

102187

LOAN AGREEMENT

in respect of

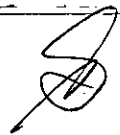
RATANDA ELECTRICITY SUPPLY


entered into by and between

LESEDI LOCAL MUNICIPALITY

and

THE DEVELOPMENT BANK OF SOUTHERN AFRICA LIMITED


F.M.


EM

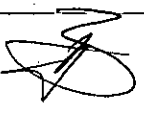

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SUMMARY

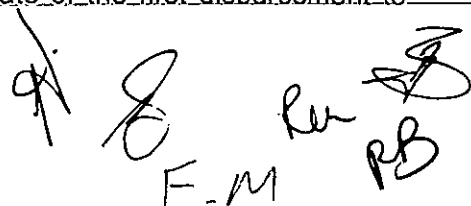
- 1. LOAN AMOUNT : R5 000 000-00.
- 2. LOAN PERIOD : 15 years.
- 3. INTEREST RATE :
- 3.1. INITIAL FIXED RATE : 9,45%, (Fixed Interest based on Government yield curve (BESA) plus 146 basis points.
- 4. GRACE PERIOD FOR CAPITAL REPAYMENT : Nil.
- 5. CAPITAL REPAYMENT : 30 equal six-monthly instalments, commencing on the last day of the 1st Half-year after the Half-year during which the first disbursement was advanced to the Borrower.
- 6. PROJECT FILE NO. : GP102187.




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1. INTERPRETATION

1.1 In this Agreement, unless the contrary appears from the context, the following words shall have the meanings, as stated -

- 1.1.1 "the Borrower" Lesedi Local Municipality;
- 1.1.2 "the DBSA" the Development Bank of Southern Africa Limited, reconstituted and incorporated in terms of Section 2 of the Development Bank of Southern Africa Act No. 13 of 1997;
- 1.1.3 "the Parties" the Borrower and the DBSA;
- 1.1.4 "the Project" Ratanda Electricity Supply, as described in more detail in Annexure A, attached hereto;
- 1.1.5 "the Loan" the financing granted to the Borrower in terms of Clause 2;
- 1.1.6 "the Project Agent" a person nominated, in writing, by the Borrower, to act on its behalf, in respect of the Project;
- 1.1.7 "On-lending" the transfer, by the Borrower, of any amount to any third parties, from the proceeds of the Loan, excluding payments for the procurements of goods and services;
- 1.1.8 "Half-year" from the first day of January to the 30th day of June and/or from the first day of July to the 31st day of December during the same calendar year;
- 1.1.9 "Business Day" any day, other than a Saturday, Sunday or a Public Holiday;
- 1.1.10 "the Interest Payment Date" the last Business Day of each Interest Period;
- 1.1.11 "the Interest Period" each period of 6 (six), months, commencing on 1 January, 1 April, 1 July or 1 October (as the case may be), of each calendar year. The first Interest Period shall begin running from the date of the first disbursement to



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whichever of the above dates immediately following such first disbursement. Each Interest Period, thereafter, shall begin running from the date of expiry of the preceding Interest Period, notwithstanding that such first day of such Interest Period is not a Business Day. Notwithstanding the foregoing, any period less than 6 (six) months, running from the date of a disbursement to one of the above dates, immediately following such first disbursement, shall be deemed to be an Interest Period;

1.1.12 "the Initial Fixed Rate

Portion of the Loan" that amount of the Loan, disbursed, and outstanding, from time to time, in respect of which the Initial Fixed Rate is applicable;

1.1.13 "the Initial Fixed Rate" the fixed interest rate, as determined in Clause 3.1 of the Summary;

1.1.14 "this Agreement" this Agreement, together with any Annexures hereto.

1.2 Headings to the Clauses of this Agreement and the Table of Contents are for reference purposes only and are not intended to affect the interpretation hereof.

1.3 Any reference to:-

1.3.1 the singular shall include the plural and vice versa;

1.3.2 a natural person shall include an artificial or corporate person and vice versa;

1.3.3 one gender shall include the other.

1.4 This Agreement shall bind the Borrower and its successors-in-title and/or successors-in-law.

2. **THE LOAN**

2.1 The Loan shall be:-

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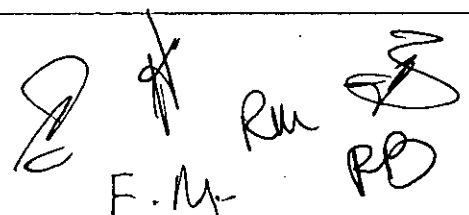
- 2.1.1 an amount not exceeding, in aggregate, R5 000 000-00 (five million Rand); and
- 2.1.2 utilised exclusively for the Project, and the Borrower, hereby, undertakes that it shall comply with all provisions of this Agreement.
- 2.2 The Loan proceeds shall be paid by the DBSA to, and on the order of, the Borrower in such disbursements and in accordance with all provisions contained in this Agreement.
- 2.3 No On-Lending shall be effected by the Borrower, unless provided for in this Agreement.

