

THE CONTRACT

The appointment of Micromech Services will be based on the latest edition of the NEC Professional Services Contract (available from Thomas Telford Publishing). Alternative proposed contracts will also be considered but the basic requirements remain the same.

1. The following definitions will apply:

The Employer or Client shall mean the Developer, State or Semi-State Department, Mine or any other company legally appointed for the development or extensions to an existing complex, industry, etc.

The main agreement shall refer to the agreement between the Employer or Client and the Contractor, Consultant, Architect, Quantity Surveyor or Project Managers.

The Consultant shall refer to the Company appointed by the Employer or Client for the execution of the works and shall include Project Managers, Consultants for all disciplines (electrical, mechanical, civil, structural, architectural, etc.), contractors and sub-contractors (if included separately in the Main Agreement).

Sub-Consultant shall mean Micromech Services Pty Ltd.

2. The services of the Sub-Consultant:

The services of the Sub-Consultant shall comply with the requirements of the Guideline Scope of Services for Persons Registered in terms of the Engineering Profession Act, 2000, (Act No 46 of 2000) as published by the Engineering Council of South Africa. (Originally Government Gazette R1113).

3. Remuneration:

Remuneration will be on a time and cost basis.

For time cost, the remuneration rate will be a percentage of the cost recommended by ECSA and the starting cost up to the end of 2020 will be negotiable but will not be less than R950.00/h. This remuneration rate will increase on 1 January each year with a percentage equal to the Consumer Price Index (CPI) plus 4%. This figure is only known towards the end of February of the particular year. Until then the rates of the previous

year will be used. As soon as the new rates are available remuneration for work done will be adjusted accordingly. The remuneration rate after 2020 will be made available on request.

Disbursements will be remunerated in accordance with the rates given by ECSA. These costs will include photocopying / printing, travel by private or company vehicle, air flights, car hire and accommodation, printing costs and general expenses. Records and supporting documents must be kept and attached to invoices submitted to the Consultant.

Note that Micromech Services is not registered for VAT.

Micromech Services will be responsible for their own Tax as required by SA Revenue Services.

4. Professional Indemnity Insurance

Micromech Services will not be liable for the submission of a Professional Indemnity Insurance Certificate nor a Tax Clearance Certificate.