

MEMORANDUM OF UNDERSTANDING

BETWEEN

DEPARTMENT OF MILITARY VETERANS

(Hereinafter referred to as "DMV")

Herein represented by Mr. T. E Motumi

In his capacity as Director-General

Herein duly authorised to enter into this Agreement

AND

NATIONAL STUDENT FINANCIAL AID SCHEME

(Hereinafter referred to as "NSFAS")

Herein represented by Msulwa Daca

In his capacity as Chief Executive Officer

Herein duly authorised to enter into this Agreement

T. E. Motumi

PREAMBLE

WHEREAS the Department of Military Veterans is a state organ responsible for effective implementation of programmes aimed at progressive realisation of socio-economic rights of military veterans and to some extent, their dependents,

WHEREAS the National Student Financial Aid Scheme is responsible for the facilitating the payment of public tertiary institutions to qualifying military veterans and their dependants.

NOW THEREFORE THE PARTIES HEREBY AGREE AS FOLLOWS:

1. INTERPRETATION AND DEFINITIONS

1.1. In this MOU, unless the context otherwise indicates:-

- 1.1.1. the headings to clauses of this MOU are inserted for reference purposes only and shall not govern or affect the interpretation thereof;
- 1.1.2. any annexures to this MOU form an integral part hereof and words and expressions defined in this MOU shall bear, unless the context otherwise requires, the same meaning in such annexures;
- 1.1.3. unless the context clearly indicates a contrary intention, words importing the singular shall include the plural and vice versa;
- 1.1.4. reference to any one gender shall include the other gender and any reference to a natural person shall include a legal persona and vice versa;
- 1.1.5. where the day on or by which anything is to be done is not a business day; it shall be done on or by the first business day thereafter;

- 1.1.6. where any number of days is prescribed in this MOU, these shall be reckoned as calendar days, exclusively of the first, inclusively of the last day, unless the last day falls on a weekend or on a public holiday, in which case the last day shall be the next succeeding day which is not a weekend or a public holiday.
- 1.2. In this MOU, unless clearly inconsistent with or otherwise indicated by the context:
- 1.2.1. **'this MOU'** means this Memorandum of Understanding for the establishment of a formal relationship between the Parties to govern future collaborations and interactions between the Parties, as captured in this document, together with any Annexures incorporated herein by reference; and
- 1.2.2. **'Effective Date'** means the date of signature of the last Party to sign this MOU.

2. COMMENCEMENT AND DURATION

- 2.1. This MOU will commence on the Effective Date and shall continue to remain in effect and on such additional terms and conditions as may be negotiated between the Parties and agreed in writing, unless this MOU is reviewed prior to finalization of the implementation of the assistance to the target group.
- 2.2. The Parties may agree to terminate this MOU at an earlier date by mutual written consent.
- 2.3. The Parties shall review this MOU annually or when circumstances necessitate such a review.

3. RELATIONSHIP BETWEEN THE PARTIES

- 3.1. The Parties in this MoU are equal partners and must co-operate with each other as envisaged in section 41(1) (h) of the Constitution of the Republic of South Africa, 1996.

4. SCOPE OF AGREEMENT

- 4.1. This MOU sets out the basis upon which the Parties co-operates in the implementation of government programmes aimed at progressive realisation of military veterans and their dependants.

- 4.2. The Parties shall co-operate with each other in the following aspects:-

- 4.2.1. Payment of loans and bursaries to eligible military veterans and their dependants where an institution is:

4.2.1.1. A Public FET College and/or University

4.2.1.2. Of a Tertiary nature by mutual written consent.

5. PERFORMANCE TARGETS

- 5.1. DMV and NSFAS shall agree on annual performance targets in line with Government's planning cycle for the current MTEF period.
- 5.2. DMV shall timeously furnish NSFAS with the list of eligible military veterans and dependants who qualify for the financial assistance by 31 January of each calendar year.
- 5.3. The DMV must track delivery to ensure quality and compliant payment of institutions.

