

KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs
Requisition form for Goods / Services

To
 Requestor's (Official)
 Name:
 Designation:
 Business Unit
 Telephone Number

MANAGER: SCM
Sindiswa Mhlongo

SAO: IT
Information Technology
060 969 3957

Requisition No.
 Required delivery
 Date:
 Delivery address:

7053070301
270 Jabu Ndlovu St

REQUIRED GOODS / SERVICES (For all services/projects TOR must be attached together with the procurement strategy)

Full Description

Server Accommodation for 36 Months

MOTIVATION FOR ACQUISITION:

Accommodation of Departmental Servers at SITA Offices from 01 April 2023 to 30 March 2026

Requestor's (Official) Signature 

Date: **30-06-23**

ALLOCATION OF EXPENDITURE

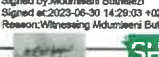
Funds	Voted Funds
Responsibility	Corporate Services
Objective	Information Technology
Project	No Project
Net Asset	None Asset
Regional Indicator	KZN Whole Province
Item	Sita Cloud Space

Budget Allocation	R 31 273 000.00
Less Expenditure	R 8736101.25
Less Commitments	R
Budget Available	R 22 536 898.75
Budget Estimate	R 57 000.00

Approved / Not Approved

Responsibility Manager: Name: Mr. Mdumiseni Buthelezi

Rank: Director Information Technology

Signature: 

Date: _____

Comments: _____

Certification of funds:

Budget Controller Name: **M. J. Nyawose** Signature:  Date: **30/06/2023**

For SCM use only

ASSET MANAGEMENT / ICT UNIT

Condition of existing asset	Obsolete/ Redundant	Irreparable (Condition report for all IT equipment required)	Satisfactory	New
Name:	Signature:	Designation:	Date:	

DEMAND SECTION

Does this appear on the procurement plan?	YES	NO	If not on procurement plan does a motivation exist	YES	NO
Name:	Signature:	Designation: Nontu	Date:		

ACQUISITION SECTION

Quotation Number.	Funding Approval	YES	NO
Name:	Signature:	Designation:	Date:

LOGISTIC SECTION

Award Approved by:	Name:	Date:
Order No.:	Date:	Total Cost:
Name:	Signature:	Designation:
		Date:



Private Bag x 9152, PIETERMARITZBURG, 3200

270 Jabu Ndlovu Street, Pietermaritzburg, 3200

Tel: 033- 264 2800 email: Ntsepiseng.molefe@kzmted.gov.za

AWARDING OF CONTRACT IN RESPECT OF PROCUREMENT OF GOODS AND SERVICES. COMPULSORY

DESCRIPTION OF SUPPLY/SERVICES: **Accommodation of Departmental Servers at SITA Offices from 01 April 2023 to 30 March 2026**

SECTION: Information Technology

Requisition No: 2023070301

Date: 11/08/2023

QUOTATIONS RECEIVED: **One**

Name of Service Provider	CSD Number	Price
State Information Technology Agency	MAAA0146218	R162 916.31

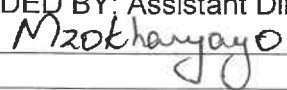
RECOMMENDED SUPPLIER: State Information Technology Agency	AMOUNT	R162 916.31
--	---------------	-------------

COMPILED BY: Ntsepiseng Molefe

SIGNATURE: 

DATE:

RECOMMENDED BY: Assistant Director Acquisition:

 Mzokhanyiso Cebekhu

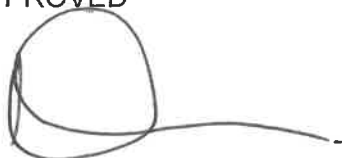
SIGNATURE: 

DATE:

APPROVED/NOT-APPROVED

Director: SCM

DATE :



REASON FOR NON APPROVAL



KWAZULU-NATAL PROVINCE

ECONOMIC DEVELOPMENT, TOURISM
AND ENVIRONMENTAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

FORM007

REQUISITION NUMBER	2023070301
ENQUIRIES	N.D ZULU
EXTENSION	2597

REQUEST FOR FUNDING APPROVAL

DESCRIPTION OF SERVICE	ACCOMODATION OF DEPARTMENTAL SERVERS AT SITA OFFICES FROM 01 APRIL 2023 TO 30 MARCH 2026.
RECOMMENDED SUPPLIER	SITA
AMOUNT	R162 916.31

ALLOCATION OF EXPENDITURE

Funds	Voted Funds
Responsibility	Corporate Services
Objective	Information Technology
Project	No project
Net Asset	Non-Asset
Regional Indicator	KZN: Whole Province
Item	SITA: Cloud Space

Approved / Not Approved

Responsibility Manager/ Program Manager:

Name and Rank: Maxwell Mdumiseni Buthelezi Director: Information Techno

Signed by: Maxwell Mdumiseni Buthelezi
Signed at: 2023-07-31 14:13:20 +02:00
Reason: I approve this document

Signature: _____

Date: 31/07/23 _____

Sadag Leus



Annex J to SLA 1023_001: Server Accommodation Facilities

Document No: 1023_J
Version: 4.0
Author: M Molele
Effective Date: 01 April 2023
Electronic File: 1023_J ver 4.0

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Annex J: Wide Area Network

J1. Service Classification

The Server Accommodation Facilities is classified as Managed Infrastructure in terms of the SITA Services Catalogue and is an optional service in terms of the SITA Amendment Act (Act number 38 of 2002).

J2. Reference(s)

None.

J3. Benefit Statement

	Aspect of business challenge	Value statement	
		Area	Statement
1	Economies of scale over shared capability (infrastructure, technology, resources, facilities, scalability)	Price and Economies of Scale	Shared capability for multiple customers housing servers in the shared facilities, result in lower unit cost based on shared infrastructure and bulk discounts.
2	Reduction in Duplication	Elimination of duplication	Shared infrastructure for several customers eliminates duplication of infrastructure.
3	Security	Security	Secure access control to approved individuals, based on client policy, limits unauthorised access.

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J4. Service Category: WAN .
J4.1 Service Metric: Server Accommodation Facilities - Configured Service

Service Offering		Service Description	Configured Service			Workload		Service Components	Measurement	
			Basic features	Additional features required	Contracted	Cap		Metric	Unit of measure	
Server Accommodation Facilities	Provision of facilities to accommodate servers for clients on the NGN core at permanent, core SITA Switching Centres.	1. Provision of Server Accommodation Facilities and WAN connectivity to ensure uptime of client servers on the core: a. Network connectivity b. Physical Security c. Access & Climate control d. Floor space e. Power & Emergency power f. Fire & Surge protection. 2. Cabinets supported: a. Client owned (Client to supply Screen, keyboard and mouse) b. SITA owned: cabinet only (Client to supply Screen, keyboard and mouse) 3. Facilities at permanent core SITA Switching Centres 4. SLA Reporting (Individual client reports) 5. 24x7 service	None Available				1. 98% Availability on connectivity of Servers onto NGN core within the Server Accommodation Facilities 2. 95% of incidents will be responded to and resolved as follows: a. Mean time to Respond (MTTR): 4 hours b. Mean time to Resolve (MTTR): 8 hours	1. % Availability 2. Hours		
		6. Responsiveness and quality of Service Desk	None Available				1. 80% of calls handled in 20 seconds. 2. 80% Satisfaction Levels	1. % of seconds 2. % of satisfaction levels		
		7. Incident / Request Escalations	None Available				90% Escalations as per agreed escalation procedure	% escalation		
		8. Availability of Incident/ Request Management Performance Reports	None Available				90% Availability of Service Management Reporting Platform	% Availability Performance Reports		

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Server Accommodation Facilities

Service Category	Service Sub Category	Service Component	Service Component Description	Service Measures	Definition of service measures	Service Level Metrics	Service dependencies
WAN	Server Accommodation Facilities	1. Server Accommodation Facilities at permanent core SITA Switching Centres	Provision of facilities to accommodate servers for clients on NGN core at permanent core SITA Switching Centres.	1. Availability 2. Mean time to Respond (MTTr) will be based on hours per incident priority.	The WAN infrastructure will be available 24 hours x 7 days and shall not be less than 98% per core device, averaged over any given month during prime time hours only (excluding Client's servers).	1. 98% Availability of core WAN infrastructure 2. 95% of Incidents will be responded to and resolved as follows: a. Mean time to Respond (MTTr): 4 hours. b. Mean time to Resolve (MTTR): 8 hours.	1. Signed Server Accommodation Proposal. 2. Signed Server Accommodation SLA. 3. Back-to-Back agreements with Service Providers. 4. Availability of accommodation and infrastructure for server accommodation requirements.
WAN	Server Accommodation Facilities	2. Service Desk: Call Answering	The handling of agreed inbound communication channels within acceptable response times and quality levels.	Responsiveness and quality of Service Desk	Number of calls handled that have breached 20 seconds before being answered) / Total number of calls received for the calendar month (within stipulated service hours.)	1. 80% of calls handled in 20 seconds over a period of one calendar month 2. 80% Satisfaction Levels, i.e. (inbound calls)	Users participating in the survey to obtain a reasonable sample.
WAN	Server Accommodation Facilities	3. Incident and Request Management: Monitoring and escalation	Implementation of the Incident/ Request Management process supporting effective monitoring and escalation as defined by the escalation procedure with the Customer.	Incident / Request Escalations	% of automated escalations carried out as per agreed escalation procedure.	90% Escalations as per agreed escalation procedure	As per agreed scope of the escalation procedure enabled by the Customer and/or 3rd Parties.
WAN	Server Accommodation Facilities	4. Incident Management: Reporting on performance against all Incidents and Request	Provision of Incident/ Request Management reports on the performance of all Technical Support environments.	Availability of Incident/ Request Management Performance Reports	Provision of access to automated reports on a. Mean Time to Respond (MTTr) per service category. b. Mean Time to Resolve (MTTR) per service category.	90% Availability of Service Management Reporting Platform	Customer and/or 3rd Parties must have Internet access.

J5. Roles and responsibilities

Service Sub-Category	Responsibilities	
	SITA	Client
Server Accommodation Facilities	1. SITA will provide access to the servers when required by the Client through the SITA toll-free number (0800 11 55 75), 24/7. 2. SITA reserves the right to physically disconnect the server from the WAN Network during any virus infestations. 3. SITA further reserves the right to audit the server to determine if the latest operating system service packs and security patch levels are installed. 4. Establish and maintain processes for incident (fault/problem) and change management. 5. Provide tools to support the service management processes. 6. Service reporting reflecting Server Accommodation Facilities availability.	1. Report all identified Server Accommodation related, calls via the SITA Toll free number (0800 11 55 75) including request for access to servers. 2. Ensure that a suitable Anti-virus solution is installed on the server and configured to update itself from a reputable source. 3. Servers utilising the Microsoft Operating System must be configured to use the Software Update Service provided by SITA. 4. Server Support and Maintenance remains the responsibility of the Client. 5. Inform SITA in writing of any Client initiated change controls that will affect the Server Housing service.

J6. Pricing

Service	Cost per cabinet per month	Quantity	Monthly Total (Year 1)
Server Accommodation (VPN services)	R 267.75	6	R1 606.50
Production server (BAS)	R 267.75	4	R1 071.00
DR server	R 267.75	4	R1 071.00
Subtotal			R3 748.50
PLUS: 15% VAT			R562.28
Monthly Total (VAT Inclusive)			R4 310.78
Annual Total (VAT Inclusive)			R51 729.30
Estimate pricing year 2 (4.49% CPI)			R54 264.04
Estimate pricing year 3 (4.49% CPI)			R56 922.97

NOTE:

1. Cabinet space (in the switching centres other than SITA Centurion) is charged on a 'per-U' basis (1 U is 44.45 mm), with the minimum space assigned being 1U plus 1U for airflow per device. If the customer's server requires 10U then the space assigned and billed will be 10U + 1U.
2. Above pricing is based on the 2021/22 pricing.
3. Rates and tariffs applied by SITA are reviewed on an annual basis.
4. Year one is actual and the other years CPI added for budgetary purposes and the new MTEFs will be applied in that specific year or when there are new guidelines from National Treasury.

