

## JOINT VENTURE AGREEMENT

Entered into between:

*(enter name and details of the lead joint venture member)*

("Main Supplier")

and

*(enter name and details of the junior joint venture member)*

("Support Manager")

for the formation of a Joint Venture to be

known as the *(insert name)* Joint Venture

### 1 Interpretation

1.1 In this Agreement:

1.1.1 headings are included for the purpose of convenience only and will not be used in its interpretation;

1.1.2 unless the context indicates otherwise, a reference to the singular includes the plural and vice versa, a reference to a natural person includes a corporate entity and vice versa and a reference to any gender includes the other genders;

1.1.3 when any number of days is prescribed, such number will be calculated inclusively of the first and exclusively of the last day unless the last day falls on a day which is not a Business Day, in which case the last day will be the immediately preceding day which is a Business Day;

1.1.4 if a definition is substantive, conferring rights and/or imposing obligations on either Party, [REDACTED]

1.1.5 any reference to any statute, regulation or other legislation will be a reference to that statute, regulation or other legislation as at the Signature Date, and as amended or substituted from time to time;

1.1.6 the use of the word "including" followed by specific example/s will not be construed as limiting the meaning of the general wording preceding it and the *ejusdem generis* rule will not be applied in the interpretation of such general wording or such specific examples.

1.2 [REDACTED]

1.3 Each of the terms of this Agreement has been negotiated by the Parties and drafted for the benefit of the Parties, and accordingly the rule of construction that the contract will be interpreted against or to the disadvantage of the party responsible for the drafting or preparation of the contract (i.e. the *contra proferentem* rule), will not apply.

### 2 Definitions

In this Agreement, the following words and expressions will have the following meanings, and related words and expressions will have corresponding meanings:

2.1 "**Agreement**" means this Joint Venture Agreement including its annexures from time to time;

2.2 "**Business Day**" means any day other than a Saturday, Sunday or public holiday in South Africa;

2.3 "**Contract**" means the contract with the Employer for the delivery of the Goods *(or services in which case*

"Services" will need to be defined);

2.4 "Employer" means the (insert name of Employer);

2.5 "Goods" means (insert description of the Goods);

2.6 "Joint Venture" means the joint venture described in clause 4;

2.7 "Parties" means the Main Supplier and the Support Manager; and

2.7 "Signature Date" means the date of signature of this Agreement by the Party last signing.

### 3 Introduction

3.1 The business of the Main Supplier is (insert description of business, for example the supply of piping or medical equipment).

3.2 The Employer has called for tenders for the provision of the Goods to the Employer. The Main Supplier wishes to provide the Goods to the Employer.

3.3 The Support Manager operates in and has knowledge of conditions in the area where the Goods are to be provided and can therefore assist the Main Supplier to properly service and supply the Goods to the Employer.

3.4 The Parties have agreed to constitute a joint venture for the purpose of submitting a tender for the award of the Contract and providing the Goods to the Employer in terms of the Contract, on the terms and conditions contained in this Agreement.

### 4 Joint Venture

4.1 The Parties hereby agree to constitute a joint venture for the purposes and on the terms and conditions contained in this Agreement with effect from the Signature Date.

4.2 The scope and object of the Joint Venture is to secure and implement the Contract.

[Redacted text block]

### 5 Shares

5.1 The Main Supplier and the Support Manager shall share in the profits and losses of the Joint Venture in the proportion of (insert ratio e.g. 80 :20), respectively.

5.2 [Redacted text block]

**6 Responsibilities**

**6.1** The responsibilities of the Main Supplier shall be to:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**7 Bank Account**

Without derogating from the generality of clause 6.1:

**7.1** The Main Supplier shall establish a bank account in the name of the Joint Venture;

**7.2** all payments to the Joint Venture of whatever nature in terms of the Contract shall be paid into the account referred to in clause 7.1;

**7.3** all cheques and other instruments drawn on the account or authorisations for electronic funds transfers and all actions which involve any operation on the account shall be signed and/or approved by duly authorised representatives of the Main Supplier.

**8 Books and Records**

Without derogating from the generality of clause 6.1:

**8.1** the books and records of the Joint Venture shall be kept by the Main Supplier at its domicilium address set out in clause 14 below;

[Redacted]

**9 Breach**

If either Party ("**Defaulting Party**") commits a breach of any of its obligations in terms of this Agreement and fails to remedy that breach within a period of 14 days of being called upon to do so in writing by the other Party, then the other Party may, at its option and without prejudice to any other rights which it may have at law:

[Redacted]

**10 Termination**

[Redacted]

[71 of 2008](#)

[Redacted]

**10.3** Subject to clauses 10.1 and 10.2, the Joint Venture may be terminated by either Party upon 30 days' prior written notice, provided that no such termination shall take effect until all of the Joint Venture's obligations under the Contract have been discharged.

**11 Good Faith**

Each Party undertakes to display the highest degree of good faith towards the other in all matters relating to the Joint Venture, to avoid conflicts of interest, not to bind the Joint Venture other than as it is authorised to do, make full disclosure of information relating to the affairs of the Joint Venture and devote such time and attention to the affairs of the Joint Venture as are reasonably required in the circumstances.

**12 Cession and Delegation**

Neither Party may cede its rights or delegate its obligations under this Agreement without the prior written consent of the other Party.

**13 Confidentiality**

[REDACTED]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

**14 Notices and Domicilia**

**14.1 Notices**

**14.1.1** Each Party chooses the addresses set out below its name below as its address to which any written notice in connection with this Agreement may be addressed.

**14.1.1.1** Main Supplier:

Address: .....

Fax: .....

Email: .....

Attention: .....

**14.1.1.2** Support Manager:

Address: .....

Fax: .....

Email: .....

Attention: .....

[Redacted]

**14.2 Domicilia**

Each of the Parties chooses its physical address set out in clause 14.1.1 above, as changed from time to time, as its *domicilium citandi et executandi* at which documents in legal proceedings in connection with this Agreement may be delivered.

**15 Dispute Resolution**

**15.1** Any dispute arising from or in connection with this Agreement will be finally resolved by arbitration.

[Redacted text block]

15.5 The language to be used in the arbitration proceedings will be English.

16            **General**

16.1 This Agreement contains the entire agreement between the Parties in regard to its subject matter.

16.2 [Redacted text block]

16.7 Each Party confirms that it is acting as principal in its own right and not as agent for any other person or for the other Party.

16.8 The Parties acknowledge that they have been free to secure independent legal, tax and other advice as to the nature and effect of all the terms of this Agreement and that they have either taken such independent legal and other advice or dispensed with the necessity of doing so.

SIGNED at (place) on this (day, month, year)

Witnesses:

1

2

(Signatures of witnesses)

(Main Supplier)

Witnesses:

1

2

(Signatures of witnesses)

(Support Manager)