A&J Kellerman Family Trust

(IT 2058/2004)

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2 March 2021

Confluence Strategic Development (Pty) Ltd Att: Stephanie Denison steph@confluencesd.co.za

Dear Madam,

LETTER OF APPOINTMENT TO CARRY OUT A BASIC ASSESSMENT PROCESS FOR A RESIDENTIAL DEVELOPMENT AT 78 NORTH BEACH ROAD, UMDLOTI, ETHEKWINI MUNICIPALITY.

Your quotation dated 10 February 2021 refers.

A&J Kellerman Family Trust (hereafter referred to as the Employer) has pleasure in appointing Confluence Strategic Development (Pty) Ltd (hereafter referred to as the Consultant) to carry out a basic assessment process for a residential development at 78 North Beach road, Umdloti, eThekwini municipality, in terms of the provisions of your quotation.

1. Conditions of Appointment:

Your appointment will be subject to the achievement of the following conditions:

- 1.1. That you will report to the Project Manager and comply with all requirements lay down by him.
- 1.2. The work must be performed according to the time frames (duration of time available to the Consultant to perform his work) stipulated in your quotation.
- 1.3. The work must be performed according to requirements as set out by the Department of Environmental Affairs and eThekwini Municipality, failing which the Employer will be entitled to terminate your appointment and, to the extent that such failure is the result of a lack of due diligence on the part of the Consultant, you may be held liable for damages suffered by the Employer and its client as a result of any delay or cancellation of the project.
- 1.4. That you have made yourself familiar with the site conditions and all aspects of the site and the project;



- 1.5. That you conduct appropriate consultation with the Employer, the Contractor, and the consultant team;
- 1.6. That prior written communication with the Project Manger must be obtained for any order with cost implications.

2. Fees

- 2.1. The fees shall be as per your proposal dated 10 February 2021 payable in the stages as stipulated in your proposal R clusive of VAT in total.
- 2.2. Fees are fixed for the duration of the project;
- 2.3. Fees are payable for activities performed to the satisfaction of the Employer.

3. Cancellation

- 3.1. In the event that the Employer has to abandon the project, the right to terminate the appointment is reserved.
- 3.2. The Employer shall forthwith issue an instruction specifying such discontinuation of work to bring the Consultant's work to a specific point of cessation;
- 3.3. The execution of the remaining work shall thereafter cease and will become the responsibility of the Consultant and the Consultant may elect to relinquish the contract and abandon any outstanding monies due to it;
- 3.4. The Employer will immediately prepare a schedule reflecting all work executed prior to cancellation of this agreement and/or the unforeseen occurrence and make any payment for the work done up to this date.
- 3.5. If, in the unlikely event that the Employer sell the property; The Employer first notify the Consultant of its intentions to sell and will cede its claim for payment for work done by the Consultant to the Consultant and the Consultant undertakes to absolve the Employer from any liability to pay the outstanding account and will pursue payment thereof directly with the successor in title of the Employer. Should the Employer's successor in title not be continuing the project and/or not need the services of the Consultant, then the Employer shall notify the Consultant and terminate the appointment and issue instructions as per clause 5.2 above.
- 3.6. This agreement may also be cancelled by the Employer in the event of failure by the Consultant to comply with any of the terms and conditions set out in this letter after giving 7 (seven) days written notice to the Consultant at the address reflected above, or email address reflected above, or by telefacsimile sent to the fax number of the Consultant as reflected at the top of their quotation, which letter will be deemed to have been received by the Consultant within 3 days after despatch or immediately after successful telefacsimile transfer or email. Such notice shall not constitute an agreement to an extension of time, or waiver of the Employers right to recover damages from the Consultant due to failure by the Consultant to comply with any of the terms and conditions set out in this letter.
- 3.7. When this agreement is cancelled then the execution of all work shall forthwith cease and the Consultant shall vacate the site and thereby relinquish possession of all work, plans, drafts, sketches, studies and any other items or documents which the Consultant created in the execution of his duties to the Employer who may then be responsible to employ other consultants to complete any outstanding works or to rectify defects;
- 3.8. Any cost incurred to rectify the defects or to complete the contract will be deducted from the outstanding amount due to the Consultant;



3.9. In the case where such cost as referred to in 5.8 above is more than the outstanding amount due to the Consultant, the Employer will be entitled to recover such cost from the Consultant with cost.

4. Variation

Any variation of the terms of this letter of appointment will not be binding on any of the parties unless it is

reduced to writing and signed by both parties hereto.

5. Disputes

In the event that a dispute arises from this agreement that cannot be resolved between the parties by

mediation, then either party shall, be entitled to have the dispute referred to the Independent Arbitrator for

arbitration, in accordance with the Summary Procedure Rules published by the Association of Arbitrators,

1990 edition, whose decision shall be final and binding in the matter.

We trust that the above is to your approval. Please confirm your acceptance of this appointment by signing it

at the bottom and faxing it back to the Project Manager.

Yours faithfully

J Kellerman

Project Manager

Accepted by: Stephanie Denison, duly authorised.

Signature:

Date: 02/03/2021