



**military veterans**

Department:  
Military Veterans  
REPUBLIC OF SOUTH AFRICA

PRIVATE BAG X943 PRETORIA 0001;328 FESTIVAL STREET HATFIELD PRETORIA 0083

## SERVICE LEVEL AGREEMENT

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BETWEEN:

**DEPARTMENT OF MILITARY VETERANS**

Department within the Government of the Republic of South Africa

(Hereinafter referred to as "DMV")

Herein represented by **Ms Nontobeko Mafu**

in her capacity as **Acting Director-General**

and duly authorised thereto.

AND

**NGUBANE MANAGEMENT CONSULTANTS (PTY) LTD.**

Has been registered in terms of the Companies Act , Act 71 of 2008

Registration Number: 2023/191327/07

(Hereinafter referred to as Service Provider)

Herein represented by **Sibusiso Desmond Msomi**

**ID Number: 6206085844089**

in his capacity as a **Director**

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## **PREAMBLE**

**WHEREAS** the Department invited bidders to render Internal Audit Functions for the Department as more outlined in the Terms of Reference attached herewith as **Annexure "A"**;

**AND WHEREAS** the Service Provider submitted a proposal received on 30 January 2026, attached hereto as **Annexure "B"**;

**AND WHEREAS** the Department has appointed the Ngubane Management Consultants Pty Ltd (the Service Provider) to render Internal Audit Functions for the Department;

**AND WHEREAS** this Agreement is regarded as Special Conditions of Contract which further supplement the Government Procurement General Conditions of Contract marked as **Annexure "C"**;

**AND WHEREAS** the Department has accepted quotation from Ngubane Management Consultants Pty Ltd (the Service Provider) attached hereto as **Annexure "D"**; and

**NOW THEREFORE** the Parties wish to record the following Special Conditions of Contract:

### **1. DEFINITIONS AND INTERPRETATIONS**

- 1.1 The headings of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Agreement nor any clause hereof.
- 1.2 Unless the context clearly indicates a contrary intention, an expression which denotes any gender includes the other genders, a natural person includes an artificial person and vice versa, the singular includes the plural and vice versa and the following expressions bear the meanings assigned to them below and cognate expressions bear corresponding meanings, namely: -

**"Agreement"** means this Agreement and includes all Schedules and Annexures thereto;

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| <b>“Accounting Officer”</b>       | means the head of the department ( <b>DMV</b> ) as contemplated in section 36(2) (a) of the PFMA and referred to as the DG;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“Annexure A”</b>               | means the terms of reference submitted by <b>DMV</b> , and titled “Quotation request” and accepted by Ngubane Management Consultants Pty Ltd Annexed hereto as <b>Annexure “A”</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>“Annexure B”</b>               | means the proposal submitted by Ngubane Management Consultants Pty Ltd ; and accepted by <b>DMV</b> ; annexed hereto as <b>Annexure “B”</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“Annexure C”</b>               | means the General Conditions of Contract Annexed hereto as <b>Annexure “C”</b> ;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>“Annexure D”</b>               | means quotation submitted by Ngubane Management Consultants (Pty) Ltd annexed hereto as <b>Annexure “D”</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>“Confidential Information”</b> | means information that (a) relates to the Disclosing Party’s past, present or future research, development, business activities, products, services and/or technical knowledge relating to the Project, and (b) either has been identified in writing as confidential or is of such a nature (or has been disclosed in such a way) that it should be obvious to the other Party that it is claimed as confidential. (As used herein, the Party disclosing confidential information is referred to as “the Disclosing Party” and the Party receiving confidential information is referred to as “the Recipient” or “the Receiving Party.”) and includes, but is not limited in its interpretation to, all project information and secret knowledge, technical information and specifications, manufacturing techniques, designs, circuit diagrams, instruction manuals, blueprints, electronic artwork, samples, devices, demonstrations, formulae, know-how, information concerning materials, scientific information generally, and other materials of whatever description in which the owner thereof has an interest in being kept confidential including scientific knowledge gathered |

during the course of research and includes information (whether oral, documentary, magnetic, electronic, graphic or digitised) containing or consisting of information or material of a technical, financial, operational, commercial, administrative or planning nature or in the nature of Intellectual Property of any kind and relating (wholly or in part) to the Disclosing party or any of its actual or projected projects, research activities or businesses, including its suppliers, funder's, personnel, students, facilities, assets, financial condition or results, rights, obligations and liabilities;

