

SERVICE LEVEL AGREEMENT

MADE AND ENTERED INTO BETWEEN

SENTECH SOC LIMITED

(HEREINAFTER REFERRED TO AS “SENTECH”)

AND

**(HEREINAFTER REFERRED TO AS “THE INSTALLER” OR AN
“INSTALLATION COMPANY”)**

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1 PREAMBLE

WHEREAS SENTECH is a statutory body established in terms of the SENTECH Act, 1996 (Act No. 63 of 1196) and the main object and business of the company is to provide electronic communications services and electronic communications network services in accordance with the Electronic Communications Act No. 36 of 2005.

AND WHEREAS THE INSTALLER is a set top box installer appointed in terms of this Agreement for the Appointment of a Panel of installers and / or installation companies for the Installation of Domestic Terrestrial Television, Digital Terrestrial Television (DTT) Set Top Boxes / Direct-To-Home (DTH) Set Top Boxes and Integrated Digital Television Receive Systems in various provinces.

2 PARTIES TO THE AGREEMENT

The parties to this Agreement are SENTECH and the INSTALLER or INSTALLATION COMPANY.

3 DEFINITIONS AND INTERPRETATION

3.1 In this Agreement, unless the context indicates a contrary intention, the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings:

3.1.1 “Agreement” means the agreement for the Appointment of a Panel of Installers and / or Installation Companies for the Installation of Domestic Terrestrial Television, Digital Terrestrial Television (DTT) Set Top Boxes (“STB”)/ Direct To Home (DTH) Set Top Boxes and Integrated Digital Television Receive Systems in various provinces;

3.1.2 “Applicable law” means all applicable prevailing prescripts, as amended from time to time, to the extent it applies to a party (including the subcontractors of a party), or the services (including the performance, delivery, receipt or use of the services, as applicable and wherever occurring), including:

- (i) any statute, regulation, notice, policy, directive, ruling or subordinate legislation (including treaties, multinational conventions and the like having the force of law);
- (ii) the common law;
- (iii) any binding court order, judgement or ruling;
- (iv) any applicable industry code, policy or standard enforceable by law; or

(v) any applicable direction, policy or order that is given by any regulator, relevant authority or organ of state or industry body;

3.1.3 “Beneficiary” means the intended recipient of the STB and Related Accessories as indicated on the POD issued by SENTECH as defined by their name, identity number, telephone number and physical address;

3.1.4 “Business day” means any day, other than a Saturday, Sunday or proclaimed official public holiday in the Republic of South Africa and unless specifically otherwise provided, any number of business days prescribed shall be determined by excluding the first and including the last day or, where the last day falls on a day that is not a business day, the next succeeding business day;

3.1.5 “Confidential information” means all information relating to the implementation of the Broadcasting Digital Migration, which a Party becomes aware of in its capacity as a Party, or for the purpose of becoming a Party from:

- i) the SENTECH or any of its affiliates or advisors; or
- ii) the INSTALLER or any of its affiliates or advisors;
- iii) in whatever form and includes information given orally and any documents, electronic files or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:
 - a. is or becomes public information other than as a direct or indirect result of any breach by any Party;
 - b. is identified in writing at the time of delivery as non-confidential by any Party or its advisors;
 - c. is known by a Party before the date the information is disclosed to it or is lawfully obtained by that Party after that date, from a source which is as far as that Party is aware, unconnected with the Parties and which, in either case as far as that Party is aware, has not been obtained in breach of, and is not otherwise subject to any obligation of confidentiality; or
 - d. is independently developed;

3.1.6 “Day” shall be construed as a calendar day unless qualified by the word “business”;

3.1.7 “Department” means the Department of Communications and Digital Technologies.

3.1.8 “Disclosing Party” means the Party providing Confidential Information to another Party;

3.1.9 “ECA” means the Electronic Communications Act, 2005 (Act No. 36 of 2005);

3.1.10 “Equipment” means:

- i) STB (DTH or DTT) including and or all accessories that was supplied in its original packaging and all those accessories supplied needed to complete an installation i.e.;
- ii) Satellite Dish;
- iii) LNB;
- iv) Antenna, and
- v) Wall mount brackets and associate screws and wall plugs;

3.1.11 “DTT” means Digital Terrestrial Television;

3.1.12 “DTH” means – Direct-to-Home;

3.1.13 “Sentech Installation Application” - The APP” means an application downloaded to a mobile device by the INSTALLER to enable functions on how to capture, store, share and submit information to SENTECH;

3.1.14 "Force Majeure Event" means an event or circumstance beyond the reasonable control of the Party affected by the event which makes it impossible, dangerous or illegal to perform, or prevents or delays compliance with or the performance of, a Party's obligations under this Agreement, including:

- i) fire, floods, storms, tempest, earthquakes or other acts of God;
- ii) any act of a public enemy, war, riot, act of civil or military authority;
- iii) any public protest or political unrest;
- iv) nuclear, chemical or biological contamination, and
- v) any act of a third party (not being personnel of that Party) engaged in subversive or terrorist activity or sabotage;

3.1.15 “Indigent Households” mean and will bear the same meaning as Beneficiary and will include:

- i) households in South Africa with a combined income of R3 500 or less;
- ii) household members must also be South African citizens;
- iii) applicants must have a South African identity book and/or identity card.

