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STANDARD TERMS AND CONDITIONS AGREEMENT

1. DEFINITIONS

Unless otherwise expressly stated, or the context otherwise requires, the words and expressions listed below shall, when used in these Terms and Conditions, including this definitions clause, bear the meanings ascribed to them:

- 1.1 "Mosela Rating Agency" (MRA) means Mosela Rating Agency (Proprietary) Limited (Registration Number: 2007/029757/07)
1.2 "Parties" means Mosela Rating Agency and/or the Rated Entity as the context requires;
1.3 "Measured Entity" means the entity applying for rating being

Company Registration Number: _____

Physical Address: _____

- 1.4 "Services Contract" means these Terms and Conditions, together with any documents or other terms applicable to the Service.
1.5 "Services" means the rating services to be provided by Mosela Rating Agency;
1.6 "Terms and Conditions" means these standard terms and conditions of MRA.
1.7 Analyst: Collectively or individually, persons who are involved in measuring the measured entity on behalf of MRA.

2. DELIVERY OF SERVICES

MRA shall provide the requested service of Broad-Based Black Economic Empowerment (B-BBEE) Verification as requested by the client.

3. PAYMENT

Clients shall pay 50% of the quoted price on acceptance of the quotation and the balance of 50% plus the projected travel and accommodation costs if any before the on-site visit verification takes place.

All monies shall be deposited directly in the following bank account held by Mosela Rating Agency:

Account Name: Mosela Rating Agency (Pty) Ltd
Bank: Standard Bank
Account Number: 060719443
Branch Code: 011245

4. CONFIDENTIALITY

- 4.1 Mosela Rating Agency may acquire sensitive information concerning the Rated Entity's business or affairs in the course of delivering the Services. In relation to confidential information, Mosela Rating Agency shall comply with the appropriate confidentiality standards and will sign a separate confidentiality agreement should the Rated Entity so require. Information about the client shall not be disclosed to a third party, e.g. a complainant, the client's supplier, etc, without the written consent of the client. This clause shall not apply where confidential information is made public i.e. the B-BBEE Verification Report (Scorecard) and the B-BBEE Verification Certificate or where Mosela Rating Agency may be required to disclose it to SANAS and the dti for the purpose of accreditation or if a complaint is brought forward is being investigated, its insurers, legal advisers or is placed under a legal duty to disclose.
4.2 The Rated Entity agrees to keep confidential all methodologies, technology, processes, know-how and other models or skills used by Mosela Rating Agency to carry out the Services.

4.3 The confidential information shall include methods, processes, computer software, documentation, client's lists, programs, trade secrets, technical information, financial information, or any other information which could be damaging to either parties.

5. PRESENTATION OF FINDINGS

- 5.1 Prior to completion of the Services, **Mosela Rating Agency** may supply oral, draft or interim reports (scorecard). In such circumstances, its final written report shall take precedence.
- 5.2 **Mosela Rating Agency** shall not be under any obligation in any circumstances to update any BEE verification report, for events occurring after the BEE verification report has been issued in final form. The Rated Entity may re-apply for rating should it wish to highlight changes to the application and underlying information.
- 5.3 Clause 5.2 falls away if the Rated Entity requests a re-rating based on the most recent updates of codes. This only applies at no cost to the Rated Entity, if the Rating is in its validity period, and no new information is accepted.
- 5.4 The rating will be valid for a 12 months period, after which period, the Rated Entity will be advised of its expiration. The Rated Entity can appoint **Mosela Rating Agency** to re-rate the entity as part of a separate agreement at that time. Should the Rated Entity wish to update their rating at any time during the validity of the report, this will be charged at an hourly rate, based on the time taken to update the report.
- 5.5 Any opinion, statement of expectation, forecast or recommendation supplied by **Mosela Rating Agency** as part of the services shall not amount to any form of guarantee that **Mosela Rating Agency** has determined or predicted future events or circumstances.
- 5.6 Any product of the services, excluding verification certificate and verification report, released to the client in any form or medium shall be supplied by MRA on the basis that it is for the client's benefit and information only, that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent.
- 5.7 The client consents MRA to send a copy of the B-BBEE verification report (scorecard) and B-BBEE verification certificate to **the dti**, only the B-BBEE verification certificate will be published on **the dti's** BEE website.
- 5.8 The client also consents MRA to send a copy of the B-BBEE verification certificate to ABVA for publication on their website.
- 5.9 The client consents MRA to conduct the initial assessment at the client's premises and also to provide its client file which has been verified to SANAS for the purpose of accreditation of MRA.

