

EXAMPLE OF CONTRACT

SUPPLIER and MANAGING AGENT

AN AGREEMENT made on the _____ day of _____ 2003

BETWEEN the [name of municipality] of [address] (herein after called the '**Supplier**') of the one part

And _____ of _____.

(herein after called the '**Agent**') of the other part.

WHEREBY IT IS AGREED BETWEEN the parties hereto that the Supplier shall provide standpipes and clean potable water to the said standpipes, which the Agent shall operate.

1. The Agent hereby covenants with the Supplier as follows :

- (i) To provide reasonable security for the standpipes and meters in order to
Keep the equipment secure.
- (ii) To keep the surrounding areas in a clean and hygienic manner
- (iii) To be responsible for the continued security and hygienic maintenance of the equipment as long as this agreement subsists.
- (iv) To allow the Supplier access to stand pipes and meters at all reasonable times for the purpose of the inspection and meter reading and other times in the event of an emergency.
- (v) To receive 20 % of the total revenue collected from his/her area of operation per month. The payment shall only be made by cheque.
- (vi) To mobilize and sensitize the community.
- (vii) To recruit and dismiss tap attendants and monitor the worksheet for the tap attendants.
- (viii) To submit monthly reports to the Supplier on the activities going on in the area by the second of the following month.
- (ix) To be billed according to the meter readings taken for that month.
- (x) To report any leakages and damage to infrastructure to the Supplier.

2. The Supplier hereby covenant with the Agent as follows:

- (i) To supply potable water to the Agent. However, the Supplier shall not be liable to the Agent due to the Supplier's inability to supply water in accordance with this contract due to water supply system failure.
- (ii) To provide the Agent with at least 24 hours notice of any changes in the supply of water except in the event of an emergency.
- (iii) To constantly monitor the operations of the kiosks and may revoke the agreement for the breach of any terms contained herein.
- (iv) To supply water to all persons willing and able to purchase water and subscribe to the scheme without prejudice and to distribute the water in a fair and orderly manner.
- (v) The supplier shall collect the money for water consumption directly from the community through a company cashier to be based at the pay point in the area.

It is further agreed as follows :

The agreement shall run for a period of (12) twelve months from the date of agreement and is subject to renewal. It can be revoked by either party giving one (1) month notice of the intention to do so.

The supplier also reserves the right to refuse to renew the contract for the breach of any of the terms of the agreement.

This agreement is subject to renewal upon the agent giving one month notice in writing before the expiration of the term hereby created.