



## **Sponsorship Agreement**

between

**Closed Loop Learner Network Proprietary Limited**

**(Registration number: 2017/505142/07)**

and

**Full Name:** \_\_\_\_\_

**(Registration/Identity number: \_\_\_\_\_)**

(hereinafter referred to as the **"Sponsor"**)



## PARTIES

### CLOSED LOOP LEARNER NETWORK PROPRIETARY LIMITED

#### SPONSOR

##### 1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement, unless clearly inconsistent with or otherwise indicated by the context:
  - 1.1.1 **Agreement** means this Sponsorship Agreement, as amended from time to time;
  - 1.1.2 **BBBEE Act** means the *Broad-Based Black Economic Empowerment Act of 2003*, as amended from time to time;
  - 1.1.3 **Business Day** means any day other than a Saturday, Sunday or official public holiday in South Africa;
  - 1.1.4 **CAPS Curriculum** means the national Curriculum and Assessment Policy Statement adopted by the South African Department of Basic Education;
  - 1.1.5 **CLN** means Closed Loop Learner Network Proprietary Limited (Registration number: 2017/505142/07), a private company duly incorporated in accordance with the applicable laws of South Africa;
  - 1.1.6 **Device** means a purpose customised Huawei T3 7 inch media pad which device will come preloaded with certain CAPS Curriculum textbooks;
  - 1.1.7 **Educator** means shall bear the meaning ascribed to that term in section 1 of the SAS Act;
  - 1.1.8 **Learner** means any person receiving education, or obliged to receive education in terms of the SAS Act;
  - 1.1.9 **Parties** means CLN and the Sponsor and **Party** means, as the context requires, any one of them;
  - 1.1.10 **Public School** means a school contemplated in Chapter 3 of the SAS Act;
  - 1.1.11 **SAS Act** means the South African Schools Act, 84 of 1996 (as amended from time to time);
  - 1.1.12 **Scheme** means the social investment scheme "Omand" in terms of which companies and individuals shall sponsor Devices which will be distributed to certain Learners or Educators to assist the Learners in learning and the Educators in teaching;
  - 1.1.13 **Signature Date** means the date of the last signature of this Agreement;
  - 1.1.14 **South Africa** means the Republic of South Africa; and
  - 1.1.15 **VAT** means value added tax as contemplated in the Value Added Tax Act, 1991.
- 1.2 Any reference in this Agreement to:
  - 1.2.1 a **clause** is, subject to any contrary indication, a reference to a clause of this Agreement;
  - 1.2.2 **law** means any law including common law, statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any other measure of any government, local government, statutory or regulatory body or court, having the force of law; and
  - 1.2.3 **person** is a reference to any natural or juristic person, firm, company, corporation, government, state, agency or organ of a state, association, trust or partnership (whether or not having separate legal personality).
- 1.3 The headings do not govern or affect the interpretation of this Agreement.
- 1.4 Any number of days prescribed in this Agreement excludes the first day and includes the last day and any relevant action or notice may be validly done or given on the last day.
- 1.5 Unless the context indicates otherwise, if the day for payment of any amount or performance of any obligation falls on a day which is not a Business Day, that day will be the next Business Day.
- 1.6 The words **including** and **in particular** are without limitation.
- 1.7 A reference to a Party includes that Party's successors-in-title and permitted assigns.
- 1.8 The rule of interpretation that, in the event of ambiguity, the contract must be interpreted against the party responsible for the drafting of the contract does not apply.

- 1.9 The termination of this Agreement does not affect those of its provisions which expressly provide that they will operate after termination, or which must continue to have effect after termination, or which must by implication continue to have effect after termination.

