

SERVICE LEVEL AGREEMENT

entered by and between

THE GEORGE LOCAL AUTHORITY

herein represented by **Mr Dawid Jacobus Adonis** in his capacity as **Director: Community Services**, being duly authorised thereto

(hereinafter referred to as "**the Local Authority**")

and

TMT Services and Supplies Pty Ltd

(hereinafter referred to as "**the Service Provider**")

herein represented by **Mr Anwar Vahed** in his capacity as Chief Executive Officer, being duly authorised thereto

(hereinafter collectively referred to as "**the parties**")

Handwritten signatures and initials:
J. Vahed, D. J. Adonis, A. V. M.

PREAMBLE:

- A. The Local Authority has appointed the Service Provider for the provision of traffic law enforcement equipment, back-office systems and related services from 01 August 2024 until 30 June 2027 under tender COM 004/2024.
- B. The Service Provider has accepted such appointment and shall render the Services to the Local Authority on the terms and conditions as set out in this Agreement, the tender specifications and stipulations in the tender documents, the Service Provider's response thereto and the appointment letter dated 19 July 2024, which all form part of this Agreement.

WHEREBY THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

- 1.1. The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have a corresponding meaning, namely:
 - 1.1.1. Unless otherwise appears from the context, words in the singular may include the plural (and vice versa); and words signifying one gender may include the other gender as well as artificial persons such as companies, close-corporation and trusts (and vice versa).
 - 1.1.2. Headings to clauses are for reference purposes only and are not to be used in the interpretation of the meaning of any words or text.
 - 1.1.3. This Agreement shall be binding on and enforceable by the executors, administrators, trustees, permitted assignees or liquidators of the Parties as fully and effectively as if they had signed this Agreement in the first instance and reference to any Party shall be deemed to include such Party's executors, administrators, trustees, permitted assignees or liquidators, as the case may be.
 - 1.1.4. The rule of interpretation that an agreement will be interpreted against the Party responsible for the drafting and any similar rules of interpretation shall

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not apply to this Agreement and the Parties waive any rights they have to rely on such rules.

1.1.5. All amounts referred to in this Agreement are inclusive of VAT and the Party responsible for making payment of any such amount to another shall be obliged to add VAT to the relevant payment at the relevant rate in accordance with the provisions of the Value Added Tax Act, No. 89 of 1991, as amended

2. DEFINITIONS

2.1. The following words shall have the meaning as assigned to them:

2.1.1. **"AARTO Act"** means the Administrative Adjudication of Road Traffic Offences Act, 1998 (Act 46 of 1998) and all subsequent amendments thereto.

2.1.2. **"Agreement"** shall mean this Service Level Agreement, together with the tender documents, the Service Provider's response thereto and the appointment letter dated 19 July 2024, attached hereto as Annexure A, and any other annexures hereto, and the Service Provider's response thereto and **"this Agreement"** shall have a corresponding meaning;

2.1.3. **"Local Authority"** means, the Local Authority with its offices and domicilium citandi et executandi situated at 71 York Street. 3rd Floor Civic Centre.
George 6530
Telephone -044 8019139
E-Mail – contracts@george.gov.za
Contact Person – Janine Wells, Traffic Chief

2.1.4. **"Service Provider"** means TMT Services and Supplies (Pty) Ltd, a company with limited liability duly incorporated in terms of the laws of the Republic of South Africa with registration number 2000/022850/07 with its registered office and domicilium citandi et executandi situated at 2 CENTURY FALLS ROAD, CENTURY CITY, CAPE TOWN 7448
Telephone – 021 929 5300
Fax – 021 929 5394
E-Mail – info@tmt.africa

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Contact Person – Anwar Fahed (CEO)

- 2.1.5. **“Parties”** means the Service Provider and the Local Authority and “Party” means either one of them as the context may indicate; and
- 2.1.6. **“the Services”** means those services to be provided by the Service Provider to the Local Authority and are set out in detail in Schedule 1: Duties and Functions of the TMT;
- 2.1.7. **“ANPR”** means Automatic Number Plate Recognition.
- 2.1.8. **“Commencement Date”** is 1 August 2024;
- 2.1.9. **“Confidential Information”** means information of a confidential nature including, but not limited to:
- (a) the details of the Services;
 - (b) price information of the Services;
 - (c) the terms of this Agreement;
 - (d) information or material proprietary to or deemed to be proprietary to that Party;
 - (e) information designated as confidential by that Party;
 - (f) information acquired by the other Party solely by virtue of the (g)provision of the Services;
 - (h) trade secrets of that Party;
 - (i) intellectual property rights
- 2.1.10. **“Criminal Procedure Act”** means the Criminal Procedure Act, 1977 (Act 51 of 1977) and all subsequent amendments thereto;
- 2.1.11. **“Contract Owner”** delegated official who will be responsible for the day-to-day management of the contract on behalf of the Local Authority;
- 2.1.12. **“Day”** shall be any business day excluding public holidays, Saturdays and Sundays;
- 2.1.13. **“Duties and Functions”** means those obligations and responsibilities that have to be provided by the Parties in terms of this Agreement; by the

Service Provider as stipulated in Schedule 1; by the Local Authority as stipulated in Schedule 2: Duties and Functions of the Local Authority;

2.1.14. **“Initial Period”** means the first 36 [thirty-six] months of this agreement, commencing from the Commencement date;

