**SERVICES AGREEMENT IN RESPECT OF THE**

**PROVISION OF PRE-EMPLOYMENT SCREENING AND RELATED SERVICES**

Between

**SOUTH AFRICAN REVENUE SERVICE**

An organ of state established in terms of section 2 of the South African Revenue Service Act, 1997 (Act No. 34 of 1997)

(hereinafter referred to as “**SARS**”)

and

**(TO BE ADDED)** a company incorporated in accordance with the laws of South Africa

(Registration No: **TO BE ADDED**)

(herein represented by its authorised representative who warrants that s/he is duly authorised to do so)

(hereinafter referred to as “**the Service Provider**”)

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1. **PREAMBLE**
   1. The South African Revenue Service (“SARS”) solicited bids through the RFP, for the provision of pre-employment screening and related services to SARS, which services are more fully set out in **clause 3.2.18** of this Agreement.
2. **APPOINTMENT**
   1. SARS appointed the Service Provider to provide the Services on a non-exclusive basis to SARS, which appointment the Service Provider accepted on the terms and conditions set forth hereunder.
   2. The Service Provider will be utilised on an *ad hoc* basis, as and when required by SARS. SARS does not guarantee that the Service Provider will receive Service Requests during the period of this Agreement.
3. **DEFINITIONS AND INTERPRETATION**
   1. The headings to the clauses of this Agreement are for reference purposes only and will not govern or affect the interpretation of nor modify nor amplify the terms in this Agreement.
   2. In this Agreement, unless the context otherwise requires, the following capitalised terms shall have the meanings assigned to them below and cognate expressions shall have corresponding meanings-
      1. “**Agreement**” means this Services Agreement, the RFP and all annexures hereto, which form an integral part of this Agreement. Also included are all amendments, variations, and/or substitutions to the Agreement, which have been reduced to writing and signed by both Parties;
      2. “**Applicable Law**” means any of the following to the extent applicable to the Service Provider and where applicable, to SARS or the Services-
         1. Any statute, regulation, by-law, ordinance or subordinate legislation;
         2. The common law;
         3. Any binding court order, judgment or decree;
         4. Any applicable industry code of conduct, policy or standard enforceable by law; or
         5. Any direction, policy or order that is given by a Regulatory Authority;
      3. “**Authorised Signatory**” means a signatory authorised by SARS and the Service Provider respectively to sign the Agreement, any amendments and/or addenda hereto;
      4. “**Business Day**” means any day other than a Saturday, Sunday or public holiday in South Africa;
      5. “**Candidate**” means a data subject, as contemplated in POPIA;
      6. “**Commencement Date**” means 3 July 2021, notwithstanding the date of signature of this Agreement;
      7. “**Commercially Reasonable Efforts**” means taking such steps and performing in such a manner as a well-managed company would undertake where such company was acting in a prudent and reasonable manner to achieve the particular result for its own benefit, provided always that such steps are within reasonable control of the Party;
      8. “**Key Account Manager**” means a person designated by the Service Provider, as contemplated in **clause** **5.1.1** for the management of the delivery of Services in terms of the Agreement, and to whom all communication regarding this Agreement shall be sent;
      9. “**Key Personnel**” means those employees of the Service Provider including the Key Account Manager, listed in the Service Provider’s bid proposal, who are nominated and shall be dedicated to the performance and management of the Services to SARS and shall be deemed to be material and integral to the provision of the Services;
      10. “**Losses**” means all losses, liabilities, costs, expenses, fines, penalties, damages and claims, and all related costs and expenses as determined in Law;
      11. “**Parties**” means SARS and the Service Provider and “party” ­­­­as the context requires, is a reference to any one of them;
      12. “**POPIA**” means the Protection of Personal Information Act, 2013 (Act No.4 of 2013);
      13. “**Regulatory Authority”** means any organ of state, government agency or institution, International Body or Organisation which has–
          1. jurisdiction over the Services or parts thereof; or
          2. administrative or oversight responsibility pertaining to any Applicable Law;