3. **INTEREST**

- 3.1 The Loan shall bear interest on the amounts outstanding, from time to time, at the Initial Fixed Rate.
- 3.2 Interest, pursuant to the Initial Fixed Rate, on the amount outstanding, from time to time, shall be compounded six-monthly and payable on the last Business Day of each Half-year. Payment shall commence on the last Business Day of the Half-year during which the first disbursement was advanced to the Borrower from the proceeds of the Loan.
- 3.3 The interest rate for each Interest Period shall be compounded six-monthly, based on the actual number of days elapsed and a 365-day year, and shall be payable, in arrears, on each Interest Payment Date.

4. **REPAYMENT OF LOAN AND PAYMENT OF INTEREST**

- 4.1 The capital amount of the Loan shall be repaid in 30 (thirty) equal six-monthly instalments, commencing on the last day of the 1st (first) Half-year following the Half-year during which the first disbursement was made to the Borrower from the proceeds of the Loan, and, thereafter, at the end of each succeeding Half-year, until the Loan, together with interest thereon, shall have been fully repaid. Provided that, subject to the provisions of Clause 7, the Borrower may, with 1 (one) month's written notice to the DBSA, make repayments in excess of the abovementioned or repay the full amount outstanding. Provided, further, that the Borrower shall not be entitled to make any repayments prior to the date on which the first instalment shall fall due, in terms of this Agreement and provided, further, that this shall not jeopardise the proper completion of the Project.

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4.2 An instalment shall be:-

4.2.1 an amount, determined as at the outset of the 1st (first) Half-year following the Half-year during which the first disbursement was made to the Borrower from the proceeds of the Loan;

4.2.2 calculated as being sufficient to amortise the outstanding capital amount, together with interest at the rate set out in clause 3, above, in 30 (thirty) six-monthly payments.

4.3 Should, at the outset of the said 1st (first) Half-year, part of the Loan still not be drawn by the Borrower, the amount of instalments shall be adjusted, as and when drawings take place, in order to achieve amortisation over the original period of the Loan.

5. COMMITMENT FEE

5.1 The DBSA shall be entitled, in respect of the Fixed Rate Portion of the Loan, to charge a commitment fee of 0,5% (nought comma five per centum), per annum, on all the undisbursed portions of the Loan

5.2 The DBSA shall be entitled to charge such commitment fee, effective 3 (three) months from the date of signature of this Agreement.

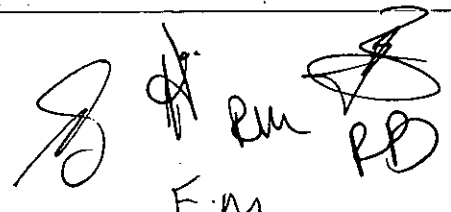
6. LATE PAYMENT

6.1 The Borrower shall be liable, to the DBSA, for the payment of penalty interest on all amounts payable, yet unpaid, in terms of this Agreement, should the Borrower:-

6.1.1 fail to pay, on the due date for payment thereof, any amount owing, or which may become owing, to the DBSA, in terms of this Agreement; or

6.1.2 with the DBSA's written consent, defer the payment of any amount so owing.

6.2 Penalty interest shall be calculated with regard to the actual period during which the amount payable remained unpaid, at the Initial Fixed Rate, plus 2% (two per centum), from time to time. Penalty interest shall all be compounded six-monthly and shall be payable, on demand.

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7. EARLY REPAYMENT

7.1 The Borrower shall be entitled to:-

- 7.1.1 only on any Interest Payment Date;
- 7.1.2 but, subject to not less than 30 (thirty) days' prior written notice; and
- 7.1.3 subject to the payment of a prepayment penalty fee ("prepayment penalty fee"),

prepay all, or portion, of the Loan.

