

# DRG

OUTSOURCING

your human resource partner

2020

# GUIDELINES:

- EMPLOYER APPLICATION - COVID19TERS
- EMPLOYEE APPLICATION - UIF  
NATIONAL DISASTER BENEFITS

Prepared By:  
DRG Outsourcing

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This guideline document will be updated as per any further stipulations and regulations that may become available over the next few days or week.

DRG is at hand to provide further advice and guidance.

You welcome to contact us:  
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## CORONAVIRUS TEMPORARY EMPLOYER-EMPLOYEE RELIEF SCHEME (COVID19TERS)

In view of the declaration of the National Disaster, in terms of Regulation 10(8), the Minister of Employment and Labour has issued a Directive called Covid19 Temporary Employee / Employer Relief Scheme (C19 TERS), announcing measures that the Department will put in place under the current special circumstance relating to the coronavirus and its impact on UIF contributors.

During this period of lockdown, companies will have to shut down and employees laid off temporarily. This means that employees are compelled to take leave, which is not out of choice. It is therefore anticipated that employees may lose income.

Employers are encouraged to continue to pay employees, but where this is not economically possible; a special benefit under the Unemployment Insurance Fund has been created, as per the Directive COVID -19 Temporary Employee / Employer Relief Scheme.

The Unemployment Insurance Commissioner has developed a coronavirus Temporary Employer-Employee Relief Scheme (COVID19TERS) to contribute to the containment of the Corona Virus and its impact.

Should an employer as a direct result of COVID -19 pandemic close its operations for 3 (three) months or a lesser period and suffer financial distress, the company shall qualify for a COVID-19 Temporary Relief Benefit.

The Unemployment Insurance Fund will assist affected workers through existing benefits including illness, reduced work time, and unemployment.

### PLEASE NOTE

Employers that have to enforce lock down as regulated and who might require financial assistance from the UIF should access information regarding available funding through a dedicated mailbox: [covid19ters@labour.gov.za](mailto:covid19ters@labour.gov.za)

# EMPLOYERS TO APPLY THE FOLLOWING PROCESS TO COMMENCE THE APPLICATION PROCESS FOR FINANCIAL RELIEF VIA THE COVID-19 TEMPORARY RELIEF BENEFIT

For companies to qualify for the temporary financial relief scheme, it must satisfy the following requirements:

- The company must be registered with the UIF
- The company must comply with the application procedure for the financial relief scheme; and
- The company's closure must be directly linked to the Covid-19 pandemic.

## STEP 1:

### Documents Required:

- A.) Letter of Authority, on an official company letterhead granting permission to an individual specified to lodge a claim on behalf of the company
- B.) MOA (completion of the agreement between UIF, Bargaining Council and Employer)
- C.) Prescribed template that will require critical information from the employer
- D.) Evidence/payroll as proof of last three months employee(s) salary(ies)
- E.) Confirmation of bank account details in the form of certified latest bank statement
- F.) All documents submitted will be subject to verification.

Should there be a need, further information may be required to eliminate any false and fraudulent claims.

## STEP 2:

### Submission Process

Submit/transmit all documents as required in Step 1 to UIF via dedicated mailbox [Covid19claims@labour.gov.za](mailto:Covid19claims@labour.gov.za)

*NB: If the spreadsheet is complete; valid and accurate, it will be dumped into an automated calculator to produce the benefit amount due to the beneficiaries and the total amount to be transferred to the employer or bargaining council or whichever method agreed.*

## STEP 3:

### Conclusion

Conclusion of the MOA between parties.

Payment will only be effected after MOA sign off between the Fund and the Employer/Bargaining Council.

# UNEMPLOYMENT INSURANCE FUND - NATIONAL DISASTER BENEFITS FOR EMPLOYEES

There is a lot of uncertainty surrounding this matter. The conflicting views doing the rounds in the media have not been helpful. We are doing our best to interpret the regulatory changes in a way that makes sense. The situation may change from day to day pending government regulations.

## ACCORDING TO “EASY – AID GUIDE FOR EMPLOYERS”:

- The employer may decide, as a direct result from the current coronavirus (COVID-19) pandemic to close their business for a period and send employees home. This constitutes a temporary lay-off. If the employer cannot pay his employees for this period, the employer can apply for the “National Disaster Benefit” from the UIF.
- This benefit will be de-linked from the UIF’s normal benefit structure and therefore the normal rule that for every 4 days worked the employee accumulated 1 credit day and maximum credit days payable is 365.
- This benefit will be at a flat rate equal to the minimum wage (R3 500) per employee for the duration of the shutdown or a maximum period of three months, whichever period is the shortest.
- If an employee is ill, temporary lay-off or unemployed for longer than three months, the normal UIF benefits as explained below will apply.

