

George Municipaliteit



Roux Kruger & Haycock Inc

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U Verw:

Datum: 20 April 2005

Geagte Meneer

KINGSWOOD GOLF ESTATE (EDMS) BPK / GEORGE MUNISIPALITEIT : DIENSTE OOREENKOMS

Met verwysing na bogemelde vind hierby aangeheg 'n afskrif van die getekende Dienste-Ooreenkoms wat nou ontvang is vanaf Mnrre Millers Ing. Gemelde dokument is op 29 Maart 2005 deur die munisipaliteit te George onderteken.

Die uwe
Roux Kruger & Haycock Ing - George

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20 APR 2005

Per: FANIE ROUX

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AG	HS	X
OS	TILE	PLANT-OR
JMP		

Roux Kruger & Haycock Ing

Reg no: 2003/027020/21

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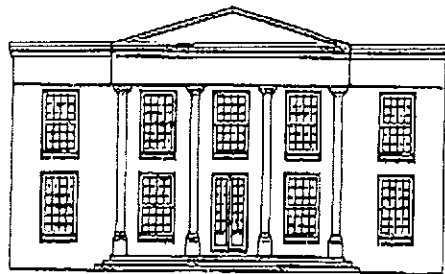
SERVICES AGREEMENT

Entered into and between

GEORGE MUNICIPALITY

and

KINGSWOOD GOLF ESTATE (PTY) LTD



Attorneys | **Millers** | Prokureurs

CONTENTS

	Page
1. INTERPRETATION	4
2. DEFINITIONS	4
3. GENERAL CONDITIONS	5
4. WATER SUPPLY	12
5. PRIVATE ROADS & STORM WATER DRAINAGE	14
6. SEWERAGE	15
7. ELECTRICAL SERVICES	16
8. PAYMENT OF AVAILABILITY CHARGES AND TARIFFS	17
9. TRANSFER OF ERVEN BY THE DEVELOPER	18
10. COMPLETION OF SERVICES AND GENERAL RESPONSIBILITY	18
11. MEDIATION AND ARBITRATION	19
12. BREACH OF AGREEMENT	20
13. DOMICILIA CITANDI ET EXECUTANDI	21
14. VARIATION	21
15. COSTS	22

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SERVICES AGREEMENT

This agreement relates to the provision of services of water, roads, refuse removal, sewerage and electricity to be made available by the parties hereto to a point or points, and as from the said point or points, as described in terms of this agreement, entered into and concluded between

GEORGE MUNICIPALITY

a municipal council constituted in term of Section 12
of the Local Government: Municipal Structures Act 117/1989
herein represented by

in his capacity as

who is duly authorised to sign this agreement
for and on behalf of the George Municipality
(the "Municipality")

AND :

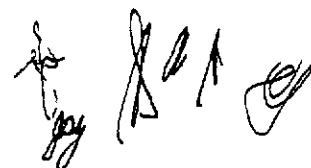
KINGSWOOD GOLF ESTATE (PTY) LTD

Registration number: 1988/004915/07
a private company with limited liability duly incorporated
in accordance with the Company Laws of the Republic of South Africa
represented herein by

ALBERTUS BERNARDUS LAKER

in his capacity as

Managing Director of Kingswood Golf Estate (Pty) Ltd
who warrants that he is duly authorised to sign this agreement
for and on behalf of Kingswood Golf Estate (Pty) Ltd
("Kingswood")



1. **INTERPRETATION**

- 1.1 In this Agreement words importing the singular shall include the plural and vice versa; the male gender shall include the female and neuter genders and vice versa and words importing persons shall include natural and legal persons.
- 1.2 The head notes to the paragraphs of this Agreement are inserted for reference purposes only and should not effect the interpretation of any of the provisions to which they may relate.
- 1.3 Reference to "the agreement" means this Agreement and all annexures thereto, which have been signed by the parties hereto for identification purposes.

2. **DEFINITIONS**

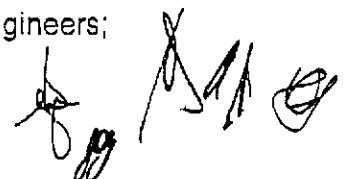
The words and expressions set out below shall for the purpose of this agreement have the meanings assigned opposite them below, unless the context clearly indicates otherwise.

