

**CONTRACT NUMBER**

**FRD0663/10<sup>1</sup>**

**S/N:**  
**MONITOR:**  
**UPS:**

<b>STANDARD SPECIFICATION PLUS EXTRAS:</b>  Standard Desktop	
<b>THIS ORDER REPLACES: D232/6</b>	<b>IN ORDER:</b> (signature of Transnet designated employee)

## **P O D (PROOF OF DELIVERY)**

**PLEASE FAX THIS DOCUMENT IMMEDIATELY ON RECEIPT IN ORDER TO ARRANGE INSURANCE AND WARRANTY – IF NOT FAXED YOUR DEPARTMENT WILL BE FULLY RESPONSIBLE FOR THIS COMPUTER. IF ANY PART OF THIS UNIT IS INCORRECT OR DEAD ON ARRIVAL IT WILL BE EXCHANGED WITHIN 7 DAYS AFTER SIGNATURE OF THIS POD.**

<b>Print NAME &amp; SURNAME</b>	
<b>ID NUMBER</b>	
<b>DATE:</b>	
<b>EMPLOYEE NUMBER:</b>	
<b>SIGNATURE:</b>	
<b>Service Desk RFS for installation:</b>	

### **APPENDIX E**

**See Annexure K of MSA SAMPLE CHANGE CONTROL DOCUMENT See Annexure K of MSA**

### **APPENDIX F**

**See Annexure E of MSA**

<sup>1</sup> The notation used on this Order Form has been agreed between the Operating Divisions (OD) and notates the OD, whether the Equipment is a desktop, a laptop or a printer/MFD, the number of the Equipment commencing from 0001 for the year, the last two digits of the year in which the Equipment was acquired. This is a standard naming convention and is the single number used across all the contracting parties to identify the Equipment on AD, for services, for financial and contractual purposes etc.





## **APPENDIX G**

**See Annexure B of MSA**







## **APPENDIX H EQUIPMENT SPECIFICATION**

**See Annexure C of MSA**