      14. “**RFP**”, subject to any contrary indication, refers to SARS’s invitation to service providers to submit proposals for the provision of pre-employment screening and related services, bearing number 10/2020 and dated 25 September 2020which is incorporated herein by reference;
      15. “**SARS**” means the South African Revenue Service, an organ of state established in terms of section 2 of the South African Revenue Service Act, 1997 (Act No. 34 of 1997), with its principal address at 299 Bronkhorst Street, Nieuw Muckleneuk, Pretoria;
      16. “**SARS Authorised Representative**” means the SARS employee designated in terms of this Agreement, or his/her appointed delegate, as the person who will interface with the Service Provider on all matters relating to the general administration of this Agreement, who will manage the overall performance of the Service Provider over the contract term and to whom all communications regarding this Agreement must be addressed;
      17. “**Service Provider**” means **(TO BE ADDED)**, incorporated in accordance with the Laws of South Africa with registration number **(TO BE ADDED)**, and with its principal place of business at **(TO BE ADDED)**;
      18. “**Services**” means the provision of pre-employment screening and related services as contemplated in the RFP, including functions or responsibilities not specifically mentioned therein but which are reasonably and necessarily required for the proper performance and provision of the Services; and
      19. “**Service Request**” means a specific written and/or electronic service instruction uploaded to the Service Provider’s system to render the Services in terms of this Agreement, specifying the Services to be provided by the Service Provider to SARS.
   3. Any reference in this Agreement to-
      1. A clause shall, subject to any contrary indication, mean a reference to a clause in this Agreement; and
      2. A person refers to any person including juristic entities.
   4. Unless inconsistent with the context or save where the contrary is expressly indicated-
      1. If any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it appears only in the Definitions clause, effect shall be given to it as if it was a substantive provision of this Agreement;
      2. When any number of days is prescribed in this Agreement, the same shall be calculated exclusively of the first and inclusively of the last day unless the latter falls on a day which is not a Business Day, in which case the last day shall be the next Business Day;
      3. In the event that the day for performance of any obligation to be performed in terms of this Agreement should fall on a day which is not a Business Day, the relevant day for performance shall be the subsequent Business Day;
      4. Any reference in this Agreement to an enactment is to that enactment as at the signature date and as amended or re-enacted from time to time;
      5. Any reference in this Agreement to this Agreement or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document as same may have been, or may from time to time be amended;
      6. No provision of this Agreement shall be construed to provide a benefit to any person who is not a party to this Agreement;
      7. References to day/s, month/s or year/s shall be construed as calendar day/s, month/s or year/s; and
      8. Reference to a Party includes that Party’s successor-in-title and permitted assigns.
   5. Unless inconsistent with the context, an expression which denotes-
      1. Any one gender, includes the other gender; and
      2. The singular, includes the plural and *vice versa*.
   6. The termination of this Agreement will not affect the provisions which are intended to operate after any such termination or which of necessity must continue to have effect after such termination, notwithstanding that the clauses themselves do not expressly provide for this.
   7. The Agreement is fully binding on the executors, administrators, trustees, permitted assigns or liquidators of the Parties as fully and effectually as if they had signed this Agreement in the first instance and reference to any Party is deemed to include such Party’s estate, heirs, executors, administrators, trustees, permitted assigns or liquidators, as the case may be.
   8. Where figures are referred to in numerals and in words, if there is a conflict between the two, the words shall prevail.
   9. The provisions of this Agreement shall not be construed against or interpreted to the disadvantage of the Party responsible for the drafting or preparation of such provision.