6. OWNERSHIP OF COPYRIGHT AND OTHER PROPERTY RIGHTS

- 6.1 **Mosela Rating Agency** shall retain ownership of the copyright and all other intellectual property rights produced during the verification process, whether oral or tangible, and also the ownership of its working papers. For the purposes of delivering Services to the Rated Entity or other clients, **Mosela Rating Agency** shall be entitled to use or develop knowledge, experience and skills of general application gained through performing the Services.
- 6.2 The client shall not make or use misleading statements regarding its B-BBEE score, shall not use the B-BBEE verification certificate or part thereof in a misleading manner and shall not reproduce or change any of MRA's documentation, the verification report or certificate, or part thereof, in any way. Non-compliance will result in MRA taking the appropriate legal actions to deal with such misuse and misrepresentation.

7. CLIENTS RESPONSIBILITIES

The client shall retain responsibility and will be accountable for the following:

- 7.1 Any representations made by the client to third parties including published information;
- 7.2 The maintenance of the accounting records and the preparation of the annual financial statements;
- 7.3 The submission of a claimed B-BBEE status;
- 7.4 The record keeping of information substantiating the claimed B-BBEE status;
- 7.5 All required valuation(s) of the measured entity(s) and their relevant associated enterprise(s)

7.6 To conform to verification requirements and make all necessary arrangements for the conduct of the B-BBEE verification evaluation, including provision for examining documentation and access to all areas, records and personnel for the purposes of verification and resolution of complaints.

8. SPECIAL EVALUATION

If MRA accepts a special evaluation of the measured entity, the measured entity shall have to go through the same verification process but at a short notice in terms of documents required to enable MRA perform its duties and if the special evaluation is not based on the complaint or appeal, the wording **special evaluation** shall be included on the B-BBEE verification report and certificate.

9. INFORMATION

9.1 To enable **Mosela Rating Agency** to perform the Services, the Rated Entity shall use, procure and supply promptly all information and assistance and all access to documentation in its possession, custody or under its control and/or personnel under its control, where reasonably required by **Mosela Rating Agency**. The Rated Entity shall inform **Mosela Rating Agency** of any information or developments which may come to its notice and which reasonably be expected to have a bearing on the Services.

9.2 **Mosela Rating Agency** may rely on any instructions or requests made or notices given or information supplied, whether orally or in writing, by any person whom **Mosela Rating Agency** knows to be or reasonably believes to be authorized by the Rated Entity to communicate with **Mosela Rating Agency** for such purposes.

9.3 **Mosela Rating Agency** may communicate with the Rated Entity by electronic mail where an authorized person of the Rated Entity requests **Mosela Rating Agency** to do so, on the basis that in consenting to this method of communication, the Rated Entity accepts the inherent risks (including the security risks of interception of, or unauthorized access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). However, **Mosela Rating Agency** shall use its best endeavour to prevent the said risk from happening.

9.4 **Mosela Rating Agency** may receive information from the Rated Entity or from other sources in the course of delivering the services and shall:

9.4.1 Be entitled to establish the consistency, quality and reliability of information received by it;

9.4.2 Not be liable to the Rated Entity for any loss or damage suffered by rated entity arising from fraud, misrepresentation, withholding of information material to the Services or other default relating to such material information, whether on the Rated Entity's part or that of the other information sources.

9.4.3 Not be responsible for loss or damage arising as a result of information material to the review being withheld or concealed from MRA, or wrongly represented to it.

10. KNOWLEDGE AND CONFLICTS

10.1 The analyst shall not be required, expected or deemed to have knowledge of any information known to colleagues, which is not known to them personally or be required to obtain such information from them.

10.2 The engagement team shall not be required to make use of or to disclose to the client any information, whether known to them personally or known to colleagues, which is confidential to another client.

11. THE SERVICES CONTRACT

11.1 The Services Contract constitutes the sole record of the agreement between the Parties with regard to the subject matter thereof. No party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein.

11.2 No addition to, variation of, or agreed cancellation of, the Services Contract shall be of any force or effect unless in writing and signed by or on behalf of the parties.

11.3 In case of any inconsistency between the engagement letter and any other elements of the services contract, the services contract shall prevail.

12. THIRD PARTY RIGHTS

The Services Contract shall not create nor give rise to, nor shall it be intended to create or give rise to, any third party rights.

