PERFORMANCE BASED "REQUEST FOR PROPOSAL (RFP) FOR THE APPOINTMENT OF NOT MORE THAN 2 SERVICE PROVIDERS FOR MAINTENANCE, SERVICING, PUMPING, CLEANING AND JETTING OF SEPTIC TANKS AND MLPS TANKS FOR THIRTY-SIX (36) MONTHS IN THE WESTERN CAPE REGION

CONTRACT

Between

PRASA ("PRASA)

(A DIVISION OF PASSENGER RAIL AGENCY OF SOUTH AFRICA (PRASA)

(Herein referred to as PRASA)

And

[INSERT FULL NAME OF SERVICE PROVIDER]

Registration number: [INSERT REGISTRATION NUMBER]

(Herein referred to as the [INSERT NAME OF SERVICE PROVIDER AS REFERRED TO IN REMAINDER OF CONTRACT])

INDEX

NO	CLAUSES CONTENT	PAGES
1.	Interpretation	3
2.	General description	4
3.	Appointment.	4
4.	Contract term	5
5.	Fixed Contract Price & Invoice	5
6.	Equipment Water, Telephone and Electricity	6
7.	Limitation on Liability	6
8.	Undertaking and warranties	7
9.	Public liability insurance	9
10.	Obligations of Service Provider	9
11.	Obligations of PRASA	11
12.	Disputes	11
13.	Breach of agreement	11
14.	Jurisdiction	12
15.	Confidentiality	12
16.	Variation	12
17.	Force majeure	13
18.	Cession	14
19.	Indemnification	14
20.	Insolvency	14
21.	General	15
22.	Domicillium and notices	15
23.	Signature	17

1 INTERPRETATION

1.1 Unless inconsistent with the context, the words and expressions set forth below shall bear the following meaning;

1.1.1 "Commencement Date"	shall mean the date specified in this Contract as the commencement date.
1.1.2 "Contract"	shall mean this contract; the tender and all schedules attached hereto, THE PERFOMANCE BASED ATTACHMENT DOCUMENT, the letter of acceptance together with all other documents which the parties have agreed in writing that shall form part of this contract. The terms "Contract" and "Agreement" may be used interchangeably but shall have the same meaning.
1.1.3 "Contract Price"	The price shall mean the fixed amount contained in the notice to proceed letter issued by PRASA to the Service Provider.
1.1.4 "Site"	shall mean the area where the Service Provider is contracted to perform the services as contained in this Contract.
1.1.5 "PRASA"	shall mean the Corporate Real Estate Solutions division of Passenger Rail Agency of South Africa.
1.1.6 "PRASA's Representative"	shall mean PRASA Supply Chain Manager or such other person as may be appointed from time to time by PRASA and who has the necessary authority to represent PRASA;
1.1.7 " Parties"	shall mean the parties to this Agreement, being [INSERT NAME OF SERVICE PROVIDER] and PRASA.
1.1.8 "Personnel/ employee"	shall mean any employee of **[INSERT NAME OF SERVICE PROVIDER]** carrying out duties at the Site on behalf of the Service Provider in terms of this Contract;
1.1.9 "Service Provider"	shall mean **[INSERT NAME OF SERVICE PROVIDER]**.

1.1.10 "Tender" shall mean the Service Provider's priced and detailed offer to PRASA and as duly accepted by PRASA for provision of the services detailed in this Contract.

1.2 Words importing the singular shall include the plural and vice versa and words importing one gender shall include the other gender, any reference to a natural person shall include a body corporate, firm or association and vice versa.

1.3 The headnotes / clause headings to the paragraphs in this Agreement are for reference purposes only and shall not affect the interpretation of any part of this Agreement.

2 GENERAL DESCRIPTION

This Agreement shall be for "

"REQUEST FOR PROPOSAL (RFP) FOR THE APPOINTMENT OF NOT MORE THAN 2 SERVICE PROVIDERS FOR MAINTENANCE, SERVICING, PUMPING, CLEANING AND JETTING OF SEPTIC TANKS AND MLPS TANKS FOR THIRTY-SIX (36) MONTHS IN THE WESTERN CAPE REGION".