7.2 The prepayment penalty fee shall be determinable, as follows:-

- 7.2.1 where the Fixed Rate is less than, or equal to, the reinvestment rate (defined, below), the Borrower shall be liable for the Unwinding Costs (defined, below);
- 7.2.2 where the Fixed Rate is greater than the said reinvestment rate, the Borrower shall pay a prepayment penalty fee equal to the difference, calculated on a present value basis, of the DBSA's prejudice, between the interest which the full, or portion, of the outstanding Loan amount being prepaid, would have produced for each remaining year of the Loan, had there been no prepayment, and the interest which would have been produced, by the DBSA, by a reinvestment of the same amount, having the same repayment schedule, as the full, or portion, of the outstanding Loan amount being prepaid, including any of the said Unwinding Costs.

7.3 For the purposes of Clause 7.2, above:-

- 7.3.1 the reinvestment rate shall be the rate at which the DBSA can invest the said Loan amount in the relevant Interbank market, for a period equal to the remaining Loan Period, as determined at the relevant Interest Payment Date, of such prepayment;
- 7.3.2 the discount rate to be used shall be equal to the discount rate forecast by the Rand zero curve, as derived from Reuters page. The date used for the present value calculation shall be the date of the prepayment;
- 7.3.3 the amount prepaid shall be equal to a full payment of any instalments of the outstanding Loan amount;
- 7.3.4 payment of the prepayment and prepayment fee shall take place for value on the Interest Payment Date; and

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7.3.5 "Unwinding Costs" shall mean any and all actual costs, expenses and disbursements, incurred, by the DBSA, in effecting a new hedge position, closing out, settling, or unwinding, any hedge transaction deposits, or funding transactions, that may have been entered into, by the DBSA, or re-acquiring any negotiable instruments that have been issued, in respect of funding all, or any portion, of the Loan.

8. PAYMENTS/REPAYMENTS

8.1 All payments, in terms of this Agreement:-

8.1.1 to, or by, the Parties shall be effected in South African Rands;

8.1.2 to the Borrower, shall be effected to the credit of such banking account of the Borrower, as the Borrower may, from time to time, direct, in writing;

8.1.3 to the DBSA, shall be effected to the credit of such banking account of the DBSA, as the DBSA may, from time to time, direct, in writing;

8.1.4 to the DBSA, shall be effected without deduction and free from any taxes, charges, fees or other costs, whatsoever.

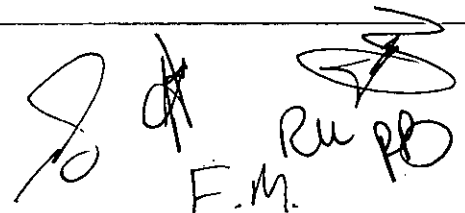
8.2 The Borrower shall furnish the DBSA, in writing, with all the necessary information regarding its officials, who are authorised to apply for drawdowns, on the Borrower's behalf.

8.3 Whenever any payment falls due on a Saturday, Sunday or Public Holiday under the laws to which either of the Parties are subject, such payment shall be made on the next succeeding business day.

9. CANCELLATION/TERMINATION OF DRAWDOWNS

9.1 The Borrower may, by giving 30 (thirty) days' written notice to the DBSA, cancel any undrawn portion of the Loan, provided that such cancellation shall not jeopardise the proper completion of the Project, it being understood that, upon the giving of such notice, the instalments referred to in clause 4.1, above, shall be reduced pro rata.

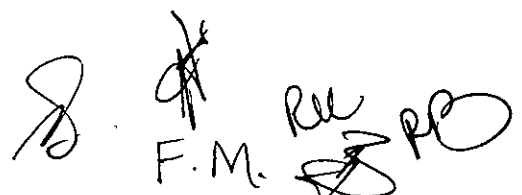
9.2 If the DBSA, after consultation with the Borrower, reasonably concludes that any portion of the Loan will not be required to finance the Project, the DBSA may, by written notice to the Borrower, terminate the right of the Borrower to make drawdowns in respect of such undrawn portion, it being understood that, upon giving of such notice, the instalments referred to in clause 4.1, above, shall be reduced pro rata.

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- 9.3 If the DBSA has not received a final application for a drawdown under the Loan from the Borrower at the end of the 1st (first) Half-year following the Half-year during which the first disbursement was made to the Borrower from the proceeds of the Loan, the DBSA may terminate further disbursements to the Borrower on 30 (thirty) days' written notice to the Borrower, unless the DBSA, after consideration of the reasons for the delay, has determined a later date for the purposes of this Clause. The DBSA shall only consider an extension on receipt of a written request from the Borrower and shall notify the Borrower of its decision.