13. CIRCUMSTANCES BEYOND EITHER PARTY'S CONTROL

Neither party shall be in breach of its contractual obligations nor shall it incur any liability to the other if either party is unable to comply with the Services Contract as a result of any cause beyond its reasonable control. In the event of such occurrence the parties shall be obliged as soon as reasonably practicable to notify each other, and shall have the option of suspending or terminating the operation of the Services Contract upon written notice to that effect.

14. WAIVER, ASSIGNMENT AND SUB-CONTRACTORS

- 14.1 No relaxation or indulgence which any party may grant to any other shall constitute a waiver of the rights of that party and shall not preclude that party from exercising any rights which may have arisen in the past or which might arise in future.
- 14.2 Neither Party shall have the right to assign the benefit or burden of the Services Contract without the written consent of the other Party.
- 14.3 **Mosela Rating Agency** shall have the right to appoint sub-contractors to assist it in delivering the Services and such appointment shall be subject to the reasonable requirements of the Rated Entity.

15. EXCLUSIONS AND LIMITATIONS ON OUR LIABILITY

- 15.1 The maximum liability of **Mosela Rating Agency** or any individual director or employee, as the case may be, of the company or of anybody or entity controlled or owned by or associated with **Mosela Rating Agency** in respect of direct economic loss or damage suffered by the Rated Entity or by other beneficiaries arising out of or in connection with the Services, shall be limited to the fees charged and paid for these Services. The maximum liability shall be an aggregate liability for all claims arising, whether by contract, delict, negligence or otherwise.
- 15.2 **Mosela Rating Agency's** liability to the Rated Entity in contract or delict or under statute or otherwise, for any indirect or consequential economic loss or damage (including loss of profits) suffered by the Rated Entity (or by any such other party) arising from or in connection with the Services, however the indirect or consequential economic loss or damage is caused, including its negligence but excluding its willful default, shall be excluded, to the extent that such limitation is permitted by law.
- 15.3 The Rated Entity and other beneficiaries shall not bring any claim personally against any individual, shareholder, director or agent as the case may be, of **Mosela Rating Agency** in respect of loss or damage suffered by the Rated Entity or by other beneficiaries arising out of or in connection with the Services. This restriction shall not operate to limit or exclude the liability of as a company for the acts or omissions of its shareholders, directors, employees and agents. Any claim from the Rated Entity or other beneficiaries must be made within two years of the date on which the Rated Entity or the beneficiaries became aware, or ought reasonably to have become aware, of circumstances giving rise to claim or potential claim against **Mosela Rating Agency**.

16. THIRD PARTIES

- 16.1 The Rated Entity hereby indemnifies **Mosela Rating Agency** and holds it harmless against any loss, damage, expense or liability incurred by it or **Mosela Rating Agency** as result of, arising from or in connection with a combination of the following two circumstances:
- 16.1.1 any breach by the Rated Entity of its obligations under the Services Contract
- 16.1.2 any claim made or threatened by a third party or any other beneficiaries which results from or arises from or is connected with any such breach.

17. EMPLOYEES OF MOSELA RATING AGENCY

The Rated Entity agrees not to make any offer of employment or to employ any member of MRA's staff within 12 months from the completion date of the services rendered.

18. SEVERABILITY

Each clause or term of the Services Contract constitutes a separate and independent provision. If any of the provisions of the Services Contract are held by any court or authority of competent jurisdiction to be void or unenforceable, the remaining provisions shall continue in full force and effect.

19. TERMINATION

Either Party may terminate the Services Contract or suspend its operation by due notice in writing to the other at any time, which notice shall not be less than 7 (seven) days. Termination or suspension under this clause shall be without prejudice to any rights that may have accrued for either of the Parties before termination or suspension and all sums due to **Mosela Rating Agency** shall become payable in full when termination or suspension takes effect. **Mosela Rating Agency** will be entitled to raise a fee note upon receipt of such notification for an amount adequate to cover all work done to date and not yet billed including disbursements incurred.

20. USE OF LOGO

- 20.1 The Rated Entity agrees that they do not have the right to use Mosela Rating Agency's logo, and trademark, including without limitation, use of same in any reference, proposal, project, document, study, compilation, article, publication, communication, assignment or otherwise, without written permission from **Mosela Rating Agency**. The request for permission can be sent to the Marketing Department of **Mosela Rating Agency**, who shall consent in writing, including a copy of the logo if required.
- 20.2 Any reference to **Mosela Rating Agency's** name in relation to the rating status of the Rated entity shall be accompanied by the final rating score received, not in isolation. This is meant to avoid ambiguity regarding the rating status of the Rated Entity.