The **Unemployment Insurance Fund** will **compensate** affected workers through its **existing, Illness and Reduced Work Time** benefits.

## REDUCED WORK TIME

Where a company shuts down for a certain period or implements Reduced or Short Time, benefits payable is the difference between what employer pays and normal UIF benefits payable should an employee lose employment.

Required Forms and Documents:

- UI19 and UI2.7 (completed by Employer)
- UI 2.1 b
- UI 2.8 (bank form completed by the bank)
- A letter from the Employer confirming Reduced Work Time is due to the coronavirus
- Copy of ID document.

## ILLNESS BENEFITS

This is where an employee has been quarantined for 14 days or more, Illness Benefit process will apply.

- A Confirmation Letter from both the employer and employee must be submitted together with the application as proof that both the employer and employee have agree to the 14 days 'special leave'.
- In this instance the letters will stand in place of the medical certificate as the beneficiary would have self – quarantined without prior consultation with a medical practitioner. Benefits will be paid based on these letters.
- Should an employee be quarantined for more than 14 days, a medical certificate from a medical practitioner must be submitted together with the Continuation Form UI3.

Required Forms and Documents:

- UI19 and UI2.7 (completed by employer)
- UI2.2 (a portion of which is completed by the doctor)
- UI 2.8 (bank form completed by the bank)
- Copy of ID document.

## DEATH BENEFITS

In the unfortunate event where a contributor passes on, the following will apply: Benefits are paid to the beneficiaries of the deceased. People eligible to apply are a spouse, life partner, children and nominated persons, in that order.

Required Forms and Documents:

- UI19 and UI 53 (completed by the employer)
- UI 2.5 or UI2.6
- Death Certificate
- ID of deceased and applicant
- UI 2.8 (bank form completed by the bank)
- Copy of ID document.

## BENEFIT PAYMENTS

**The Temporary Relief Benefit may be payable for a maximum period of three months. After this period normal UIF benefits will apply.**

In terms of section 13(3) of the Unemployment Insurance Act, as amended the accumulation of credits is at the of 4:1 (every 4 days worked and contributed, 1 days credit is accrued) in a 4-year cycle from the date of unemployment up a maximum of 365 days.

## SUBMISSION OF DOCUMENTS

The forms can be submitted through the following methods:

- Online at: [www.ufiling.co.za](http://www.ufiling.co.za)
- Email the application to the nearest UIF processing Centre
- Fax the application to the nearest UIF processing Centre

EMAIL / FAX TO EMAIL NUMBER	
MAILBOX	FAX TO EMAIL NUMBER
Germiston.BCP@labour.gov.za	086 439 7295
Petermari.BCP@labour.gov.za	086 439 7296
EastLondon.BCP@labour.gov.za	086 439 7299
Capet.BCP@labour.gov.za	086 439 7300
George.BCP@labour.gov.za	086 439 7301
NorthWest.BCP@labour.gov.za	086 439 7302
Limpopo.BCP@labour.gov.za	086 439 7303
Mpumalanga.BCP@labour.gov.za	086 439 7304
Freestate.BCP@labour.gov.za	086 439 7305
Online.BCP@labour.gov.za	086 439 7306
Durban.BCP@labour.gov.za	086 439 7297
Portelizabeth.BCP@labour.gov.za	086 439 7298
NorthernCape.BCP@labour.gov.za	086 439 7309
Johannesburg.BCP@labour.gov.za	086 439 7294
Pretoria.BCP@labour.gov.za	086 439 7290





**UNEMPLOYMENT INSURANCE ACT 63 OF 2001, AS AMENDED  
RESPONSE TO CORONA VIRUS**

**EMPLOYEE DECLARATION**

I \_\_\_\_\_, Identity Number 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

  
*(Employee's full name & surname)*

Currently employed at \_\_\_\_\_ UIF Ref Number \_\_\_\_\_, hereby  
declare that I have agreed with my employer to self quarantine and not report for duty as a measure to curb the spread  
of Corona virus from \_\_\_\_\_ to \_\_\_\_\_.

The application for UIF benefits lodged is for the period stated above.

