

DISCLAIMER AND IMPORTANT NOTICE:

Please read the relevant pages of the application form guide detailing the legal implications of filling out this form or applying for an incentive grant under the programme. Specific attention is drawn to **the dti's** rights to or cancels any agreements based on incorrect or misleading information provided in this form. Fraudulent applications and claims made will be persecuted to the full extent of the law.

PLEASE NOTE THE FOLLOWING BEFORE COMPLETING THE FORM:

1: Please study the EIP information brochure Manufacturing/Tourism Guidelines **2:** Please be aware of the fact that the brochure form part of the agreement with **the dti** **3:** Each page must be initialled and the last page must be signed by the authorised official of the applying entity. **4:** Before submitting, be sure to have attached all required documents. **5:** All amendments must be initialled. **6:** The standard format of the application form can not be changed.

HOW DID YOU FIND OUT ABOUT THE ENTERPRISE INVESTMENT PROGRAMME?

- Road show/Exhibition/Presentation
 the dti Group
 the dti Website
 Other
 the dti Regional Office
 Private Sector Consultant
 Network Facilitator
 Word of Mouth
 Advertisement: TV, Radio, Print
 the dti Customer Contact Centre

All applicants are encouraged to submit completed forms via the internet for efficient processing of applications

(<https://eip.thedti.gov.za/DTI>)

OR

Please return completed forms by registered mail or by courier / hand delivery to:

Postal address	Physical address	Courier address	Web address
Private Bag X84	77 Meintjies Street	1 Esselen Street (Ground Floor)	www.thedti.gov.za
Pretoria	Sunnyside	Shared Service Centre	
0001	Pretoria	Sunnyside, Pretoria	
	0002	0002	

Tel: 0861 843 384 / +27(0)12 394 9500

SECTION 1

GENERAL INFORMATION

1.1:--SUPPORT APPLIED FOR
 Manufacturing
 Tourism
 Foreign Investment

1.2:--ASSISTANCE APPLIED FOR (application type)
 New entity
 Expansion of an existing entity

New project owned by an existing entity
 Expansion of a project owned by an existing entity

Upgrade of an existing entity
 Upgrade of a project owned by an existing entity

1.3:--TOTAL INVESTMENT (rand value)	Year 1	Year 2	Year 3	TOTAL

1.4:--LIST OF ADDITIONAL INFORMATION

- Incorporation documentation
- Documentation proving compliance with the Broad Based Black Economic Empowerment Code of Good Practise (including BEE Score awarded)
- Documents that prove funding of the required project value
- Engineer's report confirming level of technology for foreign entities looking to import machinery and equipment for the project.
- Business Plan
- Liquidation note (second hand assets bought from liquidation sale)
- Auditor's report
- Audited annual financial statements for the last 3 years (where applicable)

SECTION A

APPLICANT INFORMATION

2:--ENTITY TYPE
 Close corporation
 PTY(LTD)
 Co-operative
 Trusts (Community)

3:--NAME OF APPLICANT

4:-INCORPORATION NO INCORPORATION DATE

5:-TRADING NAME

6:-POSTAL ADDRESS

 Postal code

7:-CONTACT PERSON
 Title Mr Mrs Ms Dr Prof Sir

8:-CONTACT NUMBERS (with area codes)

EMAIL	<input type="text"/>
FAX	<input type="text"/> e.g. +27(0)12 394 1234
MOBILE	<input type="text"/> e.g. +27(0)83 394 1234
WORK	<input type="text"/> e.g. +27(0)12 394 1234
WEBSITE	<input type="text"/>

9:-NAME OF CONSULTANT COMPANY
 NAME OF CONTACT PERSON
 EMAIL
 FAX e.g. +27(0)12 394 1234
 MOBILE e.g. +27(0)83 394 1234
 WORK e.g. +27(0)12 394 1234