"**Kingswood**" shall, for purposes of constructing and installing the municipal services, include the contractors, sub-contractors, their workmen, the consultants and other professionals appointed by Kingswood;

"**Bulk Contributions**" mean the bulk services contributions payable by Kingswood to the Municipality in terms of conditions of approval imposed by it under section 42 of the Land Use Planning Ordinance, 15 of 1985 in respect of the development;

"**City Engineer**" means the Director: Civil and Technical Services and, where applicable, the Director: Electrotechnical Services, of the Municipality, or the relevant Director's duly authorised representative;

"**Consultants**" mean Kantey & Templer (Pty) Ltd, the consulting engineers;



"Development" means the golf estate development known as Kingswood Golf Estate, George developed by Kingswood on the property described as erven 20848 and 20849 George;

"Municipality" means George Municipality;

"Municipal Services" mean the municipal engineering services including, but not limited to, private streets, storm water drainage, water reticulation, sewerage reticulation, electricity and the such.

"Kingswood" means Kingswood Golf Estate (Pty) Ltd;

"Parties" mean the Municipality and Kingswood.

3. GENERAL CONDITIONS

3.1 In accordance with the approval granted by the Municipality on 28 October 2003, it is recorded that approval was granted in terms of Section 25(1) of Ordinance 15 of 1985 for the subdivision of erven 20848 and 20849 George as indicated on the attached plan and conditions contained therein, and therefore for the development of Kingswood Golf Estate.

3.2 The zoning for the various portions will be as follows:

- (a) Portions 101 to 140, 146 to 231, 235 to 267, 269 to 295 and 307 to 381: Single Residential;
- (b) Portion 95: General Residential (Group housing) 12 units;
- (c) Portion 96: General Residential (Group housing) 6 units;
- (d) Portion 100: General Residential (Group housing) 20 units;
- (e) Portion 141: General Residential (Group housing) 23 units;
- (f) Portion 142: General Residential (Group housing) 8 units;
- (g) Portion 143: General Residential (Group housing) 12 units;

TS to SERVICE AGREEMENT - Municipality & Kingswood / Draft R - 20.05.04

- (h) Portion 145: General Residential (Group housing) 16 units;
- (i) Portions 88, 89, 90 and 91: Private Open Space (Golf course and related uses);
- (j) Portions 92, 93 and 94: Private Open Space;
- (k) Portions 97 and 98: Private Road;
- (l) Portions 144: General Residential;
- (m) Remainder Erf 20849: Subdivisional area;

3.3 The following pro rata contributions must be made by Kingswood to the Municipality for the provision of services to the various portions listed below, as indicated in terms of Section 42 of Ordinance 15 of 1985, namely:

- (a) Portions 101 to 140, 146 to 231, 235 to 267, 269 to 295 and 307 to 381:
 Water reticulation: R1 815.00 plus VAT per portion;
 Sewerage reticulation: R1 815.00 plus VAT per portion.

- (b) Portions 95, 96, 100, 141, 142, 143 and 145
 The following pro rata contributions are payable per group housing unit to be erected on any of the portions:
 Water reticulation: R1 815.00 plus VAT per unit;
 Sewerage reticulation: R1 815.00 plus VAT per unit;

- (c) Portion 144
 The following contributions is payable per equivalent unit, namely:
 Water reticulation: R1 815.00 plus VAT per equivalent unit with a water consumption of 1 000 litres per day;
 Sewerage reticulation: R1 815.00 plus VAT per equivalent unit with a water consumption of 1 000 litres per day.

The abovementioned contributions shall be payable by the Developer as and when transfer of individual erven to third party purchasers is registered, or against approval of a building plan, whichever is first. The contributions payable in terms of this paragraph 3.3 is currently the subject of a possible dispute between the parties, and it is recorded that the amounts payable in terms of this paragraph 3.3 may be adjusted in future, depending on the outcome of a possible application by the Municipality for rectification of the Deed of Sale entered into between the parties and dated 8 June 2001.

- 3.4 A pro rata electrical contribution must be made by Kingswood to the Municipality as follows:

A pro rata contribution of R196.20 plus VAT at the statutory rate per KVA based on a maximum demand of 2100 KVA. The contributions payable in terms of this paragraph 3.4 shall be payable by Kingswood before transfer of any erf in a block, as contained in Annexure "A", is permitted and Kingswood will be liable to pay the full amount per block as per Annexure "A", subject thereto that if the KVA rate changes, the amount will be adjusted accordingly.

- 3.5 Kingswood records that it intends to on-sell the group housing Erf within the development to a third party, who will in turn further subdivide and develop it. Kingswood shall provide the internal bulk municipal services to the boundary of the said group housing Erf, prior to transfer thereof in favour of the third party concerned. The parties specifically agree that the Municipality shall, when approving applications in respect of the said group housing Erf under the Land Use Planning Ordinance, impose conditions relating to the provision of internal municipal services to the group housing Erf and the payment of bulk contributions by the owner thereof.