Signed at: \_\_\_\_\_ on the \_\_\_\_\_

\_\_\_\_\_  
*EMPLOYEE'S SIGNATURE*

*COMPANY STAMP (if available)*

\_\_\_\_\_  
*EMPLOYER SIGNATURE/ EMPLOYER REPRESENTATIVE*



# employment & labour

Department:  
Employment and Labour  
REPUBLIC OF SOUTH AFRICA

UI-2.7



## UNEMPLOYMENT INSURANCE ACT, 63 OF 2001 AS AMENDED REMUNERATION RECEIVED BY THE EMPLOYEE WHILST STILL IN EMPLOYMENT

To: The Claims Officer

Statement in respect of payment made to the undermentioned Contributor who is still in my employment but unable to work due to Illness, Maternity leave; Adoption leave; Commissioning parental leave or Parental leave or is on Reduced Working Time (RWT).

Full names of the Contributor: \_\_\_\_\_

Identity Document.																				
--------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Name of the employer: \_\_\_\_\_

Employers UIF Reference No.									/		
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a) In terms of section 5(1)b, 19(1), 26(2),27(3) of the above-mentioned Act, I hereby certify that the Contributor would receive less than 100% of his/her remuneration as from \_\_\_\_/\_\_\_\_/\_\_\_\_ (full date) due to:

Parental Leave	Commissioning Parental Leave (SURROGACY)	Illness Leave	Maternity Leave	Adoption Leave	Reduced Working Time
----------------	--	---------------	-----------------	----------------	----------------------

Periods during which different rates of remuneration were received while on leave/RWT (To be indicated in calendar months)			Gross remuneration received whilst on leave/RWT (Per month)
From	To		
From	To		
From	To		
From	To		
From	To		
From	To		
From	To		
From	To		
From	To		
From	To		

b) The contributor is expected to/has resumed full working hours on \_\_\_\_/\_\_\_\_/\_\_\_\_

SIGNATURE OF EMPLOYER OR AUTHORISED AGENT \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Employer's stamp (if available)
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UNEMPLOYMENT INSURANCE FUND
AUTHORISATION TO PAY BENEFITS INTO BANKING ACCOUNT

To be completed by the Financial Institution (Bank/Post Office)

NB: Please note that no corrections on this form would be accepted.

Name of account holder: (Full name and surname in block letters)

Identity Document:

Grid for Identity Document number

Name of Financial Institution:

Branch code:

Grid for Branch code

Account number:

Grid for Account number

Indicate with an 'X'

Table with columns: Savings account, Current account, Transmission account

Table with columns: Dormant, Active

I declare that the abovementioned information is current and complete in every aspect and that the Unemployment Insurance Commissioner will not be held liable for any incorrect payment which might arise due to incorrect/incomplete information supplied by me.

Signature and stamp area for Bank/Post Office Official

Date:

To be completed by the Applicant

The Unemployment Insurance Commissioner/Claims Officer

I, (Full name and surname in block letters)

Identity Document:

Grid for Identity Document number

hereby request/instruct/authorise you to pay my benefits, if approved, into the abovementioned account held at the Financial Institution (Bank/Post Office), unless otherwise instructed in writing.

I declare that the information as furnished by the abovementioned Financial Institution is to my knowledge accurate and complete. I indemnify the UIF of any liability in the event of payment being made into the provided banking account should this account be incorrect or incomplete.

Signature of Applicant

Date







**UI-19**

	Description	Code	J (Reason for non-contribution***)	Employer's stamp (if available)
**	If the employer is not a resident in the RSA, or is a body corporate not registered in the RSA, an authorised person must carry out the duties of the employer in terms of this Act.	1	Temporary employees	
D*	Remuneration means actual basic salary plus payment in kind (Declare actual gross salary)	2	Employees who earn commission only	
	If paid weekly, convert wages to monthly salary (weekly wages X 52/12)	3	No income paid for the payroll period	
E*	Total hours worked, i.e. actual hours worked during the month.			
	Employers may also submit these details electronically from payrolls or on the UIF's website at <a href="http://www.labour.org.za">www.labour.org.za</a>			
*	Only applicable for commercial employers, Domestic employers - provide surname and initials.			
***	Constructive dismissal can only be determined by the CCMA: Bargaining Council or Labour Court			

**Reasons for termination codes**

2 Deceased	6 Resigned	10 Illness/Medical boarded	14 Business closed	18 Commissioning Parental
3 Retired	7 Constructive dismissal***	11 Retrenched/Staff reduction	15 Death of Domestic Employer	19 Parental Leave
4 Dismissed	8 Insolvency/Liquidation	12 Transfer to another Branch	16 Voluntary severance package	
5 Contract expired	9 Maternity/Adoption	13 Absconded	17 Reduced Work Time	



**MEMORANDUM OF AGREEMENT**

**Between**

**UNEMPLOYMENT INSURANCE FUND**

Established in terms of section 4 (1) of the Unemployment insurance Act, 2001

(Act No.63 of 2001)

