



SERVICE LEVEL AGREEMENT

entered into between

COW CATCHERS CC

(Hereinafter referred to as "The Service Provider")

And

NQUTHU LOCAL MUNICIPALITY

(Hereinafter referred to as "The Municipality")

APPOINTMENT OF SERVICE PROVIDER FOR MAINTENANCE OF ANIMAL POUND FOR A PERIOD OF 36 MONTHS

THE PARTIES AGREE AS FOLLOWS:

INTERPRETATION AND DEFINITIONS

1. In this agreement, unless the context indicates otherwise –
 - 1.1. An expression, which denotes any gender, includes the other genders, a natural person includes a judicial person and vice versa, and the singular includes the plural and vice versa.
 - 1.2. Clause headings are for convenience only and will not be used in its interpretation and the following expressions bear the meanings assigned to them and cognate expressions bear corresponding meaning –
 - “**Agreement**” means this agreement and any and all Annexures thereto;
 - “**Service Provider**” means COW CATCHERS CC
 - “**Municipality**” means Nquthu Local Municipality;
 - “**Parties**” means the Municipality and the Service Provider;
 - “**Services**” means APPOINTMENT OF SERVICE PROVIDER FOR MAINTENANCE OF ANIMAL POUND FOR A PERIOD OF 36 MONTHS .
 - 1.3. Words and expressions defined in any sub-clause, for the purpose of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause; and
 - 1.4. This agreement is governed by and construed in accordance with the laws of Republic of South Africa.

DURATION OF THE AGREEMENT

2. This agreement commences on 14 May 2024 and terminates on 14 May 2027, provided that the agreement may be –
 - 2.1. Extended as contemplated in clause 3; and
 - 2.2. Terminated prior to 14 May 2027 as contemplated in clause 5,8,14 and 15

EXTENSION

3. in the event that the Municipality elects to extend the agreement beyond the period contemplated in clause 2 –
 - 3.1. the Municipality must give the Service Provider written notice of such proposed extension, no less than 30 days prior to the termination of this Agreement; and
 - 3.2. The Service Provider must give written notice of acceptance or refusal, no later than 14 days after receipt of the offer contemplated in clause 3.1.

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OFFER OF EXTENSION

4. Any offer extension as contemplated in clause 3, is at the sole discretion of the Municipality, and will be for a period determined suitable by the Municipality.

NOTICE OF TERMINATION

5. The Municipality is not required to give notice of termination of the agreement, provided that the Municipality, in its sole discretion, may terminate the agreement prior to the date contemplated in clause 2, in which event –
 - 5.1. The Municipality must –
 - 5.1.1. give written notice to the Service Provider no less than 30 days prior to the date of intended termination; and
 - 5.1.2. As contemplated in this agreement, pay the Service Provider any remuneration due for goods supplied and reimburse the Service Provider for cost incurred up to date of termination of the agreement and
 - 5.1.3. A party's right to terminate its contracts may originate from the general principles of contracts or it may arise out of the terms of the contract itself.
 - 5.2. The Service Provider must immediately submit to the Municipality all documentation and materials relating in any manner whatsoever to work undertaken as contemplated in this agreement.

DUTIES OF THE SERVICE PROVIDER

Section 3 of the KwaZulu – Natal Pounds Act No 3 of 2006 requires that each municipality must establish and operate a pound to service its area of jurisdiction. It further states that a municipality may enter into a service delivery agreement with an institution or person mentioned in Section 76 (b) of Local Government: Municipal Systems Act, No 32 of 2000 to provide for the establishment and operation of a Municipal Pound to service its area of jurisdiction.

The Municipal Council of Nquthu has resolved that the Municipal Pound services be provided by an external service provider in terms of a Service Level Agreement in accordance with Section 80 of Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

The growth of towns and farms took up most of the grazing land along the routes of the drives, and the expansion of the roads meant livestock could be shipped directly to the slaughterhouse.

On the traffic perspective, roads leading to Nquthu plaza, CJM Hospital, Municipal Offices, Police Station, Gateway clinic, and Municipal Workshop, are always crowded with vehicles unable to freely move forward as animals throng avenues daily. The animal owners leave their animals filthy wherever they take their animals.

The situation could not be controlled easily due to the large number of citizens freely roaming animals in the city. Even the police and Road Traffic Inspectorate are unable to control this situation. Such free movement of the animals at main avenues is especially dangerous for motorists.

The residents and visitors also complain over heaps of animals' filth in the area. Besides providing essential commodities to the people at controlled rates in town, the authorities

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concerned are also responsible for maintaining cleanliness. This condition exposes residents to the risk of diseases.