**“Financial Year”** means the financial year beginning on **1<sup>st</sup> April** and ending on the **31<sup>st</sup> March**;

**“Intellectual Property”** includes any immaterial property or rights thereto recognised and protected as such by the laws of the Republic of South Africa, International law, custom and/ practice to be Intellectual Property;

**“Parties”** means **DMV and Ngubane Management Consultants (Pty) Ltd** and “Party” refers to either one of them as so determined by the context;

**“PFMA”** means the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended;

**“Project Manager”** Means person who will be responsible for managing the project from start up until the end, who is Ms Nontobeko Mafu; and

**“Project”** Means the Internal Audit Functions requested by the **DMV** to be rendered by **Ngubane Management Consultants (Pty) Ltd** as set out in the agreement.

1.3 The Annexures to this Agreement will form an integral part of the Agreement;

1.4 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision in the body of the Agreement;

- 1.5 When any number of days is 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 succeeding day which is not a Saturday, Sunday or Public Holiday;
- 1.6 Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail;
- 1.7 Expressions defined in this Agreement shall bear the same meanings in Schedules or Annexures to this Agreement which do not contain their own definitions;
- 1.8 Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that, that term has not been defined in this interpretation clause;
- 1.9 The use of the word "including" followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific examples;
- 1.10 Where any provision of the Agreement requires a Party to perform any act in writing, this requirement will only be satisfied if such performance is made in a written form. The provision of the Electronic Communications and Transactions Act, 2002 (Act No. 25 of 2002), are expressly excluded from this Agreement;
- 1.11 No provision herein shall be construed against or interpreted to the disadvantage of any Party by reason of such Party having or being deemed to have structured or drafted such provision;
- 1.12 If reference is made in this Agreement or to any other document for the purpose of defining words and/or phrases used in this Agreement, the applicable definition or description in such document shall be read and interpreted in terms of this Agreement as if specifically incorporated herein; and

- 1.13 If there is any conflict between the terms of this Agreement and the terms of any Annexure or Schedule attached hereto, the terms of this Agreement shall apply.

## **2. COMMENCEMENT AND DURATION**

- 2.1 The Agreement shall come into force from 01 April 2026 despite the date of the last signing Party hereof and shall continue to remain in force until 31 December 2026.
- 2.2 The Agreement shall remain in force until termination, unless extended in writing by agreement.
- 2.3 The termination of this Agreement shall not affect completion of any project or activities undertaken by Parties prior to the termination thereof or the full execution of any cooperative activity.

## **3 SCOPE OF WORK**

- 3.1.1 Assist the Department, through the Audit Committee in maintaining effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement through execution of the below audit assignments controls subject to evaluation should encompass, but not be limited to the following:
- 3.1.1.1 Prepare a three-year rolling internal audit plan for the Department.
- 3.1.1.2 Provide a Quality Review of the Performance Reports of the Department for quarter 4 of 2025/26 FY and as well quarter 1 of the 2026/27 FY.
- 3.1.1.3 Provide a Quality Review of the Annual Financial Statements of the Department for 2025/26 FY.
- 3.1.1.4 Assist the Department with the creation of a standardized reporting template to be consistently used in reporting performance results for all military veterans benefits.

3.1.1.5 Perform data analytics to detect trends and duplication of transactions to be noted by management. Mandatory areas to include payment of suppliers within 30 days, duplicate payments, usage and rotation of suppliers.

3.1.1.6 Information Technology (ICT) Audit – General Applications and Controls.

3.1.1.7 Execute Procurement and Contract Management internal audit.

3.1.1.8 Perform an assessment of the implementation of the AGSA Audit Action Plan.

#### **4 DELIVERABLES**

4.1 Ngubane Management Consultants (Pty) Ltd must ensure that all work conforms to the Global Internal Audit Standards issued by the Institute of Internal Auditors. Each audit assignment shall at least consist of the following deliverables or outcomes:

4.1.1 Detailed project plan (To be discussed and agreed upon by both parties);

4.1.2 Execute audit projects in line with the project requirements, timeframes, and budget as per the approved Internal Audit Plans;

4.1.3 Provide weekly feedback on the status of the projects to the Audit Committee Chairperson;

4.1.4 Provide Electronic and Hard copies of audit files with all working papers, audit evidence, and client information at the end of each engagement; and

4.1.5 Final detailed reports with concise recommendations and management action plans.

#### **5 OBLIGATIONS AND RIGHTS OF NGUBANE MANAGEMENT CONSULTANTS (PTY) LTD.**

5.1 The Service Provider shall not enter into any agreement(s) or to otherwise bind or incur liability on behalf of the DMV.