1. **DURATION**
   1. The Agreement commences on the Commencement Date and shall, subject to **clauses 4.2** below and **2.2** above, endure for a period of sixty (60) months.

* 1. The Agreement will be renewed annually, subject to SARS funds availability.

1. **SERVICE PROVIDER’S DUTIES AND OBLIGATIONS**
   1. The Service Provider shall-
      1. ensure the Key Account Manager contemplated in its bid proposal is duly assigned as such, and assumes the attendant role and responsibilities for the duration of this Agreement;
      2. execute the Services, as contemplated in the RFP;
      3. ensure that it has sufficient and appropriate resources to properly render the Services to SARS;
      4. carry out all written and reasonable instructions received from SARS timeously and in a diligent manner;
      5. abide by the timeframes that appear in the RFP in relation to the manner in which the Services will be rendered;
      6. always act in good faith and uphold the spirit and intent of POPIA in executing the Services;
      7. ensure that the Key Personnel devote such time, attention and skill in performing the Services as may be reasonably required for the proper discharge of its duties under this Agreement;
      8. except in instances where doing so would be inconsistent with Applicable Law, not change or replace the Key Personnel presented in its response to the RFP without the prior written consent of SARS and in this regard-
         1. The Service Provider may make a request to SARS to replace a member of its Key Personnel, where such member has become incapacitated and/or unable to perform his/her duties under the Agreement;
         2. The Service Provider’s request to SARS for the substitution of the Key Personnel shall include the reason for the request and a proposal to replace the Key Personnel with a person of equal or better qualification(s) and experience. Such proposal must include the *curriculum vitae* of the proposed substitute;
         3. SARS may only approve a substitute, which has similar or better qualifications, skills and experience; and
         4. Should SARS, in its discretion reasonably consider a member of the Key Personnel to be incompetent or unsatisfactory, the Service Provider will have to replace at its cost, that member with one having equal or better credentials and in line with the timeframes then stipulated by SARS;
      9. charge fees for Services rendered to SARS in accordance with the approved pricing;
      10. provide the Services in accordance with the highest professional standards;
      11. act impartially and ethically at all times, and where applicable, act in accordance with the code of ethics / conduct of its profession;
      12. refrain from any unlawful business practices, including the unlawful processing of personal information as defined in POPIA;
      13. exercise reasonable care and diligence in the discharge of its obligations in terms of the Agreement; and
      14. ensure that it maintains or improves upon the disaster recovery and business continuity plans submitted to SARS in its bid proposal in response to the RFP.
   2. The Service Provider may only process a Candidate’s information for the purpose furnished and indicated by SARS, and as supported by a Candidate’s consent. The Service Provider must, upon termination of this Agreement for any reason whatsoever, immediately and at no cost to SARS, return to SARS any Candidate’s information in respect of a Service Request not yet processed by the Service Provider.
2. **LEGISLATIVE COMPLIANCE AND MONITORING**
   1. The Parties acknowledge that the nature of the Services is highly regulated by POPIA, and agree that it is therefore necessary for SARS to monitor certain aspects of the Agreement during execution, to ensure that it is not exposed to any risks relating to non-compliance with POPIA or other Applicable Law.
   2. This Agreement shall, in addition to regulating the relationship between the Parties in relation to the Services, also, to the extent applicable, serve as an agreement between SARS as Responsible Party and the Service Provider as Operator, in the manner envisaged in section 21(1) of POPIA. To this end, the Service Provider warrants that it has in place and will, throughout the duration of the Agreement, maintain security safeguards contemplated in section 19 of POPIA.
   3. SARS will regularly audit compliance by the Service Provider with this Agreement, POPIA or other Applicable Law. Without limiting the generality of such audits, SARS may, at any time, on reasonable notice to the Service Provider, call upon the Service Provider to furnish it with the following documents:
      1. The Service Provider’s information / data processing policies and protocols;
      2. Data breach management policies and protocols;
      3. Acceptable evidence detailing the Service Provider’s compliance with section 19 of POPIA, or any other provision of POPIA, as may be relevant to this Agreement. The evidence must be sufficient to provide SARS with assurance of the Service Provider’s compliance; and
      4. Agreements between the Service Provider and third parties engaged by the Service Provider, as contemplated in **clause** **6.6** below.
   4. The Service Provider shall ensure that all parts of the Services that require certification and/or licensing by Regulatory Authorities are duly certified and/or licensed by the Service Provider as such.
   5. The Service Provider must co-operate as may be requested by SARS, to enable SARS to, amongst other things, comply with an enquiry from a Regulatory Authority, comply with or respond to a query from a data subject in exercising the rights of the data subject under POPIA. Such co-operation must be rendered by the Service Provider within the timelines specified by SARS in each case.
   6. Where the Service Provider utilises the services of a third party as contemplated in the RFP, the Service Provider must ensure that–
3. same is done in accordance with a written agreement between the Service Provider and the third party; and
4. such written agreement complies with the provisions of POPIA.

The Service Provider will, notwithstanding, remain liable to SARS for any breach of Applicable Law by such third party.

1. **SARS UNDERTAKINGS**

SARS undertakes to-

* 1. nominate a SARS Authorised Representative, who will, amongst others:
     1. act as a central point of contact between SARS and the Service Provider;
     2. issue Service Requests to the Service Provider;
     3. approve invoices submitted by the Service Provider; and
     4. convene meetings with the Service Provider, as and when required;
  2. Obtain a Candidate’s consent to processing of information, as contemplated in POPIA;
  3. Immediately inform the Service Provider in the event that a Candidate withdraws his/her consent indicated in **clause 7.2** above;
  4. Where a Service Request is issued and subject to Applicable Law, give the Service Provider access to necessary documents and information in order for the Service Provider to render the Services; and
  5. Monitor and review the Service Provider’s performance in terms of this Agreement. SARS however, reserves the right subject to Applicable Law, to appoint a third party to monitor and review the Service Provider’s performance in terms of this Agreement.