10. **EVENTS OF DEFAULT**

- 10.1 The DBSA shall be entitled, after giving the Borrower 30 (thirty) days' written notice, to suspend drawdowns from the Loan, or to terminate this Agreement, and to claim, from the Borrower, immediate payment of all the outstanding amounts, should the Borrower commit any breach of this Agreement.
- 10.2 Without derogating from the generality of the foregoing, the DBSA shall be entitled to exercise its rights in terms of clause 10.1, above, upon the happening of any of the following events:
- 10.2.1 the Borrower failing to repay the capital amount and to pay interest in terms hereof, and failing to remedy such breach within the notice period referred to in 10.1, above, requiring it to do so;
- 10.2.2 any attachment being made, or any execution being levied, against the Borrower;
- 10.2.3 the Borrower failing to repay any of the DBSA's loans or breaching any agreement entered into between the Borrower and the DBSA;
- 10.2.4 any fact or circumstance shall have occurred, which, in the opinion of the DBSA, may affect the ability, or willingness, of the Borrower to comply with all, or any, of its obligations, pursuant to this Agreement;
- 10.2.5 the Borrower proposing any rescheduling, reorganisation or rearrangement of the whole, or part, of its indebtedness with the DBSA, or any of the Borrower's creditors;
- 10.2.6 the Borrower's business operations, or any significant part thereof, being interrupted for a continuous period of, at least, 3 (three) months;

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- 10.2.7 any approval, licence, authorisation, or other requirement, necessary to enable the Borrower to comply with any of its obligations, in terms of this Agreement, is modified to the detriment of the Borrower, revoked or withdrawn, whilst this Agreement is still in force;
- 10.2.8 any order is made, or resolution passed, or other action taken, for the dissolution, or termination, of the existence of the Borrower; and
- 10.2.9 any representation, warranty or statement made in, or in connection with, this Agreement, or any opinion delivered by, or on behalf of, the Borrower, pursuant to this Agreement, is found to be incorrect.
- 10.3 The exercise of the rights by the DBSA, in terms hereof, shall be without prejudice and/or in addition to any other rights which the DBSA may, then, have against the Borrower, in law, including the right to demand specific performance by the Borrower of its obligations in terms of this Agreement.

11. SUSPENSIVE TERMS AND CONDITIONS

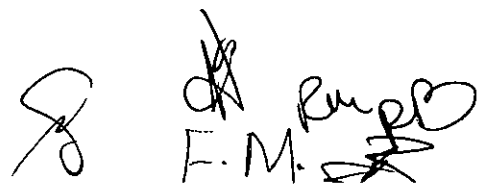
The Suspensive Terms and Conditions are set out in Annexure E.

12. FURTHER TERMS AND CONDITIONS

The Further Terms and Conditions are set out in Annexure F.

13. ARBITRATION

- 13.1 Any dispute arising out of, or relating to, this Agreement, concerning the interpretation of the terms and conditions of this Agreement, or of compliance, by any Party, with any terms and conditions of this Agreement, which is not resolved amicably, through consultation or negotiation, shall, subject to the other provisions of this Clause, be settled by arbitration, in terms of the Arbitration Act No. 42 of 1965, as amended, from time to time. Provided that a claim by the DBSA for the repayment of any monies due, in terms of this Agreement, shall not be regarded as a dispute for the purpose of this Clause and neither Party shall, therefore, be obliged to refer such a claim to arbitration.
- 13.2 In the case of arbitration, a tribunal shall be comprised of one arbitrator, who shall be appointed by the Parties, by agreement, or, failing such agreement, by the chairperson of the Association of Arbitrators, who shall, in appointing such arbitrator, have regard to the qualifications and experience of the appointee in relation to the nature of the dispute over

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which he has to adjudicate. In the event that the arbitrator resigns, or becomes unable to act, a successor shall be appointed in the same manner as prescribed, above, for the appointment of the original arbitrator and the successor shall have all the powers and duties of his predecessor.

- 13.3 The arbitration shall be held at Johannesburg, and in accordance with whatever procedures, the arbitrator considers appropriate. In particular, the arbitrator, may, if he deems appropriate, conduct the arbitration in an informal and summary manner and without requiring pleadings or discovery of documents and without observing the rules of evidence. The proceedings shall be confidential and, neither the Parties, nor the arbitrator, shall disclose to third parties, any information, regarding the proceedings, the award, or settlement terms, unless the Parties otherwise agree, in writing.
- 13.4 After the institution of arbitration proceedings, the tribunal may proceed with the arbitration, notwithstanding any failure, neglect or refusal of either Party to comply with the provisions hereof, or to take part, or to continue to take part, in the arbitration proceedings. The arbitrator shall, within 30 (thirty) days of the termination of the proceedings, render a final and binding written award, including interest and costs, and furnish the Parties with written reasons for his judgment.
- 13.5 The provisions of this Clause may be invoked by any Party, by delivering, to the other Party, a demand, in writing, that an arbitrator be appointed, to adjudicate in respect of a specified dispute.