- 5.2 The Service Provider shall exercise reasonable care and responsibility when using items belonging to the DMV in the performance of its duties and obligations in terms of this Agreement.
- 5.3 The Service Provider shall exercise the highest degree of skill, care and diligence that can be expected of its profession when rendering the services to the DMV.
- 5.4 Ngubane Management Consultants (Pty) Ltd shall comply with all applicable laws and regulations;
- 5.5 Follow the directives and instructions of the Director in relation to all aspects of the carrying out of its duties, functions and obligations hereunder;
- 5.6 Provide the Director with such detail and information pertaining to the Services as requested by the Director from time to time;
- 5.7 Generally exercise the utmost good faith and all reasonable care, skill and diligence in its dealings with the Director in the carrying out of its duties, functions and obligations hereunder;
- 5.8 Refrain from doing anything whatsoever which may harm the Director's relationship with its Clients, or which may bring the Partner into disrepute with its Clients or in the market-place generally; and
- 5.9 Immediately disclose to the Director all or any material facts or circumstances which come to its notice which might affect the interests of the Director.
- 5.10 In fulfilment of the obligations under this agreement, both parties hereby provides written assurance in terms of section 38(1)(j) of the PFMA that it has implemented effective, efficient and transparent financial management and internal control systems and that it shall comply with all the applicable provisions of the PFMA insofar as it relates to this Agreement.
- 5.11 **Ngubane Management Consultants (Pty) Ltd** shall faithfully and diligently devote time to the service of the **DMV** in terms of this Agreement.

5.12 **Ngubane Management Consultants (Pty) Ltd** shall undertake such assignments, as the **DMV** requires to be performed in terms of this Agreement.

5.13 **Ngubane Management Consultants (Pty) Ltd** acknowledges and agrees that the **DMV** is bound by the rules and regulations governing the **DMV** and that any obligations arising from this Agreement can only be carried out in light thereof.

5.14 **Ngubane Management Consultants (Pty) Ltd** shall ensure that all work shall be of a high standard, skill and executed to the satisfaction of the **DMV** official responsible for the management of this agreement.

## **6 OBLIGATIONS OF DMV**

6.1 With regards to managing the relationship with **Ngubane Management Consultants (Pty) Ltd** , the **DMV** has the following obligations:

6.2 **DMV** shall comply with all applicable laws and regulations;

6.3 Follow the directives and instructions of **DMV** in relation to all aspects of the carrying out of its duties, functions and obligations hereunder;

6.4 Provide **DMV** with such detail and information pertaining to the Services as requested by **DMV** from time to time;

6.5 Generally exercise the utmost good faith and all reasonable care, skill and diligence in its dealings with **DMV** in the carrying out of its duties, functions and obligations hereunder;

6.6 Immediately disclose to **DMV** all or any material facts or circumstances which come to its notice which might affect the interests of **DMV**.

6.7 **DMV** shall at its earliest convenience inform **Ngubane Management Consultants (Pty) Ltd** of any changes within **DMV** that might adversely affect the subsistence of this Agreement.

## **7 CHANGE CONTROL**

- 7.1 Should either Party wish to make any amendment or alteration to the service specification that Party shall prepare a change order and present to the other Party, which shall specify the following:
- 7.1.1 the date of the change order;
  - 7.1.2 the description of the proposed amendment or alteration;
  - 7.1.3 if applicable, previous unspecified ad-hoc work to be undertaken;
  - 7.1.4 the reason for making the proposed amendment or alteration;
  - 7.1.5 when the Party requires the change to be implemented;
  - 7.1.6 the resources available; and
  - 7.1.7 the continued balance of the Parties obligations under this Agreement.
- 7.2 The other Party shall be given an opportunity to consider such change order and make a decision on whether it is prepared to accept such change order or not.
- 7.3 No change order shall be of any force and effect until it is signed by duly authorised representatives of the Parties.