The parties agree that, in the event of the said group housing Erf being on-sold to a third party, Kingswood will only be required to pay bulk contributions set out in paragraph 3.3(a) above, notwithstanding the conditions of paragraph 3.3(b) in

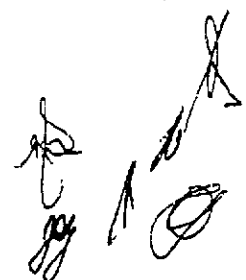
respect of the group housing Erf for purposes of transfer thereof in favour of the third party, on the basis of a single Erf being transferred. Detailed subdivision conditions for the General Residential (Group Housing erven) will be determined by the Municipality on receipt of the applicable subdivision applications.

- 3.6 Kingswood is responsible for the funding, design, construction and installation of all internal services within the development, as well as the linking of the internal services to the bulk services in accordance with the provisions of paragraph 6.1 of the Deed of Sale and Development Agreement dated 8 June 2001.
- 3.7 The consultants, appointed by Kingswood, must ensure that no deviation from the approved plans, detailed drawings, specifications and designs takes place without the prior written approval of the City Engineer, which approval shall not be unreasonably withheld.

Kingswood must allow the City Engineer reasonable access to the municipal services for purposes of inspection and to ensure that the installation of municipal services is undertaken in accordance with the approved designs and specification.

Upon completion of each phase, Kingswood shall notify the City Engineer in writing and furnish him with the Consultant's certificate confirming that all work was done according to the specifications.

The provision of all services to all erven resulting from this subdivision, must be provided in accordance with the "Guidelines for the Provision of Engineering Services in Residential Townships" prepared by the Department of Community Development as may be amended from time to time, the standard municipal specifications set down by the City Engineer or, where no standard Municipal details exist, to the specifications of SABS 1200

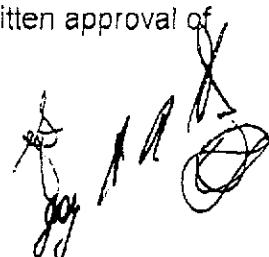


The certificate from the Consultant indicating that all services have been provided according to the approved designs must be provided before transfer any erf will be permitted.

- 3.8 Kingswood shall erect a security fence around the perimeter of the George Golf Club in accordance with the provisions of paragraph 14 of the Deed of Sale and Development Agreement dated 8 June 2001.
- 3.9 All conditions contained in the "Record of Decision" dated 11 September 2003 (reference EG12/2/1-37-Erf 464 KINGSWOOD GOLF ESTATE (3292)) issued by the Department of Environmental Affairs and Development Planning: Western Cape must be adhered to by Kingswood.
- 3.10 A Home Owner's Association must be established for this development in terms of Section 29 of the Land Use Planning Ordinance 15 of 1985. The parties further place on record that the Group Housing Erven shall each have its own Home Owners' Association, and that each Group Housing Home Owners' Association shall be a member of the Home Owners' Association established for the Development .

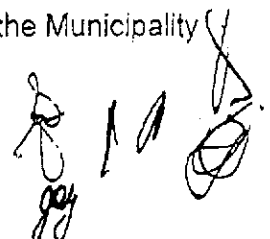
The following conditions must be incorporated in the Home Owner's Constitution namely:

- a) That no building plan be approved on any Erf without the prior written approval of the Home Owner's Association;
- b) No additions and or alterations to units shall be permitted without the prior written approval of the Home Owner's Association, and further subject to the standard and / or Municipal building regulations in force from time to time;
- c) No demolition or removal of any feature which constituted an original portion of the scheme shall be permitted without prior written approval of the Home Owner's Association;

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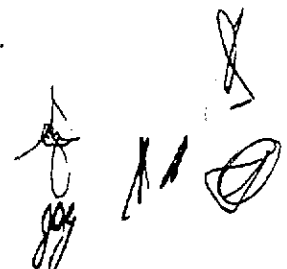
- d) Should it be necessary to rebuild any unit in its entirety such rebuilding shall be in accordance with the building plan of the unit originally approved;
- e) Any communal portion of a supporting wall, roof, pipe, gutter, fencing or other structure or object on such unit shall be maintained by the owner of the unit;
- f) Each portion of such supporting wall, roof, pipe, gutter, fencing or other structure or other object on such unit shall likewise be maintained by the owner of the unit;
- g) Access to such unit shall be allowed for the purpose of maintenance, cleaning, renovations, repair, renewal, alteration of and in addition to such wall, roof, pipe, gutter, fencing or other structure or object and nothing shall be done which may prevent access to or hinder such access;
- h) Should the Home Owner's Association resolve to approve any such alterations and or additions, they shall be of such a nature as to be applicable to all unit owners and all unit owners shall be permitted without exception to affect similar alterations and additions;
- i) A plan shall be provided showing the proposed location of the alterations and / or additions in relation to all units within the direct vicinity of the unit. (This does not imply that all unit owners should necessarily also affect such additions and alterations. The said plan is required only to enable an evaluation to be made of the total effect of a proposal on the aesthetic appearance of the scheme);
- j) Should it be proposed to alter the colour scheme of the complex a indication must be given of the period in which the scheme in its totality of colour scheme will be altered and such period shall not be later that one year from the date of commencement of the alteration of the colour scheme.