10:-FINANCIAL YEAR-END e.g. February

11:-ASSISTANCE ENJOYED UNDER THE FOLLOWING PROGRAMMES

PROGRAMME	APPROVED ENTITY NAME	APPROVED ENTITY NUMBER	PERIOD OF BENEFIT
Small medium enterprise development(SMEDP)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Production asset allowance(PAA)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Regional industrial development(RIDP/SRIDP)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Strategic investment project(SIP)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Small medium manufacturing development(SMMDP)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Tax holiday(TH)	<input type="text"/>	<input type="text"/>	<input type="text"/>
OTHER	<input type="text"/>	<input type="text"/>	<input type="text"/>

12:-TAX OFFICE
 VAT NUMBER TAX NUMBER
 TAX CLEARANCE CERTIFICATE NUMBER

13:-LITIGATION Provide details of ongoing litigation

14:-BROAD BASED BEE Provide details of BEE scoring in terms of the Broad-Based Black Economic Empowerment Code of Good Practise

<input type="checkbox"/> Level 6 contributor (>/=45 < 55)	<input type="checkbox"/> Level 5 contributor (>/=55 < 65)	<input type="checkbox"/> Non compliant contributor
<input type="checkbox"/> Level 8 contributor (>/=30 < 40)	<input type="checkbox"/> Level 4 contributor (>/=65 < 75)	
<input type="checkbox"/> Level 7 contributor (>/=40 < 45)	<input type="checkbox"/> Above level 4 contributor (>/=75)	

15:- SHAREHOLDING

*For involvement in other businesses, please complete SECTION A1

*Other businesses(Y/N)																
Country																
FOREIGN%																
Gender(M /F /NA)																
Race																
RSA%																
Governmental Institute(Y/N)																
Incorp no / ID no shareholder/member																
Shareholder/Company/Group structure/Members(trusts)																

SECTION A1

INVOLVEMENT IN OTHER BUSINESSES

16:--ENTERPRISE NAME			
INCORPORATION NO		INCORPORATION DATE	
PHYSICAL ADDRESS (of facility / factory)			
POSTAL CODE		% SHARES IN THIS BUSINESS	
NATURE OF BUSINESS and PRODUCTS			

Please make copies of section A1 if more businesses must be indicated

SECTION B

PROJECT INFORMATION

17:--NAME OF PROJECT			
PHYSICAL ADDRESS (of facility / factory)			
POSTAL CODE		PROVINCE	
DISTRICT/MUNICIPALITY			
ESTABLISHMENT POINT			

18:--COMMENCEMENT DATE OF PROJECT		CCYY/MM/DD
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19:--MOTIVATION FOR GRANT	Please provide motivation explaining how the grant will make the project viable

20:--FUNDING OF PROJECT	Please provide a breakdown of how the project will be financed		
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Name of lender	Capacity	Terms(months)	Amount(Rand)
Total			

21:--SIC OF PRODUCT		(provide the SIC code for project)
		(provide SIC code for applicant, if different to project)
PRODUCT / SERVICE / ACTIVITY DESCRIPTION		
PRODUCTION PROCESS / DESCRIPTION OF FACILITY TO BE DEVELOPED		
DETAILS OF GRADING		

22.1:--PROJECTED EMPLOYMENT	YEAR 1	YEAR 2	YEAR 3	TOTAL
For this new project				

22.2:--BASE YEAR EMPLOYMENT

Monthly average employment figures for the base year. (*Disabled employees should be included in the gender/race categories as well as disable categories)

WHITE		BLACK		INDIAN		COLOURED		OTHER		TOTAL
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
DISABLED MALE				DISABLED FEMALE						

23:--REGULATORY REQUIREMENTS

Does the project comply with all regulatory requirements? If not, provide details

24:--FACTORY / TOURISM PREMISES (square meters)

EXISTING AREA FOR BASE YEAR	ADDITIONAL AREA FOR YEAR 1	ADDITIONAL AREA FOR YEAR 2	ADDITIONAL AREA FOR YEAR 3	TOTAL NEW PROJECT AREA (1+2+3)
Total Site / Land used for facility				
Factory / Building used for facility				
Admin /Residential area for personal use				