", in accordance with the requirements of this Contract ("**Services**").

3 APPOINTMENT

3.1 PRASA appoints the Service Provider to perform the Services and the Service Provider accepts the appointment on the terms and conditions set out in this Contract .

3.2 The Service Provider agrees to perform the Services.

3.3 The Service Provider shall under no circumstances be entitled to sub contract the Services unless the Service Provider has received written permission from PRASA to do so.

3.4 The Service Provider shall, at its own risk and expense, provide the Personnel, equipment, tools, materials and consumables required to execute the Services.

3.5 The Service Provider shall be responsible for the quality and quantity of all workmanship provided in terms of this Agreement and warrants that all workmanship shall be of good quality in line with general and acceptable principles of good workmanship and practice.

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

4 CONTRACT TERM

4.1 Notwithstanding the date of signature of this agreement, this contract shall be deemed to have commenced on the **[INSERT COMMENCEMENT START AND END DATE]** and shall continue for a period of **[INSERT NUMBER OF MONTHS].**

4.2 This Contract may, at the sole discretion of PRASA, be renewed on the same terms and conditions, subject to any agreed variation in the amount payable for the Services to be performed. PRASA may terminate this contract by giving no less than one month written notice of such termination. Any renewal of this Agreement shall be in writing and always subject to PRASA SCM policies.

4.3 Nothing in clause 4.2 of this Agreement shall give any right or expectation that this Contract will be renewed, nor places any obligation on PRASA to renew the Contract.

5 FIXED CONTRACT PRICE & INVOICING

5.1. The Contract is for the fixed amount of **[INSERT FULL AMOUNT IN RANDS] paid in accordance with the payment schedule attached hereto as Annexure C,** and shall not varied without following PRASA supply chain management processes. The amount **of [INSERT FULL AMOUNT IN RANDS] is inclusive of VAT.**

5.2. Labour salary increment, shall be increased/adjusted in accordance with the approved labour-gazetted rate where applicable.

5.3. The Contract value shall only be varied if PRASA has requested a variation of scope having fully complied with the supply chain management process. Any variation that does not fully comply with the supply chain management policy and process shall be invalid.

5.4. It is incumbent upon the Service Provider to ensure that the supply management process outlined in clause 5.3has been complied with before the Service Provider effect any variation of scope of work. The Service Provider must demand proof of the process outlined in clause 5.3before effecting any instruction to vary the scope of the work.

5.5. The Service Provider shall issue to PRASA invoices in accordance to payment schedule in Annexure C attached hereto and the invoices shall:

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

5.5.1. Indicate the VAT number of the Service Provider;

5.5.2. Indicate the full details of the Service Provider and bank account;

5.5.3. Be a valid tax invoice in accordance with the requirements of the South African Revenue Services; and

5.5.4. Indicate the vendor number provided to the Service Provider by PRASA.

6 EQUIPMENT WATER, TELEPHONE AND ELECTRICITY.

6.1 The Service Provider shall equip each member of its Personnel with all the equipment and training that is necessary for efficiently providing the Services.

6.2 The Service Provider is required to supply, store (on the relevant site only if such storage is available) and safeguard all material and equipment required for the Services it will perform in terms of the Contract.

6.3 The Service Provider may use water and electricity required for the work at no charge, from the existing supply points on the relevant site, if and where available but may not utilise telephones of PRASA. PRASA is under no circumstances obliged to provide such services if they are not already available on its property.

7 LIMITATION OF LIABILITY

7.1 The Service Provider shall be liable for all the acts and omissions of its employees in execution of the work and any other obligations of the Service Provider in terms of this Contract.

7.2 The Service Provider hereby indemnifies and holds PRASA harmless from:

7.2.1.1 Any liability in respect of damage to property whether movable or immovable,

7.2.2 Any liability in respect of the loss of any property belonging to the Service Provider or a third party,

7.2.3 Any liability in respect of death, unlawful arrest, injury illness or disease of any personnel of the Service Provider; and

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

7.2.4 Any legal expenses or expenditure reasonably incurred by PRASA in connection with any claims or actions emanating from any cause attributable or connected to the Services performed by the Service Provider in terms of this Contract.