J7. Penalty Clause

If SITA fails to achieve the service levels on the **Server Accommodation Facilities** that are stipulated in paragraph J4.1 above, and provided that such a failure is not caused by a failure of the client to comply with its obligations and duties in terms of this SLA, SITA shall compensate the client by raising a credit note with an amount calculated as set out in paragraph (a) below.

- (a) If the achieved service level falls below the % availability for **Server Accommodation Facilities** averaged over any given month during business hours only, the compensation amount shall be calculated at 2.5% of the monthly Server Accommodation Facilities costs for the affected services.

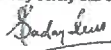
J8 Dependencies and constraints

J8.1 Dependencies:

1. Availability of accommodation and infrastructure for future server accommodation requirements.

J8.2 Constraints:

1. SITA Communications and Network Security Policy.



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J9. Certification:

We hereby certify that this Annex covers the full extent of the Server Accommodation Facilities as required. We further accept the service and the price accordingly.

This Annex shall be effective from 01 April 2023 until 31 March 2026.

Thus done and signed at Pietermaritzburg on this 8th day of June 23

Signed by: Brightboy Nhlakanipho Nkomo
Signed at: 2023-06-08 16:10:34 +02:00
Reason: I approve this document

Signature:  _____

Full names: Brightboy Nhlakanipho Nko

On behalf of KwaZulu-Natal: Department of Economic Development, Tourism and Environmental Affairs

And duly authorised thereto

Thus done and signed at Erasmuskloof on this 14th day of June 2023

Signature:  _____

Full names: Mmamodi Molele

On behalf of State Information Technology Agency SOC Ltd

And duly authorised thereto



CSD REGISTRATION REPORT

SUPPLIER IDENTIFICATION

Supplier number	MAAA0146218	South African company/CC registration number	1999/001899/30
Is supplier active?	Yes	Have Bank Account	Yes
Supplier type	CIPC Company	Registration date	29 Jan 1999 00:00:00:000
Supplier sub-type	State Owned Company	Created by	bavika.munien@sita.co.za
Legal name	STATE INFORMATION TECHNOLOGY AGENCY	Created date	23 May 2016 11:41:35:000
Trading name	State Information Technology Agency SOC Ltd.	Edit by	bavika.munien@sita.co.za
Identification type	South African Company/Close Corporation Registration Number	Edit date	02 Aug 2023 16:44:35:690
Government breakdown	State Owned Company (SOC Ltd)	Restricted Supplier	No
Business status	In Business	Restricted Director	No
Country of origin	South Africa	Government Employee	Yes

SUPPLIER CONTACT INFORMATION

CONTACT 1

Contact type	Administration	Do you want this contact to also be a CSD user ?	Yes
Is this your preferred Contact?	Yes	Created by	bavika.munien@sita.co.za
Name(s)	Bavika	Created date	23 May 2016 11:41:35:567
Surname	Munien	Edit by	bavika.munien@sita.co.za
Identification type	South African Identification Number	Edit date	23 May 2016 11:41:35:567
Prefer communication via email	Yes		
Email address	bavika.munien@sita.co.za		
Cellphone number	0833762156		

CONTACT 2

Contact type	Finance	Email address	tasnim.vorajee@sita.co.za
Is this your preferred Contact?	No	Telephone number	0124822122
Name(s)	Tasnim	Cellphone number	0826745050
Surname	Vorajee	Fax number	0866321133



CSD REGISTRATION REPORT

Identification type	South African Identification Number	Website address	www.sita.co.za
Prefer communication via cellphone	Yes	Do you want this contact to also be a CSD user ?	Yes
Prefer communication via email	Yes	Created by	bavika.munien@sita.co.za
		Created date	23 May 2016 11:41:35:630
		Edit by	bavika.munien@sita.co.za
		Edit date	26 May 2016 09:58:00:000

SUPPLIER ADDRESS INFORMATION

ADDRESS 1			
Is this a preferred address?	Yes	Postal code	0001
Address line 1	459 Tsitisa Street	Ward Number	42
Address line 2	Erasmuskloof	Country	South Africa
Suburb	Erasmuskloof	This address S/A delivery	Yes
Province	Gauteng	Created by	bavika.munien@sita.co.za
Municipality	City of Tshwane	Created date	23 May 2016 09:49:51:000
City	Pretoria	Edit by	bavika.munien@sita.co.za
		Edit date	23 May 2016 11:41:35:537
ADDRESS 2			
Is this a preferred address?	No	Ward Number	42
Address line 1	P. O. Box 26100	Country	South Africa
Address line 2	Monument Park	Created by	bavika.munien@sita.co.za
Suburb	Monument Park	Created date	23 May 2016 09:51:54:000
Province	Gauteng	Edit by	bavika.munien@sita.co.za
Municipality	City of Tshwane	Edit date	23 May 2016 11:41:35:553
City	Pretoria		
Postal code	0105		

SUPPLIER BANK ACCOUNT

BANK ACCOUNT 1





CSD REGISTRATION REPORT

Account type	Current Accounts	Created by	bavika.munien@sita.co.za
Bank	STANDARD BANK OF SOUTH AFRICA	Created date	02 Jun 2016 13:03:20:000
Branch number	051001	Edit by	csd.safetynetbatch@treasury.gov.za
Branch name	STANDARD BANK SOUTH AFRICA	Edit date	30 Jun 2016 16:13:23:363
Account number	410298158	Bank Verification Status	Verification Succeeded
Account holder	SITA SOC LTD	Foreign Bank Account	No
Is this a preferred account?	Yes	Is the identifier linked at the bank	Yes
Active start date	23 May 2016 09:52:42:000	Is this a Shared Funding Account	No

TAX INFORMATION

Income tax number	9511089642	Overall Tax Status	Tax Compliant
VAT number	4450180346	Created by	bavika.munien@sita.co.za
Is this supplier a VAT vendor?	Yes	Created date	23 May 2016 11:41:35:000
PAYE number	7940712401	Edit by	csd.revenifybatch@treasury.gov.za
Are you Registered with SARS?	Yes	Edit date	02 Aug 2023 16:44:35:000
Last validation date	04 Aug 2023 11:29:00:000		

B-BEEE INFORMATION

Certificate type	None		
Created by	bavika.munien@sita.co.za	Edit by	bavika.munien@sita.co.za
Created date	23 May 2016 11:41:41:897	Edit date	22 Jun 2016 09:57:15:000

DIRECTORS/MEMBERS/OWNERS INFORMATION

DIRECTOR/MEMBER 1



CSD REGISTRATION REPORT

Director type	Director	Created date	09 Feb 2021 09:39:08:000
Director status	Active	Edit by	csd.reverifibatch@treasury.gov.za
Name(s)	MOLATLHEGI KHUNOU	Edit date	26 Jul 2023 11:54:18:000
Surname	KGAUWE	Restricted Director	No
Country	South Africa	Restriction Last Verification Date	04 Aug 2023 11:29:23:837
Identification type	South African Identification Number	Government Employee	Yes
South African Identification number	8011225460087	Department	State Information Technology Agency
Work permit	0000000	Government Employee Last Verification Date	04 Aug 2023 11:29:03:350
Appointment date	01 Dec 2020 00:00:00:000	SA identification number Verified	Yes
Owner	No	SA identification number verification date	04 Aug 2023 11:29:04:903
Created by	csd.reverifibatch@treasury.gov.za	Companies involved in	MAAA0597042;

DIRECTOR/MEMBER 2

Director type	Director	Created date	22 Feb 2022 15:40:58:000
Director status	Active	Edit by	csd.reverifibatch@treasury.gov.za
Name(s)	NOLITHA	Edit date	26 Jul 2023 11:54:20:000
Surname	PIETERSEN	Restricted Director	No
Country	South Africa	Restriction Last Verification Date	04 Aug 2023 11:29:23:900
Identification type	South African Identification Number	Government Employee	No
South African identification number	8209120627087	Government Employee Last Verification Date	04 Aug 2023 11:29:03:367
Work permit	0000000	SA identification number Verified	Yes
Appointment date	01 Feb 2022 00:00:00:000	SA identification number verification date	04 Aug 2023 11:29:17:967
Owner	No	Companies involved in	MAAA0750061; MAAA1304353;
Created by	csd.reverifibatch@treasury.gov.za		

DIRECTOR/MEMBER 3

Director type	Director	Created date	22 Feb 2022 15:41:03:000
Director status	Active	Edit by	csd.reverifibatch@treasury.gov.za
Name(s)	LAURA	Edit date	26 Jul 2023 11:54:22:000
Surname	MSEME	Restricted Director	No
Country	South Africa	Restriction Last Verification Date	04 Aug 2023 11:29:23:963





CSD REGISTRATION REPORT

Identification type	South African Identification Number	Government Employee	Yes
South African identification number	6803100006080	Department	National: National Treasury;
Work permit	0000000	Government Employee Last Verification Date	04 Aug 2023 11:29:03:380
Appointment date	01 Feb 2022 00:00:00:000	SA identification number Verified	Yes
Owner	No	SA identification number verification date	04 Aug 2023 11:29:21:757
Created by	csd.reverifybatch@treasury.gov.za		

DIRECTOR/MEMBER 4

Director type	Director	Created by	csd.reverifybatch@treasury.gov.za
Director status	Active	Created date	18 Apr 2023 15:01:36:000
Name(s)	BONGANI ANDY	Edit by	csd.reverifybatch@treasury.gov.za
Surname	MABASO	Edit date	26 Jul 2023 11:54:24:000
Country	South Africa	Restricted Director	No
Identification type	South African Identification Number	Restriction Last Verification Date	04 Aug 2023 11:29:24:043
South African identification number	8705065764082	Government Employee	Yes
Work permit	0000000	Department	State Information Technology Agency;
Appointment date	01 Apr 2023 00:00:00:000	Government Employee Last Verification Date	04 Aug 2023 11:29:03:413
Owner	No	SA identification number Verified	Yes
		SA identification number verification date	04 Aug 2023 11:29:23:510
		Companies involved in	MAAA1252999;

The CSD does not automatically verify foreign company registration number, international securities identification number, foreign identification numbers, foreign passport numbers, work permit numbers, foreign bank accounts, B-BBEE, demographic and accreditation information. Organs of State are required to manually verify this information with the applicable verification Institutions as per their current policies and procedures.





CSD REGISTRATION REPORT

Tips and Frequently Asked Questions (FAQ)

Identifier

CSD cannot electronically verify the identity of a supplier other than a South African Individual / Sole Proprietor (through Home Affairs) or a company registered at the Companies and Intellectual Property Commission (CIPC). For this reason, a disclaimer is displayed for supply chain practitioners to obtain supporting documentation to verify the identity and legitimacy of a supplier in these cases.

Bank

For help on how to resolve bank failures click here: [I received an email stating the bank information I captured on the CSD was sent for bank account validation and could not be validated. The response received from the bank contains an error message.](#)
The various possible error messages received from the bank are highSemiBoded in red. Search for the applicable message and follow the detailed steps associated with that error message.

Tax

Tax Compliance Status

For help on how to deal with tax status differences between CSD and the tax clearance certificate click here: [What should a supplier do if the tax status on CSD difference from the tax clearance certificate?](#)

Tax Compliance Expiry Date

For help on how to deal with tax status differences between CSD and the tax clearance certificate click here: [How does CSD determine the tax compliance expiry date?](#)

CIPC

Should the director/member information reflected on the CIPC registration report differs to that reflected on CSD for help click here: [The active Directors/Members are not being populated on the CSD Directors/Members screen as they appear at CIPC. how can I rectify this?](#)

State Employee

For more information pertaining to government employment status click here: [Will there be verification done to identify if a supplier is a government employee?](#)

BBBEE

CSD does not automatically verify all certificate information with the various accreditation bodies. Organs of State are required, where not automatically verified by CSD, to manually verify this information with the applicable accreditation body as per current policies and procedures. Expired certificate information do not reflect on the report.