2.1.15. **“Intellectual Property Rights”** means any and all intellectual and industrial property rights including rights of or in co connection with:

- (a) any confidential information;
- (b) copying (including future copyright);
- (c) inventions (including patents);
- (d) trademarks and service marks;

Whether or not now existing, and whether or not registered and includes any rights to apply for the registration, renewal or extension of such rights and includes all renewals and extensions of such rights;

2.1.12 **“Infringement notice”** means a section 341 notice, a section 54 summons, a section 56 notice, as described in act 51 of 1977, the Criminal Procedure Act;

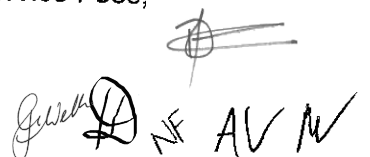
2.1.13 **“Letter of Appointment”** means the letter addressed from the Local Authority to the Service Provider upon the awarding of the tender to the Service Provider dated 19 July 2024;

2.1.14 **“Run-off Period”** means the 18 month period following the Initial Period of this Agreement and during which Run-off Period TMT will deliver only the finalization of the processes of fines generated in the Initial Period and the Service Fees will be payable only in respect of the infringement notices generated in the initial period.

2.1.15 **“Schedule”** will refer to any of the Schedules attached to this agreement.

2.1.16 **“Section 54” or “Section 56” or “Section 341”** will refer to the corresponding sections in the Criminal Procedure Act;

2.1.17 **“Service Fee”** means the payment of a fee to TMT by the Local Authority for the Services rendered and as set out in detail in Schedule 3: Service Fees;

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- 2.1.18 “**Systems**” means those systems provided by TMT in terms of Schedule 1: Duties and Functions of TMT;
- 2.1.19 “**TCSP Guidelines**” means those guidelines as published from time to time by the Technical Committee for Standards and Procedures for Traffic Control and Traffic Control Equipment.
- 2.1.20 “**Contravention System**” means the TMT Local Contravention Management System;

Any matter not included in this Agreement shall be governed by the applicable terms of the tender documents, specifically the National Treasury General Conditions of Contract (“GCC”). In the event of any inconsistencies between this Agreement, including any schedules and annexures, and the GCC, then the provisions of this Agreement shall prevail and where the Agreement is silent, then the provisions of the GCC shall apply.

3. CONTRACT VARIATION

- 3.1 The documents submitted during the course of the tender process and the letters of appointment will be read with this Agreement should any clarity be required in respect of the work to be performed or any obligation relating to either party.
- 3.2 For the purpose of interpretation were the documents are in conflict, the priority of documents shall be in accordance with the following sequence:
- (a) This agreement
 - (b) Letter of appointment
 - (c) The tender submission
 - (d) Other correspondence, the most recent taking priority and signed by both parties
- 3.3 Where the Parties agree to change, extend or vary the nature or scope of the Services, in compliance with all relevant legislation, where additional work or services are deemed by the Parties to be expedient or necessary then this Agreement may be varied in writing accordingly to include such additional work or

services and the Service Provider shall be entitled to an additional Service Fee, the amount to be agreed between the Parties, subject to the scope of the tender

4. PAYMENT OF THE SERVICE FEE

In consideration for the Service Provider carrying out its obligations under the Agreement, the Local Authority shall pay the Service Provider the Service Fees as agreed and set out in Schedule 3: Service Fees. Should any fees not be paid within the agreed period set out herein, the Service Provider will have the right to apply debt of set on any monies it holds on behalf of the Local Authority at that point in time. The service fee will escalate at CPI rate of the preceding calendar year. Should payment of the service fee not being paid within the agree time frame, the outstanding balance will attract interest at the prime lending rate of Nedbank plus two percent, calculated and compounded monthly.

5. WARRANTIES, LIMITATION OF LIABILITY AND INSURANCE

- 5.1 Both Parties warrant that it has not relied on any term, condition, warranty, undertaking, inducement or representation made by or on behalf of the other Party which has not been stated expressly in this Agreement.
- 5.2 Subject to paragraph 1(d) of Schedule 2, neither Party will be liable to the other Party for any claim or demand against the other, its officers, managers, partners, principals, employees, agents, or for any amounts representing loss of profit, loss of business or special, indirect, incidental, consequential or punitive damages of any nature whatsoever, including, without limitation, any damages arising out of or in connection with any malfunctions, delays, loss of data, interruption of service or loss of business or anticipatory profits, even if either has been advised of the possibility of such damages.
- 5.3 If either Party is held or found liable to the other Party for any matter relating to or arising in connection with this Agreement or the provision of the Services, whether based on action or claim in contract, negligence, delict or otherwise, the amount of damages that shall be entitled to be recovered shall be limited to the amount payable for the Services.

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- 5.4 Both Parties shall be under a duty to mitigate any costs suffered or incurred as a result of any breach of this Agreement by the other Party. The municipality warrants that all case that are withdrawn without due course will be deemed as paid.
- 5.5 The Service Provider agrees to take out and maintain public liability insurance cover in respect of any claim or series of claims arising out of any one event, unlimited as to the number of claims and events made by any member of the public against either/both Parties for malicious prosecutions, wrongful arrests or any similar activity related to this contract. The costs of this insurance will be borne by The Service Provider and shall be for the duration of this agreement. This insurance will only be utilised where it is evident that The Service Provider was solely responsible for the cause of action, any claim is based on.