1. **PRICING AND INVOICING**
   1. The Service Provider must invoice SARS for Services rendered according to the pricing schedule accepted by SARS in **Annexure “A”**.
   2. Apart from the pricing accepted by SARS, no other fee or cost will be covered by SARS.
   3. The Service Provider shall invoice SARS for Services rendered monthly, provided the Service Provider executed a Service Request for the particular month. Each invoice shall contain-
      1. a full description of the Services rendered;
      2. cost per item;
      3. the total fees incurred; and
      4. any such details as may be reasonably requested by SARS from time to time.
   4. The Service Provider shall verify that each invoice is complete and accurate, and that it conforms to the requirements of this **clause 8** before issuing the invoice to SARS.
   5. The Service Provider shall deliver all invoices to the SARS Authorised Representative and copies to other SARS departments, as may be instructed to do so from time to time by SARS.
   6. Subject to **clause 9.1** below, SARS shall pay undisputed amounts in an invoice owed to the Service Provider within thirty (30) days after SARS receives such invoice, if the invoice is accurate and meets the requirements of this Agreement.
   7. Should SARS query an item in an invoice, the Service Provider shall within two (2) days after a written request by SARS, provide SARS with any other documentation or information reasonably required by SARS in order to verify the accuracy of the amounts due on an invoice.
   8. For the duration of this Agreement and for a period of five (5) years after the termination of this Agreement, and subject to Applicable Law, the Service Provider will maintain a record of the Services performed under this Agreement. The Service Provider shall provide SARS and SARS’s auditors access at reasonable times, and subject to reasonable written notice, to information, records and documentation relating to the Services for the purpose of performing audits, examinations and inspections in order to verify the Service Provider’s compliance with the terms of this Agreement and/or to enable SARS to comply with the requirements of any Regulatory Authority, provided that notwithstanding any other term of this Agreement the Service Provider shall not be required to submit to any audit measure that may impair its ability to keep strictly confidential any information belonging to any of its other clients. All costs incurred in performing audits under this clause will be borne by SARS, unless audit findings reveal the Service Provider’s non-compliance with the terms of this Agreement and/or requirements of a Regulatory Authority or similar institution having jurisdiction over SARS and/or the Service Provider, in which event such costs will be borne by the Service Provider.
   9. If the Service Provider fails to perform the Services within the specifications or turnaround times specified in this Agreement, due to reasons solely attributable to the Service Provider, SARS shall, without prejudice to its other remedies under this Agreement, be entitled to deduct, as a penalty, for non-performance, delayed performance or defective performance, an amount of up to ten percent (10%) of the amount due to the Service Provider in the pertinent month or succeeding invoice due and payable to the Service Provider. Provided that SARS will provide the Service Provider with written notice of its intention to so deduct, supported by reasonable detail of the actual penalty levied.
   10. A penalty is a non-performance, delayed performance or defective performance fee, and is payable regardless of the fact that the Service Provider ultimately delivers the pertinent performance.
2. **DISPUTED CHARGES AND INVOICING ERRORS**
   1. SARS may withhold payment of fees that SARS disputes in good faith or, if the disputed fees have already been paid, SARS may withhold an equal amount from a later payment, including disputes in respect of an error in an invoice or an amount paid. If SARS withholds any such amount-
      1. SARS shall promptly notify the Service Provider that it is disputing such amount, providing a reasonable explanation of the rationale therefore and the Parties shall promptly first address such dispute in accordance with this **clause 9** of this Agreement;
      2. If the dispute relates to (or equals in the case of disputed amounts that have already been paid) only a percentage of the invoiced amount, then SARS shall pay the undisputed amount in accordance with **clause 8.6** above; and
      3. If an invoice is identified as incorrect, then the Service Provider shall either issue a correct invoice if the amount has not yet been paid, or make a correction on the next invoice if the amount has been paid.
   2. Any dispute arising in terms of **clause 9.1** above and which remains unresolved for five (5) Business Days after it has arisen, shall be referred by either Party to SARS’s Head: Procurement and the Service Provider’s Key Account Manager or their designees for resolution.

* 1. The SARS Head: Procurement and the Service Provider’s Key Account Manager or their designees shall meet within five (5) Business Days of the referral of the dispute to resolve such dispute.
  2. In the event that the dispute remains unresolved after seven (7) days of its referral to the persons mentioned in **clause 9.3**, either Party shall be entitled to refer the dispute for resolution in accordance with the provisions of **clause 15** below: Provided that **clause 15.1** will not apply to disputes contemplated in this **clause 9**.

1. **WARRANTIES**

* 1. The Service Provider hereby represents and warrants to SARS that-
     1. this Agreement has been duly authorised and executed by it and constitutes a legal, valid and binding set of obligations on it;
     2. it is acting as principal and not an agent of an undisclosed principal;
     3. the execution and performance of the terms and conditions of this Agreement does not constitute a violation of any statute, judgment, order, decree or regulation or rule of any court, competent authority or arbitrator or competent jurisdiction applicable or relating to the Service Provider, its assets or its business, or its memorandum of incorporation or any other documents or any binding obligation, contract or agreement to which it is a party or by which it or its assets are bound;
     4. it has the necessary resources, skills, capacity and experience to render the Services to SARS in a diligent manner;
     5. it will provide the Services in a cost-effective and expedient manner, thereby ensuring that no unnecessary or extraordinary costs are incurred and passed on to SARS;
     6. it has the capacity to timeously deliver the Services;
     7. it has the requisite adequate insurance contemplated in **clause** **20** below;
     8. it shall not, in executing the Services, breach or infringe any intellectual property right of a third party;
     9. no factual circumstances exist that may materially affect its capacity to perform its obligations under this Agreement;
     10. it, along with the Key Personnel, shall at all times have, and comply with all legal requirements and with the terms and conditions of all necessary licenses, certificates, authorisations and consents required under the laws of the Republic of South Africa or under any other applicable jurisdiction for the delivery of the Services; and
     11. it is familiar with and will comply with Applicable Law, particularly the provisions of POPIA.
  2. It is expressly agreed between the Parties that each warranty and representation given by the Service Provider in its bid proposal in response to the RFP and this Agreement is material to this Agreement and induced SARS to conclude this Agreement.
  3. The provisions of this clause shall survive the termination of this Agreement.

