ADDENDUM TO THE PROFESSIONAL CONSULTANTS SERVICES AGREEMENT

(EDITION 3.2 – OCTOBER 2015)

Entered into by and between:



and



1. PARTIES

- 1.1. The Parties to this Addendum are
 - 1.1.1. [•]; and
 - 1.1.2. [**♦**].
- 1.2. The Parties agree as set out below.

2. DEFINITIONS AND INTERPRETATION

- 2.1. The headings to the clauses to this Addendum are for reference purposes only and shall in no way govern or affect the interpretation of, nor modify nor amplify the terms of this Addendum, nor any clause hereof.
- 2.2. Unless inconsistent with the context, the words and expressions set forth below, shall bear the following meanings and cognate expressions shall bear corresponding meanings:
 - 2.2.1. "ACEN" or "Association" means the Association of Consulting Engineers of Namibia, a voluntary association of individual consulting engineering firms duly created and governed by a written constitution;
 - 2.2.2. "Addendum", "herein", "hereof", and "hereunder" may be used interchangeably and each means the Addendum to the Principal Agreement, as set out in this document;
 - 2.2.3. **"Principal Agreement"** means the Professional Consultants Services Agreement, Edition 3.2, October 2015, entered into by and between the Client and the Consultant, to which this Addendum is attached (as A.20 Amendments and/or Special Conditions); and
 - 2.2.4. **"Signature Date"** means subject to 23 (*Signature*), the date upon which this Addendum is signed by the Party signing same last in time, provided that both Parties have signed this Addendum; and
- 2.3. Capitalised terms used but not specifically defined in this Addendum bear the meanings ascribed thereto in bold and capitalised letters in clause 1.0 (*Definitions and Interpretation*) of the Principal Agreement.

3. INTRODUCTION

- 3.1. ACEN is a voluntary organisation of individual consulting engineering firms, formed to uphold standards, advance the profession and promote the interests of its members.
- 3.2. The Association is a focal point for contact between consulting engineers, the public, governmental bodies and the private sector.

- 3.3. The Association publishes a variety of documents, including this Addendum, which can be obtained from the secretary of the Association, should any members elect to use the Principal Agreement in respect of any project and in so far as the parties thereto may wish to vary, add to or amend the terms thereof, as provided for in this Addendum.
- 3.4. Copies of this Addendum and other documents can also be obtained from the following address:

ASSOCIATION OF CONSULTING ENGINEERS:

Ausspannplatz, Unit No 4, Dr Agostino Neto Street PO Box 25837 Windhoek Namibia

Tel: +264-(0)61-227672 Fax: +264-(0)886 34920 E-mail: info@acen.org.na

Website: http://www.acen.org.na

- 3.5. The once-off costs for this Addendum are:
 - 3.5.1. N\$ 50-00 for an A4 printed copy; and
 - 3.5.2. N\$ 200-00 for a pdf-version on a compact disc.
- 3.6. The Council consists of professionally registered engineers who interact with clients and members of the Association to assist them with technical, legal and other matters related to member firms as and when required.

4. AMENDMENT, VARIATION AND ADDITION TO PRINCIPAL AGREEMENT

- 4.1. The Parties wish to amend and/or vary and/or add to the terms and conditions of the Principal Agreement, with effect from the Signature Date, which amendments, variations and additions are herewith reduced to writing and signed by the Parties and the Parties record and agree that such amendments, variations and additions do not amount to a novation of the Principal Agreement.
- 4.2. Save to the extent specifically varied or amended or added to in terms of this Addendum, all the terms and conditions of the Principal Agreement shall continue to be of full force and effect.
- 4.3. The Principal Agreement is amended as set out and provided for below.