6. CONFIDENTIALITY

- 6.1 Both Parties agree that Confidential Information disclosed to the other Party by the disclosing Party shall be used by the other Party solely in connection with the provision of the Services.
- 6.2 Neither Party shall use the Confidential Information of the other Party for any purpose other than in the lawful carrying out of its obligations under this Agreement.
- 6.3 Either Party may only disclose the other Party's Confidential Information to any third party, except to those third parties expressly excluded otherwise in this Agreement, with the prior written consent of that Party.

7. INTELLECTUAL PROPERTY RIGHTS

- 7.1 The Parties acknowledge that each Party has certain and specific Intellectual Property Rights and that neither Party shall seek to exploit or use any such material for its own purposes.
- 7.2 The Service Provider covenants and agrees with the Local Authority that the use of material by the Service Provider does not and will not infringe the Intellectual Property Rights of any other person.
- 7.3 The Local Authority will retain ownership of the contents of the database.

8. OWNERSHIP OF EQUIPMENT

- 8.1 Ownership of equipment and any other property supplied under this Agreement by the Service Provider shall remain vested at all times in the Service Provider.
- 8.2 After the Initial period the Local Authority will have the option to purchase the equipment in compliance with all relevant legislation, and specifically supply chain management legislation, property and/or the vehicles and/or purchase a licence to use the software pertaining to the Contravention Management System for a price to be negotiated between the Parties;
- 8.3 The Service Provider shall arrange for appropriate insurance cover in respect of the equipment and property so supplied.

9. PERIOD OF CONTRACT

- 9.1 This Agreement will commence on the commencement date and will continue in effect until the Initial period has expired and the run-off period has run its course, as stipulated in **Schedule 4: Duration of Contract**.

10. TERMINATION OF CONTRACT

- 10.1 In addition to any rights of cancellation which either Party may have at Common Law, and subject to the provisions of Clause 13.2 having been complied with, this Agreement may be cancelled as follows namely:
- (a) By either Party ("the innocent Party") in the event of the other Party ("the offending Party") committing a material breach of any of the terms of this Agreement and failing to remedy such breach within a period of 10 (ten) days after receipt of written notice given by the innocent Party to the offending Party drawing attention to the breach and demanding that it be remedied;
- (b) By either Party if the one Party ("the offending Party") is at any time placed in liquidation, whether provisional or final, or if it compromises with its creditors, or if it has had any judgement given against it and such judgement is final or becomes final and is not satisfied within 21 (twenty one) days;
- 10.2 Termination of this Agreement for whatsoever reason shall not affect the rights of

either Party's outstanding debts and/or obligations in terms of the Agreement. Each Party acknowledges and agrees with the other that the undertakings given in relation to Confidential Information and Intellectual Property Rights shall survive the termination of this Agreement. The Service Provider will have the right to cancel this agreement with thirty days' notice, in writing to the local Authority, where the Service Provider in its sole discretion determine that the contract is not commercially viable to the Service Provider. Prior to this notification the Service Provider will consult with the Local Authority and make its best endeavours to prevent such notice being given. The local Authority and the Service Provider agrees to have these negotiations in good faith.

11. NOTICES

The Parties choose as *domicilium citandi et executandi* for the purpose of giving any notice, service of any process and for any other purpose arising from the Agreement, at their respective addresses referred to in Clause 2 of this Agreement.

Each of the Parties shall be entitled from time to time to give written notice to amend the *domicilium citandi et executandi* by giving notice to the other party of any other address within the Republic of South Africa, which shall not be a post office box or poste restante.

All notices given in terms of this Agreement shall be valid and effective only if in writing.

Any notice which:

- (a) Is delivered by hand during normal business hours at the *domicilium citandi et executandi*, shall be presumed, until the contrary is proven, to have been received at the time of the hand delivery; or
- (b) Is posted by prepaid registered post from any address within the Republic of South Africa to the addressee's *domicilium citandi et executandi* shall be presumed, until the contrary is proven, to have been received by the addressee on the 4th (fourth) Day after the date of posting; or
- (c) Is transmitted by electronic mail shall be deemed in the absence of proof to the contrary, to have been received within 1 (one) hour of transmission where it is transmitted during normal business hours or within 24 (twenty-four) hours of



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transmission where it is transmitted outside normal business hours.

12. CONSEQUENCES OF TERMINATION

- 12.1 Should this Agreement be terminated for whatever reason, the Service Provider shall be entitled, as soon as practicable, to remove from the Local Authority's possession and/or premises all of the Service Provider's equipment and property.
- 12.2 The Service Provider shall be entitled to claim payment of the Service Fees in relation to all Infringements processed by the Service Provider until the date of termination of the Agreement or the date when the Service Provider ceases to render services (including the Run-Off Period), whichever event occurs last.

13. GOVERNING LAW, DISPUTE RESOLUTION AND LITIGATION

- 13.1 This Agreement will be governed by the laws of the Republic of South Africa.
- 13.2 A dispute between the Parties relating to any matter arising out of this Agreement shall be resolved by means of discussion between the individuals/ Parties directly involved with the execution of this Agreement. Should this dispute not be resolved within 5 (five) Days after such a dispute arose or after such extended period of time, as the Parties may in writing allow, then such a dispute shall be submitted to the most senior executives of the Parties who shall endeavour to resolve this dispute, within five (5) Days after it had been referred to them. Should the dispute not be resolved by the senior executives within this period, a Party may then only institute legal proceedings.
- 13.3 The Service Provider shall be obliged to continue to provide the Services in terms of this Agreement, pending the resolution of any dispute between the Parties, unless the dispute pertains to a material breach committed by the Local Authority and the Service Provider has elected to cancel the Agreement in terms of Clause 10.
- 13.4 The parties hereby irrevocably consent to the jurisdiction of the George Magistrate's Court assuming jurisdiction in terms of the Uniform Rules of the Magistrates Court, in respect of any action arising out of this Agreement or the cancellation thereof. This clause shall be deemed to constitute the required written

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consent conferring jurisdiction upon the said court pursuant to Section 45 of the Magistrate's Court Act, 32/1944. The Parties agree that this consent is severable and shall apply even in the event of the cancellation of this Agreement.