RESTRICTION

Restricted Supplier - A supplier is restricted by using the identification number of the entity e.g. CIPC registration -, trust -, Social Development non-profit -, South African ID -, Foreign company registration number or ID number. If there is more than one CSD Supplier profile registered on CSD with the same entity identification number, all those related supplier profiles will be restricted.

Restricted Director - A director/owner is an individual person and is restricted by using the South African ID or Foreign ID number. If a director belongs to different companies and has been restricted, the director will reflect as restricted in all companies where identification number is detected.

Restricted Suppliers & Directors are listed on CSD under Help - [Am I restricted?](#)





**CENTRAL SUPPLIER
DATABASE**
FOR GOVERNMENT

Report Date:

04 Aug 2023 11:55:29.536 AM

Report Ran By:

phumlile.madondo@kznedtea.gov.za

CSD REGISTRATION REPORT

Print Date: 8/4/2023 11:55:29 AM

Page: 7 of 7



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

RESTRICTED



Business Agreement

entered between

KwaZulu-Natal: Office of the Premier and KwaZulu-Natal Provincial
Departments

(hereinafter referred to as the Client)

and

the State Information Technology Agency (SITA) Ltd

a state owned company registered in terms of the
Companies Act, 2008 (Act 71 of 2008), as amended

Registration number 1999/001899/30

(hereinafter referred to as SITA)

(jointly referred to as the Parties)

Document no.: 1059_BA
Version: 1.0
Date: Date of signature

me

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Agam N.

*B.S. S.C.
N.I.
BZ p*

RESTRICTED

Notice

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Document enquiries can be directed to:

Document and Records Management Office
SITA SOC Ltd
PO Box 26100, Monument Park, 0105, South Africa
Telephone: 012 482 3000
www.sita.co.za

Title: Business Agreement between the National Department of Planning, Monitoring and Evaluation and SITA SOC Ltd

No.: COCSM204_1.0

Author/originator: Legal Services

Amendment history

Revision	Date	Change proposal	Change comment
1.0	2020-11-19	New document	First release

my

A

B.I. S.C. &
NY
PW
BZ

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Recitals

WHEREAS, SITA was established in terms of the Act, to provide information technology, information systems and related services in a maintained information systems security environment to, and on behalf of, participating departments and organs of state and in regard to these services, acts as an agent of the South African Government;

WHEREAS, section 20 of the Act requires conclusion of a business agreement to regulate the relationship between individual departments or organs of state and SITA;

WHEREAS, the Client and SITA wish to rescind any previous written or verbal business agreement, and enter into a new business agreement; and

WHEREAS, this Business Agreement governs the relationship between the Client and SITA;

IT IS NOW THEREFORE RESOLVED that the Client and SITA hereby enter into the following Business Agreement;

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1 Definitions

For the purpose of this Business Agreement, unless the context otherwise indicates, the following words and phrases must have the meanings assigned to them below and cognate expressions must have corresponding meanings:

"Act" means the State Information Technology Agency Act, 1998 (Act No. 88 of 1998), and includes the Regulations made in terms of the Act;

"Agent" means a party that has the express (oral or written) authority to act for another (the principal). The agent acts under the delegated authority of the principal;

"Agency" means a juristic entity known as SITA as fully described in clause 1.1.27, a company established to provide information technology, information systems and related services to, or on behalf of, government departments;

"Business Agreement" means this Business Agreement as envisaged under section 20 of the Act, and includes all documentation appended or annexed hereto and signed by the Parties; "

"Chief Executive Officer" means "Managing Director" as defined in the SITA Act, 1998;

"Client" means the KwaZulu-Natal: Office of the Premier and each KwaZulu-Natal Provincial Department that is a signatory to this Business Agreement;

"Confidential information" means any information or data, irrespective of the form or medium in which it be stored, which is not in the public domain and which becomes available or accessible to a Party as a consequence of this Business Agreement or any related service level agreement or SITA proposal accepted by the Client or project charter, including information or data which is prohibited from disclosure by virtue of:

- (a) the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);
- (b) being clearly marked "Confidential" and which is provided by one Party to another Party in terms of this Business Agreement or a related service level agreement or project charter;
- (c) being personal information;
- (d) being information or data, which one Party provides to another Party or to which a Party has access because of services SITA is providing in terms of this Business Agreement or a service level agreement or SITA proposal accepted by the Client or project charter and in which a Party would have a reasonable expectation of confidentiality;
- (e) being information provided by one Party to another Party in the course of contractual or other negotiations, which could reasonably be expected to prejudice the right of the non-disclosing Party;
- (f) being information, the disclosure of which could reasonably be expected to endanger a life or physical security of a person;
- (g) being technical, scientific, commercial, financial and market-related information, know-how and trade secrets of a Party;
- (h) being financial, commercial, scientific or technical information, other than trade secrets, of a Party, the disclosure of which would be likely to cause harm to the commercial or financial interests of a non-disclosing Party;
- (i) being information supplied by a Party in confidence, the disclosure of which could reasonably be expected either to put the Party at a disadvantage in contractual or other negotiations or to prejudice the Party in commercial competition; or

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- (j) information the disclosure of which would be likely to prejudice or impair the safety and security of:
 - (i) a building, structure or system, including, but not limited to, a computer or communication system;
 - (ii) a means of transport; or
 - (iii) any other property or a person;
 - (iv) methods, systems, plans or procedures for the protection of:
 - (aa) an individual in accordance with a witness protection scheme;
 - (bb) the safety of the public or any part of the public; or
 - (cc) the security of property;
- (k) information the disclosure of which could reasonably be expected to cause prejudice to the:
 - (i) defence of the Republic;
 - (ii) security of the Republic;
 - (iii) international relations of the Republic; or
 - (iv) plans, designs, drawings, functional and technical requirements and specifications of a Party,
- (l) Provided that it excludes information that has
 - (i) been made automatically available, in terms of the Promotion of Access to Information Act, 2000; and
 - (ii) a statutory or common law duty to disclose or in respect of which there is no reasonable expectation of privacy or confidentiality.

"consequential loss" means subsequent loss resulting from a direct loss;

"data" means any data processed by or for the benefit of the Client, including but not limited to personal information, in accordance with POPIA and any applicable legislation in South Africa.

"data subject" means any natural or juristic persons to whom the personal information relates;

"direct loss" means loss resulting from the immediate or natural consequences of a damage causing event;

"disclosing Party" means the Party disclosing confidential information;

"e-government service" means any public service provided by electronic means by any public body in the Republic;

"GITO" means Government Information Technology Officer;

"high-risk area" means an area in which a state of emergency has been declared or has been otherwise designated in writing by the relevant Chief Executive Officer as an area dangerous to the health and safety of its employees, subcontractors or agents or other persons;

"information system" means applications and systems to support the business while utilising information technology as an enabler tool;

"information systems security" means to preserve the availability, integrity and confidentiality of information systems and information according to affordable security practices.;

"information technology" means all aspects of technology that are used to manage and support the efficient gathering, processing, storing and dissemination of information as a strategic resource;

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"**intellectual property**" means collectively the patents, copyright, trademarks, designs, models, trade names, trade secrets, confidential information and know-how of the Parties whether registered or unregistered, including applications for and rights to obtain or use same;

"**mandatory services**" means those services as referred to in section 7(1)(a) of the Act as well as section 7(3), 7(6)(a) read with Regulation 4.2, section 7(6)(b) read with Regulation 4.3, Regulation 4.4.1 read with section 7(6)(d) and Regulation 4.1.2;

"**Minister**" means the Minister of Communications and Digital Technologies;

"**National Treasury**" means the National Treasury as defined in the Public Service Act, 1994 (Proclamation 103 of 1994), read with Schedule 1 thereof;

"**optional services**" means those services referred to in section 7(1)(b) of the Act;

"**operator**" means SITA, who processes personal information for the Client in terms of this Business Agreement;

"**order**" means a government order form issued and signed by the relevant Head of Department or a duly authorised departmental representative, for goods or services to be provided at a firm price as agreed by the Parties;

"**Party**" means the Parties to this Business Agreement, being SITA on the one hand and on the other, the Client, and "**Parties**" has a corresponding meaning;

"**person**" means a natural person, juristic person or organ of state, for the purposes of this Business Agreement;

"**personal information**" means information relating to any data subject as defined in POPIA including but not limited to views or opinions of another individual about the data subject; and information relating to such data subject's:

- (a) race, sex, gender, sexual orientation, pregnancy, marital status, nationality, ethnic or social origin, colour, age, physical or mental health, well-being, disability, religion, conscience, belief, cultural affiliation, language and birth;
- (b) education, medical, financial, criminal or employment history;
- (c) names, identity number and/or any other personal identifier, including any numbers which may uniquely identify a data subject, account or client number, password, pin code, customer or data subject code or number, numeric, alpha or alpha-numeric design or configuration of any nature, symbol, e-mail address, domain name or IP address, physical address, cellular phone number, telephone number or other particular assignment;
- (d) blood type, fingerprint or any other biometric information;
- (e) personal opinions, views or preferences;
- (f) correspondence that is implicitly or expressly of a personal, private or confidential nature (or further correspondence that would reveal the contents of the original correspondence); and
- (g) corporate structure, composition and business operations (in circumstances where the data subject is a juristic person) irrespective of whether such information is in the public domain or not;

"**PFMA**" means the Public Finance Management Act, 1999 (Act No. 1 of 1999);

"**POPIA**" means the Protection of Personal Information Act, 2013 (Act No. 4 of 2013);

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"processing or processed" means any operation or activity or any set of operations, whether or not by automatic means, concerning personal information, including:

- (a) the collection, receipt, recording, organisation, collation, storage, updating or modification, retrieval, alteration, consultation, testing of or use;
- (b) dissemination by means of transmission, distribution or making available in any other form by electronic communications or other means; or
- (c) merging, linking, blocking, degradation, erasure or destruction;

"project charter" means one form of contracting or tasking mechanism that defines the statement of the scope, objectives and participants in a project for the delivery of goods or services that has a defined start and end date, providing a preliminary delineation of roles and responsibilities, outlining the project objectives, identifying the main stakeholders, and defining the authority of the project manager, serving as a reference of authority for the future of the project;

"proprietary software" means software in which intellectual property rights vest in a person other than a Party to this Business Agreement;

"Regulations" means General Regulations R.904, 2005, proclaimed in terms of the Act;

"receiving Party" means the Party receiving confidential information;

"responsible party" means the Client, who determines the purpose of and means for processing personal information.

"service level agreement" means one form of contracting or tasking mechanism that stipulates services, which are negotiated and entered into by the Chief Executive Officer of SITA or his or her duly appointed representative and the Client in terms of section 20(2) of the Act;

"SITA" means the State Information Technology Agency (SOC) Ltd, a state-owned company registered in terms of the Companies Act, 2008 (Act No. 71 of 2008), with registration number 1999/001899/30;

"SITA Customer Relationship Manager" means a person appointed by SITA in terms of clause 12.7.4 to manage SITA's relationship with the Client;

"SITA procurement policy and procedures" means SITA's procurement policy and procedures in force at the date of the commencement of this Business Agreement;

"subcontractor" means a person who has been contracted by SITA to provide goods and services;

"tasking instrument" means the process followed and documentation attached to this Business Agreement as Annexure A, used by the Client to task SITA to render services and/or provide goods and/or services to the Client in terms of this Business Agreement;

"transversal information system" means a software system that is used by or shared across multiple departments or public bodies;

"VAT" means value added tax, as levied in accordance with the Value-Added Tax Act, 1991 (Act No. 89 of 1991); and

"vis major" means any event which is beyond the reasonable control of a Party or which could not have been reasonably foreseen or prevented by a Party and which renders impossible the performance of a Party in terms of this Business Agreement.