5. CLAUSE 1.0 (DEFINITIONS AND INTERPRETATION)

- 5.1. This clause is amended by
 - 5.1.1. adding the following clause immediately after the existing clause 1.1.1, as follows:
 - "...1.1.2. **AUTHORISATION:** All and any approvals, authorisations, consents, permissions, opinions and waivers required from any **governmental body** for or related to, or which is a pre-condition for, the implementation of this **agreement...**"

and renumbering all succeeding clauses accordingly;

- 5.1.2. replacing the word "development" where it appears in the newly numbered clause 1.1.3 with the word "*project*";
- 5.1.3. deleting the newly numbered clause 1.1.9 in its entirety and renumbering all succeeding clauses accordingly;
- 5.1.4. adding a new clause after the (newly) numbered clause 1.1.12, as follows:
 - "...1.1.13. GOVERNMENTAL BODY: Any national body, municipality or other local authority, regional council or subdivision of the foregoing, any Governmental department, or any agency, court, entity, commission, board, ministry, bureau, or any quasi-Governmental or private body exercising any regulatory, taxing, importing, exporting or other Governmental or quasi-Governmental function/s..."

and renumbering all succeeding clauses accordingly;

- 5.1.5. adding the following further definition after the newly numbered clause 1.1.13, as follows:
 - "... 1.1.14. GROSS NEGLIGENCE AND WILFUL MISCONDUCT: Any act or failure to act (whether sole, joint or concurrent) by any person which was intended to cause, or which was in reckless disregard of or want on indifference to harmful consequences which such person knew, or should have known such act or failure would have on the safety or property of another person, but shall not include any error or judgement or mistake by any director, employee, agent or contractor of such person in the exercise, in good faith, of any function, authority or discretion conferred upon such person..."

and renumbering all succeeding clauses accordingly;

5.1.6. adding the following at the end of the newly numbered clause 1.1.16:

"and **PARTY** means either one of them, as the context may require";

- 5.1.7. adding a new clause after the newly numbered clause 1.1.24, as follows:
 - "1.1.25 "SENSITIVE INFORMATION means any information of a confidential nature relating to or in connection with any part, detail or aspect of the:
 - 1.1.25.1. know-how, statistics, processes, systems, business methods, strategic plans, long-term plans, budgets, financial information, analyses, research and development data, ideas, computer programs and drawings or any other information of a confidential nature in whatever form it may be;
 - 1.1.25.2. contractual business and financial arrangements;
 - 1.1.25.3. negotiation and implementation of this **agreement** and the arrangements contemplated under this **agreement**;
 - 1.1.25.4. any activities of either party; and
 - 1.1.25.5. all information peculiar to the business, which is not readily available to a competitor in the ordinary course of business;
 - 1.1.25.6. intellectual property and/or trade secrets of either **party**, including, without limitation, the information relating to prices charged for the **services**, the cost allocation methods, price calculation methods:
 - 1.1.25.7. all other matters of a confidential nature relating to the business of either party, which is disclosed in circumstances of confidence or would be understood by the parties, exercising reasonable business judgement, to be confidential, which will or may be disclosed to a party pursuant to this agreement;..."
- 5.1.8. adding a new clause after the newly numbered clause 1.1.27, as follows:
 - "...1.1.28. **WET SERVICES:** Hot and cold-water services, plumbing and internal drainage systems, firefighting systems including fire hydrants, reel systems and sprinkler installations..."
- 5.1.9. adding the following phrase at the end of clause 1.3, as follows:
 - "... and as amended or re-enacted, in each case, for the time being, in force and then at the applicable time..."

- 5.1.10. adding the word "provide" before the phrase "...and "specify..." where it appears in clause 1.4.1;
- 5.1.11. adding the following wording after each of the sentences in clauses 1.7.1 and 1.7.2, respectively, as follows:

"...to the address of the applicable party stated in the schedule..."

5.1.12. adding the following clause after clause 1.9, as follows:

1.6. INTERPRETATION

- 1.6.1 Any reference in this **agreement** to –
- 1.6.1.1 "business hours" shall be construed as being the hours between 08h00 and 17h00 on any business day. Any reference to time shall be based upon Namibian Standard Time;
- 1.6.1.2. "days" shall be construed as calendar days unless qualified by the word "business", in which instance a "business day" will be any day other than a Saturday, Sunday or a recognised public holiday in Namibia;
- 1.6.1.3. "laws" means all constitutions; statutes; regulations; by-laws; codes; ordinances; decrees; rules; judicial, arbitral, administrative, ministerial, departmental or regulatory judgements, orders, decisions, rulings, or awards; policies; voluntary restraints; guidelines; directives; compliance notices; abatement notices; agreements with, requirements of, or instructions by any government body; and the common law, and "law" shall have a similar meaning; and
- 1.6.1.4. "person" means any person, company, close corporation, trust, partnership or other entity whether or not having separate legal personality.
- 1.6.2. Unless inconsistent with the context and save where the contrary is expressly indicated:
- 1.6.2.1. where any number of days is prescribed in this agreement, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a business day, in which case the last day shall be the next succeeding business day;