## **8 CONFIDENTIALITY**

- 8.1 The Parties shall keep confidential and shall not disclose to any third party (other than for the purposes of performing services under this Agreement) any of the Confidential Information disclosed to either Party during the discussions or negotiations or implementation of this Agreement or at any time thereafter.
- 8.2 The provisions of 8.1 above shall not apply to any Confidential Information which –
- 8.2.1 Is or hereafter becomes part of the public domain (otherwise than as a result of a breach of the provisions of 8.1 above);
  - 8.2.2 Can be shown to have been lawfully in the possession of the Party receiving such Confidential Information, or its affiliates, prior to its disclosure and is not subject to any existing Agreement between the Parties and/or their affiliates;

8.2.3 is acquired by a Party or its affiliates independently from a third party, who lawfully acquired such information without restriction, or information which is acquired or developed by a Party or its affiliates independently of the other Party in circumstances which do not amount to a provision of 8.2.1 and 8.2.2 above;

8.2.4 is disclosed or released by the Receiving Party/Recipient to satisfy an order of Court or otherwise comply with the provisions of any law or regulation in force at the time.

## 9 BREACH AND TERMINATION

9.1 Should any Party (*"the defaulting Party"*) commit a breach of any of the provisions hereof, then any of the other Parties (*"the aggrieved Party"*) shall be entitled to give the defaulting Party 14 (fourteen) days written notice to remedy the breach. If the defaulting Party fails to comply with such notice, the aggrieved Party shall be entitled to cancel this Agreement against the defaulting Party or claim immediate payment and/or performance by the defaulting Party of all of the defaulting Party's obligations whether or not the due date for payment and/or performance shall have arrived, in either event without prejudice to the aggrieved Party's rights to claim damages. The foregoing is without prejudice to such other rights as the aggrieved Party may have at law.

9.2 **DMV** reserves the right to terminate the Agreement if the service is not rendered as agreed in this Agreement.

9.3 **DMV** shall give **Ngubane Management Consultants (Pty) Ltd** 14 (fourteen) days' notice of its intention to terminate the Agreement as envisaged in terms of clause 9.2.

## 10 ACTS OF GOD (FORCE MAJEURE)

10.1 A Party shall not be liable for failure to perform any of its obligations in terms of this Agreement if it is established to the satisfaction of the other Party that:

10.1.1 The failure was due to an event which was beyond its control; and/or

10.1.2 It could not reasonably have expected, at the time of conclusion of this Agreement, to have taken into account the event and its effects on the Party's ability to perform; and/or

10.1.3 It could not reasonably have overcome the event or the effects of the event preventing it to perform.

10.2 The events contemplated in clause 10.1 include, but are not limited to:

10.2.1 War, civil war, armed conflict or terrorism; and/or

10.2.2 Natural disasters such as violent storms, floods, earthquakes, destruction by lightning; and/or

10.2.3 Explosions and fires; and/or

10.2.4 Protected or unprotected industrial action; and/or

10.2.5 Acts of authority, whether lawful or unlawful, apart from acts for which the Party seeking relief has assured the risk in terms of this Agreement or in the normal course of business.

## 11 CANCELLATION OF THE PROJECT AND CONSEQUENCES THEREOF

11.1 Should the agreement be cancelled, **Ngubane Management Consultants (Pty) Ltd** shall inform **DMV** within 7 (seven) working days thereof and any balance of the allocation received which has not been spent or committed as yet in terms of the Project shall be refunded to **DMV** in accordance with the provisions of this Agreement.

## 12 DISPUTE RESOLUTION

12.1 Any dispute shall, unless resolved amongst the Parties, be referred to and be determined by arbitration.

12.2 This clause shall not preclude any Party from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the arbitrator.

12.3 Save as provided in clause 12.2 above, neither Party shall be entitled to institute any legal proceedings against the other in connection with any dispute unless and until such dispute has been submitted to arbitration as provided for herein and such arbitration has been concluded, and then only to the extent that such legal proceedings are not otherwise prohibited in accordance with this clause.