6. STEERING COMMITTEE

- 6.1. The Parties must establish the Steering Committee consisting of:-
 - 6.1.1. At least one representative from each institution, at a Deputy Director-General level; the chairpersonship of the Committee will rotate between the institutions;
 - 6.1.2. Director Military Veterans Social Development (Once appointed)
 - 6.1.3. Project Coordinator Education: Ms M.O.P. Mahlangu
 - 6.1.4. Two representatives from NSFAS
 - 6.1.5. Representative from Department of Basic Education
 - 6.1.6. Representative from Department of Higher Education
- 6.2. The Steering Committee must meet at least once every three months at the place determined by the Chairperson in writing.
- 6.3. The Steering Committee must, amongst others:-
 - 6.3.1. Assess and monitor the implementation of this MoU;
 - 6.3.2. Assist the Parties in review of the MoU;
 - 6.3.3. Advise the Parties on any issue relating to the implementation of the MoU; and
 - 6.3.4. Report to Management on the progress and failures of the project.

7. RESPONSIBILITIES OF PARTIES

7.1. Payment to Institutions

- 7.1.1. DMV shall identify military veterans and dependants eligible for financial assistance in terms of tertiary education and furnish the NSFAS with the list by 31 January of each calendar year for the duration of this MOU.

7.1.2. NSFAS shall upon request facilitate the payment to institutions for the military veterans and their dependants.

7.2. Economic empowerment

7.2.1. DMV shall encourage military veterans and dependants to study for self empowerment.

8. USE AND ADMINISTRATION OF PROGRAMME FUNDS

- 8.1. NSFAS shall create and maintain a separate set of accounting records reflecting all transactions, including all receipts and disbursements, in relation to the Programme Funds.
- 8.2. The Programme Accounts shall be maintained in accordance with generally-accepted accounting principles and practice, and in compliance with the applicable provisions of the Public Finance Management Act, No. 1 of 1999 as amended.
- 8.3. The Programme Funds shall be kept by NSFAS in an interest-bearing call account.
- 8.4. Only Programme Funds may be kept in the Dedicated Account.
- 8.5. All receipts in respect of and all disbursements out of, Programme Funds shall be deposited into and paid out of the Dedicated Account.
- 8.6. The disbursements which may be made out of the Dedicated Account are:
- 8.7. Disbursements in payment of Study Costs and allowances.
 - 8.7.1. Bank charges, and other similar charges, incurred by NSFAS in operating the Dedicated Account. NSFAS shall be entitled to an Administration Fee calculated at a minimum rate of three (3%) per cent of the total

Programme Funds disbursed by NSFAS in terms of all loan and bursary Agreements.

8.7.2. NSFAS shall be entitled to deduct the Administration Fee from the available Programme Funds held in the Dedicated Account.

8.8. For as long as this Agreement remains of force and effect:

8.8.1. NSFAS shall, within Thirty (30) days after the end of each quarter, deliver to the DMV an income statement for the Programme Accounts in respect of that quarter. The statement shall:

8.8.1.1. Reflect and describe all receipts into and disbursements out of the Dedicated Account.

8.8.1.2. Record all interest earned in respect of the Programme Funds during that quarter.

8.8.1.3. Record the remaining balance of Programme Funds held by NSFAS as at the last day of that quarter.

8.8.1.4. Administrative Fee and associated expenses incurred by NSFAS in discharging its obligations in terms of this Agreement.

8.8.2. NSFAS shall, as soon as these documents become available each calendar year, deliver to the DMV copies of:

8.8.2.1. NSFAS's Annual Report.

8.8.2.2. NSFAS's Annual Financial Statements.

8.9. NSFAS shall retain in the Dedicated Account all interest which may accrue in respect of Programme Funds held by it from time to time. The interest shall be deemed to constitute additional Programme Funds.

8.10. NSFAS shall permit the DMV or its agents, at any mutually convenient time, and from time to time, to inspect and make copies of all records, books and

data (including but not limited to the Programme Accounts) in the possession or under the control of NSFAS, which relate to the Programme or any obligation undertaken by NSFAS in terms of this Agreement.