- 13.5 The consent in Clause 13.4 will not oust the jurisdiction of any other competent court and the Parties shall be entitled in its discretion to institute any action, urgent or otherwise, in any court of competent jurisdiction.
- 13.6 Notwithstanding the provisions of Clauses 13.4 and 13.5 the Parties may expressly agree to have any dispute or difference submitted to arbitration in accordance with the arbitration laws of South Africa.

14. FORCE MAJEURE

- 14.1 Neither of the Parties shall be liable for a failure to perform any of the duties and obligations contained in this Agreement in so far as it can be proved:
- (a) That the failure to perform was due to an impediment beyond that Party's control; and
 - (b) It could not reasonably be expected to have known of the existence of the impediment and its affect upon the Party's liability to perform, and taken it into account at the time of the conclusion of this Agreement; and
 - (c) That the impediment or at least its effects could not reasonably have been avoided or overcome.
- 14.2 An impediment as aforesaid, may result from events such as the following, which list is not exhaustive:
- (a) Natural disasters such as violent storms, cyclones, earthquakes, tidal waves, floods, destruction by lightning;
 - (b) War, whether declared or not, civil war, civil violence, riots and revolutionary acts or sabotage;
 - (c) Explosions and fires;

15. GENERAL TERMS

Each of the Parties shall bear its own costs incurred as a result of the negotiation, drafting and finalising of this Agreement.

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Should the law relating to any surveillance or law enforcement issues as contemplated by the provisions of this Agreement, be altered or amended in a way as to adversely affect the rationale or basis of this Agreement, in that it becomes substantially impossible for either one or both of the Parties to perform their obligations, it is then agreed that the Parties shall either re-negotiate the relevant terms of the Agreement or terminate it by mutual consent. In the absence of the Parties reaching agreement, the provisions of clause 13 relating to dispute resolution shall apply.

The failure of the Service Provider to exercise or enforce any right or provision of this Agreement shall not constitute a waiver of such right or provision.

If any term or provision of this Agreement is found to be invalid or of no force and effect, effect shall be given to the Parties' intentions as reflected in that particular provision and the other provisions of the Agreement shall be severable and remain in full force and effect.

16. THE SERVICES

16.1 Services

The Service Provider shall render traffic law enforcement equipment, back-office systems and related services accordance with the requirements of the tender documents, annexed hereto as **Schedule 1** and on the terms and conditions set out in this Agreement ("**Services**").

16.2 Scope

The scope of the Services shall at all times be construed in accordance with the provisions of this Agreement, including the tender documents. Should the Parties wish to alter the scope of the Services during the Term, such alteration shall be in the form of an addendum to this Agreement and undertaken in accordance with the requirements of this Agreement.

17. ROLES, RESPONSIBILITIES AND LEVELS OF SERVICE PROVIDED

17.1 Responsibilities of the Local Authority

17.1.1 Remunerate the Service Provider for the Services in accordance with the terms of this Agreement as per clause below, and in accordance to

the approved pricing per the tender document (attached to the Agreement as part of **Schedule 2**);

- 17.1.2 Provide all necessary logistical and other support to the Service Provider to enable it to render the services on the terms as set out in this Agreement;
- 17.1.3 Co-operate with the Service Provider at all times for the purpose of facilitating the timeous and efficient performance of the Services, including the timeous furnishing of all the information required by the Service Provider to provide the Services.

17.2 Responsibilities of the Service Provider

- 17.2.1 Perform and complete the Services in accordance with the terms of this Agreement as set out in Schedule 1, attached hereto.
- 17.2.2 Perform the Services diligently and professionally, in a timely manner;
- 17.2.3 Assign a team made up of qualified and suitable resources to perform the Services;
- 17.2.4 Promptly notify the Local Authority upon becoming aware of any incident or circumstances that may reasonably be expected to jeopardize the performance or timely performance of any part of the Services; and
- 17.2.5 Follow and implement good industry practice in providing the Services, including such principles as the Parties may agree to in writing in this regard from time to time.

18 PAYMENT

- 18.1 The Local Authority shall pay the Service Provider, in accordance with the price schedule of the tender document, within 30 (thirty) days of receipt of the tax invoice and supporting detailed schedule, provided that the services to which the tax invoice relates have been completed to the satisfaction of the Local Authority.
- 18.2 The following details must be reflected on the invoice forwarded to the Local Authority by the Service Provider, along with any other requirements specified in the tender documents:

- 18.2.1 The total amount payable regarding the services, activities and outputs, as well as detailed fine payment report;
- 18.2.2 Detailed report containing time period and total systems and equipment utilised for per month.
- 18.2.3 VAT payable;
- 18.2.4 Relevant "UKEY"; and
- 18.2.5 Any penalties imposed in terms of clause 29 of this Agreement.
- 18.3 The Local Authority will verify the correctness of services rendered and notify the Service Provider of any possible discrepancies within ten (10) days of issuing of each invoice. If the invoice is correct, the amount due shall be payable within thirty (30) days from receipt of the invoice.
- 18.4 If the Local Authority identifies any material discrepancies the invoice will be referred back to the Service Provider, and the amount due will be payable within thirty (30) days from receipt of a correct invoice, provided that the Services to which the relevant invoice relates has been achieved to the satisfaction of the Local Authority.