3.1.16 “Installation” means:

- i) DTH Satellite Dish and STB Installation:
 - a) Assembly of satellite dish; using the provided brackets, screws and wall

plugs;

- b) Mounting satellite dish to wall or to a suitable pole where the wall's structural integrity may not allow for mounting of satellite dish to receive adequate signal strength and quality;
 - c) Connecting of coax cable and fitting of connectors;
 - d) The appointed INSTALLER shall be responsible for providing additional coax cable and accessories as needed in rendering proper service
 - e) STB installation and commissioning; and
 - f) Troubleshooting loss of signal.
- ii) DTT Antenna and STB Installation:
- a) Assembly outdoor antenna; using the provided, screws and wall plugs;
 - b) Mounting outdoor antenna to the house wall or stable pole;
 - c) Terrestrial signal direction finding and pointing of antenna;
 - d) Connecting of coax cable and fitting of connectors;
 - e) STB installation and commissioning;
 - f) Troubleshooting loss of signal.

3.1.17 “Local Installer” means a small-scale installer, whether a juristic person or individual who is from the local or district municipality;

3.1.18 “Quality Assurance and Quality Assurance Protocols” mean confirmation of satisfactory installation of STB's and related accessories and workmanship as per SENTECH specifications in the Agreement;

3.1.19 “Party” means the signatories to this Agreement and includes their respective successors and permitted assigns;

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

3.1.21 “POD” means the proof of delivery document issued by Sentech to INSTALLER containing information on beneficiaries who are designated for installations in a specific area and which allows INSTALLER to collect STB and Related Accessories from either a SENTECH's designated warehouses or any designated facility;

3.1.22 “Signature Date” means the date of signature of this Agreement by the Party signing last in time;

3.1.23 “STB and Related Accessories” means a Set Top Box and antennae or satellite dish and associated accessories which will be collected by the INSTALLER from SENTECH warehouse and to be installed at the beneficiary's household in accordance with the signal confirmed by SENTECH;

3.1.24 “Stock” means and bears the same meaning as **“STB and Related Accessories”**.

3.1.25 “Successful Installation” means an installation executed by the appointed installer strictly in accordance with the Quality Assurance Protocols to be provided by SENTECH;

4 THE SCOPE OF THE AGREEMENT AND OBLIGATIONS OF THE PARTIES

4.1 The description and scope of work to be undertaken and performed by the INSTALLER/INSTALLATION COMPANY as required by SENTECH is described below:

4.1.1 Receipt of PoDs and collection of stock from Sentech branches or warehouses as indicated on the PoDs;

4.1.2 The installation of STB's and Related Accessories at households indicated on PoDs;

4.1.3 Submission of reports to SENTECH confirming the completion of installations.

4.2 The obligations of the INSTALLER

The INSTALLER or INSTALLATION COMPANY shall:

4.2.1 collect stock from the SENTECH's designated warehouses within 24 (twenty four) hours after a POD has been issued, failing which SENTECH will assume this as a non-collection and work will be issued to another installer;

4.2.2 ensure that the STB, antenna and LNB serial numbers match the designated items for the Beneficiary as indicated on the PoD;

4.2.3 ensure that a Beneficiary voucher is included in the stock when collected from SENTECH's designated warehouses;

4.2.4 commence installations within 24 hours after collection of the stock;

4.2.5 ensure the completion of a Successful Installation for the Beneficiary at a rate of no less than 5 installations per day.

4.2.6 Unless stated otherwise, the SENTECH Installation Application (App) will be used to record all installation POE and reports. See Annexure E for POE requirements for the App and PoE's for manual submissions.

4.2.7 For manual submissions of PoE's and installation reports 4.2.8 to 4.2.13 shall apply

4.2.8 submit installation reports for payment purposes (Payment Installation Reports) using Excel, in the format shown in Annexure C, and evidence of installations within 3 (three) days of completing installations as per the information contained in the PoD, including:

i) Indication of which installations were completed;

- ii) Serial numbers for all equipment;
- iii) Installation vouchers signed by the Beneficiary;
- iv) Pictures of the installation showing the cabling, a live picture on the television, the set top box with the serial number showing, ID of the beneficiary and the antenna on Annexure E.