SECTION C

FINANCIAL INFORMATION

	INCOME STATEMENT							
	HISTORY			INCEPTION PERIOD	FORECASTS			
Year (ccyy/mm)								
Revenue								
Salaries and wages								
Lease / rental of land and buildings								
Other								
Direct operating costs								
Gross margin								
Salaries and wages								
Lease / rental of land and buildings								
Other								
Indirect operating costs (excluding depreciation)								
EBITDA								
Depreciation								
EBIT								
Net interest (paid) / received								
PBT								
Share of (loss) / profit of associates								
Tax								
PAT								
Minority interests								
Earnings attributable to ordinary shareholders								
Dividends								
Retained (loss) / earnings								

BALANCE SHEET									
EQUITY and LIABILITIES									
Capital reserves									
Share capital									
Shareholder loans									
Reserves									
Equity attributable to the shareholders									
Minority interest									
Non current and current liabilities									
Total third party interest bearing debt									
Deferred tax liability									
Trade payables									
Other payables									
TOTAL EQUITY AND LIABILITIES									
ASSETS									
Non current assets									
<i>Assets / assets list (Section C-Assets)</i>									
<i>Other assets</i>									
Gross fixed assets									
Accumulated depreciation									
Net fixed assets									
Associates and other investments									
Intangible assets									
Deferred tax asset									
Other									
Current assets									
Trade receivables									
Other receivables									
Inventory									
Cash and cash									
TOTAL ASSETS									
<i>Does balance sheet balance?</i>									
CASH FLOW									
EBITDA									
(Increase) / decrease in working capital									
Pre-tax cash flow generated from operations									
Capital expenditure									
Other items									
Pre-tax cash flow generated									
Net cash interest (paid) / received									
Taxation paid									
Cash (out) / inflows from associates									
Other investment activities									

Cash flows from operations and investments										
Debt repaid										
Shareholder loans repaid										
Total repayments										
Cash available before increase in debt										
Debt raised										
Cash available to shareholders										
Dividends										
Share capital and shareholders' loans raised										
Increase/(decrease) in cash and cash equivalents										
Opening: cash and cash equivalents										
Closing: cash and cash equivalents										
<i>Cash per Balance Sheet=Cash flow statement</i>										
Net working capital										

IMPORTANT NOTES ON FINANCIAL INFORMATION

- 1 Cells indicated in YELLOW must be entered as a negative value, with a negative sign
 - 2 Any other figures in the INCOME STATEMENT or CASH FLOW STATEMENT that should be negative, also need to be entered with a negative sign
 - 3 BALANCE SHEET : Record a BANK OVERDRAFT as CASH AND CASH EQUIVALENTS with a negative sign
 - 4 NEW entity: if the project commences in a period that is not included in the first forecast year (per cell H38), then that initial period needs to be recorded in the "INCEPTION PERIOD" column. For example, Joe Bloggs (Pty) Ltd has set up a new business commencing 10 September 2008 and the company financial year end is December. The project is commencing within 6 months of the financial year end and in terms of the claims rules the first financial year is 1 Jan 2009 – 31 Dec 2009. The INCEPTION PERIOD will thus be for the period 10 Sep 2008 – 31 Dec 2008.
 - 5 EXPANSION / UPGRADE project: if the expansion/upgrade project commences in a period that is not included in the first financial forecast year (per cell H38), then that initial period needs to be recorded in the "INCEPTION PERIOD" column. In this case, the INCEPTION PERIOD will be for 12 months and if it falls in the current financial year it will be a rolling forecast (comprising actual year-to-date period plus remaining forecast months to end of year). For example, Joe Bloggs (Pty) Ltd is expanding its business with effect from 10 September 2008 and the company financial year end is December. The expansion is commencing within 6 months of the financial year end and in terms of the claims rules the first financial year is 1 Jan 2009 – 31 Dec 2009. The INCEPTION PERIOD will thus be for 1 Jan 2008 – 31 Dec 2008.
 - 6 The "INCEPTION PERIOD"-column must have a start date(CCYY/MM) and an end date (CCYY/MM)
 - 7 NEW entity – complete 1)FORECASTS* and 2) INCEPTION PERIOD if applicable (refer points 4 & 6 above)
 - 8 EXPANSION/UPGRADE of an existing entity – complete 1) HISTORY for three (3) years, 2) FORECASTS* and 3) INCEPTION PERIOD if applicable (refer points 5 & 6 above)
 - 9 For new production facility owned by an existing entity, complete the following :-
 - new production facility : 1) FORECASTS* and 2) INCEPTION PERIOD if applicable (refer points 4 & 6 above)
 - existing entity : 1) HISTORY for three (3) years and 2) FORECASTS for two (2) years
 - 10 For expansion of a project owned by an existing entity, complete the following :-
 - expansion of project : 1) HISTORY for three (3) years, 2) FORECASTS* and 3) INCEPTION PERIOD if applicable (refer points 5 & 6 above)
 - existing entity : 1) HISTORY for three (3) years and 2) FORECASTS for two (2) years
- * Projects below and equal to R5m to submit four (4) year forecasts and projects above R5m to submit five (5) year forecasts
- 11 All financial forecasts / projections should exclude VAT
 - 12 The descriptions used apply to companies. However, community trusts, close corporations and co-operatives should complete the financial statements and fill in information as applicable to that type of legal entity.
 - 13 The forecasts should be prepared **excluding** potential grant assistance from the dti

