

**SERVICE AGREEMENT FOR A PANEL OF FINANCE
TECHNICAL ADVISORS “AS AND WHEN “REQUIRED
BASIS FOR A PERIOD OF THREE (03) YEARS WITH THE
OPTION TO EXTEND FOR A PERIOD OF TWO YEARS**

Made and entered into between

SENTECH SOC LIMITED

Registration Number: 1990/001791/30

(“Sentech”)

and

NAME OF SERVICE PROVIDER

Registration Number: _____

(“the Service Provider”)

(Jointly referred to as the “Parties”)

1 INTERPRETATION

1.1. The headings to the clauses of this Agreement are inserted for reference purposes only and shall in no way govern or affect the interpretation hereof.

1.2. Unless inconsistent with the context, the expressions set forth below shall bear the following meanings:

1.2.1. “Agreement” means the terms and condition contained in this agreement and any/all annexures hereto from time to time;

1.2.2. “Commencement Date” means the last signature date.

1.2.3. “**Data**” means any data, including personal information as defined in the Protection of Personal Information Act 4 of 2013, including personal information which is stored, encrypted, decrypted, collected, collated, accessed, recovered, retained or processed by the Service Provider on behalf of Sentech, irrespective of media or form;

1.2.4. “**Parties**” means Sentech and the Service Provider, and “party” shall mean either one of the parties or a combination of them as the context may indicate;

1.2.5. “**Service Provider**” means _____, a company, duly registered and incorporated in accordance with the laws of the Republic of South Africa with registration number _____;

1.2.6. “**Sentech**” means Sentech SOC Limited, a company with limited liability duly registered and incorporated in accordance with the laws of the Republic of South Africa, having its registered office at Octave Street, Radiokop, Roodepoort, with Registration Number 1990/001791/30;

1.2.7. “**Services**” means the duties and responsibilities more fully described in clause 5 of this Agreement and in Annexure “A” hereto;

1.2.8. “**Service Fees**” means the fees more fully described in clause 7 below;

1.2.9. “**Signature Date**” means the date of signature of this Agreement by the party signing last in time by a person duly authorized to do so;

1.2.10. **“VAT” means** Value Added Tax as levied in accordance with the Value Added Tax Act 89 of 1991, as amended.

2 INTRODUCTION

2.1 Sentech requires the Services from the Service Provider in respect of, inter alia, to provide security services to Sentech, as more fully described in clause 5 below and in Annexure “A” hereto.

2.2 The Service Provider is willing to provide the Services to Sentech based on the terms and conditions contained herein.

2.3 The Parties require that the terms and conditions of their agreement be reduced to writing and signed by them before the same shall be or become binding upon them.

3 APPOINTMENT

3.1 Sentech hereby appoints the Service Provider onto a panel of pre-qualified service providers with effect from the Commencement Date to provide the Services and the Service Provider hereby accepts such appointment.

3.2 Sentech does not guarantee any work allocation to the Service Provider appointed onto the panel neither does this appointment commit Sentech to any quantum of work to the Service Provider.

3.3 The Service Provider shall perform those duties and render the Services more fully described in clause 5 below and in Annexure “A” hereto, in a proper, diligent and satisfactory manner and, at all times, having regard to the requirements and directions of Sentech.

3.4 The Service Provider shall devote its time and attention to the affairs of Sentech as necessary to enable it to comply with its contractual obligations hereunder.

4 TERM

4.1 The appointment of the Service Provider shall commence on the Commencement Date and shall endure for a period of 36 months thereafter.

4.2 Notwithstanding the afore-going, Sentech shall be entitled to terminate the Agreement upon 30 (thirty) days' written notice to the Service Provider without any liability of any nature whatsoever to the Service Provider.

5 SERVICES

5.1 The duties of the Service Provider shall, inter alia, be to provide finance technical advisory services as more fully described in Annexure "A" hereto, as and when required.

5.2 In performing the Services established for the panel, the Service Provider undertakes to:

- 5.2.1 timeously respond to the Request for Quotations / Proposals issued;
- 5.2.2 attend site inspections/briefings when required to do so;
- 5.2.3 timeously mobilize resources to perform work within a stipulated period;
- 5.2.4 not collude with other service providers in the panel in responding to Sentech's requirements;
- 5.2.5 where possible, obtain local labour as shall be determined by the location of the site where the Services shall be rendered;
- 5.2.6 at all times carry out its duties and obligations in terms of this Agreement in a competent and professional manner;
- 5.2.7 at all times act with the utmost good faith towards Sentech and to promptly and punctually carry out and perform all its duties and obligations in accordance with the provisions of this Agreement;
- 5.2.8 adhere to all Sentech's rules and regulations whilst on the sites.