4.2.9 Geolocation tags accompanying the pictures to enable identification of the location of the installation.

4.2.10 submit Monthly Consolidated Reports by town and by province in the format shown in Annexure D of this Agreement;

4.2.11 employ its best endeavours to ensure that Beneficiaries are located, notwithstanding any errors on the PoD;

4.2.12 ensure that any Stock which is not installed for any reason is returned to SENTECH's designated warehouses or the warehouse of collection and that a signed return slip is obtained from the warehouse indicating the number of Stock returned, the Beneficiaries affected and the serial numbers of the Stock;

4.2.13 procure Local Installers in each area of operation to work with subcontractors.

4.3 Obligations of SENTECH:

SENTECH shall:

4.3.1 ensure that installers receive purchase orders timeously;

4.3.2 liaise with designated warehouses to ensure that PoDs are issued to INSTALLERS;

4.3.3 perform Quality Assurance checks according to its specifications of receiving the installation reports from the INSTALLER

5 PAYMENT FOR SERVICES

5.1 SENTECH shall ensure that payment is made to the installers after SENTECH has completed Quality Assurance (Field QA and Desktop QA) checks on the installations performed by INSTALLER.

5.2 For the avoidance of doubt, Quality Assurance checks shall commence only after INSTALLER has provided SENTECH with the necessary proof of installation as outlined in Clause 4.2.7 of this Agreement.

5.3 INSTALLER shall ensure that invoicing shall be based on complete PoDs with accompanying fully completed installations relating to that PoD.

5.4 The fees to be paid for the installation shall be as follows:

5.4.1 For DTT installations: R450.00 (four hundred and fifty rands) including VAT;

5.4.2 For DTH via satellite transmission installations: R450.00 (four hundred and fifty rands) including VAT.

5.4.3 The service provider shall carry out services upon receipt of a purchase order. The allocation of work may be less than the amount stated on the purchase order.

5.4.4 Sentech will not take any responsibility for loans taken by the service provider to fulfil any purchase order issued under this agreement.

6 SENTECH INSTALLATION APPLICATION

6.1 SENTECH has developed an Installation application to be used for the management of the installation process and INSTALLER agrees to use the app as required by SENTECH, unless otherwise instructed by SENTECH.

7 STOCK RISK

7.1 The risk of ownership of the Stock shall be transferred to INSTALLER upon collection.

7.2 The INSTALLER shall ensure that he / she procures adequate insurance cover for Stock.

7.3 The INSTALLER shall ensure that any Stock that is lost is replaced within 14 (fourteen) days, failing which, SENTECH shall be compensated in full for the cost of the Stock.

8 COMMENCEMENT AND DURATION

This Agreement shall commence on the Signature Date and shall be valid for a period of 12 months or until installations for the outstanding registered indigent households (STB's) have been completed, whichever occurs first.

9 TERMINATION OF AGREEMENT

SENTECH shall have the right, at its sole and exclusive discretion, upon written notice to the INSTALLER, to terminate this Agreement, in whole or in part, at any time, should the INSTALLER fail to deliver its obligations or deliver any deliverable timeously or should SENTECH not be satisfied with the delivery of any service/s in terms of this Agreement to the satisfaction of SENTECH.

In the event of such termination, SENTECH shall furthermore have the right to appoint a

third party to perform the obligations of the INSTALLER in terms of the Agreement and the INSTALLER indemnifies SENTECH against all costs incurred by SENTECH in appointing such third party to fulfil the obligations of the INSTALLER.

SENTECH shall have the right at its sole and exclusive discretion, to terminate this Agreement at any time upon 30 (thirty) days written notice to the INSTALLER for any reason whatsoever.

10 VARIATIONS

No amendment, alteration, addition, or suspension of any provision of the Agreement shall be of any force, unless reduced to writing and signed by both Parties.

11 WAIVER

No waiver of any right in terms of the Agreement shall be binding for any purpose unless expressed in writing and signed by the Party concerned and such waiver shall be effective only in the specific instance and for the purpose given. No failure or delay on the part of either Party in exercising any right precludes any other or further exercise thereof or the exercise of any other right.

12 DISPUTE RESOLUTION

Should any dispute, disagreement or claim arise between the parties ("the dispute") concerning this Agreement, the parties shall try to resolve the dispute by entering into negotiations. This entails one party inviting the other party to meet and attempt to resolve the dispute within fourteen (14) days from the date of the written invitation.

If the dispute has not been resolved by such negotiation as referred to in this clause above, the Parties shall submit the dispute to the Arbitration Foundation of Southern Africa ("AFSA") for administered mediation, upon the terms set out by the AFSA secretariat.