1. **MEETINGS**
   1. The Parties may at the reasonable request of either Party, and subject to reasonable prior written notice thereof, meet to discuss the execution of the Services.
   2. Any information provided by the Service Provider in the meetings must be accurate, relevant and sufficiently detailed to provide assurance that the Services are adequately rendered.
2. **CONFIDENTIALITY**
   1. The Service Provider shall not, during the term of this Agreement and after its expiration, disclose any proprietary or confidential information relating to the Services, this Agreement or SARS’s business or operations to any third party without the prior written consent of SARS.
   2. “Proprietary information and/or confidential information” shall for purposes of this Agreement refer to, but shall not be limited to trade secrets, know-how, technology, techniques or methods of operating employed by SARS, taxpayer information; SARS Confidential Information as defined in the Tax Administration Act, 2011 (Act No. 28 of 2011) as well as any information considered confidential in terms of any other Act administered by the Commissioner for SARS, internal SARS policies and/or employee details to which the Service Provider may become privy during the contract term.
   3. The Service Provider shall ensure that its Key Personnel and other personnel involved with the rendering of the Services to SARS individually sign the SARS Oath / Affirmation of Secrecy before commencing with execution of this Agreement, and submit the original thereof to SARS for record keeping purposes.
   4. The Service Provider will protect the interests of SARS and its Confidential Information by-
      1. making available such Confidential Information only to those of its personnel who are actively involved in the execution of its obligations under this Agreement (including relevant support staff) and then only on a “need to know” basis;
      2. putting in place information security practices and procedures reasonably acceptable to SARS to prevent unauthorised disclosure and taking all practical steps to impress upon those personnel who need to be given access to Confidential Information, the secret and confidential nature thereof;
      3. not using any Confidential Information of SARS, or disclosing directly or indirectly any Confidential Information of SARS to third parties, whether during this Agreement or thereafter; and
      4. ensuring that all Confidential Information of SARS which has or will come into the possession of the Service Provider and its personnel, will at all times remain the sole and absolute property of SARS.
   5. Where the Service Provider is threatened with legal action which necessitates disclosure of confidential information of SARS, it shall give SARS written notice of such legal action within two (2) days of receipt of the threatened legal action. The Service Provider shall, together with the notice referred to above, deliver to SARS all documentation received or submitted in connection with the threatened legal action.
   6. The Service Provider must keep confidential all information relating to a Candidate, and may not process or share personal information contemplated in POPIA with any third party without the prior written consent of SARS and the Candidate.
3. **INTELLECTUAL PROPERTY**
   1. The Parties will retain ownership of all of their pre-existing intellectual property rights.
   2. Subject to Applicable Law and pre-existing intellectual property rights of the Service Provider and/or any third party, all intellectual property rights to literary works created in the course of executing the Services shall vest exclusively in SARS.
   3. In the event of the Service Provider’s intellectual property being incorporated into any aspect of the Services being rendered in terms of this Agreement, the Service Provider hereby grants SARS a non-exclusive, royalty free license for the duration of this Agreement to use, alter, and adapt such intellectual property for its own purposes in connection with the Services.
   4. In the event that the Service Provider does not hold the right, title and interest to all intellectual property incorporated in the rendering of the Services, the Service Provider undertakes to procure the necessary licenses and/or use rights for SARS from the relevant third party.
   5. The Service Provider warrants to SARS that it holds the right, title and interest to the intellectual property it will be utilizing to render the Services, alternatively it has procured the necessary rights from the relevant third party and indemnifies SARS against any claim of infringement, which any third party may make or bring against SARS as a result of this Agreement.
4. **BREACH**

* 1. If a Party (the “Defaulting Party”) is in default or breach of any obligation which arises in terms of this Agreement and that Defaulting Party fails to remedy such default or breach within seven (7) Business Days after receipt of a written notice given by the other Party (the “Aggrieved Party”) calling upon the Defaulting Party to remedy such default or breach, then the Aggrieved Party may, without prejudice to any other rights which it may have in terms hereof or at law-
     1. claim specific performance;
     2. cancel this Agreement and claim damages from the Defaulting Party, such cancellation to be effective immediately on receipt by the Defaulting Party of a written notice to that effect; or
     3. claim any money due and payable in terms of this Agreement and claim damages from the Defaulting Party.

* 1. The remedies set out in this clause shall not be construed to be exhaustive of any other remedies available to the Parties.