(hereinafter referred to as the "UIF")

duly represented by **Thobile Lamati / Teboho Maruping** in his capacity as

**Unemployment Insurance Commissioner/ Director – General**

and duly authorised thereto

**and**

**ADD NAME OF THE COUNCIL OR COMPANY**

(Hereinafter referred to as the "**xxxxxxx**")

Herein represented by.....

in his capacity as the .....

and duly authorized thereto

## 1. PURPOSE

- 1.1. The purpose of this Memorandum of Agreement is to record the terms and conditions for the implementation of **Covid-19** Temporary Employee-Employer Relief Scheme (**Covid-19** TERS) between the UIF and the Council/ Employer for the benefit of the Employees.

## 2. INTERPRETATION AND DEFINITIONS

- 2.1. The head notes to the clauses in this Agreement are for reference purposes only and shall not affect the interpretation of any part hereof.
- 2.2. Unless inconsistent with the context, any gender includes the other genders; a natural person includes an artificial person and vice versa; the singular shall include the plural and vice versa.
- 2.3. When any number of days are prescribed by the Agreement, same shall be reckoned exclusively of the first and inclusively of the last Business Day, save that if the last day does not fall on a Business Day, the last day shall be required to be made on the next succeeding Business Day.
- 2.4. In the event of any provisions contained in the Agreement being declared invalid or unenforceable by a Court of law, the validity and enforcement of the remaining provisions contained herein shall not, in any way, be affected or impaired thereby.
- 2.5. All provisions of these terms and conditions are, notwithstanding the manner in which they have been grouped together or linked grammatically, severable from each other.
- 2.6. Any provision of these terms and conditions which is or becomes unenforceable in any jurisdiction, whether due to voidness, invalidity, illegality, unlawfulness or for any 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 of these terms and conditions shall remain in full force and effect.

2.7. Unless inconsistent with the context, the words and expressions set forth below shall bear the following meanings:

<b>“Agreement”</b>	means this Memorandum of Agreement between the UIF and the Council / Employer and any Annexures and schedules thereto;
<b>“BCEA”</b>	means the Basic Conditions of Employment Act, 1997 (Act No. 75 1997) as amended;
<b>“the Department”</b>	means the Department of Employment and Labour;
<b>"Parties"</b>	means the UIF and the Council/ Employer;
<b>"Council/ Employer"</b>	means the National Bargaining Council for the Clothing Manufacturing Industry duly registered in accordance with the laws of the Republic of South Africa/ Company Registered in terms of <b>xxxx</b> ;
<b>“Council’s Members/ Employees”</b>	means the employees of Council’s Members or employee of the Company;
<b>“PFMA”</b>	means the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended;
<b>“Covid-19 benefits ”</b>	means an amount equivalent to <b>xxxxxx</b> of the Employee’s normal wage, which amount must not exceed the threshold earnings as determined by the Minister from time to time in terms of section 6 of the BCEA;
<b>“UIF”</b>	means Unemployment Insurance Fund established in terms of section 4(1) Unemployment Insurance Act, 2001 as amended;
<b>“TERS”</b>	(formerly TLS) means the Temporary Employee-Employer Relief Scheme developed in terms of the Framework for South Africa’s Response to the International Economic Crisis and the TERS Guideline;
<b>“TLS”</b>	means Training Lay-off Scheme;

### **3. COMMENCEMENT AND DURATION**

- 3.1 This Agreement shall commence on the date of the last signature and shall remain in force for a period of 3 (three) months.
- 3.2 This Agreement may be extended with the prior written consent of both Parties and on such terms as the Parties may then agree.
- 3.3 UIF reserves the right to seek clarification and request further information and supporting documentation during and or after the termination of the Agreement.

### **4. FUNDING**

- 4.1. The UIF undertakes to fund the Covid-19 Benefits in relation to Employees of Council/Employer as reflected in **Annexure A** of this Agreement.
- 4.2. The Council/Employer must open and maintain a dedicated UIF bank account which must be separate from its business account, into which account the UIF will pay the Covid-19 Benefits.
- 4.3. The Council/ Employer must within 5 days disburse the Covid-19 Benefits electronically from the dedicated TERS bank account referred to in clause 4.2 above into the banking accounts of each of the Employees.
- 4.4. The Council must not transfer the Covid-19 Benefits to any other account except for the purpose of paying the Covid-19 Benefits to or for the benefit of the Employees.