##### 2. RECORDAL

- 2.1 It is recorded that:
  - 2.1.1 CLN wishes to launch a project in terms of which, *inter alia*, CLN and/or its partners will distribute Devices to Learners and Educators throughout South Africa. The Devices which are issued to Learners will be customised to each specific Learner and will come pre-installed with electronic copies of certain of the CAPS Curriculum textbooks required by each such individual Learner for their particular year of study at a Public School. The Devices which are issued to Educators will be customised to each specific Educator and will come pre-installed with electronic copies of certain of the CAPS Curriculum teacher guides required by such Educator based on the subjects which they teach;
  - 2.1.2 the Sponsor wishes to partner with CLN and sponsor the purchase of one or more Devices to be used by a particular Learner or Educator in accordance with the Scheme; and
  - 2.1.3 this Agreement is a recordal of the terms and conditions upon which the Sponsor will partner with CLN and sponsor the purchase of one or more Devices in accordance with the Scheme.

##### 3. SPONSORSHIP OF DEVICE/S

- 3.1 It is agreed that the Sponsor has elected to sponsor \_\_\_\_\_ Devices. It is acknowledged that the cost per Device which is to be sponsored by the Sponsor includes:
  - 3.1.1 an upfront non-refundable payment of R225,00 (excluding VAT) / R258,75 (including VAT); and
  - 3.1.2 an amount of R69,00 (excluding VAT) / R79,35 (including VAT) per month for 30 months.
- 3.2 On the Signature Date the Sponsor shall:
  - 3.2.1 Effect payment of the upfront payment contemplated in clause 3.1.1 to CLN. All payments made by the Sponsor to CLN in this regard shall be made by way of electronic funds transfer, free of deduction or set-off and directly into the following bank account of CLN:

Bank:	Investec Bank
Branch Code:	580105
Account number:	10012281356
Account name:	Closed Loop Learner Network (Pty) Ltd
Reference:	OMANG + Sponsor's name; and
  - 3.2.2 Complete the debit order form attached hereto as Annexure A. The Parties agree that CLN shall be permitted to debit the Sponsor's bank account with the amount contemplated in clause 3.1.2 for each Device sponsored by the Sponsor. The first debit of the Sponsor's bank account will take place on the first Business Day of the month following the month in which the Devices sponsored by the Sponsor are deployed to the relevant Learners and/or Educators. Thereafter, each subsequent debit order will take place on the first Business Day of each subsequent month until the expiry of the 30 months.
- 3.3 Proof of the fact that the Devices have been deployed to the relevant Learners and/or Educators will be provided by CLN to the Sponsor in writing during the month following the month in which the Devices sponsored by the Sponsor are deployed. In addition, CLN shall notify the Sponsor in writing of the Public School to which the Sponsor's Devices were deployed as well as the class/es within that Public School to which the Sponsor's Devices were deployed. The Sponsor specifically acknowledges that CLN shall be under no obligation whatsoever to disclose to the Sponsor the identity of the individual Learner or Educator who has received one of the Devices sponsored by the Sponsor. Notwithstanding the above, CLN undertakes to provide the Sponsor with any information in its possession that will assist the Sponsor with accreditation in terms of the BBBEE



Act including, but not limited to, providing the Sponsor with an undertaking that more than 75% of the Learners and/or Educators that will be benefiting from the Scheme are black people as defined in the BBBEE Act.

#### 4. GRANT OF SPONSORSHIP BENEFITS

The Parties acknowledge that CLN will grant the Sponsor the following benefits with regards to the Devices sponsored by the Sponsor:

4.1 the Sponsor shall be entitled to send one free email based positive social message per week to the Devices sponsored by the Sponsor. In this regard the Parties agree as follows:

4.1.1 the positive social message shall be visible only on those Devices which were sponsored by the Sponsor. The Parties acknowledge that the positive social message can be made unique to each particular Device sponsored by the Sponsor and that the Sponsor shall be permitted to distribute one positive social message per week to each Device sponsored by them even if the positive social messages to each Device differ. In the event that the Sponsor wishes to distribute more than one positive social message in any given week, the Sponsor shall:

4.1.1.1 provide CLN with copies of each of the positive social messages which it intends to distribute; and

4.1.1.2 clearly specify which Devices sponsored by it are to receive which positive social messages;

4.1.2 CLN shall be permitted to determine, in its sole and absolute discretion when the positive social message(s) are sent to the Devices;