14 GENERAL

14.1. PROJECT NOTICE BOARDS

The Borrower shall, at its own cost, ensure that, immediately upon commencement of construction/building operations, contemplated by this Agreement, if it is decided to erect a project notice board, the said board shall clearly advertise the fact that such construction/building operations, have been financed or co-financed, as the case may be, by the DBSA.

14.2. DOMICILIUM

14.2.1 The Parties, hereby, choose domicilium citandi et executandi ("domicilium"), for all purposes arising from, or pursuant to, this Agreement, as follows:

 F.M.  

In the case of the DBSA:

Physical address: Development Bank of Southern Africa Limited
1258 Lever Road
Headway Hill
MIDRAND
SOUTH AFRICA
1685; or

Postal address: P O Box 1234
HALFWAY HOUSE
1685; or

Telefax number: (011) 313 3086

In the case of the Borrower:

Physical address: Lesedi Local Municipality
c/o Louw and Hendrik Verwoerd Streets
Heidelberg
1441; or

Postal address: P O Box 201
HEIDELBERG
1438; or

Telefax number: (016) 340 4460.

14.2.2 Each of the Parties shall be entitled, from time to time, by written notice to the other, to vary its domicilium to any other address, which is not a Post Office or Poste Restante.

14.2.3 Any notice addressed by either Party to the other ("the addressee"), which:-

14.2.3.1 is delivered by hand, during the normal business hours of the addressee, at the addressee's domicilium, for the time being, shall be presumed to have been received by the addressee at the time of delivery;

14.2.3.2 is posted by prepaid registered post to the addressee at the addressee's domicilium, for the time being, shall be presumed to have been received by the addressee on the seventh day, after the date of posting. Provided that the Parties may agree that all other forms of correspondence and/or requests may be effected, via telefax and/or electronic mail (e-mail).

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14.3. WHOLE AGREEMENT

This Agreement constitutes the entire agreement between the Parties and no representations, warranties, undertakings or promises, of whatever nature, which may have been made by any of the Parties, their agents or employees, other than those hereincontained, shall be binding or enforceable against them.

14.4. NON-VARIATION

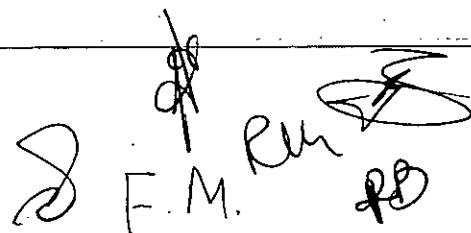
No variation, amendment, consensual cancellation or addition to this Agreement shall be valid, unless the same has been reduced to writing and signed by, or on behalf, of the Parties.

14.5. NON-ENFORCEMENT/INDULGENCE

The non-enforcement of any provision of this Agreement, or any indulgence which either Party may grant to the other Party, shall be without prejudice to the rights of such first-mentioned Party to insist upon strict compliance by such other Party with all the provisions of this Agreement, or to enforce its rights, in respect of which such indulgence was granted.

14.6 TERMS AND CONDITIONS OF DISBURSEMENT

Disbursement of each progress claim, in respect of the amount financed by the DBSA, is to be effected as a ratio of the actual cost of each item (for each phase), in accordance with the Application and Source of Funds Statement (Annexure B), read together with the Project Description (Annexure A), to the maximum amount of R5 000 000-00. This is subject to submission, by the Borrower, to the DBSA, of fully documented proof of expenditure by the Borrower to the supplier, consultant and/or contractor, of actual claims (or in-house expenses incurred), as approved by the Borrower, or its authorised representative. Each progress claim shall be in the itemised format, as depicted in Annexure B.

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SIGNED AT HEIDELBERG ON THE 12th DAY OF December 2005.

AS WITNESSES:

1. [Signature]

2. [Signature]

[Signature]

FOR AND ON BEHALF OF THE BORROWER, DULY AUTHORISED THERETO, IN TERMS OF ANNEXURE D.

SIGNED AT MADRAS ON THE 12 DAY OF December 2005.

AS WITNESSES:

1. Frank Mohlala

2. [Signature]

[Signature]

FOR AND ON BEHALF OF THE DBSA, DULY AUTHORISED THERETO, IN TERMS OF ANNEXURE E.