- 5.3 The Service rendered by the employees of the Service Provider must be rendered under competent supervision provided by the Service Provider.
- 5.4 The Service Provider shall guarantee that the Service shall be rendered and executed in a professional manner in accordance with the job description as provided by Sentech.
- 5.5 The Service Provider shall guarantee that its personnel shall have the expertise to execute their functions properly.
- 5.6 The Service Provider is not entitled to cede any of its rights or delegate any of its obligations under this Agreement without Sentech's prior written consent.
- 5.7 The Service Provider shall not be entitled to appoint any sub-contractor/s without Sentech's prior written consent. Notwithstanding the appointment by the Service Provider of any sub-contractor/s, the Service Provider shall remain liable for the fulfillment of all its obligations in terms of this Agreement.
- 5.8 The Service Provider shall comply with all the legal requirements of the UIF and Provident Fund for the duration of the Agreement.

6 RIGHTS OF SENTECH

Sentech reserves the right to:

- 6.1 Go outside the panel to source services that cannot be sufficiently fulfilled within the panel;
- 6.2 Approach other service provider's if there are no responses from the service providers on the panel;
- 6.3 Remove a service provider from the panel if the service provider's performance is unsatisfactory or if the service provider does not respond to Sentech's Requests for Quotations for more than three consecutive occasions;
- 6.4 Refrain from using the under-performing service provider for a period not exceeding twenty (24) months;
- 6.5 List a defaulting service provider on the National Treasury Database of prohibited suppliers;
- 6.6 Regularly update the panel through an open tender process;
- 6.7 Negotiate prices received, and
- 6.8 If required, rotate service providers to afford all service providers an opportunity to provide services to Sentech.
- 6.9 To appoint one service provider to a maximum of three panels of security service providers only, to its Regional appointments.

7 SENTECH'S DUTIES

- 7.1 Sentech shall make payment to the Service Provider in terms of clause 8 below.

8 SERVICE FEES AND PAYMENT

- 8.1 Prices shall be on a quotation basis. When Sentech wishes to acquire any of the Goods listed in Annexure A hereto, Sentech shall request the Service Provider to provide a quotation for the cost thereof, which quotation will be valid for a period of 30 days from the date of the quotation.
- 8.2 Payment shall be made to the Service Provider into the following Bank account:
Account name:
Bank :
Account number:
Branch code :

- 8.3 Nothing precludes Sentech from withholding payment on any invoice if Sentech, in its sole and absolute discretion, is of the reasonable opinion that the Service Provider has not satisfactorily performed in accordance with its obligations in terms of this Agreement.

9 INDEMNITY

- 9.1 The Service Provider indemnifies and holds Sentech harmless against all liability, damage, obligation, responsibility, cost and expenditure of any nature which may arise out of this Agreement and/ or the use of Sentech's facilities; as well as for any physical damage to the Service Provider's property. Sentech shall not be liable for any damage to the property of the Service Provider which may be caused by its employees, agents, contractors, subcontractors, vehicles and/or activities of Sentech, excluding damage as a result of wilful and/or negligent action. However, any such damage shall be reported to Sentech in writing within 48 (forty-eight) hours, of having knowledge of such damage.
- 9.2 The Service Provider shall indemnify Sentech and keep Sentech indemnified whilst it and/ or its employees are present on the Sentech's premises, or for the duration of this agreement with Sentech, whichever period is the longest, against all losses and claims for injuries or damage, of any nature and howsoever caused, to any person or property whatsoever, which may arise out of or in connection with the Services being performed by the Service Provider.

10 CONFIDENTIALITY

- 10.1 The Service Provider shall keep confidential and not use directly or indirectly, at any time during or after termination of this Agreement disclose or divulge to any person (save and except insofar as may be required by law):
- 10.1.1 any written instructions, drawings, notes, memoranda, data, discs or records (the "documents") relating to Sentech's business and affairs which are made by the Service Provider or which come into its possession during the currency of this Agreement. Any such documents shall be deemed to be the property of Sentech and shall be surrendered to Sentech in the event of the termination of this Agreement by Sentech, and the Service Provider will not retain any copies thereof or extracts therefrom.

11 TERMINATION

11.1 Sentech may immediately, and within its sole discretion terminate this Agreement at any time, by providing written notice to the Service Provider if:

11.1.1 it is not satisfied with the quality of any of the Services;

11.1.2 the Service Provider becomes insolvent, or guilty of fraud or dishonesty, willful default, negligence or incompetence;

11.1.3 there is a change in Sentech's strategic direction,

11.1.4 circumstances exist justifying such termination at the sole and absolute discretion of Sentech including due to operational requirements.