- 12.4 Any Party to this Agreement may demand that a dispute be determined in terms of this clause by written notice given to the other Party.
- 12.5 The arbitration shall be held –
- 12.5.1 at Pretoria;
- 12.5.2 On the basis that the proper law of the Agreement contained in this clause and of the Agreement in which this clause is contained shall be the law of the Republic of South Africa;
- 12.5.3 With only the legal and other representatives of the Parties to the dispute present thereat;
- 12.5.4 in terms of the Arbitration (Act No. 42 of 1965), as amended, it being the intention that the arbitration shall be held and completed as soon as possible.
- 12.6 The arbitrator shall be, if the matter in dispute is principally –
- 12.6.1 A legal matter, a practicing advocate or attorney of Pretoria of at least 15 (fifteen) years standing;
- 12.6.2 An accounting matter, a practicing chartered accountant of Pretoria of at least 15 (fifteen) years standing;
- 12.6.3 Any other matter, an independent person,
- 12.6.4 Agreed upon between the Parties to the dispute.
- 12.7 Should the Parties to the dispute fail to agree whether the dispute is principally a legal, accounting or other matter within 7 (seven) days after the arbitration was demanded, the matter shall be deemed to be a legal matter.
- 12.8 Should the Parties fail to agree on an arbitrator within 14 (fourteen) days after giving of notice in terms of 12.4, the arbitrator shall be appointed at the request of either Party to the dispute by the Chairman for the time being of the Pretoria Bar Council (as presently constituted).
- 12.9 The arbitrator shall have the power to fix all procedural rules for the holding of the arbitration, including discretionary powers to make orders as to any matters which he may consider proper in the circumstances of the case with regard to submissions, pleadings, discovery, inspection of documents, examination of witnesses and any other matter relating to the conduct of the arbitration. The arbitrator may receive and act on all such evidence, whether oral or written, strictly admissible or not, as he in his

discretion may deem fit. Unless the arbitrator otherwise expressly directs, the arbitration shall be conducted according to the procedures laid down by the Uniform Rules of the High Court of South Africa, as amended and adapted by any special rules or practices applicable in the Transvaal Provincial Division of the High Court of South Africa.

- 12.10 The award of the arbitrator shall be final and binding upon the Parties to the dispute (who hereby agree to carry out the award). The Parties hereby exclude all rights of appeal, which might otherwise be conferred on them by law.
- 12.11 The arbitrator's award may be made an order of any Court of competent jurisdiction.
- 12.12 The Parties hereby consent to the jurisdiction of the High Court of South Africa in respect of the proceedings referred to in 12.2 and 12.11 above.
- 12.13 The provisions of this clause constitute –
- 12.13.1 An irrevocable consent by the Parties to any proceedings in terms hereof and no Party shall be entitled to withdraw therefrom or claim at any such proceedings, that it is not bound by such provisions;
- 12.13.2 A separate Agreement, severable from the rest of this Agreement and shall remain in effect despite determination of or invalidity for any reason of this Agreement.
- 12.14 The costs of and incidental to any arbitration proceedings shall be in the discretion of the arbitrator, who shall be entitled to direct that they shall be taxed as between "party and party" or as between "attorney and own client".

### **13 INDEMNITY**

Notwithstanding anything to the contrary set out in this Agreement, the Parties hereby undertake to place reliance on the common law of Agreement insofar as it relates to any claims that may arise as a result of the conduct of any Party to this Agreement.

### **14 DOMICILIUM**

The Parties choose as their respective *domicilium citandi et executandi* the following addresses

**DMV:**

Department of Military Veterans  
328 Festival Street  
Hatfield  
Pretoria  
0001

**Ngubane Management Consultants Pty Ltd:**

Ngubane Management Consultants (Pty) Ltd  
Ground Floor, the campus  
Twickenham Building  
Corner of Sloane and Main Road  
Bryanston  
2149

- 14.1 Each of the Parties shall be entitled from time to time, by written notice to the other, to vary its domicile to any other address within the Republic of South Africa which is not a post office box or poste restante.
- 14.2 Any notice given and any payment made by one Party to the other ("the addressee") which is:-
- 14.2.1 Delivered by hand during the normal business hours of the addressee at the addressee's domicile for the time being shall be presumed, until the contrary is proved, to have been received by the addressee at the time of delivery;
- 14.2.2 posted by pre-paid registered post from an address within the Republic of South Africa to the addressee at the addressee's domicile for the time being shall be presumed, until the contrary is proved, to have been received by the addressee on the 4<sup>th</sup> (fourth) day after the date of posting;
- 14.2.3 Transmitted by telefax shall be deemed (in the absence of proof to the contrary) to have been received within 1 (one) hour of transmission where it is transmitted during normal business hours of the receiving instrument and within 2 (two) hours of the commencement of the following business day where it is transmitted outside those business hours.