19 REPORTING & PERFORMANCE

- 19.1 As per the normal practice for the Local Authority, Contract Owners are responsible for managing the performance of suppliers under their authority. At a minimum suppliers will be scored on a monthly basis and the achieved levels are to be reported to the Contract Management Unit (CMU). Should the CMU identify areas of concern from these monthly Supplier Evaluations the perceived issues will be taken up with the Service Provider for comment and possible further intervention and action.
- 19.2 The Contract Owner, who shall remain the contact point and day-to-day Project Manager of the contract, will be communicated to the Service Provider during the inception phase and any changes in this regard will be communicated to the Supplier.
- 19.3 The Service Provider must comply with all reporting and recordkeeping obligations specified in the tender documents.

- 19.4 The Service Provider will be evaluated on a monthly basis and penalties may be imposed if the Service Provider fails to deliver the Services as specified in the tender documents and referred to in clause 16 above.
- 19.5 The Local Authority's right to impose penalties shall not in any way detract from the Local Authority's right to claim damages in lieu of penalties in the event of a breach by the Service Provider of any or all of the terms and conditions of this Agreement.
- 19.6 Consistent failure and poor service delivery will result in the termination of the contract.

20 CHANGE OF CONTROL

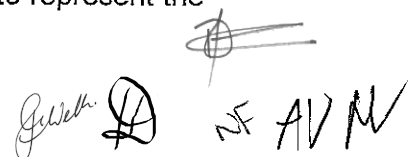
- 20.1 In the event of a Change of Control of the Service Provider, the Local Authority's written consent needs to be obtained by the Service Provider prior to the Change of Control occurring, which consent shall not be unreasonably withheld by the Local Authority.
- 20.2 Without derogating from the foregoing, the Service Provider shall upon written demand by the Local Authority, ensure that any party acquiring control, agrees in writing to be bound by all the provisions of this Agreement, on the same basis as the Service Provider is bound to this Agreement, prior to the implementation of the aforesaid Change of Control.

21 INDEPENDENT CONTRACTOR

- 21.1 The Service Provider is appointed as an independent contractor, and not as an employee, and at all relevant times during the currency of this Agreement no employer/employee relationship shall exist between the Parties.
- 21.2 This Agreement replaces any other previous verbal or written agreement entered between the Parties.

22 NO AGENCY

- 22.1 No provision of this Agreement shall be construed as constituting an agency, partnership, or joint venture between the Parties, and neither Party shall have any express or implied authority to bind the other Party in any way or to represent the

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other Party unless specifically provided to the contrary in this Agreement. It is specifically recorded that the Service Provider contracts as an independent contractor and not as an employee or agent of the Local Authority and does not have the authority to bind the Local Authority to any other party.

23 ENTIRE AGREEMENT

- 23.1 This Agreement constitutes the entire agreement between the Parties and no amendment, alteration, addition or variation of any right, term or condition of this Agreement will be of any force or effect unless reduced to writing and signed by the Parties to this Agreement.
- 23.2 The Parties agree that there are no conditions, variations or representations, whether oral or written and whether expressed or implied or otherwise, other than those contained in this Agreement.

24 WAIVER

- 24.1 No waiver of any of the terms and conditions of this Agreement shall be binding unless expressed in writing and signed by the Party giving the same, and any such waiver shall be affected only in the specific instance and for the purpose given.
- 24.2 No failure or delay on the part of either Party in exercising any right, power or privilege precludes any other or further exercising thereof or the exercising of any other right, power or privilege.
- 24.3 No indulgence, leniency or extension of time which any Party ("the Grantor") may grant or show the other Party, shall in any way prejudice the Grantor or preclude the Grantor from exercising any of its rights in terms of this Agreement.

25 CONFIDENTIAL INFORMATION

- 25.1 The Service Provider shall not, during the currency of this Agreement, or at any time thereafter, utilize or cause to be utilised, and/or directly or indirectly publish or cause to be published or otherwise disclose or cause to be disclosed to any third party, any of the Confidential Information of the Local Authority, government in any other sphere, or any government institution or organ of state.

25.2 For purposes of this clause "Confidential Information" shall mean:

25.2.1 Any information disclosed, revealed or exchanged and which pertains to, but is not limited to, all intellectual property rights, all trade secrets, all agreements (whether in writing or not) which exists at the time of revealing the content thereof to the Service Provider, the content of all possible future agreements which may be entered into with any other party, all knowledge obtained by way of research and development, irrespective of whether the aforementioned information that is revealed is applicable to technical, operational or financial aspects of the Local Authority, government in any other sphere, or any government institution or organ of state;

25.2.2 Any information of whatever nature, which has been or may be obtained by the Service Provider, whether in writing or in electronic form or pursuant to discussions between the Parties, or which can be obtained by examination, testing, visual inspection or analysis, including, without limitation, scientific, business or financial data or information, know-how, formulae, processes, designs, sketches, photographs, plans, drawings, specifications, sample reports, models, studies, findings, computer software, inventions or ideas;

25.2.3 Analyses, concepts, compilations, studies and other material prepared by or in possession or control of the Service Provider which contain or otherwise reflect or are generated from any such information as is specified in this definition; and

25.2.4 All information which a third party has in terms of any agreement made available to the Local Authority and which has become known to the Service Provider in the course of rendering the Services.