- 1.6.2.3. in the event that the day for performance of any obligation to be performed or payment to be made in terms of this **agreement** should fall on a day which is not a business day, the relevant day for performance shall be the subsequent business day;
- 1.6.2.4. any reference in this agreement to this agreement or any other agreement or document shall be construed as a reference to this agreement or, as the case may be, such other agreement or document as same may have been, or may from time to time be amended, varied, novated, reinstated or supplemented;
- 1.6.2.5. a reference in this **agreement** to writing or written includes fax and email;
- 1.6.3. The rule of construction that in the event of ambiguity, this **agreement** shall be interpreted against the **party** responsible for the drafting thereof, shall not apply to the interpretation of this **agreement**.
- 1.6.5. This agreement shall inure for the benefit of and be binding on and enforceable by the executors, administrators, trustees, permitted assigns or liquidators of the parties as fully and effectually as if they had signed this agreement in the first instance and reference to any party shall be deemed to include such party's executor, administrators, trustees, permitted assigns or liquidators, as the case may be.
- 1.6.6. Where figures are referred to in numerals and in words, and if there is any conflict between the two, the words shall prevail..."

6. CLAUSE 3.0 (APPOINTMENT)

- 6.1. This clause is amended by
 - 6.1.1. replacing the phrase "stated in this" where it appears in clause 3.1, with the following:
 - "... subject to the terms and conditions set out and provided for in this..."

7. CLAUSE 4.0 (DURATION)

- 7.1. This clause is amended by
 - 7.1.1. adding the following clauses after clause 4.2, as follows:
 - "...4.3. If any unforeseeable circumstances arise beyond the control of the consultant, for which the consultant is not responsible and which make it impractical or impossible for the consultant to perform the services in the normal manner as contemplated by the parties in accordance with this agreement in whole or in part, then the consultant shall promptly notify the client.
 - 4.4. If in those circumstances certain services have to be suspended, the time for their completion shall be extended by the extent of the delay plus a reasonable period for their resumption or, if the speed of performing certain services has to be reduced, the time for their completion shall be extended as may be necessary under the circumstances. The client shall pay to the consultant such additional fees and expenses as may be agreed as appropriate for the work undertaken by the consultant in providing the necessary additional services arising as a result of the aforesaid suspension or delay..."

8. CLAUSE 5.0 (CLIENT'S OBLIGATIONS)

- 8.1. This clause is amended by
 - 8.1.1. adding the following wording after the phrase "and, if required" where it appears in clause 5.1 as follows:
 - "...by the consultant ... "
 - 8.1.2. adding the following wording after the phrase "by notice" where it appears in clause 5.1 as follows:
 - "...in writing..."
 - 8.1.3. adding the following sub-clause at the end of this clause:
 - "...5.8. The client shall obtain and maintain all authorisations regulating to the execution of the project..."
 - 5.9. The client shall timeously provide to the consultant, free of cost, all information that may be reasonably required for the provision of the services. The consultant shall be entitled to rely on the accuracy and completeness of such information furnished by or on behalf of the client. The client shall have no claim (of whatsoever nature or howsoever arising) against the consultant for any liability, loss or damages suffered either, directly or indirectly, or for any

reason whatsoever where the **consultants**, utilised or relied upon incorrect information supplied by the **client**.