The parties place on record that the terms and conditions of paragraph 3.10 (d) to (j) should be applicable to only the Group Housing Erven, and the Municipality



undertakes to make the necessary application to its Council for amendment of the relevant provisions specify that the mentioned paragraphs are only applicable to Group Housing Erven.

- 3.11 Kingswood shall provide the Municipality with a detailed architectural design manual, which shall take all design parameters into account, and the said manual must be submitted to the Municipality's Aesthetic Committee for approval prior to commencement of any building activities on the development.
- 3.12 All internal streets within the development must be registered as private streets and must be transferred to the Home Owner's Association who will be responsible for the maintenance of the private streets, any islands in the streets as well as the street lights. The design, construction and maintenance of the internal road network and storm water systems shall remain the responsibility of Kingswood and, after transfer, the Home Owner's Association.
- 3.13 The electrical network, with the exception of streetlights, must be transferred to the Municipality who will be responsible for the maintenance and running thereof.
- 3.14 Portions 92, 93 and 94 must be transferred to the Home Owner's Association who will be responsible for the maintenance of the said erven.
- 3.15 A power line servitude must be registered over the whole of portions 92, 93 and 94 and the existing power line that traverses portions 90, 91 and 99 must be protected by 22 metre servitude. Kingswood shall be responsible for obtaining and registering the servitudes required in favour of the Municipality.
- 3.16 Kingswood must make the necessary arrangements with the Director : Health services with regard to refuse removal within the Development.

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3.17 The parties record that whenever it may be necessary and / or prudent for Kingswood to share municipal services with the Developers and / or owners of adjacent developments and / or even, Kingswood shall be obliged to negotiate all aspects regarding the cost allocation, design and construction of shared municipal services with such Developer and / or owner.

3.18 In the instance where an adjacent developer and / or owner must install services over the property of Kingswood, the Municipality shall make a pro rata contribution to the Kingswood in respect of its contributions to such services, as determined by the Director: Civil and Technical Services.

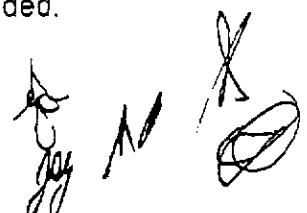
4. WATER SUPPLY

The following conditions shall apply to the provision of bulk potable water to the Development.

4.1 Kingswood shall be solely liable for the design and construction of the water network to service the Development, including the provision of fire hydrants for fire fighting purposes.

4.2 The water network must be designed by a consulting engineer whose design must be in accordance with the specifications of the Municipality. The design of the water network must be submitted to the Director: Civil and Technical Services for approval and must be constructed under the supervision of the Consultant.

4.3 Upon construction and approval, the water network shall revert to the Municipality, who will accept responsibility for the maintenance and operation thereof as from date of take over. Kingswood shall be responsible to rectify all defects for a period of 12 months from date of take over in accordance with the General Conditions of Contract of 1999, Version 6 or as amended.

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4.4 The connection linking the internal services to the bulk services will be as follows;

- a) The area east of the Rooi River tributary will have two connection points on Barkhuizen Drive;
- b) The area south of the Rooi River will have a connection at York Street;
- c) The balance of the area north of the Rooi River will have one connection at Pine Road and a second connection at Wattle Road. It is recorded that all of the connections aforementioned will require pressure-reducing valves.

4.5 The following conditions will apply in relation to the water network, namely:

- a) The materials for the network will be mPVC, minimum class 9 and for water erf connection HDPE class 12;
- b) The water reticulation is to be located on the high side of the road where possible;
- c) The water network is to be designed as a ring except at a Cul-du-Sac;
- d) Fire hydrants are to be erected and installed to Municipal details;
- e) All valves are to be AVK or similar and to be left hand closing as per Municipal details. A Municipal ball valve to standard Municipal details, must be provided for flushing of water pipelines on all "dead end " sections of the water network;
- f) Kingswood has to install the main reticulation network and all street crossings and shall further install all Erf connections to 1 metre inside the boundary of each Erf, complete with end caps in accordance with the Consultant's design and the cost thereof shall be borne by Kingswood. This applies to all Erven, whether clearance has been approved to date or not. Individual owners will be responsible for the application for a Municipal connection and for payment to the Municipality, and the Municipality shall install the necessary water meter box and water meter after such payment.