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2 Parties to this Agreement

2.1 The parties to this Business Agreement are:

- 2.1.1 the Client, herein represented by Dr Nonhlanhla Omic Mkhize, in her capacity as the Director General of the KwaZulu-Natal Office of the Premier who warrants that she is duly authorised to sign this agreement;
- 2.1.2 the Client, herein represented by Mr Siza Dennis Sibande, in his capacity as the Head of Department: KwaZulu-Natal Department of Agriculture and Rural Development who warrants that he is duly authorised to sign this agreement;
- 2.1.3 the Client, herein represented by Mr Ntokozo P Chonco, in his capacity as the Head of Department: KwaZulu-Natal Department of Arts and Culture who warrants that he is duly authorised to sign this agreement;
- 2.1.4 the Client, herein represented by Mr Sbusiso Gumbi, in his capacity as the Head of Department: KwaZulu-Natal Department of Community Safety and Liaison who warrants that he is duly authorised to sign this agreement;
- 2.1.5 the Client, herein represented by Mr Thando Tubane, in his capacity as the Head of Department: KwaZulu-Natal Department of Co-operative Governance and Traditional Affairs who warrants that he is duly authorised to sign this agreement;
- 2.1.6 the Client, herein represented by Mr Nhlakanipho Nkontwana, in his capacity as the Head of Department: KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (Acting) who warrants that she is duly authorised to sign this agreement;
- 2.1.7 the Client, herein represented by Dr Enock V Nzama, in his capacity as the Head of Department: KwaZulu-Natal Department of Education who warrants that he is duly authorised to sign this agreement;
- 2.1.8 the Client, herein represented by Dr Sandile Clement Tshabalala, in his capacity as the Head of Department: KwaZulu-Natal Department of Health who warrants that he is duly authorised to sign this agreement;
- 2.1.9 the Client, herein represented by Mr Mduduzi Orville Sikhumbuzo Zungu, in his capacity as the Head of Department: KwaZulu-Natal Department of Human Settlements who warrants that he is duly authorised thereto to sign this agreement;
- 2.1.10 the Client, herein represented by Ms Neli Shezi, in her capacity as the Acting Head of Department: KwaZulu-Natal Provincial Treasury (Acting) who warrants that she is duly authorised to sign this agreement;
- 2.1.11 the Client, herein represented by Mr Phiwokuhle Duma, in his capacity as the Acting Head of Department: KwaZulu-Natal Department of Public Works who warrants that he is duly authorised to sign this agreement;
- 2.1.12 the Client, herein represented by Mrs Nelisiwe Ignatia Vilakazi, in her capacity as the Head of Department: KwaZulu-Natal Department of Social Development who warrants that she is duly authorised to sign this agreement;

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- 2.1.13 the Client, herein represented by Dr Charity Thobile Sifunda, in her capacity as the Head of Department: KwaZulu Natal Department of Sport and Recreation who warrants that she is duly authorised thereto to sign this agreement;
- 2.1.14 the Client, herein represented by Ms Smanga Ngubo, in her capacity as the Acting Head of Department: KwaZulu-Natal Department of Transport (Acting) who warrants that she is duly authorised to sign this agreement; and
- 2.1.16 SITA, herein represented by Mr Ntutule Tshenye in his capacity as the Executive: National Consulting of SITA, who warrants that he is duly authorised to sign this agreement.

3 Statement of purpose

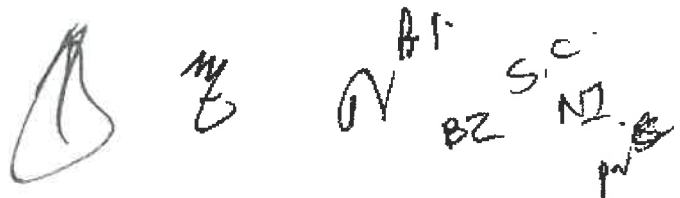
- 3.1 The purpose of this Business Agreement is to establish a contractual relationship between the Client and SITA for the provision of information systems, information technology and related services by SITA to the Client, and to regulate such relationship as intended by the Act.
- 3.2 A Service Level Agreement must be signed between the Client and SITA containing the terms and conditions relevant to specific services to be rendered as required once an accepted SITA procurement process has been concluded.

4 Interpretation of this Business Agreement

- 4.1 In this Business Agreement, unless the context otherwise indicates:
- (a) All words and expressions referring to the masculine gender must be capable of being construed as a reference to the feminine gender.
 - (b) A word signifying the singular must include the plural and vice versa.
 - (c) A reference to a natural Person must be capable of being construed as a reference to a juristic Person and vice versa.
 - (d) Words and phrases defined in this Business Agreement must bear the meaning assigned to them throughout the Business Agreement.
 - (e) Words and phrases which are defined or used in any statute which applies to the subject matter, professional Person, goods or services provided for in this Business Agreement must be construed in accordance with the applicable statute or regulations.
 - (f) Headings must be used in aid of interpretation or modification of the clauses within the Business Agreement.

5 Duration of Business Agreement

- 5.1 Notwithstanding the date of signatures of the Departments, this Agreement becomes effective upon the date of signature of the Director-General of the Office of the Premier and continues for a period of five (5) years after such date with an option for renewal for an additional five years.
- 5.2 This Business Agreement may be reviewed annually if required by the parties.

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6 Termination of this Business Agreement

- 6.1 Notwithstanding the duration as contemplated in clause 5.1, in the event that SIIA is dissolved in terms of section 22 of the SITA Act (Act 88 of 1998), as amended, this BA must terminate on the date of SIIA's dissolution.
- 6.2 Notwithstanding the termination of this BA in terms of clause 6.1, the terms and conditions of this BA must continue to apply to any SLA or project charter entered into by the Parties prior to the termination date, for the duration of the BA.

7 Confidentiality

- 7.1 The Parties undertake to treat as strictly confidential all confidential information. The Parties undertake not to use the Confidential information for any purpose other than carrying out their respective obligations in accordance with and upon the terms of the Business Agreement except where required to do so in terms of a law, without the prior written consent of any other Party having an interest in the disclosure.
- 7.2 Subject to clause 8.1, where a Party discloses confidential information that damages or could damage another Party, the disclosing Party must be required to submit all facts related to the disclosure in writing to the other Party, who must submit information related to such actual damage to be resolved as a dispute in terms of clause 17.
- 7.3 The Parties may not, except to the extent that a Party is legally required to make a public statement, make any public statement or issue a press release which could affect another Party, without first submitting a written copy of the proposed public statement or press release to the other Party and obtaining the other Party's prior written approval for such public statement or press release, which consent must not unreasonably be withheld.
- 7.4 The receiving Party must not disclose the confidential information to any person whomsoever other than the receiving Party's employees, advisors or other people on a need to know basis. Before revealing any Confidential information to any such employees, advisors or other persons on a need to know basis, the receiving Party undertakes to procure that a similar undertaking in favour of the disclosing Party is signed and that they are aware of the confidential nature of the Confidential information being made available to them. The receiving Party undertakes to ensure that these persons must observe and comply with their obligations in respect thereof, whether or not they are still in the employ of the receiving Party.
- 7.5 The receiving Party agrees to use the same standard of care which must not amount to less than a reasonable standard of care in protecting the confidential information, as it is used to protect its own confidential information.
- 7.6 The receiving Party agrees to return to the disclosing Party, upon request or upon termination of the BA, unless the disclosing Party otherwise agrees in writing, all copies and partial copies of all confidential information (whether in paper or electronic format) which the receiving Party may have obtained from the disclosing Party, as well as all notes (whether in paper or electronic format) which the receiving Party may have prepared or may obtain as a result of the confidential information being made available to the receiving Party.

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8 Business relationship between the Parties

8.1 The Parties hereby acknowledge that they are bound to:

- 8.1.1 ensure that there is an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective;
- 8.1.2 take effective steps to collect all monies due, and providing agreed and committed service to the Client;
- 8.1.3 prevent unauthorised, irregular, fruitless and wasteful expenditure and losses resulting from negligent or criminal conduct;
- 8.1.4 manage available working capital efficiently and economically and upon discovery of any unauthorised, irregular or fruitless and wasteful expenditure, immediately reporting, in writing, the particulars of the expenditure to the relevant Accounting Officer and National Treasury;
- 8.1.5 When carrying out its procurement function as provided for in section 7(3), (4)(a)(ii) and (b)(ii) and (5)(b) of the Act, SITA must comply with:
 - 8.1.5.1 section 217 of the Constitution of the Republic of South Africa, 1996;
 - 8.1.5.2 the PFMA;
 - 8.1.5.3 the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
 - 8.1.5.4 Regulations;
 - 8.1.5.5 any other law.

8.2 The Client must acquire the mandatory services from or through SITA as stipulated in the Act.

8.3 The Client may acquire the optional services from SITA or must procure the optional services through SITA as stipulated in section 7(1)(b) of the Act.

8.4 SITA must provide and procure all information technology, information systems and related goods and services in accordance with:

- 8.4.1 relevant National and Provincial Government legislation and policies with respect to small, micro and medium enterprises, and Black Economic Empowerment, and the SITA procurement policy and procedures; and
- 8.4.2 a service level agreement or project charter or SITA proposal accepted by the Client; or
- 8.4.3 from service providers or suppliers who have a national presence or who are in partnership with small, micro and medium enterprises in South Africa.

8.5 Prior to the conclusion of a service level agreement, SITA must submit to the Client a value proposal for each mandatory or optional service that SITA is to provide that is valid for a period of 30 (thirty) days for acceptance or rejection, containing:

- 8.5.1 a detailed service or goods specification;
- 8.5.2 the estimated duration of the provision of goods or services;
- 8.5.3 the current cost of supplying the goods or rendering the service; and

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- 8.5.4 a forecast of what the service or goods must cost for the duration of the service level agreement and, if applicable, for not less than 36 (thirty-six) months.
- 8.6 Any service level agreement must include:
- 8.6.1 the metrics applicable to a particular service or goods specific to the Client;
 - 8.6.2 as an appendix, a detailed user requirement specification of the relevant mandatory or optional service or goods, compiled in conjunction with the Client, to benchmark the value added by SITA;
 - 8.6.3 the areas targeted for cost reduction for the relevant year and milestones related to achieving the targets;
 - 8.6.4 information technology service management best practices for the improvement of service and solution delivery, if applicable;
 - 8.6.5 alignment with SITA's disaster recovery strategy and business continuity plan and procedures referred to in Regulation 4.1.2; and
 - 8.6.6 a statement that the service level agreement must be reviewed no less than annually.
- 8.7 The Client hereby agrees that SITA may use subcontractors to fulfil its obligations to the Client, who must not be required to liaise directly with any subcontractor.
- 8.8 The Parties hereby agree that they must, in respect of their respective employees, subcontractors and agents:
- 8.8.1 obtain any necessary security clearances required by the other Party;
 - 8.8.2 abide by the security requirements specified in clause 9 of this Business Agreement;
 - 8.8.3 where there is a breach of security, within 5 (five) business days investigate the cause of the breach;
 - 8.8.4 relieve any employee, subcontractor or agent who is found to have breached security after an investigation in terms of clause 8.8.3 from any work to be undertaken for the Client; and
 - 8.8.5 take, as the Party determines necessary, immediate disciplinary action.
- 8.8.6 The Client and SITA must enter into a supply chain management service level agreement to ensure compliance with relevant procurement terms and conditions and service delivery and in accordance with clause 8.1.4 above.

9 Information systems security

- 9.1 The Parties agree that they must maintain, in their respective premises, a comprehensive information systems security environment pursuant to national and provincial policy, procedures, rules, regulations and industry standards prescribing security requirements.
- 9.2 In the event of breach of the security and integrity of the information technology system, the aggrieved Party must:
- 9.2.1 immediately notify the other Party of the breach and consequences which would naturally flow from the breach or could otherwise under the circumstances be expected to occur;

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- 9.2.2 immediately take all necessary measures to remedy the breach and limit the expected consequences and assume the responsibility for the anticipated or actual consequences of the breach; and
- 9.2.3 submit a final report on the cause, nature and consequences of the breach, response time and measures taken, including but not limited to the timing of all measures taken.
- 9.3 The Parties and all subcontractors used by them in performing their duties and obligations under this Business Agreement must comply with security requirements as prescribed in the policy, procedures, rules, regulations and standards prescribing security requirements.
- 9.4 To enable SITA to comply with the security requirements, the Client must furnish SITA with an updated and any subsequent revision of its security requirements, as prescribed in the Client's policy, procedures, rules, regulations and standards and as required for implementation by the Client in accordance with Chapter 6 Part II of the Public Service Regulations.