12 DOMICILIUM CITANDI ET EXECUTANDI

12.1 The Parties hereto respectively choose *domicilium citandi et executandi* ("*domicilium*") for all purposes of and in connection with this Agreement as follows:

SENTECH

Octave Street,

Radiokop Ext. 3

Honeydew

Private Bag X06

Honeydew, 2040

Fax: 086 743 1794

Attention:

Executive: Legal and Regulatory

AND

The Service Provider

Tel: _____

Fax: _____

Email: _____

- 12.2 Any notice given by either party to the other shall be deemed to be received by the addressee:
- 12.2.1 on the date on which the same was delivered to the addressee's *domicilium*, if delivered by hand (unless proven otherwise); or
- 12.2.2 on the date on which the same was despatched by facsimile transmission at the addressee's *domicilium* (unless proven otherwise).
- 12.2.3 Any party hereto may change a *domicilium* referred to above to any address within the Republic of South Africa by giving written notice to that effect to the other party hereto.
- 12.2.4 The Parties hereto shall be entitled to change their *domiciliumi* from time to time provided that any new *domicilium* selected by them shall be situated in the Republic of South Africa and any such change shall only be effective upon receipt of notice in writing by the other party.

13 DATA PRIVACY AND PROTECTION

- 13.1 The Service Provider acknowledges that in providing the Services to Sentech, the Service Provider may be exposed to Sentech's Data, including Data of any of Sentech's clients and/or other third parties.
- 13.2 The Parties specifically record that all Data provided by Sentech to the Service Provider, or to which the Service Provider may be exposed, shall constitute Confidential Information and as such, the Service Provider shall comply with all the provisions of clause 10 with regard to such Data.
- 13.3 The Service Provider hereby warrants in favour of Sentech that it shall at all times strictly comply with all applicable legislation and with all the provisions and requirements of the Sentech's Data protection policies and procedures, as may be updated from time to time, and any further requirements of which Sentech may, from time to time, advise the Service Provider in writing, or which may be required by legislation, regulation or any relevant industry body, whether within the Republic of South Africa or elsewhere in the world.

- 13.4 The Service Provider hereby warrants and undertakes that it shall not, at any time copy, compile, collect, collate, process, mine, store, transfer, alter, delete, interfere with or in any other manner use Data for any purpose other than with the express prior written consent of Sentech, and to the extent necessary to provide the Services to Sentech. All data and software, including Sentech Data, provided by Sentech or accessed (or accessible) by Service Provider Staff members shall be used by such Staff members only in connection with the provision of the Services and shall not be commercially exploited by the Service Provider in any manner whatsoever.
- 13.5 The Service Provider further warrants that it shall ensure that all its systems and operations which it uses to provide the Services, including all systems on which Data is copied, compiled, collected, collated, processed, mined, stored, transmitted, altered or deleted or otherwise used as part of providing the Services, shall at all times be of a minimum standard required by law and further be of a standard no less than the standards which are in compliance with the international best practice for the protection, control and use of Data.
- 13.6 The Service Provider indemnifies and holds harmless Sentech for any loss, whether direct or indirect, arising out of a failure to process any Sentech Data in accordance with the applicable laws.

14 BREACH

- 14.1 Should any Party ("the defaulting Party") commit a breach of any of the provisions of this Agreement, then the other Party ("the aggrieved Party") shall be obliged to give the defaulting Party 14 (fourteen) days' written notice or such longer period as may reasonably be required in the circumstances, to remedy the breach. If the defaulting Party fails to comply with such notice, the aggrieved Party shall be entitled to cancel this Agreement against the defaulting Party or to claim immediate payment and/or specific performance by the defaulting Party of all the defaulting Party's obligations whether or not the due date for payment and/or performance shall have arrived, in either event without prejudice to the aggrieved Party's rights to claim damages. The foregoing is without prejudice to such other rights as the aggrieved Party may have at law; provided always that, notwithstanding anything to the contrary contained in this Agreement, the aggrieved Party shall not be entitled to cancel this Agreement for any breach by the defaulting Party unless such breach is a material breach going to the root of this Agreement and is



incapable of being remedied by payment in money, or if it is capable of being remedied by payment in money, the defaulting Party fails to pay the amount concerned within 14 (fourteen) days after such amount has been finally determined.

15 WHOLE AGREEMENT

15.1 This Agreement constitutes the whole Agreement between the Parties as to the subject matter of this Agreement and no agreements; representations or warranties between the Parties other than those set out herein will be binding on the Parties.