Failing such resolution, the dispute shall be resolved by arbitration in accordance with the rules and procedures of AFSA by an arbitrator appointed by AFSA. Where the arbitration route is followed, the dispute must be adjudicated within Johannesburg in the English language and finally resolved in accordance with the rules of AFSA, by an arbitrator or arbitrators appointed by that Foundation.

The provisions of this clause shall not preclude any party from obtaining relief from a Court of competent jurisdiction. To this extent, the Parties hereby consent to the jurisdiction of the South Gauteng High Court, Johannesburg, South Africa. The provisions of this clause shall continue to be binding on the Parties, notwithstanding any

termination or cancellation of this Agreement.

13 BREACH

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.

14 NOTICES AND ADDRESSES

14.1 Notices

Any notice, consent, approval, or other communication in connection with this Agreement (“**Notice**”) will be in writing and in English.

14.2 Addresses

14.2.1 Each Party chooses the physical address, fax number and email address corresponding to its name below as the address to which any Notice must be sent.

SENTECH:

POSTAL ADDRESS:	
PHYSICAL ADDRESS:	

EMAIL ADDRESS:	
FOR THE ATTENTION OF:	

INSTALLER

POSTAL ADDRESS:	
PHYSICAL ADDRESS:	
EMAIL ADDRESS:	
FOR THE ATTENTION OF:	

14.2.2 Either Party may by Notice to another Party change its address and the details of the person, if any, for whose attention any Notice must be marked.

14.3 Effective on receipt

14.3.1 Any Notice takes effect when received by the recipient (or on any later date specified in the Notice) and, unless the contrary is proved, is deemed to be received:

- i) on the day of delivery, if delivered by hand to a responsible person at the
- ii) recipient's physical address reflected in sub-clause (2). If delivery is not on a business day, or is after ordinary business hours on a business day, the Notice is deemed to be received on the business day after the date of delivery;
- iii) on the first business day after the date of transmission, if sent by fax to the recipient's fax number reflected in sub-clause (2); or
- iv) on the first business day after the date of transmission, if sent by email to the recipient's email address reflected in sub-clause (2).

14.4 Service of legal process:

14.4.1 Each Party chooses its physical address referred to in sub-clause (2) as its address at which legal process and other documents in legal proceedings in connection with this Agreement may be served (i.e., *domicilium citandi et executandi*).

14.4.2 Either Party may by Notice to the other Party change its address, at which legal

process and other documents in legal proceedings in connection with this Agreement may be served, to another physical address in South Africa.

14.5 Signature:

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts. The persons signing this Agreement in a representative capacity warrant their authority to do so.

Signature: SENTECH

DATE

NAME

Signature: INSTALLER

DATE

NAME

ANNEXURE A

QUALITY ASSURANCE AND QUALITY ASSURANCE PROTOCOLS

	TYPE	DESCRIPTION	COMMENT
1	DESKTOP QA	Evaluation of reports to determine completeness	Will only commence upon submission of installation reports, vouchers, pictures
2	FIELD QA	Physical assessment of a sample of installation	Will assess random or complete sampling of installations for adherence to Installation Specifications Can be conducted in parallel with installations but cannot trigger payment until Desktop QA occurs

Note: No payment shall be processed without an approval from DQA and FQA departments.

ANNEXURE B
INSTALLATION SPECIFICATIONS

As defined in Annexure A of the Contract Data as agreed between SENTECH and Installer/Installation Company.

ANNEXURE C
INSTALLATION REPORT FORMAT

DISTRIBUTION NUMBER	CUSTOMER NAME	ADDRESS	IDENTITY NUMBER	PHONE NUMBER	BOX TYPE	DATE OF INSTALLATION	COMPANY	SERIAL NUMBERS			INSTALLATION STATUS (INSTALLED / RETURNED)
								STB	ANTENNA	LNB	

ANNEXURE D
CONSOLIDATED MONTHLY REPORT

INSTALLER NAME								
DATE								
PROVINCE								
TOWN	COLLECTIONS		INSTALLATIONS		TOTALS		RETURNS	IN PROGRESS
	DTT	DTH	DTT	DTH	COLLECTED	INSTALLATIONS		
	TOTAL DTT	TOTAL DTH	TOTAL DTT	TOTAL DTH	TOTAL COLLECTED	TOTAL INSTALLATIONS	TOTAL RETURNS	TOTAL IN PROGRESS

ANNEXURE E
SUPPORTING PICTURES

Company Name:

1. Beneficiary Name and Address:

Antenna or Dish mounted to the beneficiary structure:	Cabling (Installed and fixed to structure):
Signal Strength received on STB after installation:	Identity Document (Smart Card/ID):

STB serial number of the installed STB which must correspond the correct household as per POD:	TV showing services after installation of STB:
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