25.2.5 Any dispute between the Parties resulting from this Agreement.

25.3 The Service Provider shall:

25.3.1 Use the Confidential Information only for rendering the Services;

25.3.2 Treat and safeguard the Confidential Information as private and confidential; and

25.3.3 Ensure proper and secure storage of all Confidential Information.



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25.4 Any documents or records (including written instructions, notes or memoranda) relating to the Services which are to be provided to the Service Provider or which come into the Service Provider's possession during the currency of this Agreement, are deemed to be the property of the Local Authority and shall be surrendered to the Local Authority on demand, and in the event of the expiry or termination of this Agreement, the Service Provider will not retain any copies thereof or extracts therefrom without obtaining the prior written permission of the Local Authority.

25.5 The Service Provider:

25.5.1 Acknowledges that he/she has carefully considered the provisions of the clause;

25.5.2 Agrees that this clause is, after taking all relevant circumstances into account, reasonable and necessary for the proper protection of the interests of the Local Authority and the Government of the Republic of South Africa and that if he/she should at any time dispute the reasonableness of this clause, then the onus of proving such unreasonableness shall be on the Service Provider; and

25.5.3 Acknowledges that he/she has entered into this Agreement freely and voluntarily and that no circumstances exist and/or existed for him/her alleging, either now or at any future time, that he was at a disadvantage in agreeing to the restraints set out in this clause, or was not in an equal bargaining position with the Local Authority in agreeing thereto.

25.6 The Local Authority acknowledges that it is their responsibility to take into account the Protection of Personal Information Act, 4 of 2013 ("POPIA") regulations pertaining to users and their information being used by the Service Provider and the Service Provider will also adhere to POPIA in terms of its obligations in terms thereof.

26 VALIDITY PERIOD AND TERMINATION

26.1 This Agreement remains valid for the Term.

26.2 If the Service Provider terminates the agreement prematurely to its Term, then any unpaid monies due for services will be invoiced.

26.3 If the agreement is ended by any party, or the Term has come to an end, the Service Provider is responsible to provide the Local Authority *inter alia* with all data files, and databases associated with the Services provided.

27 ASSIGNMENT, CESSION AND DELEGATION

27.1 The Service Provider shall not assign, cede or transfer any of its rights, interests and obligations (in whole or in part) under this contract without the written consent of the Local Authority, which consent will not be unreasonably withheld.

28 INJURY OR DAMAGE TO PERSON OR PROPERTY

28.1 The offending party shall indemnify and keep indemnified the offended party against all losses and against all claims for injury or damage to any person or property whatsoever which may arise out of or in consequence of the offending party or its employees providing the services and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever, in respect thereof or in relation thereto.

29 PENALTIES

29.1 Subject to GCC Clause 22, the offending party can, in its discretion and without prejudice to its other remedies (e.g. right to claim damages in the event of breach) under this Agreement or in law, deduct or from the contract price, or add to the contract price, as noted in the Letter of Appointment, as a penalty, a sum as stated hereunder.

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No.	Transgression	Penalty
1.	Failure of the offending party to deliver any or all of the Services within the period(s) specified in this Agreement, including the Tender Documents.	R1,000.00 (one thousand Rands) for each business day of the delay until actual delivery or performance. The maximum penalty amount is R100,000.00 (one hundred thousand Rands)
2.	Failure to provide the Services to the expected levels of service or standards as provided for in the Agreement, including the Tender Documents or through any notices or protocols of the Local authority. Example: a. Meetings not taking place; b. Reports, minutes or any other required documentation not submitted as agreed; c. Poor execution of services; d. Calibration of cameras/repairs of cameras; e. Services executed to sub-standard quality. This penalty may be charged per occurrence.	R2,000.00
3.	Non-compliance with any aspect of the contractual obligations. Example: a. Inaccurate or falsified reports on payments received; b. ANPR operations; and/or c. Failure to keep record of operational activities and lack of proof. This penalty may be charged per occurrence.	R3,000.00
4.	Work is delivered but contrary to agreed plans or specifications. This penalty may be charged per occurrence.	R3,000.00

29.2 For clarity, the offended party's right to impose penalties shall not in any way detract from the its right to claim damages in lieu of penalties in the event of a breach by the offending party of any or all of the terms and conditions of this Agreement.