SECTION C

ASSET LIST

DESCRIPTION of the asset	Base Year (R)	Additions (R) Year1 (CCYYMM)	Additions (R) Year2 (CCYYMM)	Additions (R) Year3 (CCYYMM)	DATE PURCHASED (CCYYMMDD)	SOURCE: SUPPLIER / LESSOR	CONNECTED PARTY, INDICATE RELATION	NEW / SECOND HAND	DATE TAKEN INTO PRODUCTION (CCYYMMDD)
Machinery / Furniture and Equipment									
Commercial vehicles / Vehicles for tourism facility									
Owned Land									
Owned Land Improvements									
Owned Buildings									
Owned Buildings Improvements									
Leased Land Improvements									
Leased Buildings Improvements									
Leased land									
Leased Buildings									

Important Notes: Details of all assets must be indicated under the headings as described above.
 Connected party: 1: Trust, where a beneficiary
 2: Trust, where a relative is a beneficiary
 3: Partnership, where a member is a beneficiary
 4: Partnership, where a relative is a member
 5: Company that is part of the same group
 6: Equity share capital/voting rights > / = 20%
 7: Member of a CC

SECTION D:

DOMICILIUM and RESOLUTION

DOMICILIUM

Indicate your domicilium citandi et executandi for the serving of legal documents and other notices (physical address of the facility)

DECLARATION

I hereby declare that the information in this application is a fair and true reflection of my intended project and that all relevant information has been disclosed. I am aware of the fact that the information which I have submitted above will have a material bearing on the adjudication and if it, therefore, subsequently transpires that any information in the application and addenda was not correct, or that certain information was omitted, **the dti** shall be entitled to withdraw or amend its approval and without prejudice to its rights, to recover any amounts already paid or to withhold any further payments due.

This application (with any addenda), if successful, will form part of your contract with **the dti**.

If at a later stage it transpires that information is not correct, the applicant will be held solely responsible for misrepresentation and legal action may be instituted.

SIGNED

CAPACITY

NAME IN PRINT

DATE

RESOLUTION OF THE BOARD OF DIRECTORS

The Board of directors of
hereby authorises
in his/her capacity as
signature

to sign all documents pertaining to the application to **the dti** or any documentation pertaining thereto.

SIGNED at

on this

day of

NAME OF DIRECTORS

SIGNATURES of DIRECTORS

FOR the dti USE ONLY

Date of receipt:

Unique reference number:

SCHEDULE

1. DEFINITIONS

The definitions contained in the incentive guidelines apply. In addition:

- 1.1. **"The Beneficiary"** means the legal or natural person that was approved by **the dti** for incentives, and where the payment is ceded to a service provider, it also refers to the service provider.
- 1.2. **"Business Project"** or **"Project"** means the business operated by the Beneficiary and that was approved for the incentive.
- 1.3. **"the dti"** refers to the Department of Trade and Industry care of The Enterprise Organisation, Block A, 77 Meintjies Street, Sunnyside, Pretoria; Private bag X84, Pretoria, 0001.