7.3 Clause 7.2 only applies where the damage or loss, liability or legal expense as the case may be is caused by any act or omission by the Service Provider its employees or its agents notwithstanding the nature of the relationship between the Service Provider and its Personnel, the Service Provider hereby assumes vicarious liability for the actions of such persons as if such persons were employees of the Service Provider.

8 UNDERTAKINGS AND WARRANTIES

Further to the warranties and guarantees given elsewhere in this Contract;

8.1 The warranties in this Contract are given as at the Commencement Date,

8.2 Each warranty shall also be seen as an undertaking which shall continue to remain in force for the duration of this Contract,

8.3 Where appropriate the warranties are representations and undertakings in favour of PRASA,

8.4 Each of the warranties shall be qualified to the extent that the Service Provider has made written disclosure against any warranty at the time of submitting the tender,

8.5 The Service Provider warrants that:

8.5.1 All members of its Personnel shall have the qualifications and experience which could reasonably be expected of a person performing the duties assigned to that person and warrants that all such persons will be competent to perform the duties assigned to them in a professional manner;

8.5.2 The information submitted by it in its tender for the Services is true and correct and that such information will form part of this Agreement.

8.5.3 It complies with all the relevant legislation applicable to it in the form of statutes, ordinances, bylaws, regulations or otherwise in force from time to time, which apply in relation to its employees;

8.5.4 It complies with all laws, regulations ordinances, by laws in force from time to time which apply to the type of manner in which it conducts the Services;

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

8.5.5 It conducts its tax affairs in an orderly and lawful manner and complies with all laws and directives relating to its tax situation; the Service Provider grants PRASA the right to approach SARS should the need arise to do so.

8.5.6 It complies with its commitment in terms of black economic empowerment and development programme.

8.5.7 Any breach of the above warranties, or any failure to observe the undertakings given shall amount to a material breach for the purposes of this Contract.

8.5.8 The Service Provider furthermore warrants that all its employees are paid in accordance with the gazetted rate applicable to the cleaning industry. The Service Provider is to supply PRASA with quarterly reports confirming compliance with the same. Should a need arise, PRASA might conduct a sampling test to satisfy itself that Service Provider r indeed complies. Should the Service Provider be found not in compliance with the undertaking to pay in accordance with the gazetted rates, PRASA may impose a penalty of 5% of the monthly contract value.

9 PUBLIC LIABILITY INSURANCE

9.1 On or before the signature of this Agreement, the Service Provider shall take out a Public Liability Insurance Policy with a compensation limit of not less than **[INSERT PUBLIC LIABILITY INSURANCE AMOUNT IN RANDS]**.

9.2 The Service Provider shall, within 7 days after the effective date, provide the PRASA with a copy of the policy referred to in clause 9.1.

9.3 The Service Provider shall ensure that the insurance policy referred to in this clause 9.1 remains in full force and effect for the duration of this Agreement and may not be cancelled or terminated without the prior written consent of PRASA.

9.4 the Service Provider shall:

9.4.1 pay the premiums of the policy promptly on the due dates;

9.4.2 submit proof of payment to PRASA if requested to do so, and

9.4.3 not do or cause to be done any act or omission that may affect the validity of the policy or cause cancellation.

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

9.5 Should the Service Provider submit a claim under the policy, it shall be responsible for payment of all access payments and or other costs claimed by the Service Provider.

10 OBLIGATIONS OF THE SERVICE PROVIDER

Without derogating from the remaining obligations of the Service Provider as set out in this Agreement, the Service Provider shall:

10.1 Manage and co-ordinate the day to day activities of its employees;

10.2 upon reasonable request furnish PRASA with employment criteria and any other documentation relating to its employees;

10.3 develop a formal procedure aimed at ensuring the efficient conduct of all day to day activities necessary for the successful rendering of the Services;

10.4 in addition to all the items listed under "Specifications" in the RFQ, at its cost supply all soaps, detergents, polish etc., required to fulfil the contract;

10.5 ensure that its employees exercise the utmost degree of good faith, skill and care in all matters relating to the Services;