10 Data privacy

- 10.1 SITA acknowledges that in providing the services to the Client, it may be exposed to data as defined in this Agreement. This data may include personal information.
- 10.2 The Client acknowledges that it is the responsible party in relation to the personal information and is required to ensure that it complies with the conditions of lawful processing of personal information in terms of POPIA. The Client further warrants that all personal information that is provided to SITA has and must be processed in compliance with POPIA.
- 10.3 The Client warrants that the personal information that it provides SITA is complete, accurate, not misleading and up to date.
- 10.4 SITA undertakes to process the personal information of the Client in performance of its obligation in terms of this BA, in accordance with the Client's written instructions.
- 10.5 SITA must take appropriate, reasonable technical and organisational measures to prevent the loss or damage or unauthorised destruction of personal information and the unlawful access to the personal information in its possession or under its control.
- 10.6 SITA must as soon as is reasonably possible notify the Client of any unauthorised access to or acquisition of personal information or any reasonable belief that there has been unauthorised access to or acquisition of personal information in its control or possession.
- 10.7 SITA must not permit any processing of data by any third-party without the Client's prior notification and written authorisation. Should the Client authorise the processing by a third party, SITA must enter into an agreement with this third party, with the agreement's provisions relating to data privacy and information security not being less favourable than those of this business agreement.
- 10.8 SITA warrants that it must ensure that all its systems and operations which it uses to provide the hardware and/or services, including all systems on which data is processed, must at all times be of a minimum standard required by law.

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11 SITA's obligations under this Business Agreement

11.1 In terms of sections 7(3) and 7(4) of the Act, SITA:

- 11.1.1 must provide mandatory services, which services must be acquired from SITA pursuant to a signed service level agreement or procured through SITA if SITA indicates in writing within 10 (ten) business days of receiving the official request from the Client that it is unable to provide the service itself;
- 11.1.2 may provide optional services, which services must be acquired from SITA pursuant to a signed service level agreement or procured through SITA if SITA indicates in writing within 10 (ten) business days of receiving the official request from the Client that it is unable to provide the service itself; and
- 11.1.3 must procure mandatory or optional services not obtained from SITA in terms of a signed supply chain management service level agreement.

11.2 SITA's further obligations in terms of mandatory services are as follows:

11.2.1 SETTING OF STANDARDS

- 11.2.1.1 In terms of section 7(6)(a)(i) and (ii) of the Act read with Regulation 4.2, SITA must set standards regarding interoperability of information systems between departments, subject to approval by the Minister, and comprehensive information systems security, subject to the approval of the Minister and the Minister of State Security.
- 11.2.1.2 Before setting or amending standards, SITA must:
 - 11.2.1.2.1 consult with departments and the GITO Council to assess the status of implemented systems and the proposed requirements;
 - 11.2.1.2.2 conduct an implementation impact analysis and develop a business case demonstrating the cost-effectiveness of such standards; and
 - 11.2.1.2.3 give due consideration to all representations received from departments and the GITO Council before submitting proposed standards to the Minister and the Minister of State Security for approval.
- 11.2.1.3 The standards must be made available to all heads of departments and on SITA's website no later than a date determined by the Minister.

11.2.2 CERTIFICATION

- 11.2.2.1 In terms of section 7(6)(b), read with Regulation 4.3, SITA must:
- 11.2.2.2 certify every acquisition of any information technology goods or services by a department for compliance with those standards; and
- 11.2.2.3 conduct standard certification for a mandatory service before the Client's Accounting Officer awards the bid, or if not possible, before the implementation of the mandatory service.

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11.2.3 RESEARCH

11.2.3.1 In terms of section 7(6)(d), read with Regulation 4.4.1, SITA may, in consultation with the Client, carry out a research regarding the use of information technology to improve the efficiency of the public administration.

11.2.3.2 For purposes of such research, SITA must annually submit a report to the Minister and the GITO Council on all research activities carried out in the previous year stating, inter alia, research objectives, resources utilised, expenditure incurred and value added to any department or government as a whole, and innovations arising there from and the strategic impact thereof.

11.2.4 CONVERGANCE STRATEGY

11.2.4.1 In terms of Regulation 4.1.2, SITA must for the departments and may for public bodies, after consultation with the GITO Council and with approval of the Minister, develop a strategy regarding the convergence of information systems and other systems.

11.2.5 DISASTER RECOVERY

11.2.5.1 In terms of Regulation 4.1.2, SITA must, after consultation with the GITO Council and with approval of the Minister, prepare a comprehensive disaster recovery strategy and business continuity plan and procedures for mandatory services used by departments ensuring that:

11.2.5.1.1 the plan takes due cognisance of the business and enterprise architecture of departments and complies with archiving, security and other relevant legislation, also testing the plan from time to time and inform departments of defects, problems and risks;

11.2.5.1.2 SITA is further obliged to submit departmental-specific test results to the Minister within thirty (30) days and to the GITO Council for information, to review and amend the plan and procedures as may be required from time to time and to recover the costs related to the plan and procedures.

11.2.6 GENERAL OBLIGATIONS

11.2.6.1 SITA must procure any goods or services only upon receipt of written authorisation to do so submitted by the Accounting Officer or his/her duly appointed delegate; and SITA must respond to the Client acknowledging receipt to the Client within 5 (five) business days of receiving the official request. The contract price for such goods or services must be agreed to and stipulated in the service level agreement or SITA proposal as accepted by the Client or project charter. In the event that the Client wishes to proceed using alternate modes of procurement, the process as stated in Regulation 17 in the SITA Regulations must be exercised.

11.2.6.2 Based on SITA's position as the provider or procurer of information systems and information technology in terms of the SITA Act, 1998, SITA hereby agrees that:

11.2.6.2.1 it must maintain all skills, expertise and facilities required to fulfil its functions and deliver competitive information technology and information systems procurement management services to the Client as agreed in the SLA;

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- 11.2.6.2.2 it must provide the Client with costing details of all mandatory and optional services;
- 11.2.6.2.3 it must consult with the Client on the management and implementation of this Business Agreement and any service level agreement, project charter or related contract or tasking mechanism or SITA proposal accepted by the Client;
- 11.2.6.3 in the event that the Client can show SITA during the course of negotiating the services terms of a service level agreement or project charter or SITA-accepted proposal, in writing, that equivalent goods and services required by the Client can be obtained at a less expensive firm price from any other supplier and that such goods and services meet all evaluation criteria agreed upon by the Client and SITA, SITA must offer a comparable firm price to the Client for the same goods and services, failing which the Client may procure such goods or services through SITA from such other supplier at the less expensive firm price; and
- 11.2.6.4 it must provide goods and services within the stipulated timeframes as agreed upon by the Parties.
- 11.3 SITA hereby agrees that, in the provision of cost-effective mandatory and optional services to the Client, it must:
- 11.3.1 link the obligations of its employees and subcontractors to specific responsibilities to be undertaken for the Client; and
- 11.3.2 not utilise the services of any employee or subcontractor who is not qualified to provide services required by the Client.
- 11.4 SITA must, within 5 (five) business days of the commencement of this Business Agreement appoint a SITA Customer Relationship Manager to work with the Client representative to manage the relationship between the Parties and report as required, in writing, to SITA on all dealings with the Client.
- 11.5 SITA may, on good cause shown, replace the SITA Customer Relationship Manager on giving 5 (five) business days' written notice to the Client.
- 11.6 The Parties hereby acknowledge and confirm that the SITA Customer Relationship Manager must meet with the Client representative no less than monthly on the dates and times agreed upon, to review:
- 11.6.1 the performance and delivery of goods and services by SITA to the Client;
- 11.6.2 any written complaints submitted in terms of clause 11.9; and
- 11.6.3 any audit, internal survey or written report compiled by either SITA or the Client.
- 11.7 The Parties hereby acknowledge and confirm that the CFO of SITA and the Client's Accounting Officer or his/her duly authorised delegate must meet from time to time on the dates and times agreed upon, to assess strategic departmental business objectives and their realisation under this Business Agreement and any service level agreements or project charters hereunder.
- 11.8 SITA hereby acknowledges and confirms that it must prepare minutes of all meetings held between the Parties, distribute same to all relevant representatives, effect all agreed amendments or note any points of contention where agreement cannot be reached.

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- 11.9 The SITA Customer Relationship Manager must, upon receipt of a written complaint from the Client, investigate such complaint and respond in writing to the Client within 7 (seven) business days of the receipt of such complaint or within any mutually agreed timeframe.
- 11.10 In the event that the Client makes a request in writing to meet with the SITA Customer Relationship Manager to discuss any matter, including but not limited to a written complaint, the SITA Customer Relationship Manager must schedule a meeting with the Client within 5 (five) business days.
- 11.11 In the event that SITA, including its employees, subcontractors and agents, is unable to provide services at a site due to its designation by the Accounting Officer or his/her duly authorised delegate as a high-risk area or due to vis major, SITA must, immediately:
- 11.11.1 notify the Client in writing of the circumstances detailing the reasons for SITA's inability to complete services in terms of a service level agreement or project charter; and
- 11.11.2 specify an alternative mechanism for the services to be provided.
- 11.12 Where the Client advises SITA in writing that one of SITA's employees, subcontractors or agents is failing to abide by national, provincial or the Client's health, safety and security policies or procedures or is guilty of non-performance at a particular site, SITA must:
- 11.12.1 upon receipt of the written complaint from the Client, conduct a performance review of the employee, subcontractor or agent in question and, in the event that the performance review shows that the said employee, subcontractor or agent is failing to abide by national, provincial or the Client's health, safety and security policies or procedures or is guilty of non-performance at a particular site, then SITA must remove the offending employee, subcontractor or agent from the relevant site and provide an alternative skilled employee, subcontractor or agent; and
- 11.12.2 pending the outcome of the performance review, employ all reasonable endeavours to temporarily remove the employee, subcontractor or agent in question by means of suspension, transfer or any other lawful means.

12 The Client's obligations under this Business Agreement

12.1 The Client:

- 12.1.1 must procure all mandatory services from SITA, pursuant to a signed service level agreement or acquire same through SITA where SITA has stated in writing within 10 (ten) business days after receiving the request that it is unable to provide the service itself; and
- 12.1.2 may request from SITA optional services as listed in section 7(1)(b)(i) to (vi) of the Act, which services must be acquired from SITA pursuant to a signed service level agreement or procured through SITA, if SITA indicates in writing within 10 (ten) business days of receiving the official request from the Client that it is unable to provide the service itself.
- 12.2 The Client must request the service from SITA only through its Head of Department or his/her duly appointed delegate as per the tasking instrument.
- 12.3 The Client must within 5 (five) business days of the commencement of this Business Agreement, appoint a representative to work with the SITA Customer Relationship Manager to manage the

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relationship between SITA and the Client and report, in writing, to the Accounting Officer or his/her duly authorised delegate on all dealings with SITA.