16 VARIATION

16.1 This agreement, including this clause, cannot be varied, added to, or cancelled by agreement otherwise than by means of a further written and signed agreement between the parties.

17 RELAXATION

17.1 No latitude, extension of time or other indulgence which may be given or allowed by either Party to the other in respect of the performance of any obligation hereunder or the enforcement of any right arising from this Agreement and no single or partial exercise of any right by either Party shall under any circumstances be construed to be an implied consent by such Party or operate as a waiver of, or otherwise affect any of that Party's rights arising from this Agreement.

18 EXECUTION:

THUS DONE AND SIGNED AT _____ ON THIS THE ____ DAY OF _____ 202_ IN THE PRESENCE OF THE UNDERSIGNED WITNESSES.

DULY AUTHORISED FOR AND ON BEHALF OF SENTECH SOC LIMITED

NAME: **ZUNAID ADAMS**

DESIGNATION: EXECUTIVE: LEGAL AND REGULATORY

WITNESSES

1. _____
2. _____

30 August 2024



THUS DONE AND SIGNED AT _____ ON THIS THE ____ DAY OF
_____ 202_ IN THE PRESENCE OF THE UNDERSIGNED WITNESSES.

DULY AUTHORISED FOR AND ON BEHALF OF _____

NAME: _____

DESIGNATION: _____

WITNESSES

1. _____

2. _____

ANNEXURE A

DESCRIPTION OF SERVICES

Scope of Work

I. Background

Sentech is a state-owned company and is the largest broadcasting signal distributor in South Africa. Sentech is a licensed Electronic Communications Network Service provider in South Africa. It currently operates many telecommunication networks for Satellite, Television, Radio, Broadband services and more. As such, Sentech is a global enabler of broadcasting and digital content delivery.

Sentech plays a pivotal role in the communications landscape, delivering critical services in broadcasting signal distribution and telecommunications.

Sentech is a schedule 3B public entity as listed in the Public Finance Management Act.

Sentech is registered for Income tax and Value Added Tax.

Sentech prepares its annual financial statements in accordance with IFRS Accounting Standards, the Companies Act and Public Finance Management Act.

While Sentech intends to appoint service providers into a panel, it is imperative to state that Sentech promises no quantum of work to any successful bidder.

II. Description of the services

The prospective service provider (s) will provide finance technical advisory services in the following fields depending on the panel they submitted a bid for:

Finance technical advisory service Category	Objective	List of professional services required	Deliverables
PANEL 1: Technical accounting advisory services	- To ensure the transactions for Sentech are recorded in compliance with the applicable reporting framework, Companies Act, Public Finance Management Act and any applicable laws and regulations. - To ensure the annual financial statements and	Review of annual financial statements for compliance with applicable reporting framework, Companies Act, Public Finance Management Act and any applicable laws and regulations	Detailed Report with findings and recommendations
		Calculation or review of the calculation of expected credit losses	- Detailed Report with findings and recommendations - Expected credit losses model that are formula driven and adjustable for change in inputs and assumptions
		Provide technical opinions on the applicable reporting framework (existing accounting standards and new accounting standards)	Detailed Report on findings, implications, examples and illustrations and recommendations for implementation

Finance advisory Category	technical service	Objective	List of professional services required	Deliverables
		all other financial reports for Sentech are prepared in compliance with the applicable reporting framework, Companies Act, Public Finance Management Act and any applicable laws and regulations and industry practices and stakeholder requirements.		- Model/(s) that are formula driven and adjustable for change in inputs - Training and workshop
			Review and benchmarking of annual financial statements/integrated annual report against other companies in the telecommunications industry	Detailed Report with findings and recommendations
PANEL 2: Tax advisory services		- To ensure Sentech is in compliance with all applicable tax laws and reporting frameworks for company tax. - To ensure applicable tax laws are implemented in	Review of Company tax and deferred tax calculations and disclosures for compliance with applicable tax laws and reporting framework: 2nd provisional tax - Final tax	Detailed Report with findings and recommendations
			Review of the Company tax returns	Detailed Report with findings and recommendations

Finance advisory Category	technical service	Objective	List of professional services required	Deliverables
		the most efficient manner for Sentech.	Review of Value added tax calculation for compliance with applicable tax laws	Detailed Report with findings and recommendations
			Review or prepare calculations for Carbon Tax	- Detailed Report on findings, implications, examples and illustrations and recommendations for implementation - Model/(s) that are formula driven and adjustable for change in inputs - Training and workshop
			Provide technical opinions on various sections of the Income tax Act, Value Added Tax Act, Carbon Tax and other Tax laws applicable (existing Tax laws and new Tax laws)	- Detailed Report on findings, implications, examples and illustrations and recommendations for implementation - Model/(s) that are formula driven and adjustable for change in inputs - Training and workshop
			Draft/Review applications for rulings from SARS	- Detailed Report with findings and recommendations - Applications for rulings from SARS and tax models