21. WITHDRAWAL OF THE B-BBEE VERIFICATION CERTIFICATE

- 21.1 **Mosela Rating Agency** reserves the right to withdraw the B-BBEE verification certificate and the report (scorecard) as a result from:
- 21.2 MRA conducts internal audits on the client files from time to time to ensure that the granting of the BEE score to the measured entity and all procedures are consistent with the policies and procedures as required and if an error was made in granting of the BEE score, the B-BBEE certificate issued will be withdrawn and re-evaluation will be conducted in the areas where errors are found to have been made at no cost.
- 21.3 Failure of the measured entity to comply with the Standard Terms and Conditions Agreement (this entire Agreement) for the use of the B-BBEE verification certificate (Certificate can not be returned to the measured entity).
- 21.4 If it is found that the information that was given to **Mosela Rating Agency** is false and intentionally provided (Certificate cannot be returned to measured entity).
- 21.5 Use of **Mosela Rating Agency's** logo or trademark as per clause 19 above without permission or wrongful use.
- 21.6 The measured entity shall immediately cease to supply/provide the withdrawn B-BBEE verification certificate to its clients and shall inform all its clients with the B-BBEE certificate in question not to use it as it is been withdrawn.
- 21.7 Once the B-BBEE verification certificate has been withdrawn, **Mosela Rating Agency** will remove it from its website and inform both ABVA and **the dti** in writing to remove it from there website.
- 21.8 MRA does not refund any fee or part thereof to the measured entity whose B-BBEE verification certificate has been withdrawn.

22. WITHDRAWAL OF THE B-BBEE VERIFICATION PROCESS

- 22.1 **Mosela Rating Agency** reserves the right to withdraw from the B-BBEE verification process without refunding the measured entity as a result from:
- 22.1.1 Attempts by the measured entity to bribe the BEE Verification Analyst/s.
- 22.1.2 Intimidations by the measured entity to achieve the BEE score desired.
- 22.2 MRA does not refund any fee or part thereof to the measured entity whose B-BBEE verification process has been withdrawn or where the measured entity stops the verification process during information gathering or audit process on-site.

23. COMPLAINTS AND APPEALS

- 23.1 Complaints and Appeals shall be handled as per the procedures available on our website – www.moselaratings.co.za under the Complaints and Appeals section.

24. PRICING

The costs of providing the Services shall be R _____ exclusive of Value Added Tax and traveling expenses for site visits more than 50km (return) from the **Mosela Rating Agency's** offices. The costs are subject to the Rated Entity providing full and timely access to all available information.

25. NOTICES AND LEGAL PROCESS

25.1 Each Party chooses as its address for all purposes under the Services ("chosen address"), whether for serving any court process or documents, giving any notice, or making any other communications of whatsoever nature and for any other purpose arising from the Services Contract ("notice"), as follows:

Mosela Rating Agency: Postnet Suite 424
Private Bag X15
Menlo Park
0102

Company Name: _____

25.2 Any notice required or permitted under the Services Contract shall be valid and effective only if in writing.

25.3 Any Party may by notice to the other Party change its chosen address to another physical address in the Republic of South Africa and such change shall take effect on the seventh day after the date of receipt by the Party who last receives the notice.

25.4 Any notice to a Party contained in a correctly addressed envelope and delivered by hand to a responsible person during ordinary business hours at its chosen address, shall be deemed to have been received on the date of delivery.

25.5 Notwithstanding anything to the contrary herein, a written notice actually received by a Party, including a notice sent by telefax, shall be an adequate notice to it notwithstanding that it was not sent or delivered to its chosen address.

THIS DONE AND SIGNED AT _____ **ON THIS** _____ **DAY OF** _____ **201** _____ .

FOR AND ON BEHALF OF:

(MEASURED ENTITY)

BY NAMES:

WHO WARRANTS HIS AUTHORITY HERETO (SIGNATURE)

THIS DONE AND SIGNED AT _____ **ON THIS** _____ **DAY OF** _____ **201** _____ .

FOR AND ON BEHALF OF:

_____ **MOSELA RATING AGENCY (PTY) LTD** _____
(RATING AGENCY)

BY NAMES:

WHO WARRANTS HIS AUTHORITY HERETO (SIGNATURE)