- g) Before any clearance on an Erf is approved, the Consultant must provide the Directorate: Civil and Technical Services with a written certificate confirming that all erf connections have been tested and comply with the specifications.
- h) A properly approved survey plan, drawn up by a Surveyor and who has been pre-approved by the Director: Civil and Technical Services is to be submitted indicating the position of all Erf connections (water and sewer). The Consultant will have to submit written confirmation that these connection points are in place. All connection points are to be clearly marked, the exact detail of which is to be agreed upon.
- i) If saddles are to be installed it will be installed only in Magnum, similarly pre-approved or stainless steel saddles, with stainless steel nuts and bolts.
- j) If any pipelines or connections are not installed in the position as indicated on the plans submitted, or in alternate positions as approved by the Director: Civil and Technical Services, the cost of relocation or the location of pipelines will be for the cost of Kingswood.

5. PRIVATE ROADS AND STORMWATER DRAINAGE

The following conditions shall apply to the provision of private streets and storm water drainage to the Development.

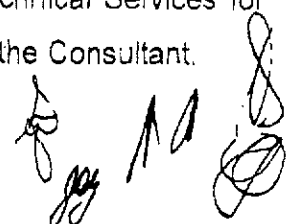
- 5.1 Kingswood shall be solely liable for the design and construction of the private streets and storm water drainage to service the Development.
- 5.2 The private streets and storm water drainage must be designed by a consulting engineer whose design must be in accordance with the specifications of the Municipality. The design of the private streets and storm water drainage must be submitted to the Director: Civil and Technical Services for approval and must be constructed under the supervision of the Consultant.

- 5.3 The design of roads has to be in accordance with "Guidelines for the Provision of Engineering Services and Amenities in Township Developments".
- 5.4 The islands located within the private roads reserves must be landscaped to the satisfaction of the Municipality.
- 5.5 The maintenance of the internal road works and storm water drainage shall remain the responsibility of the Home Owner's Association, and shall be transferred to the Home Owner's Association.
- 5.6 Kingswood shall comply with the storm water management requirements in terms of the ROD, during and up to final construction has been completed.
- 5.7 The following conditions shall apply in respect of the storm water, namely:
 - a) A minimum concrete pipe diameter of 375 millimetre will be used;
 - b) Provision must be made for the accommodation of storm water from surrounding, existing, and future developments, such as the developments south of the Rooi River.

6. **SEWERAGE**

The following conditions shall apply to the provision of sewerage to the Development, namely:

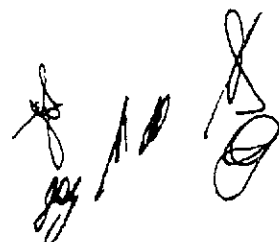
- 6.1 Kingswood shall be solely liable for the design and construction of the sewerage network to service the Development.
- 6.2 A consulting engineer whose design must be in accordance with the specifications of the Municipality must design the sewerage. The design of the sewerage is to be submitted to the Director: Civil and Technical Services for approval and must be constructed under the supervision of the Consultant.



- 6.3 The installation of sewer pump stations is to be subject to the approval of the Director: Civil and Technical Services.
- 6.4 Two sewer connection points must be provided for by Kingswood south of the Rooi River to allow for the linking of the sewer networks of future developments to the proposed sewer network. Sewer pipe diameters will have to be determined in order to allow for the additional load. Pro rata contributions to the system for the accommodation of future developments will be determined by the Director: Civil and Technical Services. The costs for the two sewer points mentioned above will be set off against bulk services contributions due to the Municipality.
- 6.5 All sewer Erf connection points are to be provided as part of the installation of the sewer network.
- 6.6 The sewer network will be subject to the following:
 - a) material for pipe work to be mPVC for rising mains and uPVC class 34 (heavy duty) for gravity mains.
- 6.7 Upon construction and approval, the sewer shall revert to the Municipality, who will accept responsibility for the maintenance and operation thereof as from date of take over. Kingswood shall be responsible to rectify all defects for a period of 12 months from date of take over in accordance with the General Conditions of Contract of 1999 Version 6 or as amended.