Finance advisory Category	technical service	Objective	List of professional services required	Deliverables
PANEL 3: Pricing Model development (Tariff model)		- To review Sentech's current products and services tariff models and where necessary, recommend improvements. - To create a tariff model and develop mechanisms that will assist with the implementation and maintenance of the model. - To assist in validating information provided by the business units for accuracy and reliability, and to ensure overall	Establishment of a tariff model that will be competitive, based on International best practice and in line with all requirements of the applicable regulations. This will have to be demonstrated by the respondent for the following services: - Television (DTT) Pricing Model - Radio (FM and DAB) Pricing Model - Streaming (Pricing Model) - Direct-to-Home Satellite (Pricing Model) - Facilities Leasing (Pricing Model) - Broadband Services (Pricing Model)	- Detailed Report with findings and recommendations - Defined thorough costing analysis and assumptions and economic indicators. - Tariff Model/(s) that are formula driven and adjustable for change in assumptions and inputs and must consider the following: - Inputs to the tariff model must be auditable / measurable - Occupancy/vacancy factors - Capital costs, both new as well as historical. - Training and workshop reports with recommendations
			Evaluation of the current tariff model and benchmark	Detailed Report with findings and recommendations

Finance advisory Category	technical service	Objective	List of professional services required	Deliverables
		integrity of the tariff model. • To benchmark Sentech's tariff model. • To ensure Sentech's tariff model is in line with the applicable regulations • To propose ways of establishing all the above in the shortest possible time and which must be quantified.		• Model/(s) that are formula driven and adjustable for change in assumptions and inputs

The service provider must develop and implement a skills transfer plan for Sentech prior completion of any service rendered in terms of this SLA.

III. MINIMUM REQUIREMENTS

1. The finance technical advisor is required to conduct such advisory services according to Sentech requirements and on completion of the project provide/present Sentech with a detailed report and/or models on such advisory services conducted.
2. Sentech requires that the technical experts have a sound understanding of internal audit methodologies and techniques and have practical experience on similar projects.
3. It will be required for the person (Director/Partner) leading the project must have extensive experience in conducting the same work required and understanding of the PFMA/public sector and ICT / Technology Media Telecommunications (TMT) industry.
4. The successful bidder(s) will be required to have an Economist and/or Chartered Accountant, Tax experts, Actuary on their teams depending on the stream work the bid submission relates to.
5. In particular with the pricing modelling work stream; understanding of ICT / Technology Media Telecommunications (TMT) type product and services BD its costing including not limited to fixed wireless, VSAT, TVWS and 5G, Internet, VoIP, 4IR technologies.
6. Throughout the term of the panel, any changes to the engagement team submitted with the proposal must be communicated with SENTECH prior commencement of the engagement initiatives. The bidder is expected to replace team members with members that hold similar experience as those team members they will be replacing (that meet the functional evaluation criteria).

IV. SENTECH RESERVES THE RIGHT TO

1. Verify any information contained in a response;
2. Request documentary proof regarding any tendering issue;
3. Cancel or withdraw the appointment
4. Appoint one or more Service Provider(s) for the Service

V. Requirements and Turnaround times

Sentech requirements from the service provider:

- i. Service provider shall use their own transport to travel to and from Sentech site if required.
- ii. Service provider shall use their own tools for any work carried out.

- iii. Service provider shall allocate knowledgeable and qualified resource for the services requested.
- iv. Service provider shall deliver the required resources within the stipulated Service Level Agreement (SLA).
- v. Sentech must comply to statutory deadlines for submissions; therefore service provider shall deliver the required work within the timelines provided by Sentech which includes presentation of the work done to Sentech.
- vi. Service provider shall respond to queries raised on the work done within the timelines provided by Sentech.
- vii. Service provider shall submit all necessary documentation such as invoice and a statement for services rendered.

VI. Invoices and Invoicing Procedure

- i. The quotation will be valid for a period of 60 days from the date of the quotation.
- ii. All invoices shall be submitted to the requesting Manager by the service provider for approval within three days for processing.
- iii. Any variation used shall be discussed with requesting Manager for approval prior to adjustments.

VII. Limitations on the use of this Panel for Service Providers

Should the appointed service provider(s) fail to deliver on Sentech request/s within specified SLAs, Sentech reserves a right to go on an open market for the services required under this Panel.