9. GOVERNING LAW

9.1. This MOU shall be governed by and construed in accordance with the laws of the Republic of South Africa.

10. DISPUTE RESOLUTION

10.1. Any disagreement or dispute arising between the Parties with regard to implementation, application, interpretation or failure to carry out the responsibility in terms of this memorandum shall be settled as follows:

10.1.1. A disagreement or dispute must be initiated in writing;

10.1.2. The Parties must make all reasonable efforts to settle any such difference or dispute through consultation and negotiation held by and between representatives of the Parties;

10.1.3. If the Parties fail to reach settlement as envisaged in 10.2, a formal Intergovernmental dispute may be declared by the aggrieved Party in terms of section 41 of the Intergovernmental Relations Framework, 2005 (Act No 13 of 2005);

10.1.4. If a formal intergovernmental dispute is declared, the procedures in section 42 to 45 (inclusive) of the Intergovernmental Relations Framework Act shall apply.

11. DOMICILIA AND NOTICES

11.1. Notices and correspondence for the purpose of daily communication must be addressed to:

11.1.1. Department of Military Veterans
Denel Irene Campus
Nelmapius Drive

IRENE

National Student Financial Aid Scheme
18-20 Court Road
Wynberg
70800

11.2. The Parties choose as their domicilia citandi et executandi their respective addresses set out in this clause below for all purposes arising out of or in connection with this Memorandum at which addresses all processes and notices arising out of or in connection with this Memorandum. For purpose of this Memorandum the Parties respective addresses shall be:

11.2.1. Department of Military Veterans
Denel Irene Campus
Nelmapius Drive
IRENE

11.2.2. National Student Financial Aid Scheme
18-20 Court Road
Wynberg
70800

12..GENERAL

12.1. In the implementation of this Agreement, the parties undertake to observe the utmost good faith, and they warrant in their dealings with each other that they will neither do anything nor refrain from doing anything which might prejudice or detract from the rights, assets or interests of the other.

- 12.2. No amendment or consensual cancellation of this Agreement shall be effective unless in writing and signed by both parties.
- 12.3. The parties' rights under this Agreement are personal to the parties and are not capable of cession.
- 12.4. Neither party shall be entitled to delegate any of its obligations under this Agreement.
- 12.5. If a provision of this Agreement is or becomes illegal, invalid or unenforceable, that will not affect the legality, validity or enforceability of any other provision of this Agreement.
- 12.6. No latitude, extension of time or other indulgence which either party may allow or give to the other in respect of the performance of any obligation or the enforcement of any right arising from this Agreement, and no single or partial exercise of any right by a party, will under any circumstances be construed as an implied consent by that party, or operate as a waiver or a novation of, or otherwise affect, any of that party's rights in terms of or arising from this Agreement, or stop that party from enforcing, at any time and without notice, strict and punctual compliance with each and every provision of this Agreement.
- 12.7. This Agreement contains the entire agreement between the parties relating to its subject matter, and neither party shall be bound by any undertakings, representations, warranties, promises or the like not recorded in it.
- 12.8. In this Agreement, except where the context clearly indicates otherwise, the singular includes the plural; reference to a gender includes reference to the other genders; reference to a person includes reference to a partnership, trust or body corporate; and vice versa in each case.

J. S. A.

THIS DONE AND SIGNED BY DMV AT WYNBERG ON THIS
DAY 14 OF MAY 2013 IN THE PRESENCE OF THE
UNDERSIGNED WITNESSES

J. E. Motumi J. E. MOTUMI
DEPARTMENT OF MILITARY VETERANS

WITNESSES:

1.....
FULL NAMES

2.....
FULL NAMES

THIS DONE AND SIGNED BY NSFAS AT Wynberg ON THIS
DAY 14 OF May 2013 IN THE PRESENCE OF THE
UNDERSIGNED WITNESSES

M. DACA
NATIONAL STUDENTS FINANCIAL AID SCHEME

WITNESSES:

1.....
FULL NAMES

2.....
FULL NAMES