2. NATURE OF THE INCENTIVES

- 2.1. **the dti** and the **Beneficiary** do not enter into a partnership, agency agreement, shareholding agreement or other representation because of the approval of an incentive application or a claim.
- 2.2. The **Beneficiary** has no authority to bind or attempt to bind **the dti** in any manner or to assume or to incur any obligation or responsibility, expressed or implied on behalf of or in the name of **the dti**.

3. INCENTIVE GUIDELINES

- 3.1. The incentive guidelines and/or this schedule may be amended from time to time. Amendments to the guidelines and/or this schedule will be published on **the dti** website and will be effective immediately. **Beneficiaries**, whose applications have already been approved will only be affected by retrospective amendments if it is not prejudicial to them or to **the dti**.
- 3.2. Where **the Beneficiary** is of the opinion that a word or sentence in the incentive guidelines or this schedule is vague and /or has to be interpreted, the **Beneficiary** must not make its own interpretation. **the dti** has the right in its sole discretion, to provide interpretations on the meaning and intention of such words or sentences. Such decisions are binding on all **Beneficiaries**.

4. APPROVAL OF THE INCENTIVE APPLICATION AND SUBMISSION OF CLAIMS

- 4.1. The approval set out in the letter of approval is only relevant to the specific business project that applied. A business project, activity or expenditure can only qualify once for an incentive (unless the incentive guidelines states different). A Business Project will be disqualified if it contravenes this clause.
- 4.2. No representation, communication (including official **dti** letters), or offer made prior to the approval of the application/claim shall be valid in so far as it does not agree with the letter of approval, or the requirements of the claim.
- 4.3. No information may be submitted with the claim on any, or part of any, project other than the business project that has been approved.
- 4.4. The calculation method of the maximum incentive approved, replaces any calculation method explained in the incentive Guidelines and shall be final. The approved maximum amount is fixed and shall not be adjusted due to changes in macroeconomic variables like inflation –; exchange –; or interest rate etc.
- 4.5. The **Beneficiary** is not automatically entitled to the full amount of the maximum incentive offered. Another calculation will be made based on the figures set out in the claim form. This calculation may result in an amount that is less than the maximum amount, but can never be more than the offered maximum amount.

5. AMENDMENTS TO THE INFORMATION SUBMITTED BY THE BUSINESS PROJECT

- 5.1. Any change (including amendment, addition or variation) in the information set out in the application which is relevant to the approved incentives, must immediately be communicated to **the dti** in writing. This includes, but is not limited to, changing an approved Network Facilitator or Service Provider, and changes to time frames.
- 5.2. The **Beneficiary** must request written approval from **the dti** that the planned changes do not affect the incentive in a manner that is unacceptable to **the dti**, before the planned changes take place. The decision to amend the information submitted for the incentive shall be solely in the discretion of **the dti** and is final.
- 5.3. **the dti** may accept the change; or may refuse to make the change applicable to the approval; or may accept the change as part of the approval, but make the approval subject to (additional / other) conditions; or may reject the whole application or claim based on the planned changes. The application or claim shall be rejected where, amongst others, the **Beneficiary** will no longer qualify for the incentive because of the planned changes.
- 5.4. An approval of an amendment may affect the approved incentive amount.