10.6 furnish its employees with uniform and employee identification cards, which shall be worn by the Personnel at all times whilst on duty;

10.7 in the event of any of its employees allocated to be at the Site not being available to render the Services in terms of this Agreement, provide a competent replacement for such a person within one (1) hour after being informed by PRASA of that person's non availability. The Service Provider shall ensure that the rendering of the Services is not compromised by any of the circumstances contemplated in this clause;

10.8 ensure that all its duties are performed in accordance with the Occupational Health and Safety Act, 1993 (Act no. 85 of 1993) and adhere to all safety rules and regulations as laid down by the Department of Labour;

10.9 any defect or problem identified on the Site shall immediately be reported to PRASA's Representative and If the Service Provider fails to deliver any or all of the goods or to perform the Services as required in the Contract, PRASA shall, without prejudice to any rights/ remedies under the Contract, deduct from the Contract price, as a penalty, a sum calculated on the delivered price of unperformed Services for each day of the occurrence of the failure of performance or apply credit note. PRASA may also consider termination of the

Contract pursuant to General Condition of the Contract or penalties may also be imposed in cases of breach of confidentiality as envisaged in this Contract;

10.10 all areas referred to in this agreement shall be inspected by the Service Provider's "Person in Charge" on a weekly basis and the said "Person in Charge" shall immediately thereafter submit a written report to PRASA;

10.11 The frequency of the cleaning of different areas shall be set out as per RFQ specification.

11 OBLIGATIONS OF PRASA

PRASA shall:-

11.1 upon receipt of the invoice and statement on time, PRASA shall make payment of all amounts due and payable to the Service Provider after been verified by PRASA representative working along with the Service Provider;

11.2 Make storage space available to the Service Provider where such storage facility is available on site. Where no facility is available PRASA is under no obligation to make such facility is available.

12 DISPUTES

12.1 If any dispute arises out of or in connection with this Agreement, or related thereto, whether directly or indirectly, the Parties must refer the dispute for resolution firstly by way of negotiation and in the event of that failing, by way of arbitration. The reference to negotiation is a precondition to the Parties having the dispute resolved by arbitration.

12.2 Within ten Business Days following notification by one Party to the other of a dispute, the Parties shall seek an amicable resolution to such dispute by referring such dispute to designated representatives of each of the Parties for their negotiation and resolution of the dispute. The representatives shall be authorised to resolve the dispute.

12.3 In the event of the negotiation between the designated representatives not resulting in an agreement signed by the Parties resolving the matter within 15 Business Days, the Parties must refer the dispute for resolution by way of arbitration in accordance with the rules of the Arbitration Foundation of Southern Africa (AFSA).

12.4 The period for negotiation may be shortened or lengthened by written agreement between the Parties.

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

12.5 Each Party agrees that the arbitration will be held as an expedited arbitration in Sandton in accordance with the then current rules for expedited arbitration of AFSA by one arbitrator appointed by agreement between the Parties, including any appeal against the arbitrator's decision. If the Parties cannot agree on the arbitrator or appeal arbitrators within a period of ten Business Days after the referral of the dispute to arbitration, the arbitrator and the appeal arbitrators shall be appointed by the Secretariat of AFSA.

12.6 The provisions of this clause 12 shall not preclude any Party from access to an appropriate court of law for interim relief in respect of urgent matters by way of an interdict, or mandamus pending finalisation of this dispute resolution process.

12.7 This clause 12 is a separate, divisible agreement from the rest of this Agreement and shall remain in effect even if this Agreement terminates, is nullified or cancelled for whatsoever reason or cause.

13 BREACH OF AGREEMENT

13.1 Should either Party commit a breach of any term of this Agreement or fail to comply with the true intent, meaning and spirit thereof, then and in such event the affected Party shall be entitled to instruct the other in writing to remedy such failure or default within 7 (seven) days of written notice thereof and should such Party fall to comply with the instructions within the time prescribed therein then the so affected Party shall be entitled in its sole discretion and without prejudice to any of its rights under this Agreement or other remedy for breach of Contract -

13.1.1 To terminate this Agreement forthwith and claim damages, which shall include legal costs on an own attorney/client basis; or

13.1.2 To request specific performance and claim damages, which shall include legal costs on an own attorney/client basis.