## 15 PARTIES NOT AFFECTED BY RELINQUISHMENT

- 15.1 The relinquishment (whether expressly or by implication) by any of the Parties of any rights arising out of breach of Agreement in respect of the Agreement shall not prejudice any remedies of the relinquishing Party with regard to any continuing or other breach of Agreement in respect of the Agreement.
- 15.2 No grace, delay, relaxation or leniency on the part of the Parties in exercising any rights by virtue of this Agreement may be considered to be a relinquishment of such rights. Neither shall a single or partial exercising of such rights exclude any other or further exercising thereof in terms of the Agreement.
- 15.3 The expiry or termination of this Agreement shall not prejudice the right of any Party in respect of any of the preceding breaches of Agreement or of non-compliance with any of the provisions of the Agreement by any of the Parties.

## 16 FULL AGREEMENT

This Agreement constitutes the entire Agreement, and no other Agreement, provision, document or determination shall form part of this Agreement unless such other Agreement, provision, document or determination is in writing and has been signed by both Parties.

## 17. CONTRACT PRICE AND PAYMENT METHOD

- 17.1 The total cost for the project will be **R 467 728.00 (Four Hundred and Sixty Seven Thousand Seven Hundred and Twenty Eight Rands Only)**, which is inclusive of Value Added Tax (VAT) and shall be payable to the Service Provider by the Department (**see Annexure "D"**). Payments to the Service Provider shall further be subject to the acceptance by the Department of predefined deliverables rendered by the Service Provider.
- 17.2 The deliverables must comply with all the requirements applicable.
- 17.3 Ngubane Management Consultants (Pty) Ltd shall invoice DMV per deliverable.

17.4 Invoice will be considered for payment upon receipt by Department of:

- ✓ A valid original VAT invoice; and
- ✓ Signed off deliverable(s) acceptable to the Department.

17.5 The total cost of the project payable to Service Provider, shall not be increased from the amount stated in clause 17.1 even if the target dates of the Project are not met, or if more than initially anticipated resources are required by the Service Provider unless the Department has requested a change in the scope of services, or the Department approved a change in the scope of services requested by either party, which results in additional fees.

17.6 All payments due, owing and payable to the Service Provider shall be made by the Department within thirty (30) days from date of approval by the delegated authority for payment of a valid VAT invoice, and all other documentation required as per clause 17.3 by the Department. Such approval will not unreasonably be withheld.

17.7 Should the department require adhoc services during the validity of this contract, a request for quotation must be observed.

## 18. VARIATION

No variation or modification of any provision of this Agreement or consent to deviation therefrom shall be valid, unless such variation or modification is in writing and has been signed by both Parties, and such variation, modification or consent shall be valid only for a specific case and only for the purpose for which and extent to which it was made or given.

## 19. INDULGENCE

19.1 No amendment of this Agreement or of any provisions or terms hereof, and no extension of time or waiver or relaxation or suspension of any of the provisions or terms of this Agreement shall be of any force or effect unless reduced to writing and signed by both parties.

- 19.2 No waiver on the part of either Party of any rights arising from a breach of any provision of this Agreement will constitute a waiver of rights in respect of any subsequent breach of the same or any other provision.

## 20. GOOD FAITH AND CO-OPERATION

- 20.1 The Parties shall co-operate and assist each other in all dealings with any other Party that is necessary to cause this Agreement and all other Agreement contemplated herein to be achieved including but not limited to Agreements with the National, Provincial and Local Government, government Agencies and the private sector.
- 20.2 The Parties undertake to do all such things and to sign all documents reasonably necessary to give effect to the implementation of this Agreement.

## 21. LEGAL COSTS

Each Party will pay its own costs and expenses incurred by it in connection with the negotiation and execution of this Agreement.

## 22. INTELLECTUAL PROPERTY

- 22.1 The ownership of any Intellectual Property ("Background Intellectual Property") owned by any Party prior to the commencement of this Agreement shall be and remain vested with that Party.
- 22.2 Any Intellectual Property emanating from the operation ("Foreground Intellectual Property") shall be and remain vested with **DMV**, subject to the following conditions:
- 22.2.1 The Government of the Republic of South Africa shall under circumstances of national need or emergency have an absolute and irrevocable right to a free license to use any Intellectual Property developed under this Agreement.
- 22.2.2 Where there's a Consortium, the lead party shall ensure that, where, for purposes of this Project, access to and use of individual Consortium members' Background Intellectual Property is required in order to generate and/or exploit Foreground Intellectual Property the necessary permission to use the same will be contractually agreed upon in the relevant Consortium Agreement.