- 4.5. The Council/ Employer undertakes to honour its obligations for financial transactions in compliance with the South African Laws and good practice.
- 4.6. The Council/ Employer shall not deposit or credit the Covid-19 Benefits into any of its bank accounts.
- 4.7. The Council/ Employer shall pay any Value Added Tax payable in respect of services rendered in terms of this Agreement - the UIF bears no responsibility therefore.
- 4.8. The Council/ Employer shall account for the expenditure on the previous tranche payment before the next tranche can be processed.
- 4.9. The Council/ Employer shall submit the proforma invoice and submit the list of employees and other relevant documents required by the UIF for verification before making payment of Covid-19 Benefits.
- 4.10. The Covid-19 Benefits will not be paid to employees appointed after the commencement of this Agreement.
- 4.11. The Covid-19 Benefits are for the benefits of employees and such constitute Worker's funds, hence, UIF will not be liable for any management fees or any additional costs whatsoever.

## **5. PAYMENT PROCESS**

- 5.1. The UIF shall disburse the Covid-19 Benefits to the Council/Employer for the benefit of the Employees in monthly payments/ or as per Bargaining Council Agreement with its Council members and in accordance with the payment schedule reflected in **Annexure A** of this Agreement.

- 5.2. In relation to all three monthly payments, the Council/Employer must submit documents as stated in **Annexure A** of this Agreement on or before the 15<sup>th</sup> (fifteenth) of each month to the UIF for verification. The UIF should accept and agree with the Council/Employer on the submitted deliverables prior to processing payment on any invoice.
- 5.3. The UIF shall pay funds electronically into the Bank Account within 30 (thirty) days of receipt of a valid invoice and accepted deliverables as stated in **Annexure A** of this Agreement.
- 5.4. First payment will be made after the signing of the Agreement by both parties and verification of the documents in clause 6.1 of **Annexure A** of this Agreement.
- 5.5. All unutilized funds, including interest earned in the possession of the Council/Employer shall be refunded to the UIF within one (1) month after the termination of the Agreement.
- 5.6. In the instance where the employer has not paid the employees. The employer must submit the documents mentioned in Annexure A; UIF has discretion to pay the employees directly to their account.
- 5.7. UIF has right to request financial documents to prove that the company was in distress during existence of this agreement
- 5.8. The employers will required to sign an acknowledged of debt if contribution are not up-to-date.

## **6. WITHHOLDING OF FUNDING AND REPAYMENTS**

- 6.1. The UIF may require the Council/ Employer, at any time, to repay all or part of the funding if the Council/ Employer are in breach of this Agreement.

6.2. The UIF has the sole discretion to withhold or suspend any payment in whole or in part if the Council/ Employer:

6.2.1. is in breach of this Agreement; or

6.2.2. any document and invoices made in the Council's/ Employer's application for the Covid-19 Benefits are incorrect, incomplete, false or misleading.

## **7. ACCOUNTING REQUIREMENTS**

7.1. The Council/ Employer shall at all times ensure that its accounting records in relation to the Covid-19 Benefits, whether electronic or manual, are kept and maintained safely, and are at all times capable of being retrieved to a readable and printable form.

7.2. The Council/ Employer must ensure that its accounting records in relation to the Covid-19 Benefits shall, subject to clause 7.5 of the Agreement, always be accessible to authorised persons from the UIF.

7.3. The Council/ Employer must keep financial and accounting records relating to the Covid-19 Benefits separately from accounting records relating to its business, so that such Covid-19 Benefits accounting records are capable of being identified on a stand-alone basis.

7.4. The Council/ Employer shall, in relation to its disbursement of the Covid-19 Benefits to the Council/Employer, at all times keep a proper audit trail, which audit trail shall inter alia include bank account details of the Council/ Employer who have received the Covid-19 Benefits.

- 7.5. No cash withdrawals shall be made nor cheques drawn from the Council's/ Employer's Covid-19 Benefits banking account referred to in clause 4.2. of this Agreement .
- 7.6. The Council/ Employer shall retain its accounting records, all files and documents relating to the Covid-19 Benefits for at least five years from the date of the last entry recorded in each accounting or financial or other record.

## **8. OBLIGATIONS OF THE COUNCIL**

- 8.1. The Council/Employer shall pay to the Employees the Covid-19 Benefits within 5 days of receipt of funds transferred from the UIF.
- 8.2. For the duration of this Agreement, the Council's members shall not increase the remuneration of its management personnel and directors.
- 8.3. The Council shall disclose the remuneration of all its management personnel and directors with every invoice it submits to the UIF.
- 8.4. The Council/ Employer shall in writing notify the UIF of any termination of the employee within 5 (five) days of such termination as a result of dismissal, resignation or retrenchment.
- 8.5. The Council/Employers undertakes to use the Covid-19 Benefits exclusively and solely for the Employees.