7. ELECTRICAL SERVICES

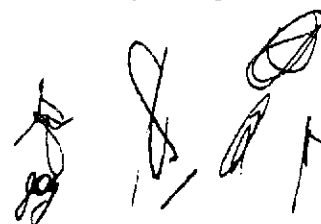
The following conditions shall apply to the provision of electrical services to the Development, namely:



- 7.1 Kingswood shall be solely liable for the design and construction of the internal and link electrical services to service the Development.
- 7.2 A consulting engineer whose design must be in accordance with the specifications of the Municipality must design the electrical services. The design of the electrical services must be submitted to the Director: Civil and Technical Services for approval and must be constructed under the supervision of the Consultant.
- 7.3 The electrical reticulation network will be provided as set out above, and in accordance with the electrical network design by the appointed Consultant. The network will also comply with the Municipality's specifications as set out above, and installation will be supervised by the appointed contractor, who will issue a taking over certificate on completion of each phase. Specific details are referred in the technical report of the appointed contractor dated 22 January 2004, a copy of which is attached hereto and marked "B".
- 7.4 All electrical services, with the exception of streetlights, will be transferred upon completion and the issue of a certificate of completion, to the Municipality who will be responsible for the maintenance and running thereof. Maintenance and replacement of the streetlights will be the responsibility of the Home Owner's Association.
- 7.5 Kingswood shall be responsible for linking the network to the proposed Barkhuizen substation. In addition, Kingswood will be responsible for the supply and installation of one incomer panel and two feeder panels in the said substation.

8. PAYMENT OF AVAILABILITY CHARGES AND TARIFFS

- 8.1 Once a particular municipal service has been provided to the Development, the owners of such erven will become liable for payment of the availability charges



for water, electricity, sewerage and refuse removal for each and every Erf at the prevailing rates payable at the time.

- 8.2 The liability for payment of the availability charges will arise on the date of transfer of an Erf from Kingswood to a purchaser at which date the purchaser will be liable.
- 8.3 Refuse removal service will be provided by the Municipality at the standard tariffs, which are reviewed from time to time at the discretion of the Municipality.

9. TRANSFER OF ERVEN BY THE DEVELOPER

- 9.1 No Erf shall be transferred until Kingswood has provided roads, drainage and / or other services as provided for in this agreement to such erven and to the satisfaction of the Municipality in accordance with the technical data and specifications as provided by the Municipality prior to installation of such services. Upon completion, the Consultant appointed by the Developer shall submit a certificate confirming that such services have been completed according to specification. Clearance for transfer of erven shall be given if the erven to be transferred have been serviced to such an extent that third parties are able to commence construction works on the said erven.
- 9.2 The Municipality shall within two weeks of receiving the completion certificate issue a certificate confirming that such services are to their satisfaction.

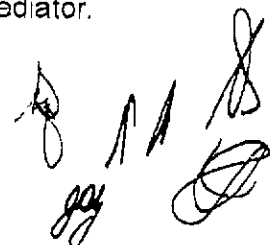
10. COMPLETION OF SERVICES AND GENERAL RESPONSIBILITY

- 10.1 The Municipality shall ensure that its existing bulk services are capable of providing the Development with sufficient water, sewerage and electricity bulk services as required by the Developer, subject to the terms and conditions of this agreement.

- 10.2 The Municipality shall be entitled to reasonable access to the property during the installation of the engineering services for the purpose of inspection, and to ensure installation thereof in accordance with the design and specifications.
- 10.3 The Developer shall for a period of 12 months, after the Municipality has taken ownership of the external services, be responsible for and rectify all defects to services provided and / or installed by Kingswood, in accordance with the General Conditions of Contract of 1999, Version 6 or as amended.
- 10.4 In the event of Kingswood failing to rectify and/or carry out its obligations during this period, the Municipality may, at its discretion, and to the expense of Kingswood, repair or appoint an independent contractor for the completion of such repair work.
- 10.5 Kingswood shall provide the Municipality with as-built drawings on completion of the work in the form required.
- 10.6 All traffic signs and road marking are to be provided by Kingswood and maintained by the Home Owner's Association.
- 10.7 The design and installation of all municipal and / or civil services are to be in accordance with standard municipal specifications set down by the City Engineer or, where no standard Municipal details exist, to the specifications of SABS 1200.

11. **MEDIATION AND ARBITRATION**

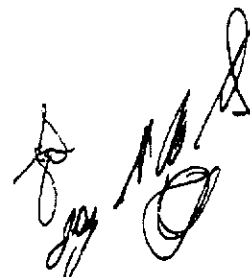
- 11.1 Subject to clause 12, either party to this agreement may request that any dispute or difference arising out of this agreement, be referred by the Parties, without legal representation, to mediation by a single mediator.