- 12.4 A duly appointed representative must attend all relevant meetings, may submit written complaints and must thereafter meet with the relevant SITA Customer Relationship Manager to discuss any matter.
- 12.5 The Client may replace its representative on 5 (five) business days' prior written notice to SITA.
- 12.6 The Client representative must place applicable orders in terms of a service level agreement or project charter or SITA-accepted proposal and must not place orders which are not authorised by a service level agreement or project charter.
- 12.7 The Client's Accounting Officer or his/her duly appointed delegate must advise SITA in writing of any person who may place orders for the Client in terms of an applicable service level agreement or project charter, with all orders to be countersigned in accordance with written financial delegations from the relevant Accounting Officer or his/her duly appointed delegate.
- 12.8 Client's duly appointed representative must:
 - 12.8.1 grant SITA and its employees, subcontractors and agents required access to the Client's site; and
 - 12.8.2 ensure the cooperation of the Client's employees, subcontractors and agents.
- 12.9 In the event of the Client designating a site as a high-risk area or occurrence of vis major, the Client's Accounting Officer or his/her duly authorised delegate must notify SITA in writing within 10 (ten) business days.
- 12.10 The Client may, in the event of changed circumstances not due to the fault of SITA and relating to a fluctuation in the firm price or delay in services to be delivered by SITA in terms of a service level agreement or project charter or SITA-accepted proposal:
 - 12.10.1 cancel the service level agreement or project charter or SITA-accepted proposal, with the Client to bear any reasonable costs which have been incurred by SITA as at the date of cancellation; or
 - 12.10.2 re-negotiate the service level agreement or project charter or SITA-accepted proposal to reflect the increase in the firm price or delay with respect to goods or services to be delivered by SITA in terms of the service level agreement or project charter.
- 12.11 In the event that the Client cancels a service level agreement or rejects the proposal or project charter in terms of clause 12.10.1 after SITA has commenced providing goods or services, the Client's Accounting Officer or his/her duly appointed delegate must, after consultation with SITA, determine and agree the appropriate remedy, including but not limited to compensation, if any, due to or from SITA.
- 12.12 The Parties hereby agree that the Client may not unreasonably refuse to meet with SITA in terms of clause 11.7.

13 Pricing

13.1 The Parties hereby acknowledge and confirm that:

- 13.1.1 SITA's contract prices must be reasonable and market-related;

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- 13.1.2 contract prices of all information technology or information systems services or goods provided to or procured for the Client in accordance with this Business Agreement must be those negotiated and agreed upon by the Parties in service level agreements or project charters or SITA-accepted proposal from time to time; and
- 13.1.3 contract prices referred to in clause 13.1.2 may not exceed the maximum rates, inclusive of VAT, approved by the National Treasury in accordance with the Act, at the time of SITA providing or procuring goods and services in terms of a service level agreement or project charter or SITA-accepted proposal.
- 13.2 Contract prices must:
- 13.2.1 competitive and the Client may assess whether quoted rates and tariffs are competitive prior to negotiating a service level agreement or project charter or SITA-accepted proposal, which information must form part of the negotiations on such service level agreement or project charter; and
- 13.2.2 VAT on all contract prices must be recovered at the statutory rate as applicable from time to time and all quotations and other documents containing prices must show a clearly marked contract price, including VAT.
- 13.3 Contract prices that are linked to foreign exchange must be dealt with in terms of section 6.3.4 of the SITA Foreign Exchange Expenditure Policy and must be dealt with as follows:
- 13.3.1 The rate of exchange used in the quotation to the Client must be based on the spot rate on the day of the quotation, as provided by SITA Treasury inclusive of a minimum of seven (7) per cent to cover management of the foreign exchange risk.
- 13.3.2 All quotes prepared by Customer Relationship Managers are to be reviewed and approved by SITA Finance before issuing to Client;
- 13.3.3 The SITA quotation must be valid for 21 (twenty-one) business days or as per the terms and conditions on the Client's quotation;
- 13.3.4 If the purchase order is not received within (21) twenty-one business days of the date of the quotation, then the quotation must lapse and a new quotation must be issued unless it is approved by the Manager of Treasury.
- 13.3.5 Payment is strictly (30) thirty business days from the date of the invoice. Should the invoice not be honoured within the said time, the Client must be liable for any foreign exchange losses and must be invoiced for the difference of any negative foreign exchange movements as a result in the delay of payment.
- 13.3.6 A penalty of 10 (ten) percent must be effected to the recovery of the foreign exchange loss is such amount is not received within (90) ninety business days of the government order.
- 13.4 The Client or its designee must advise the Client representative, in writing, as to the terms and conditions on which the relevant representative should negotiate with SITA to:
- 13.4.1 fulfil the quote, service level agreement requirements or project charter; or
- 13.4.2 re-negotiate the service level agreement or project charter; or

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- 13.4.3 cancel the service level agreement or project charter.
- 13.5 Where the Accounting Officer of the Client cancels a service level agreement or project charter in terms of clause 13.4.3, clause 12.10 must apply.
- 13.6 Subject to the approval and control mechanisms, policies, procedures and regulations of the national government and the Client, contract prices must be adjusted in accordance with:
- 13.6.1 the actual increase or decrease in the production or procurement cost of any goods or services, including but not limited to the cost of any proprietary software licence, software maintenance and other proprietary software experienced by SITA; or
 - 13.6.2 the change, imposition or abolition of customs or excise duty and any other duty, levy, tax, rate or tariff which, in terms of any legislation is binding and has a demonstrable influence on the production, procurement or service cost; or
 - 13.6.3 the actual increase or decrease in the price of a system or incidental service resulting from the conclusion of an agreement contemplated in 13.1.2; or
 - 13.6.4 the decision by National Treasury in terms of rate or tariff adjustments and implemented accordingly; and
 - 13.6.5 the provisions of clause 13.3 must, with the necessary changes, apply to such adjustment where applicable.

14 Payment terms

- 14.1 The Client must be liable to SITA for payment for any goods or services acquired from or procured through SITA under a service level agreement or project charter or SITA proposal approved by the department, which payment must only be made by the Client against an invoice which has been certified as correct for payment by the Client.
- 14.2 SITA must submit:
- 14.2.1 detailed invoices for all goods or services provided or procured by SITA for the Client in terms of a service level agreement or project charter or SITA proposal approved by the department no later than the 15th (fifteenth) day after the date of invoice, or, if the 15th (fifteenth) day of the month falls on a Saturday, Sunday or public holiday, the Friday immediately preceding such 15th (fifteenth) day or, in the case of a public holiday, the business day immediately preceding such public holiday; and
 - 14.2.2 with each detailed invoice, an itemised report on the goods or services provided or procured by SITA to or on behalf of the Client.
- 14.3 An appropriate record of acknowledgement of receipt of the submitted documents must be kept by SITA.
- 14.4 The Client representative must review the invoice and if the invoice accurately reflects goods and services received in terms of a service level agreement or project charter or SITA proposal approved by the department, the Client representative must certify the invoice as correct and submit the invoice for payment to be made within 30 (thirty) business days of the date of the corrected invoice.

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- 14.5 In the event that the Client representative does not agree that an invoice is correct and refuses to certify it he/she must, within 7 (seven) business days after receipt of the invoice, investigate the basis for charges and submit, in writing to the SITA Customer Relationship Manager, with a copy being sent to debtcollection@sitaco.za:
- 14.4.1 detailed reasons for the dispute; and
- 14.4.2 if applicable, the manner in which the Client representative believes that the invoice should be corrected.
- 14.6 On receipt of the submission from the Client representative in terms of clause 14.5, the SITA Customer Relationship Manager must investigate the matter and either:
- 14.6.1 correct the invoice, if the SITA Customer Relationship Manager is in agreement with the Client, and resubmit the corrected invoice for payment within 7(seven) business days; or
- 14.6.2 advise the relevant Client representative in writing within 7(seven) business days of the reasons that SITA asserts that the invoice is correct.
- 14.7 In the event that the relevant Client representative is, for good cause shown, not satisfied with SITA's explanation given in terms of clause 14.6.2, the Client representative may declare a dispute under clause 17, as read with any applicable provisions of the relevant service level agreement or project charter or SITA proposal accepted by the Client.
- 14.8 The invoice is payable within 30(thirty) business days of the date of receipt of the invoice, unless a dispute has been lodged, in writing, within (7) seven business days of receipt thereof.
- 14.9 The Client must not, unreasonably, withhold payment of invoices duly certified in terms of clause 14.4.1.
- 14.10 If an amount is due and payable and the Client fails to make the payment within 30 (thirty) business days after the invoice due date without good cause shown, SITA must be entitled to recover interest at the at the rate applicable to government loans from the date on which such amounts become due and payable up to the date on which such amounts are paid in full by the Client.
- 14.11 Where the Client has overpaid on any invoice, and there are older outstanding invoices, the excess amount must be utilised to off-set the said outstanding invoices.
- 14.12 Payment must be made by the Client as specified below:
- | | | |
|---------|------------------------------------|--|
| 14.12.1 | Name of banking institution: | Standard Bank |
| 14.12.2 | Location of banking institution: | Centurion |
| 14.12.3 | Branch of banking institution: | Centurion |
| 14.12.4 | Branch code of banking institution | 012645 |
| 14.12.5 | Bank account number: | 410 298 158 |
| 14.12.6 | Type of account: | Cheque |
| 14.12.7 | Name of accountholder: | State Information Technology
Agency (SOC) Ltd |

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14.13 When depositing funds, the relevant Client representative must within 3 (three) business days submit the following information to the SITA Customer Relationship Manager or any other duly authorised SITA representative:

- 14.13.1 the total amount and method of payment, that is: electronic funds transfer or cheque payment;
- 14.13.2 the electronic funds transfer or cheque number;
- 14.13.3 invoice number or numbers against which the payment is being made;
- 14.13.4 amount paid against each invoice; and
- 14.13.5 confirmation of the banking details as in clause 14.12.

15 Indemnity

- 15.1 The Parties, including any of their employees, subcontractors or agents acting for or on their behalf, must exercise due care and diligence in performing their duties in terms of this Business Agreement and a Party that has not exercised due care and diligence must be liable to the other Party for loss or damages caused to and sustained by the other Party due to the willful or negligent actions or omissions of the Party concerned, provided that in no circumstances must a Party be liable to the other Party for consequential loss or damages resulting from negligence whatsoever sustained by the other Party.
- 15.2 The Parties, including any employee, Subcontractor or agent acting for or on behalf of either Party, act as independent contractors and not as agents or employees of each other and have no authority or right to bind each other outside this Agreement and, subject to the provisions of clause 15.1, the Parties, including any employee, subcontractor or agent acting for or on their behalf, must be liable for any loss or damages sustained by one Party where the other Party is in breach of this clause.
- 15.3 Where SITA, in terms of this Business Agreement or a service level agreement or project charter or SITA proposal accepted by the Client, procures goods or services on behalf of the Client from a third party in respect of which warranties are issued, SITA and the Client agree that:
- 15.3.1 in the event the ownership of such goods or services passes from the third party to the Client, the third party must remain liable in terms of the warranty for such goods or services and the Client must exercise due diligence to ensure that the third party who had issued the warranty complies with the warranty; and
 - 15.3.2 irrespective of whether the ownership of goods or services vests in the Client or in SITA, the Parties must take all reasonable steps to ensure that their employees, subcontractors and agents using goods or services obtained by SITA for the Client are aware of the terms and conditions of the warranties for such goods or services and that adequate policies and procedures are in place to safeguard such goods or services to ensure that the terms and conditions of applicable warranties are observed.

16 Breach of Business Agreement

- 16.1 Where either Party is in breach of any provision or term of this Business Agreement (other than those which contain their own remedies or limit the remedies in the event of breach thereof):

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- 16.1.1 the aggrieved Party must submit written notification to the breaching Party explaining the nature of the breach, requiring the latter to remedy the breach within 10 (ten) business days, depending on the nature of the breach, as must be agreed between the Parties;
- 16.1.2 The aggrieved Party must be entitled without notice, in addition to any other remedy available to it at law or under this Agreement, including obtaining an interdict, to claim specific performance of any obligation whether or not the due date for performance has arrived, without prejudice to the aggrieved Party's right to claim damages; or
- 16.1.3 the aggrieved Party may declare a dispute and submit the dispute to be addressed in terms of clause 17.
- 16.2 Notwithstanding the above and the penalties specifically set out in the service level agreements, the Client reserves the right to impose a penalty of two point five percent (2.5%) of the cost of the service level agreement, due to the late performance of SITA's obligations.
- 16.3 The parties agree that late performance is the delivery of any service one day later of the agreed date of delivery as stated in the service level agreement, provided that the delay is not caused by the Client.

