

**AFFIDAVIT SUPPORTING THAT CDR CONTRACTS (PTY) LTD DO NOT FALL WITHIN THE DEFINITION OF A PERSONAL SERVICE PROVIDER IN TERMS OF 66. (1) OF THE FOURTH SCHEDULE TO THE INCOME TAX ACT, 1962.**

Ref No.: PSP DECLARATION

DATE: 28/02/2009

CDR CONTRACTS (PTY) LTD  
REG NO 2000/016163/07

AFFIANT

SOLEMNLY DECLARE TO

ALL EXISTING CLIENTS AND POTENTIAL CLIENTS

Respondent

THAT

I the undersigned,

**MISS CINDY-LEIGH LENDERS  
I.D. NO. 7309220215089**

do hereby make oath and state that:-

1. I am an adult female, Managing Director of CDR Contracts (Pty) Ltd Reg No. 2000/016163/07, which currently does business from 137 10<sup>th</sup> Avenue, Edenvale, Gauteng.
2. The facts herein contained are within my personal knowledge, unless the context indicates otherwise, and are, to the best of my belief, both true and correct.

**SOLEMN DECLARATION**

**This is to state that the relevant paragraph below does not apply to CDR Contracts Pty) Ltd, and we do not fall within the definition of a Personal Service Provider in terms of 66. (1) Paragraph 1 of the Fourth Schedule to the Income Tax Act, 1962 as amended**

- |     |  |                            |
|-----|--|----------------------------|
| 66. | (1) Paragraph 1 of the Fourth Schedule to the Income Tax Act, 1962, is hereby amended –  | 5                          |
|     | (a) by the addition in the definition of "employee" of the word "and" at the end of paragraph (d);   |                            |
|     | (b) by the substitution for paragraph (e) of the following paragraph:<br>" (e) any personal service [company] provider; and";  |                            |
|     | (c) by the deletion of paragraph (f);  | 10                         |
|     | (d) by the substitution for the definition of "labour broker" of the following definition:<br>"labour broker" means any natural person who conducts or carries on any business whereby such person for reward provides a client of such business with other persons to render a service or perform work for such client, or procures such other persons for the client, for which services or work such other persons are remunerated by such person;";  | 15                         |
|     | (e) by the deletion of the definitions of "personal service company" and personal service trust"; and  |                            |
|     | (f) by the addition of the following definition:<br>"personal service provider" means any company or trust, where any service rendered on behalf of such company or trust to a client of such company or trust is rendered personally by any person who is a connected person in relation to such company or trust, and –<br>(a) such person would be regarded as an employee of such client if such service was rendered by such person directly to such client, other than behalf of such company or trust; or<br>(b) where those duties must be performed mainly at the premises of the client, such person or such company or trust is subject to the control or supervision of such client as to the manner in which the duties are performed or are to be performed or are to be performed in rendering such service; or<br>(c) where more than 80 per cent of the income of such company or trust during the year of assessment, from services rendered, consists of or is likely to consist of amounts received directly or indirectly from any one client of such company or trust, or any associated institution as defined in the Seventh Schedule to this Act, in relation to such client, except where such company or trust throughout the year of assessment employs three or more full-time employees who are on a full-time basis engaged in the business of such company or trust of rendering any such service, other than any employee who is a shareholder or member of the company or trust or is a connected person in relation to such person;"; | 20<br>25<br>30<br>35<br>40 |

**JOHANNESBURG BRANCH**  
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**CONTRACT LABOUR BROKERS  
SUPPLIERS OF  
PERMANENT STAFF  
TEMPORARY STAFF  
WAGE & HR OUTSOURCING  
LABOUR RELATIONS SERVICES**  
Directors: P Robinson, C Lenders  
Registration 2000/016163/07

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(2) Subsection (1) comes into operation on 1 March 2009 and applies in respect of a year of assessment commencing on or after that date.

Reference to the above paragraph, 66 (1) of the fourth schedule to the Income Tax Act 1962:

Reasons listed below as to why we do not fall within the definition of a Personal Service Provider:

- Paragraph 25 (a of f), no connected person in our employment renders a service directly to our clients.
- Paragraph 30 (b of f), where duties are performed mainly at the premises of our client, our company controls the supervision of our employees at our client when rendering a service.
- Paragraph 35 (c of f), we do not receive more than 80% of our income directly or indirectly from one client. (Proof thereof can be provided on request)
- Paragraph 40 (exception of f), we have more than 3 employees who are on a full-time basis in our company, other than an employee who is a shareholder, member or a connected person in relation to such person. (Proof thereof can be provided on request)

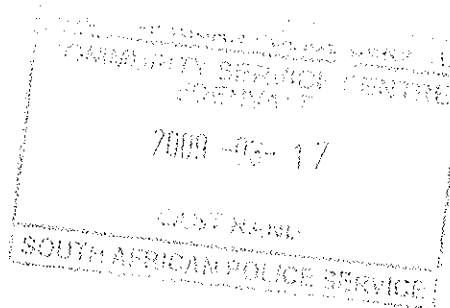
Therefore, CDR Contracts (Pty) Ltd solemnly declares that they are not regarded as a Personal Service Provider according to paragraph 66 (1) of the Income Tax Act 1962.

THUS DONE AND SIGNED AT EDENVALE GAUTENG ON THIS THE 17<sup>TH</sup> DAY OF MARCH 2009

Cindy-Leigh Lenders  
DEPONENT

The deponent has acknowledged that she knows and understands the contents of this affidavit which was signed and sworn to before me at EDENVALE on this the 17 day of MARCH 2009, the regulations contained in Government Notice No 1258 of 21 July 1972, as amended, and Government Notice No R1648 of 17 August 1977, as amended, having been complied with.

71360186  
J. Madamba  
COMMISSIONER OF OATHS



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