

# DRAFT AMENDMENT TO DEVELOPMENT AND IMPLEMENTATION OF A REVENUE ENHANCEMENT SERVICE LEVEL AGREEMENT

Entered into by and between:

## **THE BITOU LOCAL MUNICIPALITY**

A Municipality duly established in terms of Section 12 of the Local Government Municipal Structures Act, Act 117 of 1998.

(Hereinafter referred to as the Municipality)

Herein represented by Mbulelo Memani in his capacity as the Municipal Manager (duly authorised)

and

## **PRICEWATERHOUSECOOPERS INC (“the Service Provider”)**

A company duly registered in the Republic of South Africa (Hereinafter referred to as the *Service Provider*)

Herein represented by Craig Kesson in his capacity as the Engagement Leader (duly authorised)

### **1. PREAMBLE**

The Parties agree that the following salient and underlying facts and information form the basis of their mutual understanding as contained in this Amendment between them and that same will at all times be regarded in the interpretation of and any ruling thereon:

- 1.1. The *Municipality* has awarded Tender SCM/2023/72/FIN to the *Service Provider* and the *Service Provider* accepted the appointment for the Development and Implementation of a Revenue Enhancement Programme starting on 1/07/2023 and ending on 30/06/2025.
- 1.2. On or about 28 June 2023 the Parties entered into a written Service Level Agreement to inter alia highlight the specific service to be delivered.
- 1.3. Clause 27 of this written Service Level Agreement determines that no contract varying, adding to, deleting from or cancelling this Agreement, and no waiver of any right under this Agreement, shall be effective unless reduced to writing and signed by or on behalf of the Parties.
- 1.4. In order for an extension of time to be valid, the agreement pertaining to that has to be reduced to writing and signed by the Parties. The Parties have agreed to an extension of the development and implementation of a Revenue Enhancement Programme Service Level Agreement.

- 1.5. The Parties record that all actions and conditions required in order to enable them lawfully to enter into and comply with their obligations contained in this Addendum, and to ensure that those obligations are legally binding and enforceable, have been taken and fulfilled.
- 1.6. The Parties accordingly wish to confirm the terms and conditions of their agreement in writing.

**NOW THEREFORE THE PARTIES HERETO AGREE AS FOLLOWS:**

2. DEFINITIONS - GENERAL INTERPRETATION

- 2.1. The rules of interpretation as well as the stated definitions contained in the the development and implementation of a Revenue Enhancement Programme Service Level Agreement shall be applicable in this Amendment as if specifically, herein contained.
- 2.2. The Parties hereby specifically further agree that this Amendment will form part of the development and implementation of a Revenue Enhancement Programme Service Level Agreement as if specifically incorporated into the same and all other terms and conditions contained therein will remain in full force and effect, save as specifically set out in this Amendment.
- 2.3. The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have a corresponding meaning, namely: -

**“Amendment”** means the terms and conditions agreed on by the Parties as detailed in this document together with all annexures thereto;

### **3. DURATION AND COMPLETION**

- 3.1. The Parties hereby agree that the development and implementation of a Revenue Enhancement Programme Service Level Agreement between them shall endure for a further period of one (1) year commencing until 30 June 2026 which will be the Termination Date.
- 3.2. It is specifically recorded that there is no expectation that the development and implementation of a Revenue Enhancement Programme Service Level Agreement will be renewed or extended beyond the Termination Date as set out above, save as may be necessary to realise the objectives of the development and implementation of a Revenue Enhancement Programme Service Level Agreement, provided that terms and conditions for a renewal and/or extension may be negotiated and agreed upon by the Parties, after a review of the performance of the *Service Provider* prior to the Termination Date.
- 3.3. The Service Level Agreement may accordingly be extended further as a result of bona fide negotiations between the Parties, subject to compliance with applicable supply chain prescripts pertaining to extensions.

### **4. GENERAL**

- 4.1. The Amendment shall be governed by the laws of the Republic of South Africa.
- 4.2. The Parties agree that no warranty or representation (express or implied) or consensual cancellation or novation of this Amendment in its entirety or/of any term or condition thereof shall be of any force or effect, unless such warranty, representation, variation, amendment or cancellation is reduced to writing and signed by the Parties or their authorised representatives hereto.
- 4.3. Unless the context indicates otherwise, the rights and obligations of any Party arising from this Amendment shall evolve upon and bind its successors-in-title.
- 4.4. The Parties undertake to do or procure the doing of all such things, the taking of all such steps and the passing of all such resolutions so as to give effect to the terms, conditions, import and spirit of this Amendment.

**5. SERVICE FEES**

- 5.1. The fixed fee for the period July 2025 to December 2025 is R 205,000 per month.  
Total: R 1,230,000 (6 months)
- 5.2 During the period January to March 2026, the first 3 months of the close out period, the fixed fee will decrease to R 195,000 per month.  
Total: R 585,000 (3 months)
- 5.3 During the period April to June 2026, the last 3 months of the close out period, the full-time staff complement will decrease from two to one. The fixed for the period will decrease to R170,000 per month. Total: R 510,000 (3 months)
- 5.4 The total fixed fee for the period 1 July 2025 to 30 June 2026 amounts to R 2,325,000 (12 months)

This Amendment is attested and signed on behalf of **PRICEWATERHOUSECOOPERS** on this the .....day of the month of ..... 20..... at ....., in the presence of the undersigned competent witnesses.

AS WITNESSES:

WITNESS:1 \_\_\_\_\_

WITNESS: 2 \_\_\_\_\_

Name: **Craig Kesson**

Designation: Director

For and on behalf of:

**PRICEWATERHOUSECOOPERS**

Who warrants that he is duly authorised

to do so by way of a resolution passed

by the Board of Directors

**(Service Provider)**

This Amendment is attested and signed on behalf of **BITOU LOCAL MUNICIPALITY** on this the .....day of the month of ..... 20..... at ....., in the presence of the undersigned competent witnesses.

AS WITNESSES:

WITNESS:1\_\_\_\_\_

\_\_\_\_\_

WITNESS: 2\_\_\_\_\_

Name: **Mbulelo Memani**  
Designation: Municipal Manager  
For and on behalf of:  
**Bitou Local Municipality**  
Who warrants that he is duly  
authorised to do so (**Municipality**)