17 Dispute resolution and non-compliance with Regulations

17.1 Disputes

- 17.1.1 In the event a Party wishes to declare a dispute in terms of this Business Agreement, the dispute must be declared in writing by the Accounting Officers of both Parties.
- 17.1.2 The Parties must, in accordance with SITA Regulation 6.1.1, make every reasonable effort to settle a dispute between them amicably through conciliation and negotiation within 30 (thirty) business days after the aggrieved party gave written notice to the other Party.
- 17.1.3 If a dispute cannot be so settled as stipulated in clause 17.1.2 or the subject-matter of the dispute necessitates settlement before the end of the 30 (thirty) day-period, either Party to the dispute may refer the matter to the Minister for mediation.
- 17.1.4 If mediation fails, either party may refer the dispute for arbitration to the office of the State Attorney which is located closest to the Party's head office.
- 17.1.5 The State Attorney must be an arbitrator to arbitrate the dispute and the decision of that arbitrator is final and binding on the parties.

17.2 Non-compliance with Regulations

- 17.2.1 Any Party to this Business Agreement or any other interested person may report any alleged non-compliance with any provisions of the Regulations to the Director General or an official of the Department of Communications and Digital Technologies (DCDT) designated by the Minister for this purpose.
- 17.2.2 The Director-General of the particular department or that of the DCDT must take steps to ensure:
 - 17.2.2.1 the investigation of the alleged non-compliance; and

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- 17.2.2.2 if he or she is of the opinion that such non-compliance occurred, that it be remedied if possible, and reported to the relevant authorities.

18 Vis major

- (a) If *vis major* or *force majeure* or *casus fortuitus* ("interrupting circumstances") cause delays in or failure or partial failure of performance by a Party of all or any of its obligations hereunder, this Business Agreement, or as the case may be, the affected portion thereof, must be suspended for the period during which the interrupting circumstances prevail;
 - (b) If the interrupting circumstances contemplated in 18.1 (a) affect any material part of this Business Agreement for a maximum period of 60 (sixty) business days, thereafter any affected Party must be entitled on 10 (ten) business days' written notice to cancel this Business Agreement;
 - (c) Written notice of the interrupting circumstances specifying the nature and date of commencement thereof must be despatched by the Party seeking to rely thereon (on whom the onus must rest) to the other Party as soon as reasonably possible after the commencement thereof;
 - (d) Written notice of the cessation of the interrupting circumstances must be given by the Party who relied thereon within 10 (ten) business days after such cessation;
 - (e) No Party is obliged to comply with the obligations suspended during the period of the interrupting circumstances;
 - (f) The Party whose performance is interrupted by the interrupting circumstances must be entitled, provided that such Party must give notice to that effect with the written notice of the interrupting circumstances as provided above, to extend the period of this Business Agreement by a period equal to the time that its performance is so prevented.
- 18.2 For the purposes hereof *vis major* or *force majeure* includes acts or omissions of any government, government agency, provincial or local authority or similar authority, any laws or regulations having the force of law, civil strife, riots, insurrection, sabotage, acts of war or public enemy, illegal strikes, interruption of transport, lockouts, inability on the part of SITA as a result of *force majeure* of the nature contemplated in this clause to obtain any goods or materials from the service provider or contemplated service provider thereof, combination of workmen, prohibition of exports, rationing of supplies, flood, storm, fire or (without limitation *eiusdem generis*) any other circumstances beyond the reasonable control of the Party claiming *vis major* or *force majeure* and comprehended in the terms *vis major* or *force majeure*.

19 Ownership of intellectual property rights

- 19.1 Any intellectual property rights owned by SITA prior to the commencement date of this Business Agreement must remain vested with SITA exclusively.
- 19.2 Any intellectual property rights owned by the Client prior to the commencement date of this Business Agreement must remain vested with the Client exclusively.
- 19.3 Ownership of any intellectual property derived, produced or developed by any service provider expressly and exclusively for SITA acting on behalf of the Client must be dealt with in accordance with the terms and conditions of the agreement to be concluded between SITA and such service provider.

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- 19.4 The Client is entitled to request the agreements signed with service providers and SITA, upon written request and consent by the parties to the afore-said agreement

20 General terms and conditions

- 20.1 This Business Agreement must be governed by and construed in accordance with the laws of the Republic of South Africa.
- 20.2 This Business Agreement replaces any previous written or verbal Business Agreement entered into by the Parties.
- 20.3 This Business Agreement constitutes the entire contract between the Parties as to its subject matter and may only be altered or varied in writing which must then be signed by the parties in order to be valid.
- 20.4 In the event of a conflict between this Business Agreement and a service level agreement or project charter or SITA proposal approved by the Client, this Business Agreement must take precedence.
- 20.5 No alteration of, variation of or amendment to this Business Agreement, is of any force and effect, unless it is reduced to writing and signed by the Parties.
- 20.6 No indulgence or leniency which a Party may grant or show another, must in any way prejudice the granting Party or preclude the granting Party from exercising any of its rights in the future.
- 20.7 In the event that any term, condition or provision of this Business Agreement is declared to be invalid, illegal, unlawful or unenforceable, that term, condition or provision must:
- 20.7.1 be severed from the remaining terms, conditions and provisions of this Business Agreement without affecting the validity or enforceability of the remaining terms, conditions and provisions;
 - 20.7.2 where possible and appropriate, the Business Agreement must be amended in writing by the Parties to remedy the defect in a manner consistent with the remainder of the Business Agreement and which best serves the objectives of this Business Agreement;
 - 20.7.3 where the term, condition or provision of the Business Agreement cannot be severed without affecting the overall validity and enforceability of the Business Agreement, the Business Agreement must terminate; and
 - 20.7.4 where the Business Agreement is terminated in terms of clause 21.7.3, any remaining obligations not agreed in writing must be submitted as a dispute and resolved in terms of clause 17.
- 20.8 The Parties are not entitled to cede, delegate, assign or otherwise alienate or dispose of any rights in terms of this Business Agreement, without the prior written consent of the other Party, except where the Client assigns or delegates an obligation in terms of national or provincial law, in which event the Client must notify SITA thereof and any applicable service level agreement or project charter must be amended in writing to reflect the assignment or delegation.
- 20.9 The Parties are not bound by any express term, representation or warranty, promise or the like not recorded herein.

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21 Costs

- 21.1 Each Party must bear its own costs in the negotiation, preparation and finalisation of this Business Agreement.

22 Domicilia citandi et executandi

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

- 22.2 The Parties choose the addresses listed in clause 23.3 for the purposes indicated, or any other address in the Republic of South Africa which they may choose for that purpose and which they inform the other Party in writing from time to time:

22.3 Domicilia citandi et executandi:

- a) the KwaZulu-Natal Office of the Premier

Physical address: The Director-General
4th Floor, Moses Mabhida Building
300 Langalibaleke Street, Pietermaritzburg
3210
Postal address: Private Bag X 9037
Pietermaritzburg
3200

- b) the KwaZulu-Natal Department of Agriculture and Rural Development

Physical address: The Head of Department
KwaZulu-Natal Department of Agriculture and Rural Development
1 Cedar Road
Pietermaritzburg
3201
Postal address: The Head of Department
KwaZulu-Natal Department of Agriculture and Rural Development
Pietermaritzburg
3200

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- c) the KwaZulu-Natal Department of Arts and Culture

Physical address: The Head of Department
KwaZulu-Natal Department of Arts and Culture
Heritage House
1st Floor, 222 Jabu Ndlovu Street
Pietermaritzburg
3201

Postal address: The Head of Department
KwaZulu-Natal Department of Arts and Culture
Private Bag X 9140
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- d) the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs

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KwaZulu-Natal Provincial Department of Economic
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- e) the KwaZulu-Natal Department of Education

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KwaZulu-Natal Department of Education
Anton Muziwakhe Lombede Building

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f) the KwaZulu-Natal Provincial Treasury

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KwaZulu-Natal Provincial Treasury
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g) the KwaZulu-Natal Department of Health

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Pietermaritzburg
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Postal address: The Head of Department
KwaZulu-Natal Department of Health

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- h) the KwaZulu-Natal Department of Human Settlements

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- i) the KwaZulu-Natal Department of Community Safety and Liaison

Physical address: The Head of Department
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Postal address: The Head of Department
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Private Bag X 9143
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- j) the KwaZulu-Natal Department of Sports and Recreation

Physical address: The Head of Department
KwaZulu-Natal Department of Sports and Recreation
135 Pietermaritz Street

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Postal address:

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KwaZulu-Natal Department of Sports and Recreation

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Pietermaritzburg

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- k) the KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs

Physical address:

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KwaZulu-Natal Department of Cooperative Governance and
Traditional Affairs

Natalia Building

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Pietermaritzburg

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Postal address:

The Head of Department

KwaZulu-Natal Department of Cooperative Governance and
Traditional Affairs

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Pietermaritzburg

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- l) the KwaZulu-Natal Department of Transport

Physical address:

The Head of Department

KwaZulu-Natal Department of Transport

Executive Building, 4th Floor

172 Burger Street

Pietermaritzburg

3201

Postal address:

The Head of Department

KwaZulu-Natal Department of Transport

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- m) the KwaZulu-Natal Department of Social Development

Physical address: The Head of Department
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Pietermaritzburg
3201

Postal address: The Head of Department
KwaZulu-Natal Department of Social Development
Private Bag X 9144
Pietermaritzburg
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- n) the KwaZulu-Natal Department of Public Works

Physical address: The Head of Department
KwaZulu-Natal Department of Public Works
191 Prince Alfred Street
Pietermaritzburg
3201

Postal address: The Head of Department
KwaZulu-Natal Department of Public Works
Private Bag X 9041
Pietermaritzburg
3200

- o) the SITA (SOC) Ltd

Physical address: The Chief Executive Officer
State Information Technology Agency (SITA) Ltd
459 Tsitsa Street

K B.I. BZ
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S.C.
P.B.

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Erasmuskloof

Pretoria

0048

Postal address:

Chief Executive Officer

State Information Technology Agency (SITA) Ltd

PO Box 26100

Monument Park

0105

23 Signatures

The signatories hereof, being duly authorised thereto, by their signatures hereto authorise the execution of the work detailed herein, or confirm their acceptance of the contents hereof and authorise the implementation or adoption thereof, as the case may be, for and on behalf of the parties represented by them.