- 5.10. The **client** shall give his decision in writing on all matters properly referred to him by the **consultant**, within a reasonable time so as not to delay the **services**.
- 5.11. The **client** shall co-operate with the **consultant** and shall not interfere with or obstruct the proper performance of the **services**. The **client** shall as soon as it is reasonably possible:
 - 5.11.1. authorise the **consultant** to act as his agent as may be necessary for the performance of the **services**;
 - 5.11.2. provide all available maps, plans, record drawings and other relevant information; and
 - 5.11.3. procure the **consultant's** ready and unhindered access to the **site**.
- 5.12. The **client** shall at his cost engage such other engineers and specialists as may be necessary for the proper completion of the **project**. The **consultant** shall cooperate with such other engineers and specialists but shall not be responsible for them or for their performance.
- 5.13. On becoming aware of any matter which materially shall change, or has changed, the scope, cost or timing of the services or the works, or on becoming aware of any defect or deficiencies in the services or the works, the client shall give appropriate written notice thereof to the consultant.
- 5.14. Where the **consultant** is required to administer the work of others or of any **contract** on behalf of the **client**, then the **client** shall only issue instructions related to such work or contract through the **consultant**. Further, the **client** shall not enter into any agreement or contract which describes the duties of the **consultant** or imposes obligations on him without first obtaining the **consultant**'s written agreement thereto.

9. CLAUSE 6.0 (CONSULTANT'S OBLIGATIONS)

- 9.1. This clause is amended by
 - 9.1.1. adding the following phrase between the words "acting" and "with reasonable skill" where it appears in clause 6.3:

"...as an expert and..."

9.1.2. adding the following clauses after clause 6.5, as follows:

- "6.6. The **consultant** shall designate in writing a person to act as his representative and such person shall have complete authority to receive instructions and to give information to the **client** on behalf of the **consultant**.
- 6.7. The **consultant** shall perform the **services** in conjunction with any other engineers or specialists who are providing services to the **project** and he may make recommendations to the **client** in respect of such appointments for certain parts of the **project**. The **consultant** shall only be responsible for his own performance and the performance of those other engineers or specialists whom he has specifically appointed to assist him with the **services**.
- 6.8. On becoming aware of any matter which shall materially change, or has changed, the scope, cost or timing of the services or the works, the consultant shall give notice to the client, save that the consultant is empowered to make minor changes or valuations within the overall programme or budget and within such parameters as are defined by the client in writing to the consultant, provided that such changes are reported timeously to the client.
- 6.9. The consultant cannot ensure the performance of the contractor nor guarantee against failure by the contractor to perform his work in accordance with the contract. The provision of construction stage services as part of the services creates no contractual relationship between the consultant and the contractor and the consultant has no liability to the contractor in any way arising out of such services."

10. CLAUSE 7.0 LIMIT OF CONSULTANT'S LIABILITY

- 10.1. This clause is amended by
 - 10.1.1. adding the following clause after clause 7.1.7, as follows:
 - "...7.1.8 reasonable deviations from any estimates of costs and/or budgets..."
 - 10.1.2. changing the time period provided for in clause 7.3 from five (5) years to three (3) years;
 - 10.1.3. adding a further clause after clause 7.4 as follows:
 - "...7.5. The client shall indemnify the consultant against all claims by third parties which arise out of or in connection with the provision of the services save to the extent that such claims are not as a result of the consultant's gross negligence and wilful misconduct..."
 - 10.1.4. adding a further clause after the newly inserted clause 7.5 as follows:

"...7.6. Notwithstanding any other provision herein to the contrary, the client undertakes to exhaust all its other contractual remedies (i.e. all remedies other than a claim for damages) against the contractor, before exercising any contractual rights of recourse it may have against the consultant in the event of the client suffering any damages as a result of any breach by the contractor of his obligations in terms of the contract/s..."

11. CLAUSE 8.0 (PROFESSIONAL INDEMNITY INSURANCE)

This clause is not amended by this Addendum.

12. CLAUSE 10.0 (THIRD PARTY SERVICES)

This clause is not amended by this Addendum.

13. CLAUSE 11.0 (DISBURSEMENTS)

- 13.1. This clause is amended by
 - 13.1.1. deleting the phrase "current recognised rates for the use of vehicles" and replacing same with the following:

"...the vehicle running costs prescribed by the Automobile Association of Namibia..."