6. PAYMENT OF THE INCENTIVE

- 6.1. **the dti**, or its representative (including independent engineers or other experts) may visit the premises where the business project is conducted/executed/produced/recorded/edited and inspect such business project before it approves an application or claim. **the dti** may do this with or without prior notice.
- 6.2. Such inspection will be among other things, to verify the information submitted with the application and/or claim and to inspect the premises, financial books, technology, documents, reports and any other information that may pertain to this incentive.
- 6.3. The **Beneficiary**, or its successor in title (including the executor / trustee of a deceased / sequestrated / liquidated estate), must keep records (electronic or paper) of all documents relevant to the incentive for 5 years after it received the last payment. This includes a copy of its application and all its claims; Originals of documents submitted with the application and claims; Copies of reports or other information provided to **the dti** and relating to the incentive.
- 6.4. The **Beneficiary** must allow **the dti** reasonable access to the records mentioned in paragraph 6.3 above, during normal business hours and must also provide **the dti** with any information required for the inspection. Should the **Beneficiary** hinder **the dti** or its representative and/or refuse access to such records in any way so that the inspection cannot be effectively completed, **the dti** may summarily reject the application and/or claim.
- 6.5. **the dti** may verify the information contained in the application, claim and/or supporting documents by carrying out an independent investigation. To do such an investigation **the dti** may contact any person which **the dti** feels may be of assistance. If the Beneficiary hinders **the dti** or its representative in any way so that the investigation cannot be effectively completed, **the dti** may summarily reject the application and/or claim.
- 6.6. Should **the dti** find that a price claimed by the Beneficiary is not market related, **the dti** may, in its sole discretion, and despite the contents of the letter of approval, reduce the approved claim amount to reflect such market related price, or may reject the full claim.

- 6.7. **the dti** shall only evaluate claim forms that are fully and correctly completed to the satisfaction of **the dti** (including that all the supporting documents required by the incentive guidelines be attached). Approval of a claim is in **the dti's** sole discretion.
- 6.8. **the dti** shall make payment within 30 calendar days after an approval by **the dti** of the relevant claim in accordance with the requirements and conditions of the incentive scheme's guidelines (which may include a physical inspection). **the dti** may delay payment for an indefinite period, provided that it shall inform the **Beneficiary** for the reasons for such delay so as to ensure that no delay is for unjust administrative reasons.
- 6.9. Payment shall be made directly into the bank account of the **Beneficiary** only. The **Beneficiary** must notify **the dti** of the correct account details in writing when submitting its claim form.
- 6.10. No interest shall be payable by **the dti** on any amounts due and payable. Payment is subject to availability of funds as approved by National Treasury and Parliament on a yearly basis, and allocated to **the dti** in terms of the annual Division of Revenue Act.
- 6.11. Where a service provider is involved in terms of the incentive guidelines, **the dti** accepts no liability for non-performance, poor or failed execution of the activity/ies by a service provider or for damages or penalties incurred by the **Beneficiary** for using the services of a service provider.
- 6.12. **the dti** may reject a claim and refuse any further payment if, at any stage during the incentive period:
 - 6.12.1. the business project stops manufacturing/production/operations for any reason. This includes provisional/final liquidation (or sequestration of the sole proprietor/partner/firm); becoming dormant; being destroyed. It is irrelevant whether this cessation is permanent or temporary (seasonal business projects must at least be operational during the relevant seasons);
 - 6.12.2. the **Beneficiary** enters into a compromise offer or arrangement with creditors, or where the **Beneficiary** is placed under judicial management;
 - 6.12.3. and where investment is a requirement, the business project reduces the qualifying investment without replacing it again with qualifying investment;
 - 6.12.4. the business project reduces jobs and/ or reduces permanent staff or reduces permanent staff in favour of casual, contract or temporary staff;
 - 6.12.5. the business project stops complying with the incentive guidelines and/or this schedule.
- 6.13. The **Beneficiary** is required to report to **the dti** in writing within 7 (seven) days any discrepancy (insufficient / excess) on payments made and must repay to **the dti** within 7 (seven) days from such report any excess received.
- 6.14. Any erroneous payment (including those resulting from a miscalculation, mistake, or irregularity) will immediately be recoverable and may be deducted from any future payments which are, or will become, payable. **the dti** levies interest at the rate prescribed in terms of the Public Finance Management Act, 1999 Act No. 1 of 1999 on any outstanding amounts payable as from 30 days of date of demand.