The purpose of this Animal Pound establishment was to impound or pick up stray animals for unlawfully running at large or for trespassing and doing damage or animals that have been called as potentially dangerous in order to promote and insure public health and safety to facilitate responsible livestock ownership humanely and responsibly care for the animals in Nquthu, and release animals to their rightful owners.

OBJECTIVES

- To ensure clean town and other facilities
- To control the movement of animals from place to place
- To reduce risks and potential hazards leading to road accidents
- To ensure high standard of Nquthu Town and Nquthu municipality jurisdiction areas
- To provide domestic animal control services to the entire municipality,
- To ensure undisturbed traffic flow

STAKEHOLDERS

- The Animal Pound membership and composition will include representatives of the following stakeholders.
- Nquthu SAPS
- Nquthu Municipal Traffic Department
- Nquthu Fire & Rescue Unit
- Nquthu Department of Agriculture
- Nquthu Road Traffic Inspectorate
- SANDF
- Council of the Nquthu Municipality (3 councillors)
- Amakhosi (or their representative/Traditional House rep)
- COGTA
- Rate payers association
- Ward committee from this ward (14)
- Business Chamber
- Nquthu Department of Justice

FINANCIAL IMPLICATIONS

The prospective service provider will incur all costs related to Animal Pound maintenance, security costs, transportation of animals pounded, fuel, veterenian for the animals impounded

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and staff salaries. The Municipality will financially not contribute to the maintenance of the pound, but will make land available at no cost.

REVENUE

The bulk of the revenue that has to be collected from Animal Pound operations will benefit the service provider. The Municipality can, unfortunately not collect that revenue until the contract between service provider and the Municipality terminates. The service provider will recover his/her capital expenditure and the costs of impounding from Animal Pound income, and can use that revenue to finance its expenditure. The municipality will only benefit the revenue collected when the animals are sold on an auction.

POUND KEEPER

It is the responsibility of the service provider to appoint a suitable and qualified Pound Keeper and rangers to run the Animal Pound.

DUTIES OF POUND MASTER:

As stipulated in the pound act, Animal identification Act and Stock theft Act

SECURITY

The provision of security for Animal Pound will remain service provider's responsibility. The Municipality will not be held accountable for loss or damages and/or injuries to either property or impounded animals.

KNOWLEDGE, SKILLS, COMPETENCIES AND EXPERIENCE REQUIRED:

1. a working knowledge of at least the following legislation:-
 - the KwaZulu – Natal Pound Act, 2006 (Act No. 3 of 2006);
 - the Animal Identification Act, 2002 (Act No. 6 of 2002);
 - the Animal Diseases Act, 1984 (Act No. 35 of 1984); • the Animal Health Act, 2002 (Act No. 7 of 2002)

2. Skills, competencies and experience in the following will serve as recommendation:
 - animal husbandry;
 - animal diseases;
 - internal/external parasite control in animals;
 - animal nutrition
3. Formal qualification in any of the above fields will be an added advantage.
4. Ability to communicate in isiZulu, Sotho English and Afrikaans.

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TAXATION

6. Any required income tax or other taxation payments required by law are the responsibility of the Service Provider and the Municipality will not deduct any income tax or other taxation from any payments due to the Service Provider.

DUTIES OF THE MUNICIPALITY

7. The Municipality must –
 - 8.1 Provide such assistance as is reasonably required by the Service Provider to carry out the work.
 - 8.2 Issue all instructions related to the service through the Service Provider in writing; and
 - 8.3 Remunerate the Service Provider as contemplated in clause 09

PAYMENTS

- 9 The Service Provider shall furnish the purchaser with an invoice accompanied by progress report and upon fulfilment of other obligations stipulated in the contract.
 - 9.1 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the Service Provider.
 - 9.2 Payment will be made in Rand unless otherwise stipulated in SCC.
 - 9.3 Payment will be made directly to the Service Provider when goods were delivered provide that the municipality may refuse to make payment –
 - 9.3.1 In the event the municipality, in its sole discretion, is of the opinion that the Service Provider has not performed the service as contemplated in this agreement.

BREACH OF AGREEMENT

- 10 If either party fails to meet its obligations in terms of this agreement, the innocent party at its choice, and after giving seven days written notice to the defaulting party at its *domicillum*, calling on the latter to remedy the breach, may-
 - 10.1 Terminate the agreement; or
 - 10.2 Enforce the terms of the agreement; and
 - 10.3 In any event claim any damages that it may have suffered as a result of the breach.

TERMINATION

- 11 The municipality may, at its sole discretion, and after three days written notice to the liquidator, judicial manager or Service Provider, as the case may be, terminate the agreement in the event that –
 - 11.1 An application is lodged for the liquidation of the Service Provider ;

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A handwritten signature in black ink, appearing to be 'mi' followed by a stylized flourish.