14. CLAUSE 12.0 (ADJUSTMENT OF PROFESSIONAL FEES AND DISBURSEMENT)

- 14.1. This clause is amended by deleting the entire clause 12.2 and replacing it with the following:
 - "12.2. Should any material variation to the parameters stated in 12.1 occur, the professional fees and disbursements shall be adjusted as follows:
 - 12.2.1 Fees and disbursements shall be adjusted using the agreed professional fees and rates to calculate the financial implications of the variation and as mutually agreed upon between the Consultant and the Client; and
 - 12.2.2 The Client must approve, in writing, any adjustments made."

15. CLAUSE 13.0 (PAYMENT)

This clause is not amended by this Addendum.

16. CLAUSE 14.0 (ASSIGNMENT)

- 16.1. This clause is amended by
 - 16.1.1. inserting the following wording between the words "assign" and "obligations" where it appears in clause 14.1, as follows:

"...any rights or..."

16.1.2. inserting the word "prior" before the phrase "written consent" where it appears in clause 14.1.

17. CLAUSE 15 (CONFIDENTIALITY AND COPYRIGHT)

By writing the phrase "sensitive information" wherever it appears in this clause in bold, as follows: "...sensitive information...".

18. CLAUSE 16.0 (CONFLICT OF INTEREST AND CORRUPTION)

This clause is not amended by this Addendum.

19. CLAUSE 17.0 (CANCELLATION AND SUSPENSION)

- 19.1. This clause is amended by
 - 19.1.1. deleting the entire clause 17.4.2, and renumbering all succeeding clauses accordingly;
 - 19.1.2. adding a new clause 17.5 as follows:

and renumbering the succeeding clauses accordingly;

19.1.3. deleting the phrase "cancel or suspend this agreement" where it appears in the newly numbered clause 17.6 with the following:

"...cancel this agreement or suspend the services..."

20. CLAUSE 18.0 RESOLUTION OF DISPUTES

- 20.1. This clause is amended by
 - 20.1.1. adding the following wording after the phrase "should the parties so agree" where it appears in clause 18.2:
 - "... within three (3) days of the dispute arising, failing which, the dispute shall proceed to arbitration in terms of this agreement..."
 - 20.1.2. deleting the last sentence of clause 18.2 in its entirety;
 - 20.1.3. deleting the last sentence of clause 18.9 in its entirety;
 - 20.1.4. inserting the following after the phrase "within fourteen (14) days of" where it appears in clause 18.9, as follows:
 - "...either the parties failing to agree to the mediation in terms of 18.2 or..."
 - 20.1.5. inserting the following new clauses after clause 18.11 as follows:
 - "...18.12. The arbitrator shall determine which **party** shall be liable for payment of the costs of the arbitration as well as the costs of the arbitrator.
 - 18.13. This clause shall not preclude any **party** from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the arbitrator.
 - 18.14. Notice of a dispute or pending arbitration proceedings shall not entitle any **party** to suspend compliance with any of its obligations in terms of this agreement or any **agreement** contemplated in this **agreement**.
 - 18.15. The parties agree that the written demand by a party to the dispute in terms of this clause that the dispute or difference be submitted to arbitration, is to be deemed to be a legal process for the purpose of interrupting extinctive prescription in terms of the Prescription Act 68 of 1969..."

21. GENERAL

21.1. The Principal Agreement is further amended by adding the following additional clauses after clause 18.0 (*Resolution of Disputes*), as follows:

"...19.0 OWNERSHIP OF DATA, DESIGNS AND DOCUMENTS

19.1. The **consultant** shall retain copyright of all documents prepared by him. The **client** shall be entitled to use them or copy them only

for the **project** and the purpose for which they are intended and need not obtain the **consultant** permission to copy same for such use only.

- 19.2. The ownership of data and factual information collected by the **consultant** and paid for by the **client** shall, after payment by the **client**, lie with the **client**.
- 19.3. The client shall have no right to use any documents referred to in this clause where any or all of the fees and expenses payable to the consultant have not been paid in full in accordance with this agreement.
- 19.4. In the event that the parties agree that the copyright in the documents shall be ceded to the client then the consultant shall not be liable in any way for the use of any of the information other than as originally intended for the project and the client hereby indemnifies the consultant against any claim which may be made against him by any third party arising from the use of such documentation for other purposes.