- 22.2.3 **DMV** shall ensure that in terms of their own internal policies they impose an obligation upon their employees (and where applicable, subcontractors or independent contractors) working on the Project to promptly disclose in writing to them any registerable Intellectual Property, such as, but not limited to, inventions, discoveries and/or improvements reasonably believed to have been developed and/or created by any of them during the course of this Project.
- 22.2.4 **Ngubane Management Consultants (Pty) Ltd** shall, if it does not intend to secure the Foreground Intellectual Property, be obliged to make the disclosure available to **DMV**, timeously, who shall have the right to take assignment of the Foreground Intellectual Property.
- 22.2.5 **DMV** shall exercise its best endeavours to protect the Foreground Intellectual Property as soon as it is protectable.
- 22.2.6 **DMV** shall, where it is envisaged that Foreground Intellectual Property may arise from the Project, ensure that it establishes a Royalty/Benefit Sharing Scheme within a reasonable time after signature of this Agreement, so as to ensure that all researchers/inventors/students working on the Project who create and/or develop a discovery, invention or improvement, shall financially participate in the profits derived from such discovery, invention or improvement on the basis of the said Royalty/Benefit Sharing Scheme;
- 22.2.7 **DMV** shall exercise its best endeavours to commercialise the Foreground Intellectual Property as soon as it is commercially viable, and in doing so, shall, where appropriate, give preference to, in this order, Black Economic Empowerment and Small Medium and Micro Enterprises and South African owned entities in licensing Agreements;
- 22.2.8 **Ngubane Management Consultants (Pty) Ltd** may not sell or assign its rights in and to the Foreground Intellectual Property to a third party without **DMV's** prior written consent, which consent shall not unreasonably be withheld and shall be communicated to **DMV** within a reasonable time as circumstances may dictate, provided that **DMV** shall keep a proper record of such consent for purposes of future reference;

22.2.9 In the event that an opportunity arises to commercialise the Foreground Intellectual Property, under circumstances where Service Provider has either failed to commercialise or is not interested in pursuing commercialisation thereof itself, **DMV** shall have the discretion to impose an obligation on **Ngubane Management Consultants (Pty) Ltd** to license the Foreground Intellectual Property (as well as, where applicable, the Background Intellectual Property) to a third party who is willing and capable of commercialising the Intellectual Property.

## 23. SUSPENSION

DMV may, by written notice of suspension to the Service Provider, suspend all payments to the Service Provider if the latter fails to perform any of the duties and to adhere to obligations under this agreement. Such notice of suspension shall specify the nature of the failure and shall request the Service Provider to remedy such failure within a period not exceeding five (5) business days after receipt of the notice.

## 24. SEQUESTRATION, LIQUIDATION AND JUDICIAL MANAGEMENT

If the Service Provider is sequestered or liquidated or if placed under Judicial Management, business rescue or an administration order is issued against the Service Provider by a court, the DMV shall have the right to make other arrangements as it deems fit for the completion of the Services as specified herein and to recover any additional costs from the Service Provider's estate without any prejudice to the defaulting party in respect of damages/ losses suffered.

## 25. APPLICABLE LAW

The Agreement shall be governed by, construed and interpreted according to the law of the Republic of South Africa.

Signed at PRETORIA on this 22 day of APRIL 2026 in the presence of the undersigned witnesses.

N Mafu

FOR DMV

I. **Nontobeko Mafu**

Who by her signature hereto warrants that she is authorised to sign on behalf of **DMV**.

AS WITNESSES:

1. \_\_\_\_\_

2. \_\_\_\_\_

Signed at Umhlanga on this 14th day of April 2026 in the presence of the undersigned witnesses.



FOR: **Ngubane Management Consultants (Pty) Ltd**

**Mr Sibusiso Desmond Msomi**

Who by his signature hereto warrants that he is authorised to sign on behalf of **Ngubane Management Consultants (Pty) Ltd**.

AS WITNESSES:

1. 

2. 