- 11.2 If the Parties agree to mediation, then the mediator shall be selected by agreement between the Parties or, failing such agreement, then the Mediator shall be nominated by a person mutually agreed upon by the parties. Both parties until otherwise ordered in arbitration proceedings in terms of clause 11.3 shall accept the written opinion expressed by the mediator. The costs of mediation shall be borne equally by the parties.
- 11.3 If either party is dissatisfied with or unwilling to accept mediation or an opinion expressed by the mediator, then such party may by written notice to the other, within 14 (FOURTEEN) days of the date of declaring the dispute or of the mediator's decision, require that the dispute or difference arising out of this Agreement shall be referred to arbitration by a single arbitrator.
- 11.4 Such arbitrator shall be selected by agreement between the parties or, failing agreement, to be nominated on the application of either party by the President for the time being of the South African Association of Arbitrators.
- 11.5 In all respects the arbitration shall be in accordance with the provisions of the Arbitration Act, 1965, which makes a decision of the arbitrator final and binding on the parties and the arbitration shall be conducted in accordance with the Rules for the Conduct of Arbitrations published by the Association of Arbitrators and current at the date that the arbitrator is appointed or nominated.

12. BREACH OF AGREEMENT

- 12.1 The Parties may mutually agree to cancel this Agreement.
- 12.2 Should any of the Parties commit any breach of contract, the other party must give the offending party written notice to rectify such breach within 14 (FOURTEEN) days as from date of such notice.



- 12.3 In the event of the offending party failing to remedy such breach of contract within the time period stipulated, the other party may sue for immediate specific performance, without prejudice to the right of that party to claim damages or to institute any other legal action under the contract.
- 12.4 All attorney and client costs incurred by either party including collection commission in respect of overdue monies shall be paid by the party in default.
- 12.5 The parties will be responsible for the proper execution of this agreement and each party will as such be liable for any damages that the other may suffer as a result of non-performance by the first mentioned party of its contractual obligations.

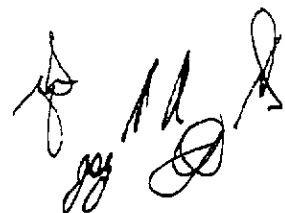
13. DOMICILIA CITANDI ET EXECUTANDI

The Parties choose their respective addresses stated hereunder as their domicilia citandi et executandi at which they will receive notices and legal processes relating to this agreement:

13.1 The Municipality:
Office of the Director: Civil and Technical Services
York Street
GEORGE

13.2 Kingswood
C/o Asla Construction P O Box 118
233 Broadlands Road Gordon's Bay
THE STRAND 7151

14. VARIATION



- 14.1 The Parties hereby acknowledge that this agreement constitutes the sole and entire contract between them and that no conditions, warranties, stipulations, representations, guarantees or other terms of whatsoever nature not contained or recorded herein or in any written agreement varying the terms hereof and signed by the Parties hereto, have been made by either party, or that party's agent; alternatively, insofar as any statements have been made, they shall not be binding upon either party unless specifically incorporated herein or in any duly signed agreement in writing varying the terms of this agreement.
- 14.2 No variation of the terms and conditions of this agreement or any consensual cancellation thereof shall be of any force or effect unless reduced to writing and signed by both Parties or their duly nominated representatives.
- 14.3 No latitude, indulgence or extension of time which may be granted or allowed by one party to the other party in respect of any payment provided for herein, or relating to any other matter which either party is bound to perform or observe in terms hereof, shall constitute or be deemed to be a waiver by the former of any of its rights at any time, nor shall he be precluded thereby from exercising any rights which may have arisen in the past or which might arise in the future against the other and either party shall be entitled to require strict and punctual compliance with each and every provision of the terms hereof.

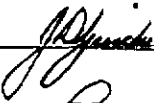

15. COSTS

The costs in respect of the drawing of this agreement and the preparation, negotiations, attendances and other cost incidental thereto, shall be borne by Kingswood.

THUS DONE AND SIGNED AT GEORGE ON THIS 29 DAY OF MARCH 2004.

TES 06 SERVICE AGREEMENT - Municipality & Kingswood - Draft 8 - 30.09.04

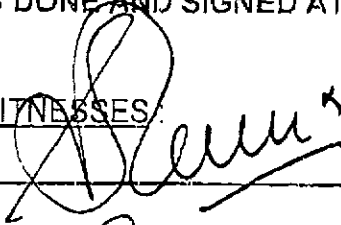

AS WITNESSES :


- 1. 
- 2. 


MUNICIPALITY

THIS DONE AND SIGNED AT GEORGE ON THIS 06 DAY OF December 2004.

AS WITNESSES:

- 1. 
- 2. 