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- 29.3 Penalty notices will be issued in accordance with the terms of tender documents.
- 29.4 Either party may request a meeting on a date and time suitable to the other party to verify any penalties- imposed during a preceding week. During this meeting:
- 29.4.1 Only those penalties for which notices have been issued to the offending party will be verified;
- 29.4.2 The offending party may contest penalty notices at this meeting by submitting a written notice to the offended party or his/her authorised representative, to that effect, stating the reason that the penalty is being contested and requesting a review of the penalty;
- 29.4.3 The decision to grant the penalty will be at the sole discretion of the offended party, or their authorised representative; and
- 29.4.4 In the event that the offending party is not satisfied with the outcome, the offending party shall have recourse to the dispute resolution procedure provisions contained in clause 13 of this Agreement.
- 29.5 Once penalties have been finalised, the following invoicing procedure shall thereafter apply:
- 29.5.1 The offended party shall incorporate the penalties into the tax invoice furnished in terms of clause 18 of this Agreement, based on notices received;
- 29.5.2 The offended party shall verify the penalties incorporated into the invoice;
- 29.5.3 Where a change to the penalties included in the invoice is required, the offended party shall communicate in writing such change to the offending party within ten (10) business days of receipt of the invoice, including reasons and the resultant additional or reduced penalties shall be incorporated into the next month's invoice.
- 29.6 The imposition of any penalties shall be without prejudice to any of the either partie other remedies under this Agreement or in law.

30 IMPLEMENTATION AND GOOD FAITH

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30.1 The Parties undertake to do all such things, perform all such acts and take all steps to procure the doing of all such things and the performance of all such acts, as may be necessary or incidental to give conducive to the giving of effect to the terms, conditions and import of this Agreement.

31 SIGNATURE

31.1 This Agreement is signed by the Parties on the dates and at the places indicated below.

31.2 This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts.

31.3 The persons signing this Agreement in a representative capacity warrant their authority to do so.

31.4 The Parties record that it is not required for this Agreement to be valid and enforceable that a Party shall initial the pages of this Agreement and/or have its signature of this Agreement verified by a witness.

31.5 The Parties record that the Agreement can be signed electronically and that such electronic signature will be regarded as the original.

31.6 The Parties also record, that such electronic signature does not need to be an advanced electronic signature.

31.7 The signatories hereof, being duly authorised thereto, by their signatures hereto authorise the execution of the work detailed herein, or confirm their acceptance of the contents hereof and authorise the implementation or adoption thereof, as the case may be, for and on behalf of the parties represented by them.

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Signed at George on this 24 day of January 2024 5

AS WITNESSES: (For the Local authority)

J. Wells
Signature (Witness 1)

[Signature]
Mr Dawid Jacobus Adonis
Director: Community Services
for and on behalf of George Local
authority, being duly authorised.

JANINE WELLS
Name & Surname (Witness 1)

[Signature]
Signature (Witness 2)

HEIN DIEMONT
Name & Surname (Witness 2)

Signed at Cape Town on this 16th day of January 2024 M AV

AS WITNESSES: (For the Service Provider)

[Signature]
Signature (Witness 1)

[Signature]

Mr Anwar Vahed on behalf of the
Service Provider, being duly
authorised.

[Signature]
Name & Surname (Witness 1)

[Signature]
Signature (Witness 2)

NICOLE FELIX
Name & Surname (Witness 2)

J. Wells [Signature] NF AV M

ANNEXURE A: SPECIFICATIONS, SUBMITTED PRICING AND APPOINTMENT LETTER DATED

SCHEDULE 1 TMT FUNCTIONS AND OBLIGATIONS

TMT agrees, subject to the terms and conditions contained herein, to deliver install, implement, customise and maintain the System and to render the Services.

A gap analysis workshop may be undertaken by the Parties with the purpose of identifying any additional services that may be required to optimise the scope and content of the Local Authority's project. The cost of these services will be negotiated and reflected in an addendum to this Agreement, provided that it is within the scope of the tender

General Requirements

During the execution of the project TMT shall:

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|---|
| a. Perform the Services under the supervision of the Local Authority and in strict compliance with any instruction received from an authorized Project Manager as appointed by the Local Authority. |
| b. Nominate a suitable person to act as a manager with overall responsibility for implementation and management of all aspects of the Services and to serve as primary liaison between the Local Authority and TMT. |
| c. Acknowledge that the Local Authority retains ownership of the contents of the TMT Local Contravention Management System database, including all the images and offence details in respect of each offender and make available, to the Local Authority on request and without delay, any data or images that may be required for any purpose whatsoever and in the format of a text file and JPEG images. |
| d. Acknowledge that should the AARTO Act be implemented during the term of the contract, the contract will be renegotiated between the parties. |
| e. Ensure all communication with the Department of Public Prosecutions and the Courts will be undertaken by the Local Authority's Project Manager in cooperation with TMT. |

1. Enforcement Systems

These systems shall:

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| a. Be compliant with: SABS 1795, including Part 5, "Data capturing and recording devices for road traffic law enforcement equipment", Guidelines issued by the TCSP, approval of the Director Public Prosecutions and approval of the Director: Community Services or his/her delegated person. |
| b. Provide image(s) of the offence providing a wide-angle picture of the context of the offence as well as showing the details of the offending vehicle. (One image will be printed on the notification of intended prosecution.) |
| c. Provide for off-site storage of evidence of digital images of each view of the offence. |

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d. Provide evidence produced by the mobile digital camera systems which are tamper detectable and encryption of the stored imagery shall use a recognized 128 bit encryption algorithm.
e. Provide a fully integrated "end to end" system for the prosecution of speed offences and other offences.
f. Automatically record and store the total vehicles checked, number of infringements, and duration of operation, highest and average speed and output this to an integrated management information system.
g. Include supply and maintenance of appropriate transport components for mobile operations as part of the service supplied by TMT.
h. Provide the Local Authority with the images and data in a suitable electronic medium to be kept as prime evidence for the prosecution of cases in court as required by applicable legislation.
i. Ensure that the TMT system is AARTO compliant, and it can interface with the NaTIS system.