7. MONITORING

- 7.1. The **Beneficiary** must use the incentive amounts received from **the dti** for the approved business project or activities that it described in its application form.
- 7.2. **the dti** may ask the **Beneficiary** to complete questionnaires or to report to **the dti** on its business project /activities, as well as on the incentive received in order for **the dti** to monitor and evaluate compliance as well as the contribution that the incentive is making or has made to the South African economy. If the **Beneficiary** does not comply with the request, **the dti** may, in addition to any other legal remedies that it may have, stop or reduce all further payments in its sole discretion and may refuse any other applications being evaluated at that stage, or that may be submitted in future, from the **Beneficiary** or any of its shareholders, directors or principal officers, whether presented directly, or indirectly through another legal person for this or any other scheme.
- 7.3. **the dti** may appoint an auditor to perform an audit on the **Beneficiary** to ascertain whether the **Beneficiary** has complied with the incentive guidelines and this schedule. **the dti** will notify the **Beneficiary** in writing of the audit and the **Beneficiary** must cooperate with the auditor.

8. NON COMPLIANCE WITH THE INCENTIVE GUIDELINES OR THIS SCHEDULE

- 8.1. Should the **Beneficiary** not comply with any requirement of the incentive guidelines or this schedule **the dti** shall be entitled without prejudice of any other rights that it may have, to reject the application and / or claim and to stop all further payments and/or benefits.

9. DISPUTES

- 9.1. Any dispute relating to a decision (including the rejection of an application) taken by **the dti** must be resolved by way of one internal appeal only, lodged within such time as is set out in the letter of rejection. Should the **Beneficiary** dispute the appeal decision, it must proceed by way of review in the High Court of SA.
- 9.2. If the **Beneficiary** wishes to place new facts before **the dti** for reconsideration, the **Beneficiary** must explain in writing why these facts could not be provided at the first hearing. If this explanation is, in the sole discretion of **the dti**, unsatisfactory, it may reject the request.
- 9.3. Any other dispute or disagreement between **the dti** and the **Beneficiary** may be submitted in writing, for mediation. If the matter can still not be resolved, it may be referred in writing for arbitration. The decision of the arbitrator shall be final and binding.
- 9.4. Arbitration shall be in accordance with the rules of AFSA (Arbitration Foundation of South Africa) and the arbitration costs shall be shared equally.

10. CRIMINAL, MISLEADING, DISHONEST ACTIVITIES

- 10.1. **the dti** shall, in the case of criminal/misleading/dishonest activities/information be entitled to exercise any rights that it may have in terms of common law or statutory law. In addition, the following paragraphs will be applicable:
- 10.2. The **Beneficiary's** application/claim is approved conditional on the correctness and completeness of information provided by the **Beneficiary** in the application/claim/addenda/supporting documents /reports. Should the information be substantially incorrect and/or incomplete, **the dti** may immediately reject the application/claim and claim back all monies already paid.
- 10.3. Where **the dti** suspects criminal/misleading/dishonest activities/information in relation to the **Beneficiary's** incentive **the dti** may immediately suspend any payments that may be due or may become due to the **Beneficiary**.
- 10.4. **the dti** may, where the final findings of a forensic investigation indicates criminal/misleading/dishonest activities/information, without prejudice to any other rights that it may have, reject any pending claim and reclaim any payments already made, with *mora* interest, together with the costs of the forensic investigation and/or costs of the auditor appointed by **the dti**.
- 10.5. **the dti** may refer financial statements or supporting documents submitted by the **Beneficiary** to SARS for comment and comparison. If SARS informs **dti** of a difference in financials, **the dti** may without prejudice to any other rights that it may have, reject any pending claim and reclaim any payments already made, with *mora* interest, and refuse any further payment to the **Beneficiary**.

- 10.6. **the dti** shall not be liable for any damages, interest or other claims that may ensue, should incentive payments be delayed, suspended or terminated for whatsoever reason. In addition, the **Beneficiary's** risk of business failure is solely for the **Beneficiary** and no delay, suspension or termination shall render **the dti** liable to the **Beneficiary** whatsoever.
- 10.7. Where **the dti** rejected an application or claim due to misrepresentation/discrepancy/abuse/fraud, **the dti may** reject any current or future application from the **Beneficiary**, its shareholders, directors or principal officers, whether presented directly or indirectly through another legal person. **the dti** shall have the right to immediately refuse any other applications/claims or terminate any contract(s) that are in existence between **the dti** and the **Beneficiary**, its shareholders, directors or principal officers, whether represented directly, or indirectly through another legal person.
- 10.8. **the dti** subscribes to the principles set out in the Prevention and Combating of Corrupt Activities Act, 12 of 2004 ('PRECCA'). **Beneficiaries** are requested to contact **the dti** fraud hotline on 0800 701 701 should they wish to report any suspicious activities.