13.2 Despite the provisions of paragraph 13.1 above, in the event that any breach of the provisions of this Contract poses any immediate threat or damage to person or property, the other party shall be entitled to cancel this contract with 48 hours' notice to the defaulting party.

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

14 JURISDICTION

The Parties consent to the non-exclusive jurisdiction of the high court notwithstanding the quantum of any claim or dispute.

15 CONFIDENTIALITY

15.1 Both Parties acknowledge that the details of this Agreement and any communication between the Parties arising out of or in connection with this Agreement are strictly confidential and shall not be disclosed to any third party (whether before or after the termination date of this Agreement) without the prior written approval of the other Party, who shall have the right to grant or refuse such consent in Its absolute discretion.

15.2 The Service Provider must ensure that its own personnel are well trained and informed with regard to confidentiality undertaking while working in the premises of PRASA, where the Service Provider's personnel has disclosed any confidential information of PRASA to the public without authority from PRASA and such information has caused a loss or damaged PRASA negatively, such loss if financially will be transferred to the Service Provider's cost should any loss occur in respect of the image/goodwill of PRASA, it will be within the rights of PRASA whether to apply clause13 (breach of agreement) or apply a penalty deductible from any amount due to the Service Provider.

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

16 VARIATIONS

16.1 PRASA has the right to propose Variations to the Services in accordance with this clause 16.

16.2 If PRASA requires a Variation to the Scope of Services it must serve a notice in writing to the Service Provider detailing the requested Variation ("**Variation Proposal**").

16.3 The Variation Proposal must set out the Variation required in sufficient detail as to enable the Service Provider to calculate the cost of the Variation Proposal;

16.4 As soon as practicable and in any event within 5 (five) Business Days after having received the Variation Proposal, the Service Provider shall deliver to PRASA:

16.4.1 the estimated costs of the Variation Proposal; and
16.4.2 the impact of the Variation Proposal on the Project timelines.

16.5 As soon as practicable and in any event within 5 (five) Business Days after receiving the information from the Service Provider regarding the impact of the Variation Proposal on the Project timelines and the costs, PRASA shall:

16.5.1 confirm its intention in writing to proceed with the Variation Proposal and enter into any documents to amend Refurbishment Plan as is necessary to give effect to the Variation Proposal; or
withdraw the Variation Proposal.

17 FORCE MAJEURE

17.1 Notwithstanding anything to the contrary herein contained, should either of the Parties be prevented from fulfilling in whole or in part its obligations in terms of this Agreement, whether such prevention arises from, an Act of God, war, civil commotion, strikes, lockouts, revolutions, fires, explosions, floods, political disturbances, acts of any Governmental or local authority, or any other cause whatsoever over which that Party has no reasonable control ("force majeure"),such Party shall be exempted from liability to the extent and for the period it is thereby prevented from fulfilling Its obligations. The Party so prevented from fulfilling its obligations hereunder shall immediately notify the other to that effect in writing, giving a full and complete explanation of the circumstances responsible for such failure or occurrence as well as the estimated duration thereof and, if applicable, the action(s) such Party is taking or proposes to take to remove the said circumstances with the least possible delay as well as the action(s) to be taken to prevent future recurrences.

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

17.2 Should the Service Provider, due to force majeure, not be able to supply the Services, then PRASA shall be entitled -

17.2.1 To a reduction of the Contract Price on a pro rata basis; and

17.2.2 To appoint any other person to execute the Services until such time that the Service Provider is able to render the Services.

17.3 Should such occurrence continue for a period of thirty (30) days or longer, either Party may terminate this Agreement, unless the Parties agree to continue on such new terms and conditions acceptable to both Parties.

18 CESSION

18.1 [**INSERT NAME OF SERVICE PROVIDER**] shall not cede, assign, sublet or make over this Agreement or any part thereof or any of its rights, benefits, duties or obligations hereunder to any other person without the written consent of PRASA, which consent shall not unreasonably be withheld or delayed.