## **9. UIF OBLIGATIONS**

The UIF undertakes to:

- 9.1. make payments to the Council / the Employers in accordance with the terms and conditions of this Agreement.

- 9.2. promptly remedy any defect or deficiency in the fulfilment of its obligations in terms of this Agreement;
- 9.3. inform the Council/ Employer in writing as soon as it becomes aware of anything, which may hamper, delay or prevent it fulfilling its obligations in terms of this Agreement; and
- 9.4. recover any losses through fraud, or fruitless and wasteful, irregular or unauthorised expenditure, from any person liable in law.

## **10. AUDITING AND REPORTING**

10.1. The UIF may at any time, at its expense and sole discretion appoint an auditor or a suitably qualified investigator to audit or investigate suspected:

10.1.1. breach of this Agreement; and

10.1.2. corruption or fraud related to the Covid-19 Benefits or any aspect of this Agreement.

10.2. The Council/ Employer shall:

10.2.1. Allow UIF employees or an auditor or investigator so appointed, timeous unrestricted access to any records as UIF employees or the auditor or investigator may deem necessary to examine, for the purposes of discharging his or her duties; and

- 10.2.2. without delay, furnish UIF employees or the auditor or investigator with any authority which may be required to enable him or her to obtain such information as he or she may reasonably require for such purpose.

## **11. COMMUNICATION**

- 11.1. The UIF shall be entitled to develop public relations material relating to the Covid-19 Benefits, which public relations materials may include press statements, media reports, and opening ceremonies of training sites or information relating to the Covid-19 Benefits.
- 11.2. The UIF shall be entitled, by prior consent of the Council/ the Employer, which consent shall not be unreasonably withheld, to invite persons including representatives from business, government, donors or any other dignitaries to attend any function and/or to inspect the Covid-19 Benefits materials and/or premises of the Council/Employer.

## **12. INTELLECTUAL PROPERTY RIGHTS AND COPYRIGHT**

- 12.1. The Council/ the Employer retains all right, title and interest in and to the Council's/ the Employer's Intellectual Property.
- 12.2. The UIF retains all right, title and interest in and to the UIF's Intellectual Property.
- 12.3. The Parties agree that they will give due recognition on all the publications and materials developed by or on behalf of UIF or Council/ Employer in respect of the Covid-19 Benefits.

### **13. CONFIDENTIALITY OF INFORMATION**

13.1 The Parties shall keep confidential and shall not disclose to any third Party (other than for the purposes of performing services under this Agreement) any of the Confidential Information disclosed to either Party during the discussions or negotiations or implementation of this Agreement or at any time thereafter.

13.2 The provisions of 13.1 above shall not apply to any Confidential Information which –

13.2.1 is or hereafter becomes part of the public domain;

13.2.2 can be shown to have been lawfully in the possession of the other Party prior the signing of the Agreement and is not subject to any existing Agreement between the Parties;

13.2.3 is acquired by the other Party independently from a third Party, who lawfully acquired such information without restriction, or information which is acquired or developed by a Party independently of the other Party in circumstances which do not amount to a provision of 13.2.1 and 13.2.2 above; or

13.2.4 is disclosed or released by the Receiving Party/Recipient to satisfy an order of Court or otherwise comply with the provisions of any law or regulation in force at the time.

### **14. NO VARIATION**

No amendment or variation to this Agreement shall be of any force unless it is in writing and signed by both Parties.

## **15. BREACH AND TERMINATION**

15.1 Except where expressly provided to the contrary, should any Party commit a breach of any of the terms and conditions of this Agreement and fail to rectify such breach within a period of 14 (fourteen ) days after written notice has been given to the defaulting Party by or on behalf of the other Party (aggrieved Party) calling upon the defaulting Party to remedy such breach, then notwithstanding any previous indulgence on the part of the aggrieved Party and without prejudice to any other or further rights in law of such aggrieved Party in terms hereof or otherwise, the aggrieved Party shall be entitled to immediately:

15.1.1 as a means of first recourse to meet the defaulting Party and agree to work together to mitigate the effect of the breach;

15.1.2 failing which to refer to mediation;

15.1.3 failing which to cancel this Agreement and claim damages and/or losses occasioned by the breach from the defaulting party; or

15.1.4 claim specific performance in terms of this Agreement.

15.2 This Agreement may be terminated by either Party on prior 30 days written notice to the other Party.

## **16. GOOD FAITH**

The Parties shall display good faith in their dealings with each other.