PROJECT DESCRIPTION

1. PROJECT OBJECTIVE

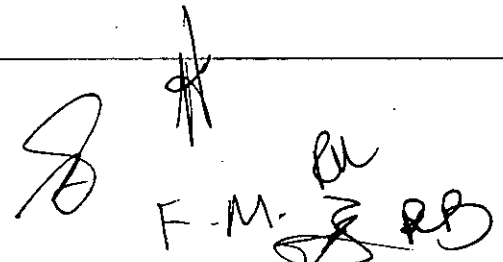
The Project aims to minimize fault levels on certain parts of the Medium voltage network and, thus, improve the overall service-delivery to its constituents, by upgrading the existing Electrical Substation, in Ratanda, and build a new Electrical Switching Station, in the centre of Ratanda, with a Ring feed from Ratanda Substation to obtain more flexibility, with regards to the switching arrangements.

2. PROJECT DESCRIPTION

The Project entails the provision of an investment loan of R 5 000 000-00, over 15 years, to:

- build a new Switching Station, which will provide more flexibility with switching arrangements, eliminate the problems, whereby, the whole of Ratanda is without electricity and, also, provide better protection for the cable network;
- install two new breakers in Ratanda Substation, as feeders to the new Switching Station;
- install 2x 185mm Cu cables as ring feeders, from Ratanda Substation to the new Switching Station;
- build a new Switching station and install 2x Incomers, 1x Bus Coupler and 4x Feeder panels;
- alter the medium voltage cable network, to form new rings and tie into the new Switching station;
- close the existing spurs between Ratanda Proper and Ratanda Ext 7, with an overhead line to supply an alternative feed to all areas in the case of faults; and
- replace existing transformers in Ratanda Ext 7, as these are running on 95-105% capacity, at present

The total cost of the above Project is R 6,418 200-00. The Borrower is seeking loan funding, to the value of R 5,0 million. The resultant balance will be funded from the Borrower's own financial resources.



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3. **IMPLEMENTATION FRAMEWORK AND INSTITUTIONAL ARRANGEMENTS**

3.1. The Project will be overseen by the Borrower and implemented by a firm of Consulting Engineers, namely, Lyon and Partners, which the DBSA Project team found capable of performing.

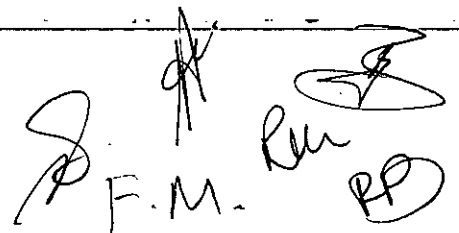
3.2. A Project Steering Committee shall be established, to monitor the implementation of this Project, on which, the DBSA shall be entitled to representation.

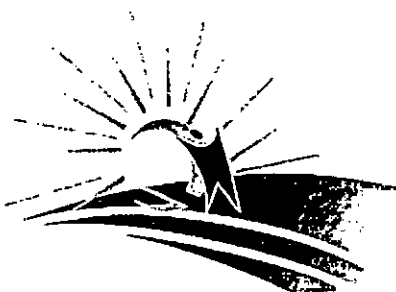
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SOURCE AND APPLICATION OF FUNDS STATEMENT

LESEDI LOCAL MUNICIPALITY

SECTOR	AMOUNT (R)
Electricity	5 000 000-00
TOTAL	5 000 000-00


F.M. Rm PP



LESEDI

Local Municipality / Plaaslike Munisipaliteit

PO BOX 201, HEIDELBERG, Gauteng, 1438

TEL: (016) 340 4300

FAX: (016) 340 4424

E-MAIL: mwhberg@mweb.co.za

EXTRACT OF THE MINUTES OF AN ORDINARY COUNCIL MEETING OF THE LESEDI LOCAL MUNICIPALITY HELD DURING OCTOBER 2005

**22. FINANCE: CAPITAL WORKS: UPGRADE OF 11KV ELECTRICITY NETWORK
RATANDA TOWNSHIP: LONG TERM DEBT..... (S/A/2) (CFO)**

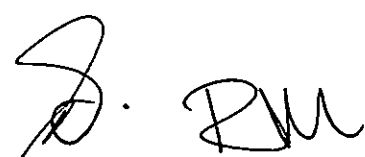
L.MC-775/10/05 RESOLUTION


- a) That the Council approved the long-term debt of R5,0 million over a period of 15 years at 9,45% with DBSA in terms of section 46 of the MFMA.
- b) That the Executive Mayor and the Municipal Manager sign all the necessary documents on behalf of the Council
- c) That the contract of DBSA attached to the agenda, be approved by the Council.
- d) That it be approved that no security will be provided for the long-term debt of R5,0 million.