20.0 PUBLICITY AND PUBLICATION

Unless otherwise specified in this **agreement**, the **consultant** shall not release public or media statements or publish material related to the **services** or the **project** within two (2) years of completion of the **services** without the prior written approval of the **client**, which approval the **client** shall not unreasonably withhold or delay. The **client** shall not make premeditated public or media statements relating to the **services** provided by the **consultant** without the prior and full knowledge and approval of the **consultant**...

21.0 GOOD FAITH

Each of the **parties** shall owe to the others a duty of the utmost good faith and be obliged to devote himself to the progress and welfare of the **project**.

22.0 INDEPENDENT ADVICE

Each of the parties acknowledge that:

- 22.1 they have been free to secure independent legal and other professional advice (including financial and taxation advice) as to the nature and effect of all of the provisions of this **agreement** and that he has either taken such advice or has dispensed with the necessity of doing so; and
- 22.2 all of the provisions of this **agreement** and the restrictions herein contained are fair and reasonable in all circumstances and are in accordance with the **parties**' intentions.

23.0 GENERAL

23.1 Agreement

This **agreement** supersedes and replaces any and all agreements between the **parties** and undertakings given to or on behalf of the **parties** (and other persons, as may be applicable) in relation to the subject matter hereof.

23.2 No indulgences

No latitude, extension of time or other indulgence which may be given or allowed by any party to the other in respect of the performance of any obligation hereunder, and no delay or forbearance in the enforcement of any right of either party arising from this agreement and no single or partial exercise of any right by any party under this agreement, including this 23.2 shall in any circumstances be construed to be an implied consent or election by that party or operate as a waiver or a novation of or otherwise affect any of its rights in terms of or arising from this agreement or estop or preclude it from enforcing at any time and without notice, strict and punctual compliance with each and every provision or term hereof. Failure or delay on the part of any party in exercising any right, power or privilege under this agreement including this 23.2 will not constitute or be deemed to be a waiver hereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

23.3 No Waiver or suspension of Rights

No waiver, suspension or postponement by any party of any rights arising out of or in connection with this agreement shall be of any force or effect unless in writing and signed by that party. Any such waiver, suspension or postponement will be effective only in the specific instance and for the purpose given.

23.4 Provisions Severable

All provisions and the various clauses of this **agreement** are, notwithstanding the manner in which they have been grouped together or linked grammatically, severable from each other. Any provision or clause of this **agreement** which is or becomes unenforceable in any jurisdiction, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason whatever shall, in such jurisdiction only and only to the extent that it is so unenforceable, be treated as pro non scripto and the remaining provisions and clauses of this **agreement** shall remain of full force and effect. The **parties** declare that it is their intention that the **agreement** would be executed without such unenforceable provision if they were aware of such unenforceability at the time of execution hereof.

23.5 *Costs*

23.5.2 If any party successfully enforces or defends any claim in terms of this agreement, the unsuccessful party shall immediately indemnify the successful party against the full amount of all costs, charges and expenses of whatever nature incurred by the successful party in so doing (whether

before or after the institution of legal proceedings), including legal costs on the scale as between an attorney and his own client and any additional legal costs which may have been paid or are payable by the successful **party**."

22. ANNEXURE A

- 22.1. The Schedule is amended by
 - 22.1.1. deleting the phrase "and not left blank" where it appears in the second paragraph of the introduction to the Schedule.

23. SIGNATURE

- 23.1. The Parties record that it is not required for this Addendum to be valid and enforceable that a Party shall initial the pages of this Addendum and/or have his/her signature of this Addendum verified by a witness.
- 2.9.2. This Addendum is signed by the Parties on the dates and at the places indicated below.
- 2.9.3. This Addendum may be executed in counterparts (including facsimile or electronic scanned copies exchanged via electronic mail or otherwise), each of which shall be deemed an original, and all of which taken together shall constitute one and the same Addendum as at the date of signature of the Party last signing one of the counterparts or the facsimile/electronic copy, as the case may be.

Signed at Windhoek on [♠] for and on behalf)		
of Client:)		
)		
)		
)	Signature	
		Name (block capitals)	
		-	[[♦] Designation]

			[[♦] Designation]
		Name (block capitals)	
		-	
)	Signature	
)		
of Consultant:)		
Signed at Windhoek on [♦] for and on behalf)		