## 17. DISPUTE RESOLUTION

- 17.1 Should any dispute pertaining to this Agreement or performance thereunder arise at any time between the Parties, the duly authorized senior officials of each Party shall meet within 5 (five) days, or such period as the Parties may agree, from the date on which the dispute was notified in writing by one Party to the other, to attempt to resolve the dispute amicably.
- 17.2 If the dispute is not resolved at the meeting contemplated in clause 17.1, or extended meeting as the Parties may agree to in writing, or such meetings mentioned in this clause 17.2 does not take place, then either Party may refer the dispute to the Arbitration Foundation of South Africa (“AFSA”) to be determined by arbitration in terms of the rules of AFSA, such arbitration shall be held in Pretoria.
- 17.3 AFSA will be responsible for the appointment of an arbitrator and, where the Parties agree, more than one arbitrator may be appointed.
- 17.4 The arbitration will include the right of appeal provided for by the rules of AFSA.
- 17.5 Notwithstanding the institution and commencement of arbitration proceedings, either Party may nonetheless approach a court of law for relief of an urgent nature in circumstances in which such relief cannot be given or cannot urgently be given by the arbitrator.
- 17.6 In making an award, the arbitrator appointed will also, in his discretion, make a decision with regard to the costs of the arbitration, including any value-added tax, charges and disbursements, and fees of a like nature incurred by the successful Party in successfully enforcing or defending any of the provisions of this Agreement or any claim hereunder, and shall be for the account of the unsuccessful Party. In so doing, the arbitrator shall be entitled to appoint a taxation consultant and/or a taxing master to determine the amount of the fees.

**18 INDEMNITY**

The Council/Employer indemnifies the UIF against any claims for loss, accidents, death and injury or damages suffered by it or its employees, agents or visitors in or near the premises or during training irrespective of the cause thereof and even if there has been an element of negligence on the part of the UIF.

**19 NOTICES**

19.1 The Parties choose the following addresses for the purposes of serving any notice of payment of any sum, serving of any legal process or for any other notice arising from this Agreement.

**UNEMPLOYMENT INSURANCE FUND**

**Street Address:**

ABSA TOWERS  
230 Lilian Ngoyi Street  
PRETORIA  
0001

**Postal address:**

PRETORIA  
0052

Facsimile No. (012) 337...

**For: the Attention of:**

.....  
Chief Director: .....

**XXXXXXXXXX**

19.2 Each Party will be entitled from time to time by written notice to the other party to change to any other address within the Republic of South Africa, provided that one of the addresses shall always be a physical address at which the service of legal processes can be effected;

19.3 Any notice which:

19.3.1 is delivered by hand at the addressee's physical address shall be deemed to have been received by the addressee at the time of delivery; or

19.3.2 is posted by prepaid registered post from an address within the Republic of South Africa to the addressee at its physical shall be deemed, until the contrary is proved by the addressee, to have been received by the addressee on the seventh day after the date of posting; and

19.3.3 If transmitted by telefax to the addressee at its physical, shall be deemed to have been received by the addressee on the date of transmission or, if the transmission is made outside of normal business hours, on the first business day following after the date of transmission.

## **20 AMENDMENT TO THE AGREEMENT**

20.1 Should either Party wish to make any amendment to this Agreement that Party shall make a request to UIF, the request shall specify the following:

20.1.1 The description of the proposed amendment;

20.1.2 The reason for making the proposed amendment;

20.1.3 When the Party requires the amendment to be implemented;

20.1.4 The resources available; and

20.1.5 The continued balance of the Parties obligations under this Agreement.

20.2 The other Party shall be given an opportunity to consider such amendment and make a decision on whether it is prepared to accept such amendment or not.

20.3 No amendment shall be of any force and effect until it is signed by duly authorized by representatives of each of the Parties.

## **21 LIMITATION OF LIABILITY**

21.1 The Parties agree that, in the event of a breach of any of the provisions of this Agreement, the defaulting Party shall only be liable to the other Party for all losses which constitute direct and/or general damages.

21.2 Subject to clause 21.3, the Parties agree that, in the event of a breach of any of the provisions of this Agreement, the defaulting Party shall not be liable to the other Party for any losses, which constitute indirect, special and/or consequential damages.

21.3 Notwithstanding anything to the contrary set forth in clause 21.2 above or this Agreement in general, the Parties agree that they shall be liable to each other for:

21.3.1 all losses which arise out of their Corrupt Activity or fraud; and

21.3.2 all losses which arise out of dishonesty or gross negligence regardless of whether such losses arise out of contract or delict.