4.1.3 in the event that the Sponsor wishes to send positive social message(s), it shall submit a copy of the positive social message(s) to CLN on or before 17:00 on each Monday. Any positive social message(s) received after 17:00 on a Monday will only be distributed during the following week;

4.1.4 any positive social message(s) shall, at a minimum, comply with CLN's minimum standards. The Parties agree that CLN shall be permitted, in its sole and absolute discretion, to reject any proposed positive social message(s) on the grounds that same is offensive, inappropriate or otherwise unsuitable for the intended recipient of such positive social message(s). In the event that CLN rejects a positive social message as aforesaid, it shall notify the Sponsor of such fact in writing and be obliged to provide reasons as to why such positive social message(s) was rejected. In such circumstances, the Sponsor shall be permitted to provide an alternative positive social message(s); and

4.1.5 in the event that the Sponsor fails to provide CLN with its positive social message(s) prior to 17:00 on Monday in any week, the Sponsor shall forfeit its right to send a positive social message(s) in that week;

4.2 the Sponsor shall be entitled to conduct one free insight questionnaire per month per Device sponsored by it. In this regard the Parties agree as follows:

4.2.1 the insight questionnaire shall:

4.2.1.1 consist of multiple choice questions only;

4.2.1.2 be limited to a maximum of ten multiple choice questions per questionnaire; and

4.2.1.3 each multiple choice question shall have a maximum of five options as answers to such question;

4.2.2 to the extent that the Sponsor wishes to distribute an insight questionnaire in any given month, it shall notify CLN of such fact in writing. The aforementioned written notification shall, at a minimum, contain:

4.2.2.1 a copy of the insight questionnaire which the Sponsor intends to distribute. The Parties acknowledge that the insight questionnaire can be made unique to each particular Device sponsored by the Sponsor and that the Sponsor shall be permitted to distribute one insight questionnaire per month to each Device sponsored by them even if the insight questionnaires to each Device differ. In the event that the Sponsor wishes to distribute more than one insight questionnaire in any given month, the Sponsor shall:

4.2.2.1.1 provide CLN with copies of each of the insight questionnaires which it intends to distribute; and

4.2.2.1.2 clearly specify which Devices sponsored by it are to receive which insight questionnaire; and

4.2.2.2 the preferred date range during which the Sponsor would like the insight questionnaire(s) to be distributed to the Devices;

4.2.3 upon receipt of the Sponsor's written notification contemplated in clause 4.2.2, CLN shall review the insight questionnaire(s) to ensure that they do not contain questions which CLN, in its sole and absolute discretion, deems offensive, inappropriate or otherwise unsuitable for the intended recipient of such insight questionnaire. In the event that CLN:

4.2.3.1 deems a insight questionnaire(s) to be offensive, inappropriate or otherwise unsuitable:

4.2.3.1.1 CLN shall notify the Sponsor of such fact in writing and be obliged to provide reasons as to why such insight questionnaire(s) was deemed to be offensive, inappropriate or otherwise unsuitable; and

4.2.3.1.2 the Sponsor shall be permitted to amend the insight questionnaire(s) and to resubmit same without the offensive, inappropriate and/or unsuitable questions;

4.2.3.2 accepts an insight questionnaire(s) and/or amended insight questionnaire(s), as the case may be, it shall:

4.2.3.2.1 notify the Sponsor of such fact in writing; and

4.2.3.2.2 use its reasonable endeavours to ensure that the insight questionnaire(s) are distributed to the Devices during the Sponsor's preferred date range contemplated in clause 4.2.2.2. Notwithstanding the above, CLN shall in no way be liable to the Sponsor in the event that the insight questionnaire(s) are not distributed during the Sponsor's preferred date range;

4.2.4 in the event that the Sponsor fails to submit insight questionnaire(s) to CLN for distribution prior to the last Business Day of any month, the Sponsor shall forfeit its right to send insight questionnaire(s) in that month; and

4.2.5 all insight questionnaires will be distributed to the Devices via email. As such:

4.2.5.1 the Sponsor specifically acknowledges that CLN cannot guarantee that the insight questionnaires will be responded to by any minimum number of Learners and/or Educators; and

4.2.5.2 CLN does not warrant that the insight questionnaires will be responded to by any minimum number of Learners and/or Educators;

4.3 CLN shall provide the Sponsor with monthly feedback and aggregated, anonymous progress reports showcasing the impact of the Sponsor's contributions on the Learners and the education system as well as the results of the Scheme;

4.4 the Sponsor shall be entitled to use any positive impact and success of the Scheme in association with their own brand. Notwithstanding the above, in the event that the association with the Sponsor's brand causes any loss and/or damage of any nature whatsoever to the Scheme and/or CLN, the Sponsor shall indemnify CLN in full against all such losses; and

4.5 in the event that one of the Learners who receives a Device sponsored by the Sponsor is a high achiever in mathematics, CLN shall notify the Sponsor of such fact in writing whereafter the Sponsor shall have the opportunity to provide individualised talent support funding to such Learner. Any such individualised talent support funding will be provided by the Sponsor in its sole and absolute discretion. For the purposes of this clause, the term "high achiever" shall be deemed to mean a Learner who achieves an aggregate mark equal to or greater than 75%.

#### 5. FORCE MAJEURE

5.1 If CLN is delayed in performing or fails to perform any of its obligations under this Agreement as a consequence of a force majeure event, then those obligations shall be deemed to have been suspended to the extent that and for so long as CLN is so prevented from fulfilling them.

5.2 For the purpose of this Agreement, the expression "force majeure event" means any event or circumstances, or combination of events or circumstances, occurring on or after the Signature Date, the occurrence of which is beyond the reasonable



control (directly or indirectly) of, and could not have been avoided by steps which might reasonably be expected to have been taken by CLN, acting reasonably.

5.3 If the force majeure in question prevails for a continuous period of 90 days or more, either Party may terminate this Agreement without incurring any liability towards the other Party at the end of 10 days' written notice to this effect given to the affected Party.

6. **BREACH**

6.1 Should either Party (**Defaulting Party**) breach any of the provisions of this Agreement, then the other Party (**Aggrieved Party**) may give the Defaulting Party fourteen days' written notice or such longer period of time as the Aggrieved Party may specify in the notice, to remedy the breach. If the Defaulting Party fails to comply with the notice, the Aggrieved Party may:

6.1.1 claim immediate payment and/or performance by the Defaulting Party of all of the Defaulting Party's obligations that are due for performance; or

6.1.2 cancel this Agreement upon written notice to the Defaulting Party where the breach constitutes a material breach,

in either event without prejudice to the Aggrieved Party's right to claim damages or to exercise any other rights that the Aggrieved Party may have under this Agreement or in law.

7. **LIMITATION OF LIABILITY**

Neither Party will in any event be liable for indirect, special or consequential damages arising from the performance or non-performance of such Party's obligations in terms of this Agreement, unless such loss or damage is caused by the fraud, wilful misconduct or gross negligence of such Party.

8. **NOTICES AND ADDRESSES**

8.1 **Notices**

Any notice, consent, approval or other communication in connection with this Agreement (**Notice**) will be in writing in English.

8.2 **Addresses**

8.2.1 Each Party chooses the physical address and/or email address corresponding to its name below as the address to which any Notice must be sent.

8.2.1.1 CLN:

Physical Address: 5 Broadway Crescent, Magalissieg, 2067, Johannesburg

Email Address: ajit@the-cln.com

Attention: Ajit Gopalakrishnan

8.2.1.2 Sponsor:

Physical Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Email Address: \_\_\_\_\_

Attention: \_\_\_\_\_

Any Party may by Notice to the other Party change its address and/or the person, if any, for whose attention any Notice must be marked in clause 8.2.1.