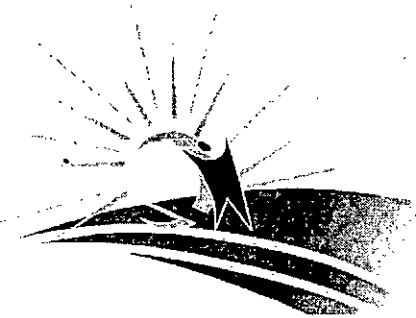
CERTIFIED A TRUE COPY OF THE MINUTES


ACT MUNICIPAL MANAGER

DATE : 2005-12-13


All correspondence should be addressed to the Municipal Manager
Alle korrespondensie moet aan die Munisipale Bestuurder gerig word.

 F.M.



LESEDI

Local Municipality / Plaaslike Munisipaliteit

PO BOX 201, HEIDELBERG, Gauteng, 1438

TEL: (016) 340 4300

FAX: (016) 340 4424

E-MAIL: mwhberg@mweb.co.za

**EXTRACT OF THE MINUTES OF AN ORDINARY COUNCIL MEETING OF THE
LESEDI LOCAL MUNICIPALITY HELD ON 27 AUGUST 2001**

**I. LEGAL MATTERS: AUTHENTICATION AND EXECUTION OF DOCUMENTS OF
THE LESEDI LOCAL MUNICIPALITY..... (2/3)(TS)**

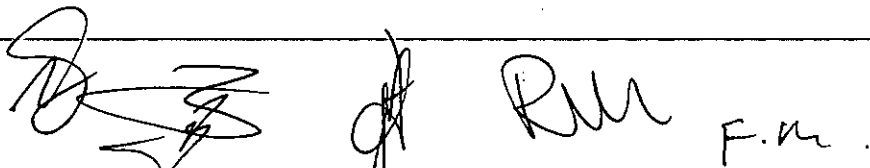
LC.EC-475/01 RESOLUTION

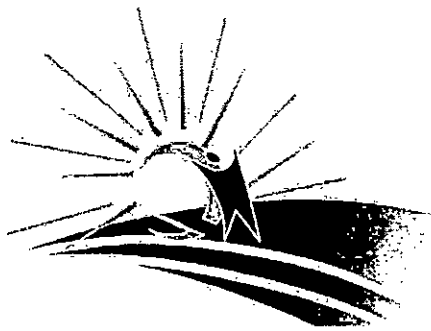
- a) That the Municipal Manager of the Lesedi Local Municipality or any person officially acting in that capacity or alternatively the mayor or any councillor officially acting in that capacity be authorised to sign every contract and all instruments and documents which the council is legally empowered to execute on behalf of the Lesedi Local Municipality.
- b) That all previous resolutions pertaining to the authentication and execution of documentation of the Council be rescinded.

CERTIFIED A TRUE COPY OF THE MINUTES


MUNICIPAL MANAGER

DATE: 2005-12-13





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EXTRACT OF THE MINUTES OF AN ORDINARY COUNCIL MEETING OF THE LESEDI LOCAL MUNICIPALITY HELD DURING 28 SEPTEMBER 2004

**45. PERSONNEL: RESIGNATION: MR M E NYAWANE: MUNICIPAL MANAGER:
(MEN)(MM)**

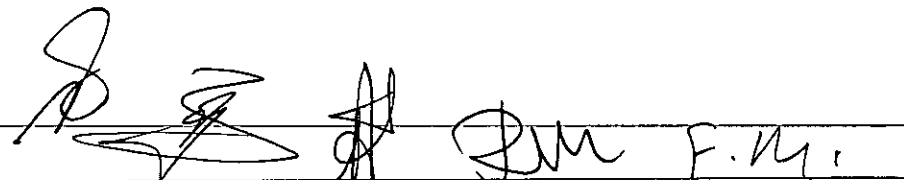
L.CM-577/09/04 RECOMMENDATION

- a) That the resignation of Mr M E Nyawane, as Municipal Manager of the Lesedi Local Municipality with effect from 8 October 2004 be noted and approved.
- b) That the position of Municipal Manager, be timeously filled in terms of Council policy and subject to the stipulations of section 82 of the Local Government: Municipal Structures Act 1998.
- c) That the Chief Financial Officer (*Mr P J v/d Heever*) be appointed as Acting Municipal Manager until such time that the post is filled in terms of the section 82 (b) of the Local Government , Municipal Structures Act, 1998.