1. **DISPUTE RESOLUTION**

* 1. In the event of any dispute arising out of or in connection with this Agreement, the Parties shall try to resolve the dispute by negotiation. This entails that the one Party invites the other in writing to a meeting and attempts to resolve the dispute within seven (7) days from date of the written invitation.
  2. If the dispute has not been resolved by such negotiation as contemplated above, or in **clause 9**,the Parties shall submit the dispute to the Arbitration Foundation of Southern Africa (“AFSA”) administered mediation, failing which the dispute shall be determined as below.
  3. Save in respect of those provisions of this Agreement which provide for their own remedies which would be incompatible with arbitration, any dispute arising from, or in connection with this Agreement and not resolved as contemplated above will finally be resolved by arbitration in accordance with the Rules of the AFSA or its successor, by an arbitrator or arbitrators appointed by AFSA.
  4. Neither Party shall be precluded from obtaining interim relief on an urgent basis or other conservatory relief from a court of competent jurisdiction pending the decision of the arbitrator.
  5. This clause is severable from the rest of the provisions of this Agreement so that it will operate and continue to operate notwithstanding any actual or alleged voidness, voidability, unenforceability, termination, cancellation, expiry or accepted repudiation of this Agreement.
  6. Subject to **clause 9.1** above, neither Party shall be entitled to withhold performance of any of its obligations in terms of this Agreement pending the settlement of, or decision in, any dispute arising between the Parties and each Party shall, in such circumstances, continue to comply with its obligations in terms of this Agreement: Provided that SARS shall not pay any invoice in respect of which there is a pending dispute.

1. **TERMINATION**
   1. **Termination for cause by SARS**
      1. SARS may, by giving notice to the Service Provider, terminate this Agreement or the rendering of the Services in whole or in part, as of a date set out in the notice of termination, in the event that the Service Provider–
         1. breaches **clause 12** of this Agreement;
         2. is found guilty of an offence in terms of POPIA;
         3. commits an act of insolvency as defined in the Insolvency Act, 1936 (Act No. 24 of 1936) or is placed under provisional liquidation or under business rescue proceedings or is finally liquidated;
         4. commits an act of professional misconduct or professional or technical incompetence, which is substantial and serious; or
         5. commits or participates in any unlawful, dishonest or unethical act in performing its obligations under this Agreement.
   2. SARS shall have no liability to the Service Provider with respect to a termination under this clause.
   3. **Termination Upon Sale, Acquisition, Merger or Change of Control**
      1. In the event of a sale, acquisition, merger, or other change of control of the Service Provider (a “Change Event”) where such Change Event is achieved, directly or indirectly, in a single transaction or series of related transactions, or in the event of a sale of all or substantially all of the assets of the Service Provider in a single or series of related transactions, then the Service Provider shall notify SARS of such Change Event within ten (10) Business Days after the Change Event is achieved.
      2. No sale, acquisition, merger or other change of control shall be effective against and legally binding on SARS if the Service Provider failed to notify SARS, as required by **clause 16.3.1** above.
      3. SARS may terminate this Agreement, at any time after being notified by the Service Provider of the Change Event, by giving the Service Provider thirty (30) days’ written notice designating a date upon which such termination shall become effective.

* + 1. In the event that the Service Provider fails to notify SARS, as required by **clause 16.3.1** above, then SARS may upon discovery of the Change Event terminate the Agreement by giving the Service Provider thirty (30) days’ written notice and designating a date upon which such termination shall be effective.
    2. SARS shall have no liability to the Service Provider with respect to termination of the Agreement in terms of this clause.
    3. “Control” in terms of this clause shall mean, with regard to any entity, the right or power to dictate the management of and otherwise control such entity by any of the following-
       1. holding directly or indirectly the majority of the issued share capital or stock (or other ownership interest if not a company) of such entity ordinarily having voting rights;
       2. controlling the majority of the voting rights in such entity; or
       3. having the right to appoint or remove directors holding a majority of the voting rights at meetings of the board of directors of such entity.
    4. Any termination of this Agreement pursuant to the provisions of this **clause 16.3** shall be without prejudice to any prior claim, which either Party may have.

1. **ADDRESSES**
   1. Each Party chooses the addresses set out below its name as its address to which all notices and other communications must be delivered for the purposes of this Agreement and its *domicilium citandi et executandi (“domicilium”)* at which all documents in legal proceedings in connection with this Agreement must be served.
      1. SARS’s physical address for ***service of notices and legal processes*-**

Attention: Head - Corporate Legal Services

Khanyisa Building

281 Middel Street

Nieuw Muckleneuk

Pretoria

* + 1. Service Provider’s physical address for ***service of notices and legal processes-***

**(TO BE ADDED)**

* 1. SARS’s email address for communications, and/or correspondences in connection with the performance of the Services is: **(TO BE ADDED)**
  2. The Service Provider’s email address for communications, and/or correspondences in connection with the performance of the Services is: **(TO BE ADDED)**
  3. Any notice or communication required or permitted to be given to a Party pursuant to the provisions of this Agreement shall be valid and effective only if in writing and sent to a Party’s chosen address of *domicilium*, provided that documents in legal proceedings in connection with this Agreement may only be served at a Party’s physical address.
  4. Any Party may by written notice to the other Party, change its chosen address to another address, provided that-
     1. the change shall become effective on the tenth (10th) Business Day after the receipt or deemed receipt of the notice by the addressee; and
     2. any change in a Party’s *domicilium* shall only be to an address in South Africa, which is not a post office box or a *poste restante.*
  5. Any notice to a Party contained in a correctly addressed envelope and sent by prepaid registered post to it at a Party’s chosen address shall be deemed to have been received on the fifth (5th) Business Day after posting.
  6. Any notice to a Party in a correctly addressed envelope and delivered by hand at a Party’s chosen address shall be deemed to have been received on the day of delivery, unless the contrary is proved.
  7. The Parties record that whilst they may correspond via email during the currency of this Agreement for operational reasons, no formal notice required in terms of this Agreement, nor any amendment or variation to this Agreement may be given or concluded via email.