8.3 **Effective on receipt**

8.3.1 Any Notice takes effect when received by the recipient (or on any later date specified in the Notice) and, unless the contrary is proved, is deemed to be received:

8.3.1.1 on the day of delivery, if delivered by hand to a responsible person at the recipient's physical address in clause 8.2; or

8.3.1.2 on the date of transmission, if sent by email to the recipient's email address in clause 8.2, and in each case if delivery is not on a Business Day, or is after ordinary business hours on a Business Day, the Notice is deemed to be received on the Business Day after the date of delivery.

8.3.2 Despite anything to the contrary in this Agreement, a Notice actually received by a Party is effective even though it was not sent, or delivered, or sent and delivered to its address in clause 8.2.

8.4 **Service of legal process**

8.4.1 Each Party chooses its physical address referred to in clause 8.2.1 as its address at which legal process and other documents in legal proceedings in connection with this Agreement may be served (**domicilium citandi et executandi**).

8.4.2 Any Party may by Notice to all the other Parties change its address at which legal process and other documents in legal proceedings in connection with this Agreement may be served to another physical address in South Africa.

9. **GENERAL**

9.1 **Entire Agreement**

This Agreement contains all the express provisions agreed on by the Parties with regard to the subject matter of this Agreement and the Parties waive the right to rely on any alleged express provision not contained in this Agreement.

9.2 **Variation, Cancellation and Waiver**

No contract varying, adding to, deleting from or cancelling this Agreement, and no waiver of any right under this Agreement, shall be effective unless reduced to writing and signed by or on behalf of the Parties.

9.3 **Indulgence**

No indulgence granted by a party shall constitute a waiver or abandonment of any of that Party's rights under this Agreement accordingly, that Party shall not be precluded as a consequence of having granted that indulgence from exercising any rights against the other Party which may have arisen in the past or which may arise in the future.

9.4 **Counterparts**

This Agreement may be executed in any number of counterparts and by the different Parties on separate counterparts, each of which when executed and delivered shall constitute an original.

9.5 **Good Faith**

The Parties agree to act in good faith in relation to one another at all times in giving effect to the provisions of this Agreement.

9.6 **Assignment**

No Party shall be entitled to cede its rights and/or delegate its obligations in terms of this Agreement to any third party without the prior written consent of the other Parties.

9.7 **Severability**

Any illegal or unenforceable provision of this Agreement may be severed and the remaining provisions of this Agreement shall continue in force.

10. **APPLICABLE LAW**

This Agreement is governed by South African law.

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**SIGNATURE PAGE**

SIGNED at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2018

For and on behalf of: **CLOSED LOOP LEARNER NETWORK PROPRIETARY LIMITED**

\_\_\_\_\_

Name:

Capacity:

Who warrants authority

**Sponsor to sign below if it is an entity**

SIGNED at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2018

For and on behalf of: \_\_\_\_\_

\_\_\_\_\_

Name: \_\_\_\_\_

Capacity: \_\_\_\_\_

Who warrants authority

**Sponsor to sign below if he/she is an individual**

SIGNED at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2018

\_\_\_\_\_

Name: \_\_\_\_\_



## ANNEXURE A – DEBIT ORDER AUTHORISATION

Name: \_\_\_\_\_

hereby authorises Closed Loop Learner Network Proprietary Limited, to deduct the following charges/series of charges, against its account, in respect of the obligations set out below. In the event that there are insufficient funds in the nominated bank account to meet our payment obligations, we authorise Closed Loop Learner Network Proprietary Limited to present the instruction for payment again, after the nominated date, as soon as there are sufficient funds available in my account.

Details of the charge(s):

Details of the obligation and the charge(s): Sponsorship Agreement

Single or multiple charge(s): Multiple

**Charges will be deducted on or after:**

**Amount of the charge(s):**

The charges will be deducted from:

Bank name:

Account number:

Holder name:


The above charge/series of charges is/are in respect of the following obligations:

**SPONSORSHIP OF DEVICES IN RESPECT OF THE OMANG PROJECT**

Charge(s) will be deducted on the first Business Day of each month with effect from the date stipulated above.

Dated \_\_\_\_\_

Name: \_\_\_\_\_

\_\_\_\_\_  
Authorised Signatory of the Account holder

Who warrants his / her authority to sign