11.2 The Service Provider reaches a compromise with any of its creditors; or

11.3 The Service Provider is placed under judicial management.

OBLIGATIONS OF THE MUNICIPALITY

12 Should the agreement be terminated for any reason whatsoever, the Municipality will not incur any obligation to the employees of the Service Provider, nor in respect of any contracts concluded by the Service Provider arising from this agreement.

SETTLEMENT OF DISPUTE

13

13.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the Service Provider in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

13.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the Service Provider may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

13.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

13.4 Notwithstanding any reference to mediation and/or court proceedings herein,
a) The parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
b) The purchaser shall pay the Service Provider any monies due the supplier for services rendered according to the prescripts of the contract.

ARBITRATOR

14 The parties must agree on an Arbitrator within thirty days after a dispute has been declared, failing which either of the parties to the dispute may request the State Attorney (KZN) to appoint a suitable Arbitrator.

REFERRAL TO COURT

15 The agreement to refer disputes for arbitration does not bar either of the parties to refer any dispute between them for adjudication by any court with jurisdiction, provided that seventy two hours' notice must be given to the other party prior to such referral.

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DOMICILIUM AND NOTICES

16 The parties choose their *domicilium citandi et executendi* for all purposes of the giving of any notice, the payment of any sum, the serving of any process and for any other purpose arising from this agreement, as follows:

The Municipality: Private Bag x 5521
Nquthu
3135
Tel: 034 271 6100
Fax: 034 271 6111

The Service Provider: P. O. Box 613
Howick
3290
Tel: 082 908 4131

VARIATION TO *DOMICILIUM*

17 Either party may from time to time, and upon written notice to the other party, vary its physical address or facsimile number to any other physical address or facsimile number within the Republic of South Africa.

NOTICES

18 Any notice given by either party to the other party, which –

- 18.1 Is delivered by hand during the normal business hours of the addressee at the addressee's *domicilium* will be deemed to have been received by the addressee at the time of delivery.
- 18.2 Is posted by prepaid registered post from an address within the Republic of South Africa to the addressee at the addressee's *domicilium* will be deemed to have been received by the addressee on the seventh day after the date of posting; and
- 18.3 Is sent by facsimile copier during the normal business hours of the addressee to the addressee's *domicilium* will be deemed to have been received on the date and time of successful transmission thereof.

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PRICES

19 Prices charged by the Service Provider for services performed under the contract shall not vary from the prices quoted by the Service Provider in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

AMENDMENTS TO THIS AGREEMENT

20 This agreement is subject to amendment for the addition or deletion of services provided, changes to services provided as a result of process and or technology improvements and resulting enhanced levels of service performance and or reporting capabilities. Any such proposed amendments are to be recorded in an updated version of this document and are subject to the agreement of Nquthu Local Municipality.

PERFORMANCE OF SERVICE PROVIDER

21

21.1 Performance of services shall be made by the Service Provider in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the Service Provider or its subcontractor(s) should encounter conditions impeding timely performance of services, the Service Provider shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Service Provider's notice, the purchaser shall evaluate the situation and may at his discretion extend the Service Provider's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 Failure to deliver the service as per agreement will result in contract termination.

SKILLS TRANSFER

22

22.1 The Service provider shall arrange for the transfer of skills to be undertaken at the request of the purchaser and to the specification agreed between the Purchaser and the Service provider

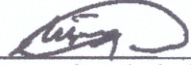
22.2 The Service provider shall be required to undertake training for the specific official in which skills will be transferred to at the end of feasibility study.

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SIGNING OF AGREEMENT

SIGNED AT NQUTHU ON THE 21ST DAY OF MAY 2024


For and on behalf of:

NQUTHU LOCAL MUNICIPALITY
who warrants being duly authorised hereto:

Name of Signatory

M.B. Jiyane

Capacity of Signatory

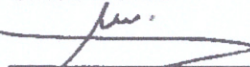
ACCOUNTING OFFICER

AS WITNESSES:


1. Phila Ntshu
NAME


SIGNATURE

2. Andile Dithole
NAME

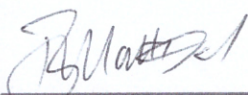

SIGNATURE

SIGNED AT HOWICK ON THE 22 DAY OF MAY 2024


For and on behalf of:

COW CATCHERS CC
who warrants being duly authorised hereto:

Name of Signatory



Capacity of Signatory

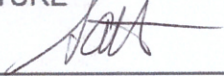
DIRECTOR

AS WITNESSES:

1. DORRENE NEMIGLE
NAME

D. Nemigle
SIGNATURE

2. SHARON ALLAN
NAME


SIGNATURE