1. **LIABILITY** 
   1. The Service Provider shall be liable to SARS, where SARS has suffered any direct damages and/or Losses as a result of the Service Provider’s failure to observe its obligations in terms of the Agreement.
   2. The Service Provider shall further be liable to SARS for all indirect and consequential or special damages and/or Losses suffered by SARS as a result of gross negligence, wilful misconduct or breach by the Service Provider or its Key Personnel of confidentiality provisions in this Agreement, breach of Applicable Laws, infringement of third party intellectual property rights or a criminal act committed by the Service Provider, Key Personnel or any employee of the Service Provider.
2. **INDEMNITY BY THE SERVICE PROVIDER** 
   1. The Service Provider hereby indemnifies, holds harmless and agrees to defend SARS and its officers, employees, agents, successors and assigns, against all claims or Losses arising from or in connection with, any of the following-
      1. Third party claims attributable to any breach of the provisions of this Agreement by the Service Provider;
      2. Third party claims attributable to theft, fraud or other unlawful activity or any negligent, wilful or fraudulent conduct by the Service Provider or the Key Personnel and claims attributable to errors and/or omissions;
      3. Third party claims arising from or related to the death or bodily injury of any agent, employee, customer, business invitee, business visitor or other person caused by the delictual conduct of the Service Provider or the Key Personnel; or
      4. Claims arising from damage to property owned or leased by SARS or belonging to a third party caused by the acts or omissions of the Service Provider or the Key Personnel.
3. **INSURANCE**

* 1. The Service Provider shall, on or before the Commencement Date and for the duration of this Agreement, have and maintain in force adequate insurance cover consistent with acceptable and prudent business practices and acceptable to SARS, which shall include, without limitation, cyber insurance, data protection insurance and professional indemnity insurance cover, against all actions, suits, claims or other expenses arising in connection with damages or loss for which it is liable in terms of this Agreement.
  2. The Service Provider shall provide SARS with certificates of insurance, evidencing that the insurance covers and policy endorsements required under this Agreement are maintained in force, on the date of signing this Agreement and provide evidence of renewal of such insurance at least three (3) Business Days prior to expiration thereof.
  3. The Service Provider shall provide SARS with at least thirty (30) days’ notice prior to any material modification of the insurance policies contemplated in this Agreement.
  4. In the case of loss or damage or other event that requires notice or other action under the terms of any insurance coverage set out in **clause 20.1** above, the Service Provider shall be solely responsible to take such action. The Service Provider shall provide SARS with contemporaneous notice and with such other information as SARS may request regarding the event.
  5. Without limiting the generality of SARS’s rights and remedies in this Agreement, in the event of a failure by the Service Provider to take out or maintain any insurance required hereunder, or to provide evidence of renewal within the period indicated herein, SARS may purchase the requisite insurance and deduct or offset the costs thereof from any monies due to the Service Provider by SARS under this Agreement.

1. **FORCE MAJEURE**
   1. In the event of any circumstance arising or action taken beyond the reasonable control of a Party or the Parties hereto, such as but not limited to war, rebellion, riot, civil commotion, lockout, fire, accident, operation of law, Applicable Law, epidemic, pandemic or any other circumstance preventing the Parties or any of them from the performance of any obligation hereunder (any such event hereinafter called “*force majeure* event”) then the Party affected by such *force majeure* event shall, subject to **clauses 21.2** and **21.3** herein, be relieved of its obligations hereunder during the period that such *force majeure* subsists.
   2. Should a *force majeure* event arise, the affected Party shall within seven (7) days of the commencement of the event notify the other Party of the event, giving sufficient details thereof, including details of how the event has impacted the affected Party’s ability to perform in terms of the Agreement, as well as the estimated duration of the event or disturbing circumstances.
   3. The affected Party’s relief is only to the extent so prevented and to the extent that the affected Party is not the cause of the *force majeure* event. Such Party shall not be liable for any delay or failure in the performance of any obligations hereunder or loss or damage which the other Party may suffer due to or resulting from the *force majeure* event.
   4. The affected Party shall use Commercially Reasonable Efforts to remove the disturbance with the least possible delay so that its obligations can be fulfilled as soon as reasonably possible, in the manner provided for in this Agreement.
   5. SARS shall be entitled to use the services of other parties during *force majeure* events declared by the Service Provider.
2. **RELATIONSHIP BETWEEN THE PARTIES**
   1. The Service Provider is an independent contractor and under no circumstances will it be considered a partner, joint venture partner or employee of SARS in the performance of its duties and responsibilities pursuant to this Agreement.
   2. Key Personnel used by the Service Provider will be the Service Provider’s employees, contractors or agents, and the entire management, direction and control of all such persons will be the responsibility of the Service Provider.
3. **CONFLICT OF INTERESTS**
   1. Neither the Service Provider nor the Key Personnel shall have any interest or receive any remuneration in connection with the execution of the Services, except as provided for in this Agreement.
   2. The Service Provider must not have or undertake duties or interests that create or might reasonably be anticipated to create an actual or perceived conflict with its duties and interests in executing this Agreement. The Service Provider must have systems in place to identify potential conflicts and to bring them to the attention of SARS.
   3. The Service Provider warrants that there are no contracts, restrictions or other matters which would interfere with its ability to discharge its obligations under this Agreement. If, while executing its duties and responsibilities under this Agreement, the Service Provider becomes aware of any potential or actual conflict between its interests and those of SARS, the Service Provider shall immediately inform SARS. Where SARS forms the view that such a conflict does or could exist, it may direct the Service Provider to take action(s) to resolve that conflict, and the Service Provider shall comply with that instruction.
4. **BROAD-BASED BLACK ECONOMIC EMPOWERMENT**