23.1 the KwaZulu-Natal Office of the Premier

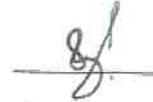
Thus, done and signed at Pietermaritzburg on this 11 day of DECEMBER 2020



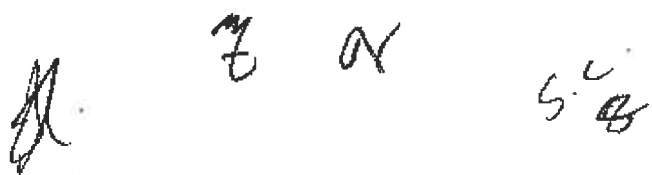
Full Names: **NONHLANHLA OMIC MKHIZE**

Director-General, acting for and on behalf of the KwaZulu-Natal Office of the Premier

Witnesses:

1. Suresh Singh 
Full name Signature

2. Sibusiso Mkhize 
Full name Signature



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23.2 the KwaZulu-Natal Department of Agriculture and Rural Development

Thus, done and signed at Fundburg on this 20 day of 05 2020

Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Agriculture and Rural Development

Witnesses:

1. Nontobeko GHEZI 
Full name Signature

2. Zakithi Mathenjwa 
Full name Signature

23.3 the KwaZulu-Natal Department of Arts and Culture

Thus, done and signed at Pietermaritzburg on this 08th day of MARCH ²⁰²¹₂₀₂₀

Full Names: MR NTOGOZO CUFONLO

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Arts and Culture

Witnesses:

1. MATHEU KUBHEKA 
Full name Signature

2. SIMPHE NTONAS 
Full name Signature



RESTRICTED

23.4 the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs

Thus, done and signed at Pmbury on this 05th day of May ^{2021 S.C.}
~~2020~~

Sibhe Mkhize (Acting)

Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs

Witnesses:

1. Gugumayo [Signature]
Full name Signature

2. hendera Mokoena [Signature]
Full name Signature

23.5 the KwaZulu-Natal Department of Education

Thus, done and signed at Pmbury on this 20th day of April 2020

F.V. Mzama

Full Names:

Provincial Treasury acting for and on behalf of the KwaZulu-Natal Department of Education

Witnesses:

1. Mthobisi Kugile [Signature]
Full name Signature

2. Thabani Mkhize [Signature]
Full name Signature

[Signature] [Signature]

RESTRICTED

23.6 the KwaZulu-Natal Provincial Treasury

Thus, done and signed at Pietermaritzburg on this 11th day of February 2021

Neliswa R. Shezi

Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Provincial Treasury

Witnesses:

1. Charles M. Kgich [Signature]
Full name Signature
2. Harvey Naidoo [Signature]
Full name Signature

23.7 the KwaZulu-Natal Department of Health

Thus, done and signed at Pietermaritzburg on this 4th day of May 2021

Isabelala S.C. [Signature]

Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Health

Witnesses:

1. Samantha Cheatz [Signature]
Full name Signature
2. Nazim MCHUNU [Signature]
Full name Signature

[Signature]

[Signature]

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23.8 the KwaZulu-Natal Department of Human Settlements

Thus, done and signed at Aucor on this 7th day of JUNE 2021

Mduduzi Dennis Schembisa Zungu

Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Human Settlements

Witnesses:

1. KANISITWA DORIS GOODETHA DORIS DORIS

Full name

Signature

2. Mduduzi D.S. Zungu

Full name

Signature

23.9 the KwaZulu-Natal Department of Community Safety and Liaison

Thus, done and signed at PIETERMARITZBURG on this 04th day of MARCH 2021

BSQumei BSQumei

Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Community Safety and Liaison

Witnesses:

1. ES NGLOSA

Full name

Signature

2. Silindile Bhegu

Full name

Signature

[Handwritten mark]

[Handwritten mark]

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23.10 the KwaZulu-Natal Department of Sports and Recreation

Thus, done and signed at Pietermaritzburg on this 1 day of MARCH 2020

CHARITY THOBILE SIFUNDA

Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Sports and Recreation

Witnesses:

1. Mamwode N Moko
Full name Signature

2. Khuzwayo P
Full name Signature

23.11 the KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs

Thus, done and signed at Jurban on this 7th day of June 2020

Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs

Witnesses:

1. Thando Tshane
Full name Signature

2. Lotley Mthembu
Full name Signature

[Handwritten marks]

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23.12 the KwaZulu-Natal Department of Transport

Thus, done and signed at Pietermaritzburg on this 09 day of March 2021

Simone A. Nkomo



Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Transport

Witnesses:

1. Thandeka Nkomo 
Full name Signature

2. Silondwe Khuzwayo 
Full name Signature

23.13 the KwaZulu-Natal Department of Social Development

Thus, done and signed at PIETERMARITZBURG on this 1st day of Feb 2021

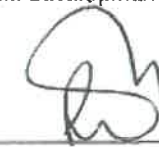
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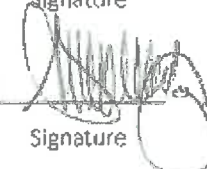


Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Social Development

Witnesses:

1. P.M. Mhlomo 
Full name Signature

2. Nontobeko Mhlekazi 
Full name Signature



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23.14 the KwaZulu-Natal Department of Public Works

Thus, done and signed at Pietermaritzburg on this 11 day of March 2021 

Sooriso Majole 

Full Names:

Head of Department, acting for and on behalf of the KwaZulu-Natal Department of Public Works

Witnesses:

1. GLEN B. SITHOLE 

Full name

Signature

2. Ramola manlia 

Full name

Signature

23.15 the SITA (SOC) Ltd

Thus, done and signed at ERASMUSKLOOF on this 7th day of JAN 2021 



Executive: National Consulting; Ntutule Ishenye for and on behalf of the State Information Technology Agency (SOC) Ltd

Witnesses:

1. _____

Full name

Signature

2. _____

Full name

Signature



Annex A: The tasking instrument

This annex serves to detail the documents to be provided and the procedures to be followed as part of the formal tasking of SITA to undertake specific services in terms of this Business Agreement. Where appropriate, and to avoid unnecessary duplication of detail, the documentation stipulated may be combined in one document.

A.1 Documents

A.1.1 The Request for Information (RFI).

A.1.2 The Request for Proposal (RFP).

A.1.3 The Request for Quotation (RFQ).

A.1.4 The service level agreement.

A.1.5 The purchase order

A.2 Procedure

A.2.1 The RFI:

A.2.1.1 An RFI is issued to SITA by the Client.

A.2.1.2 The RFI serves as a formal request for information to SITA.

A.2.1.3 On receipt of RFI, SITA must formally respond to the Client.

A.2.2 The RFP:

A.2.2.1 An RFP is issued to SITA by the Client.

A.2.2.2 The RFP serves as an invitation to SITA to propose possible solutions to the Client to meet a requirement.

A.2.2.3 The requirement of the Client is stipulated in broad terms in the RFP, including inter alia the following elements:

A.2.2.3.1 The Client's business requirement stated at a high level, bearing in mind the following:

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- A.2.2.3.1.1 infrastructure, including the establishing and maintenance of mainframe, distributed systems, network and consolidated department support service infrastructure;
- A.2.2.3.1.2 application software, including the establishing and maintenance of applications; and
- A.2.2.3.1.3 other services, including but not limited to consulting, assistance with the creation, establishing and maintenance of standards/architectures, command and management information, training and project management, and procurement services.
- A.2.2.3.2 To ensure that the unique requirements regarding each of the above elements are addressed satisfactorily, it is of the utmost importance to include the necessary background information and relevant detail in the RFP.
- A.2.2.3.3 SITA responds to the RFP by submitting a proposal or proposals, detailing how the requirement must be satisfied in terms of the desired output, the tasks and activities that need to be undertaken to achieve the output, the resources required and the cost thereof:
 - A.2.2.3.3.1 The RFP and the response thereto constitute the basis for preliminary negotiations between the Client and SITA regarding the requirement concerned. Sufficient detail to facilitate risk assessment during these negotiations must be included in the SITA response.
 - A.2.2.3.3.2 Once the appropriate solution and its constituent elements have been adequately identified and agreed on between the Parties, the Client issues an RFQ to SITA.
- A.2.2.3.4 Non-disclosure of Information relating to an RFP:
 - A.2.2.3.4.1 On receipt of a SITA RFP, the Client undertakes to:
 - A.2.2.3.4.1.1 keep confidential all information (written, including information contained in electronic format, or oral) concerning the business and affairs of SITA that it must have obtained or received from SITA through the RFP;
 - A.2.2.3.4.1.2 not without SITA's written consent to disclose nor change the information in whole or in part to any other person save its employees involved in the implementation of this agreement, and who have a need to know the same; and
 - A.2.2.3.4.1.3 use this information solely in connection with the implementation of this Proposal and not for its own benefit of any third Party.
- A.2.2.3.5 The provisions of clause A.2.2.3.4.1 must not apply to the whole or any part information to the extent that it is:
 - A.2.2.3.5.1 already known to the recipient without obligation of confidence;
 - A.2.2.3.5.2 independently developed by the recipient;
 - A.2.2.3.5.3 publicly available without breach of this agreement;
 - A.2.2.3.5.4 rightfully received from a third party;



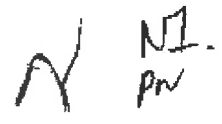
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- A.2.2.3.5.5 released for disclosure by the disclosing Party with its written consent; or
- A.2.2.3.5.6 required to be disclosed in response to a valid order of court or other governmental agency or if disclosure is otherwise required by law.

A.2.3 The RFQ:

- A.2.3.1 The desired results and output of the order to follow is stipulated in the RFQ in great detail.
- A.2.3.2 In response to the RFP, SITA prepares a formal quotation, together with the related service level agreement or project charter, acceptance of which (the quotation as well as the service level agreement or project charter related or proposal accepted by the Client thereto) is signified by the issuing to SITA by the Client of a purchase order.
- A.2.3.3 The quotation prepared by SITA must address at least the elements below.
- A.2.3.4 Deliverables/receivables:
 - A.2.3.4.1 Deliverables: These are elements related to the desired output of the proposed purchase order for which SITA takes responsibility.
 - A.2.3.4.2 Receivables: These are elements such as the CFE (client-furnished equipment) beyond the direct control of SITA, but within the control of the Client and that do not exist at the commencement date of the order concerned.
- A.2.3.5 WBS (work breakdown structure): This is a list of the tasks and activities that must be undertaken to ensure the delivery of the desired output of the order. The frequency of repetitive tasks and activities must be included here.
- A.2.3.6 Metrics, methods of measurement, reporting and acceptance mechanisms, as methods of payment.
- A.2.3.7 Resources: This is a costed list of the resources required to perform the tasks and activities stipulated in the WBS. A projected cash flow and a total budget must be included here.
- A.2.3.8 Legal/commercial issues: Any specific legal or commercial elements not addressed in the Business Agreement, or that serve to amend the existing stipulations in the BA for the specific purposes of the order concerned and that are essential to the effective achievement of the output of the order.
- A.2.3.9 The tasking methodology must serve to enable the Client to maintain high levels of system availability at lower cost and ensure transparency to facilitate a high degree of accountability.
- A.2.4 The service level agreement: In parallel with the RFP and the RFQ processes, and as part of the SITA responses thereto, a service level agreement must be developed in accordance with the standard for service level agreements.
- A.2.5 The purchase order: Once consensus has been reached as to all of the elements of the tasking, the Client places an official purchase order on SITA. The purchase order, together with the service level agreement or project charter related thereto, serves as the instrument against which payments are made and against which contractual execution and measurement takes place.



Annex B: Subsistence and travel

B.1 Subsistence and travel (local)

- B.1.1 Expenses for subsistence and travel are only applicable when travel is undertaken at the specific request of the Client. The Client must indicate what mode of travel may be used and whether the Client must provide accommodation.
- B.1.2 It is hereby recorded that there is no intention that SIIA should make any form of profit on subsistence and travel regarding this Business Agreement. SITA must only recover actual expenses incurred by SITA in this regard and only regarding the travel mentioned in B.1.1 above.
- B.1.3 Subsistence and travel costs are recovered at the actual value paid therefore to the persons concerned, subject to the travel policy and rules and regulations of SITA applicable from time to time and as amended by the specific relevant stipulations herein. Such stipulations must take precedence.
- B.1.4 The policy, rules and regulations of SITA must be furnished to the Client, as such policy, rules and regulations change from time to time, as to enable the Client to effectively verify amounts claimed by SIIA in this regard.

B.2 Assistance and other expenses

- B.2.1 The following expenses are claimed in accordance with the SITA travel policy:
- B.2.1.1 travel: air tickets, car rental and accommodation; and
- B.2.1.2 per diem: (cost of meals and incidental expenses).
- B.2.2 Accommodation
- B.2.2.1 Actual cost plus the incidental expenses may be claimed.

B.3 Recovery of cost

- B.3.1 Subsistence
- B.3.1.1 Fixed rate claimed: the fixed allowance plus VAT at the ruling statutory rate must be recovered.
- B.3.1.2 Actual cost claimed: the net cost, after deduction of any input VAT that SIIA can rightfully claim, plus VAT at the ruling statutory rate, must be recovered.
- B.3.2 Travelling
- B.3.2.1 Actual cost, net of any input VAT that SITA can rightfully claim, plus VAT at the ruling rate, must be recovered.
- B.3.2.2 Cost calculated according to the SITA travel policy, plus VAT at the ruling rate, must be used to claim back cost regarding usage of SITA employee's private vehicles and SITA pool vehicles.

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B.4 Travelling cost (foreign)

B.4.1 As mutually agreed between the Client and SITA in each particular case.

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