11. CONFIDENTIALITY

- 11.1. Both **the dti** and the **Beneficiary**, its employees, members and directors, and agents shall treat all information that they gain access to as a result of communications between **the dti** and the **Beneficiary** relating to the incentive (e.g. application/claim/reports), whether on paper or electronic, and which information is not otherwise public knowledge, as confidential.
- 11.2. Confidential information may only be disclosed to any person outside the immediate working environment of **the dti** or the **Beneficiary** with the prior written permission of the other. Any information required by the public sector in terms of the reporting duties of **the dti** may be reported by **the dti** without such consent.
- 11.3. Where either **the dti** or the **Beneficiary** receives a court order or a subpoena requiring disclosure of confidential information, it must notify the other in writing within 7 days. Where the court order or subpoena gives shorter notice than 20 days, written notice must be given as soon as is reasonably possible. The reason for the written notification is so that **the dti** or the **Beneficiary** may seek a protective order or waive the provision of this clause in writing.
- 11.4. **the dti / Beneficiary** must take reasonable care to ensure that only the exact information required by the court order or subpoena, or as is limited by a protective/other order, is disclosed.
- 11.5. This paragraph shall apply even after the relationship between **the dti** and the **Beneficiary** has ceased.
- 11.6. This paragraph does not apply to litigation and/or arbitration proceedings between **the dti** and the **Beneficiary**.

12. CESSION

- 12.1. The approval of an incentive application does not give the **Beneficiary** any right to payment. An approval merely allows the **Beneficiary** to submit a claim form in accordance with the requirements and conditions of the incentive guidelines and this schedule.
- 12.2. Cession of the right to submit a claim is not allowed. The possible right (*spes*) that the claim will be successful and that payment will accordingly follow may only be ceded with the prior written agreement of **the dti** and shall be subject to such strict conditions as **the dti** in its sole discretion will determine.
- 12.3. **the dti** may refuse cession, in its sole discretion, to certain institutions.
- 12.4. Assignment of any of the **Beneficiary's** obligations is not allowed.
- 12.5. No right that the **Beneficiary** might obtain by way of the approval of an incentive may be otherwise encumbered or subjected to any form of pledge or used as the basis for any form of security whatsoever.
- 12.6. **the dti** may cede or assign any of its rights or obligations in accordance with a decision from National Treasury, Parliament or Cabinet. This decision will include any decision that causes a policy shift within **the dti** so that in order to align itself with the shift in policy, **the dti** has to so cede or assign. **The dti** will take reasonable steps to ensure that the **Beneficiary** is not unreasonably prejudiced by such assignment or cession.

13. GENERAL

- 13.1. No waiver, indulgence and/or relaxation of whatever nature of any of the provisions of the guidelines or this schedule by **the dti** shall be valid or enforceable against **the dti**, unless such waiver, indulgence or relaxation is in writing and is signed by **the dti**.
- 13.2. The Guidelines, the completed application form (with attachments), this schedule and the claim form(s) (with attachments) are the only documents that set out the requirements and conditions applicable to the relationship between **the dti** and the **Beneficiary** as well as the information on which the relationship is based. Amendments to the Guidelines and this schedule may be made by **the dti** in accordance with this Schedule.
- 13.4. The **Beneficiary** agrees that the Laws of South Africa, excluding the law of conflicts (which determines the legal system applicable to a dispute), shall govern the relationship between **the dti** and the **Beneficiary**.
- 13.5. The **Beneficiary** is required to sign this schedule where it appears in the application form and claim form in order to confirm that the **Beneficiary** has read the content hereof and knows that it forms part of the requirements of the incentive scheme and is binding on the **Beneficiary**.