* 1. The Service Provider must remain BEE compliant and maintain or improve upon the B-BBEE status level **(TO BE ADDED)** it had when the tender (RFP) was awarded.

1. **TAX COMPLIANCE**

* 1. The Service Provider represents and warrants that, as of the Commencement Date, it is and will remain compliant for the duration of this Agreement with all Applicable Law relating to taxation in the Republic of South Africa.

1. **GENERAL**
   1. **Advertising and Marketing**

Except in so far as herein expressly provided, the Service Provider shall not make or issue any formal or informal announcement (with the exception of Stock Exchange announcements), advertisement or statement to the media in connection with this Agreement or otherwise disclose the existence of this Agreement or the subject matter thereof to any other person without the prior written consent of SARS.

* 1. **Authorised Signatories**

The Parties agree that this Agreement and any schedules, annexures or addenda thereto shall not be valid unless signed by all authorised signatories of both Parties.

* 1. **Costs**

Each Party shall bear its own costs in respect of the negotiation, preparation and finalisation of this Agreement.

* 1. **Counterparts**

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be 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 Parties undertake to take whatever steps may be necessary to ensure that each counterpart is duly signed by each of them without delay.

* 1. **Covenant in Good Faith**

Each Party agrees that, in its respective dealings with the other Party under or in connection with this Agreement, it shall act in good faith.

* 1. **Governing Law and Jurisdiction**
     1. This Agreement shall be governed by and construed in accordance with the law of the Republic of South Africa and all disputes, actions and other matters relating thereto will be determined in accordance with such law.
     2. The Service Provider hereby consents to the jurisdiction of the High Court of the Republic of South Africa (Gauteng Division, Pretoria), in regard to all matters arising from this Agreement.
  2. **No Cession or Assignment Without Consent**

Subject to Applicable Law, neither Party shall be entitled to assign, cede, sub-contract, delegate, or in any other manner transfer any benefit, rights and/or obligations arising from this Agreement, without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

* 1. **No Withholding of Consents**

Where agreement, approval, acceptance, consent, or similar action by either Party is required under this Agreement, such action shall not be unreasonably delayed or withheld. An approval, acceptance, consent or similar action by a Party under this Agreement shall not relieve the other Party from the responsibility of complying with the requirements of this Agreement, nor shall it be construed as a waiver of any rights under this Agreement.

* 1. **Severability**

If any clause or provision of this Agreement is found to be invalid, illegal or unenforceable in any way, such clause or provision shall be deemed to be separate and severable from the remaining provisions of this Agreement, and the validity and enforceability of such remaining provisions shall not be affected. If, however, any invalid term is capable of amendment to render it valid, the Parties agree to negotiate in good faith an amendment to remove the invalidity.

* 1. **Waiver**

No change, waiver or discharge of the terms and conditions of this Agreement shall be valid unless in writing and signed by the Authorised Signatories of both Parties, and any such change, waiver or discharge will be effective only in that specific instance and for the purpose given. No failure or delay on the part of either Party hereto in exercising any right, power, or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power, or privilege preclude any other or further exercise thereof, or the exercise of any other right, power, or privilege.

* 1. **Whole Agreement and Amendment**

This Agreement constitutes the whole of the Agreement between the Parties relating to the subject matter hereof and no amendment, alteration, addition, variation or consensual cancellation will be of any force or effect unless reduced to writing and signed by the Parties’ Authorised Signatories. Any document executed by the Parties purporting to amend, substitute or revoke this Agreement or any part hereof, shall be titled an “Addendum” to this Agreement.

**SIGNED AT PRETORIA FOR AND BEHALF OF SARS**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**For Executive: Employee Shared Services**

**Date:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Executive: Procurement**

**Date:**

**FOR AND ON BEHALF OF SERVICE PROVIDER**

**Full Names : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Signature : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Capacity : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Date : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Place : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**