21.4 Notwithstanding anything to the contrary contained in this Agreement, Council/ Employer's maximum liability for any claims, howsoever arising or

connected to this Agreement, will be to the extent of damage suffered by UIF in terms of this Agreement.

## **22 FULL AGREEMENT**

This Agreement constitutes the entire Agreement, and no other Agreement, provision, document or determination shall form part of this Agreement unless such other Agreement, provision, document or determination is in writing and has been signed by both Parties.

## **25 INDULGENCE**

No waiver on the part of either party of any rights arising from a breach of any provision of this Agreement will constitute a waiver of rights in respect of any subsequent breach of the same or any other provision.

## **26 CESSION AND ASSIGNMENT**

26.1 Council/Employer shall not be entitled to cede, assign or sub-contract all or any of its rights or obligations under this Agreement without the written consent of the UIF.

26.2 UIF shall be entitled to cede and assign all of its rights and obligations, or any portion thereof under this Agreement to any other organ of the State, subject only to the rights and obligations of the Council/Employers being honoured, either by UIF providing a written undertaking to the Council/Employers to honour its obligations, or the rights and obligations of UIF being honoured by any successor in title or assignee of UIF, without written consent of Council/Employers.

## **27 LEGAL COSTS**

Each Party will pay its own costs and expenses incurred by it in connection with the negotiation and execution of this Agreement.

## **28 PENALTY**

28.1 Council/ Employer's maximum liability for any claims, howsoever arising or connected to this Agreement, will be to the extent of damage suffered by UIF in terms of this Agreement.

28.2 Any loss or damages suffered by UIF as a results of the fraud by Council or Employer will became due immediately to UIF and will be legally recovered from the employer or Council.

28.3 The employer or Council will liable for costs of recovery of debt by UIF.

28.4 Any Act of fraudulent activities committed by the Employer or Council will be criminal offence and shall be prosecuted in terms of Disaster Management Act, 2002 (Act No. 57 of 2002).

SIGNED at .....on this ..... day of ..... 2020

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For: UNEMPLOYMENT INSURANCE FUND  
TEBOHO MARUPING/ Thobile Lamati

AS WITNESSES

1. \_\_\_\_\_ 2. \_\_\_\_\_

SIGNED at .....on this ..... day of ..... 2020

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For: **xxxxxxxxxx**

**xxxxxxxxxx**

Duly Authorised

AS WITNESSES:

1. \_\_\_\_\_ 2. \_\_\_\_\_

## ANNEXURE A

1. Covid-19 Benefits Budget is....
2. Number of g Employees is.....
3. Monthly Covid-19 Benefits value is R .....
4. Covid-19 Benefits payable for 3 months
5. Maximum Covid-19 Benefits payable to a Participating Employee is **R17 119.44**
- 6.

PAYMENT SCHEDULE	
Payments	Deliverables
<b>6.1</b> <b>Payment 1</b>	<ol style="list-style-type: none"> <li>1. Council Invoice supported by proof of payment reconciling to the invoice per grades of all Employees;</li> <li>2. Details of the Employer ;</li> <li>3. A list of Employees and their employment 'history ;</li> <li>4. Confirmation of dedicated TERS Bank Account for Council as contemplated in clause 4.2 of the Agreement;</li> <li>5. A signed Memorandum of Agreement between the Council and the UIF;</li> <li>6. The Employment status of the Participating Employees;</li> <li>7. Proof of salary over the last six months;</li> <li>8. Three months Certified Bank statement of the Employer/; and</li> <li>9. Payroll of the the last six months or proof of payment for last six months.</li> </ol>
<b>6.2</b> <b>Payment 2</b>	<ol style="list-style-type: none"> <li>1. Council Invoice supported by proof of payment reconciling to the invoice per grades of all Employees ;</li> <li>2. Bank statements reflecting payment of the Covid-19 TERS Allowances to the Employees; and</li> <li>3. The Employment status of the Employees; and</li> <li>4. Payroll of the the last six months or proof of payment of first monthly payment reconciling to the amount paid by the UIF.</li> </ol>
<b>6.3 FINAL</b> <b>PAYMENT</b>	<ol style="list-style-type: none"> <li>1. Council Invoice supported by proof of payment reconciling to the invoice per grades of all Employees; ;</li> </ol>

	<ol style="list-style-type: none"><li>2. Bank statements reflecting payment of the Covid-19 TERS Allowances to the Participating Employees;</li><li>3. The Employment status of the Employees; and</li><li>4 Payroll of the the last six months or proof of payment of first monthly payment reconciling to the amount paid by the UIF.</li><li>4.</li></ol>
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## Contact us:

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