KINGSWOOD

ANNEXURE "A"

1. **Block A** (57 Erven)

Portion 101 – 137 and Portion 100 (20 group houses) R 32 171.24 + VAT
2. **Block B & C** (60 Erven)

Portion 138 – 179 and Portion 141 (23 group houses) R 33 785.64 + VAT
3. **Block G H & J** (94 Erven)

Portion 235 – 306 and Portion 145 (16 group houses) R 52 930.84 + VAT
4. **Block D & F** (74 Erven)

Portion 180 – 212, Portion 307 – 309,
Portion 142 (8 group houses), Portion 143 (12 group houses)
and Portion 96 (6 group houses) R 41 668.96+ VAT
5. **Block E & I** (106 Erven)

Portion 1 – 16, Portion 31 –34, Portion 310 – 381
and Portion 95 (12 group houses) R 59 687 .97 + VAT
6. **Remainder Erf 20849** R191 775.35 + VAT

The contributions payable in terms of this Annexure shall be payable by Kingswood before transfer of any erf in a block, as contained in this Annexure "A", is permitted and Kingswood will be liable to pay the full amount per block as per this Annexure "A", subject thereto that if the KVA rate changes, the amount will be adjusted accordingly.



de villiers & moore

CONSULTING ENGINEERS ELECTRICAL AND MECHANICAL

Corporate Park - Suite 02
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GEORGE
6530

Tel. (044) 874 4496/7671
Fax. (044) 0746274
E-Mail: dvmg00@pixie.co.za

Branch Offices: Durbanville & Stellenbosch

Our ref: R3696/3362

Your ref:

Date: 2004-01-22

Kantey & Templer
P O Box 458
GEORGE
6530

Attention: Mr R Durden Pr Eng

Sir

GEORGE: KINGSWOOD DEVELOPMENT: ELECTRICAL RETICULATION TECHNICAL REPORT

We submit herewith for your consideration the following report on technical detail for the proposed electrical reticulation of the Kingswood Development, George.

A. COMMISSION

To prepare a technical report for inclusion in the services agreement.

B. HIGH VOLTAGE RETICULATION AND MINI SUBSTATIONS

1. 11kV Reticulation

- a) A 95mm² x 3 core (Al) PLSTC 11kV cable will be installed from the proposed Barkhulsen Substation through the development in a ring. The substation is located near the hockey fields and will be built by the George Municipality. This substation will be fed from the existing Heatherpark Substation.
- b) Allowance has been made for one incomer and two feeder panels in the substation for the development.

2. Mini-substations

- a) The mini-substations are positioned at the identified load centres of the development and are generally 315kVA units.
- b) The units will comply with the requirements of the Local Authority.

C. LOW VOLTAGE RETICULATION

1. Low Voltage Cables

- a) PVC insulated 1000/600V copper conductor low voltage cables will be used.
- b) Where possible sub-protection at the kiosks will be used in order that the most economical cable sizes can be employed.

Registered Firm : S.A. Association of Consulting Engineers

PARTNERS:

W. MOORE Pr Eng B.Sc. B.Eng. MSAEE MLESANSAACE
D.P. DU PREEZ Pr Eng B.Sc. B.Eng. MSAAC MSAIE MSAACE
C.H. BARSON Pr Eng B.Sc. Eng MSAIE MSAACE
J.D. VAN DER MERWE Pr Eng B.Eng.

A.H. SILBERBAUER Pr Tech (Eng)
R.R. FULLER Pr Eng B.Sc. Cng MSAIE
R.G. HALL Pr Eng B.Sc. Cng
D. DAUB LTD Elec

- c) The low voltage reticulation is designed for an ADMD of $\pm 3.3\text{kVA}$ or 40A in the service connection.

2. Meterkiosks

Double door meterkiosks manufactured from glass fibre and equipped with 80A consumer circuit breakers and sub-protection circuit breakers, where necessary, will be installed.

3. Service Connections

- a) The service connections from the meterkiosks to the erf boundaries will be 16mm² x 2 core (Cu) PVC cables
- b) The service connections will be installed up to the erf boundary where the cable end will be sealed and marked.

D. STREET LIGHTING

- a) All street light circuits will be supplied from the mini-substations and will be controlled by a photo-cell.
- b) The photo-cell will be mounted on the mini-substations.
- c) Allowance has been made for bollard type street lighting using a fitting similar to the Bekabrite Bollard.
- d) Allowance has only been made for street lighting in the residential areas and not along the link roads.

E. EARTHING

- a) Trench earthing will be used and the size of the earth conductor will depend on the LV cable with which it is installed.
- b) A 63mm² hard drawn bare copper conductor will be installed with the HV cable.
- c) Additional earthing at the transformer will be by means of earth spikes if required.

We trust that the above meets with your approval.

Should you have any queries, please do not hesitate to contact us.

Yours faithfully



R. G. HALL Pr Eng
DE VILLIERS & MOORE (PTY) LTD

/ch