19 INDEMNIFICATION

19.1 The Service Provider irrevocably and unconditionally indemnifies and holds PRASA free and harmless against all actions, suits, demands, claims, costs or expenses, whatsoever, arising directly, indirectly or consequently out of any act or omission of the Service Provider in terms of this Agreement.

19.2 Notwithstanding anything to the contrary contained in this clause 19, the Service Provider shall not be liable for PRASA's, or PRASA's tenants' loss of profits, loss of use, loss of production, loss of contracts, loss of custom or goodwill or for any specific, indirect or consequential damages howsoever arising.

20 INSOLVENCY

20.1 Should an application be made for the surrender or sequestration of a Party's estate, or should an order be issued, whether provisional or final, for the sequestration of a Party's estate, or should a Party enter into or propose any deed of assignment to any of its creditors for settlement of its debts, or if execution Is issued against a Party by virtue of any Judgement, or if a Party commits any act of insolvency, or, being a legal entity, is placed under Judicial management, or commences to be wound up in a liquidation that is not merely a voluntary liquidation for the purpose of reconstruction, then the other Party may, without prejudice to any of its rights in terms of this Agreement or common law, forthwith terminate this Agreement.

Initials 1 PRASA: .....

Initials 2 SERVICE PROVIDER: .....

21 GENERAL

21.1 This Contract (as defined), including all attached annexures, constitutes the sole record of the Agreement between the parties in regard to the subject matter of this Agreement.

21.2 No Party shall be bound by any express or implied term, representation, warranty, promise or the like, not recorded herein.

21.3 No addition to, variation or consensual cancellation of this Agreement shall be of any force or effect unless in writing and signed by or on behalf of all the Parties.

21.4 No indulgence which any of the Parties (the grantor) may grant to any other or others of them (the grantee(s)) shall constitute a waiver of any of the rights of the grantor, who shall not thereby be precluded from exercising any rights against the grantee(s) which might have arisen in the past or which might arise in the future.

21.5 The Parties undertake at all times to do such things, to perform all such acts and to take all such steps and to procure the doing of all such things, the performance of all such action and the taking of all such steps as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms, conditions and import of this Agreement.

21.6 If for any reason any clause in this Contract becomes void or unenforceable it shall be severable from the remainder of this Contract which shall remain in full force and effect

21.7 This Contract shall for all purposes, be construed in accordance with the laws of the Republic of South Africa.

22 DOMICILIUM CITANDI ET EXECUTANDI

22.1 The parties hereto choose *domicilia citandi et executandi* the following physical addresses, and for purposes of giving of or sending any notice provided for or required under this Agreement:

PRASA:

PHYSICAL ADDRESS: [INSERT FULL ADDRESS OF RELEVANT PRASA REGION]

FOR ATTENTION: [INSERT NAME / REPRESENTATIVE]

[INSERT NAME OF SERVICE PROVIDER]

PHYSICAL ADDRESS: [INSERT FULL ADDRESS OF Service Provider]

TEL:

FOR ATTENTION: [INSERT NAME / REPRESENTATIVE]

22.2 Either party hereto shall be entitled to change its *domicilium* from time to time, provided that any *domicilium* selected by it shall be situated in the Republic of South Africa, shall be an address other than a box number and any such change shall only be effective upon receipt of notice in writing by the other party of such change.

22.3 A notice sent by one party to another party shall be deemed to be received:

21.3.1 on the same day, if delivered by hand;

21.3.2 on the same day, if sent by telefax, (provided the original is immediately posted by prepaid registered mail) or cablegram;

21.3.3 on the seventh day after posting, if sent by prepaid registered mail.

27 SIGNATURE

27.1 SIGNED by PRASA at _____ on this ___day of_____2026 in the presence of the undersigned witnesses;

....

(Name) (Signature)

Witnesses:

1 ....

(Name) (Signature)

2 ....

(Name) (Signature)

Who warrants that he is duly authorised

27.2 SIGNED by Service Provider _____at _____ on this ____day of_____2026 in the presence of the undersigned witnesses

....

(Name) (Signature)

Witnesses:

1 ....

(Name) (Signature)

2 ....

(Name) (Signature)

Who warrants that he is duly authorised.