CERTIFIED A TRUE COPY OF THE MINUTES


MUNICIPAL MANAGER

DATE : 2005-12-13


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Alle korrespondensie moet aan die Munisipale Bestuurder gerig word.

AUTHORISATION - BORROWER


F. M. R.  


AUTHORISATION**MANDLA SIZWE GANTSHO**

in his capacity as Chief Executive of the Development Bank of Southern Africa, in terms of authority delegated to the incumbent of this post by the Board of Directors of the Development Bank of Southern Africa on 19 September 1985, determined on 7 October 2004 that:

MANDLA SIZWE GANTSHO

OR

ZANELE JOYCE MATLALA
in her capacity as Chief Financial Officer

OR

JACOB HENRY DE VILLIERS BOTHA

OR

DISEBO CONSIGLIO MOEPHULI

OR

LEWIS MAXWELL MUSASIKE

OR

SNOWY JOYCE KHOZA

OR

MAGARE LUTHER MASHABA
in their capacity as Executive Managers

OR

JEANETTE SIBONGILE NHLAPO
In her capacity as Chief Operating Officer, DBSA: Development Fund

OR

PULE LESAILANE MOKHOBO
in his capacity as Manager: Legal Services

OR

CHRISTINA JOANNA GOLINO

OR

BANE MOEKETSI MALEKE

Handwritten signatures and initials at the bottom right of the page, including 'F.M.', 'Bu', and 'RP'.

OR

PUMLA MANNYA

OR

MAKGOTLA DANIEL PETER MOKUENA

OR

FRENCEL FRANKTON GILLION

OR

JANINE THORNE

OR

REMBULUWANI BETHUEL NETSHISWINZHE

OR

LOYISO PITYANA

OR

JAMES MFANVELI TWANA NDLOVU

OR

TSHOKOLO PETRUS NCHOCHO

OR

SOLOMON ASAMOAH

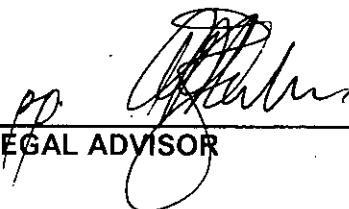
in their capacity as Managers: Business Units (DSP Related)

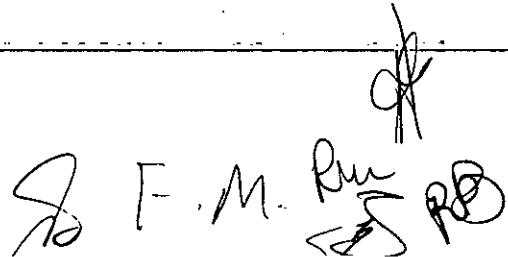
be authorised for and on behalf of the Development Bank of Southern Africa to enter into agreements in terms whereof money is:-

- 1. lent, or
- 2. granted for the purpose of technical assistance,

and to perform all acts and sign all documents that may be necessary for the purpose

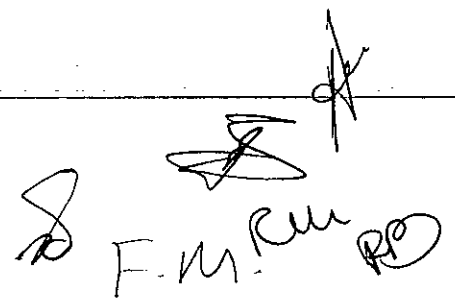
15/12/2005
DATE


LEGAL ADVISOR





SUSPENSIVE TERMS AND CONDITIONS

1. The Borrower shall submit proof of its Council's Resolution to enter into this Agreement.

Handwritten signatures and initials, including the name "F.M. KUMAR" and a circled "R" or "RO".

FURTHER TERMS AND CONDITIONS

- 1.1. The Borrower shall inform the Gauteng Provincial Government of this Agreement and shall provide the DBSA with written proof thereof.
- 1.2. The Borrower, hereby, undertakes not to enter into future debt obligations, which will result in a servicing of external loans in excess of 20% (Twenty percent) of the Borrower's operating income, without consulting with, and obtaining, the DBSA's written consent.
- 1.3. The Borrower, hereby, undertakes to provide the DBSA with its audited Financial Statements, within 6 (six) months from the end of each financial year.
- 1.4. The Borrower shall submit written confirmation that the National Treasury Department has been informed of the Loan, within 14 (fourteen) days of signature of the Agreement.


 F.M. 20