2. Support Functions

TMT shall:

a. Conduct field surveys and produce statistics on road usage and offence patterns at specific sites as and when directed by the Local Authority in order to assist with the routine rotation of camera sites and to assist the Municipality with the registration of additional / alternative sites with the Director of Public Prosecutions.
b. Inspect the cameras and ancillary equipment at least once per month with the prior approval of the Local Authority in order to ensure that the cameras and ancillary equipment are in good working order and of neat and well-maintained appearance at all times.
c. Maintain the cameras and ancillary equipment and ensure that they are properly and regularly serviced in accordance with the recommendations of the manufacturer or supplier of the cameras.
d. Repair any damage to or defect in the cameras and ancillary equipment, provided that if a camera cannot be repaired a replacement camera shall be made operational on the relevant site within 24 hours of notification from the Local Authority and the replacement cameras will comply with all requirements in terms of this Agreement.
e. Calibrate the cameras at 6 (six) monthly intervals, or as required by the Director of Public Prosecutions and as published in The Prosecution Guidelines, or at such other intervals as may be required by the Local Authority from time to time and ensure that the calibration certificates are provided to the Local Authority.
f. Provide on-site field support to the Local Authority's employees using the mobile cameras as to wherever they may be deployed, by rendering any technical assistance that may be required.
g. Provide on-site training workshops in the use of the cameras and ancillary equipment to the employees of the Local Authority as and when required by the Local Authority. TMT shall provide such training workshop and issue certificates to the Local Authority's employees in respect of training received. TMT shall bear all costs associated with the provision of any such training workshops.

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h. Take out insurance covering damage or loss of TMT's cameras and ancillary equipment for any reason and maintain such insurance for the duration of this Agreement.
i. Establish a Processing Centre at conveniently located premises at the Local Authority.
j. Upload all camera images and data and capture any additional particulars as may be required to successfully prosecute the offence.
k. Provide facilities and systems for peace officers of the Local Authority to adjudicate every image and associated data and either accept it as prosecutable or reject it as non-prosecutable.
l. Ensure that the TMT system "force" each image to be adjudicated by a peace officer and be capable of identifying the peace officer responsible for the adjudication.
m. Ensure that the TMT system shall not allow any image to be tampered with, deleted, cancelled or rejected by any person other than the adjudicating officer and that it provides detailed statistical reports on the number of images uploaded, adjudicated, accepted or rejected by each adjudication officer with appropriate reasons for rejections.
n. Make available the images and data to the Local Authority, or any other Party as directed by the Local Authority, for inclusion in their internet viewing and payment facility or for any other reason whatsoever.
o. Produce expert evidence in court (either documentary or and/or oral evidence in person) supporting the use of the cameras for the purposes of traffic law enforcement if this should be challenged on technical grounds provided that the intellectual property of the manufacturers of the cameras is not comprised.
p. Upload statistics gathered by the cameras after every session and make the statistics available to the Local Authority in an acceptable format as and when required, including the number of vehicles checked, the speed of each vehicle checked, the number and type of infringements, the highest and average speeds recorded, the times and duration of operation and the 85th percentile.
q. Provide an internet facility which shall include, but not be limited to viewing of all images and related data captured by the cameras and the payment of any camera related fines.
Within two months of date of signature of this agreement agree on the terms and conditions of the deployment of extra resources, of at least two part time traffic officers, for the duration of the contract for special projects related to the implementation of this SLA.

3. Hardware, Software and Networking

TMT shall:


a. Provide sufficient hardware and software in order to meet its obligations in terms of this Agreement and to operate the TMT System at optimal efficiency.
b. Interface with the accounting software of the municipality.

J. Welch   *NF* *AV* *M*

4. Operations

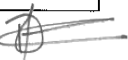
TMT shall:

a. Automatically update the TMT System by importing offence records from camera related offences.
<p>b. Capture the data on the System in respect of each of the following:</p> <ul style="list-style-type: none"> • Section 56 notices issued by the Local Authority and/or SAPS [considered an "offence notice" processed as referred to in Schedule 3] • Representations received from offenders • Representation results [considered an "infringement notice" processed as referred to in Schedule 3] • Court results • Authorization of Warrants of Arrest • Name and address changes of offenders • Change of offender's details • Record the registration numbers of vehicles using false number plates. • Return of Service of summonses • Execution of Warrant of Arrest.
c. In conjunction with the Local Authority, establish an interface with the NaTIS system in order to automatically obtain name and address details of registered owners of offending vehicles and update the TMT System accordingly. It is the obligation of the Local Authority to obtain the necessary authorizations from the relevant parties.
d. In conjunction with the Local Authority, establish an interface with the NaTIS system that allows enquiries on the ownership particulars of individual vehicles directly on the NaTIS system.
<p>e. Generate, MMS, e-mail or SMS and process the following documents and, where applicable, provide proof of delivery as necessary:</p> <ul style="list-style-type: none"> • Section 341 notices (camera mailers) [considered an "infringement notice" processed as referred to in Schedule 3] • Notification of No Admission of Guilt offences [considered an "infringement notice" processed as referred to in Schedule 3] • Warrant of Arrest notices • Letters to obtain details of responsible person in case of company vehicles • Representation acknowledgement letters • Representation result letters • General letters • Report showing the detailing conflicts between the information captured and the information received from the NaTIS system. • Any other documentation required for the successful operation of the Service Centre.
f. Ensure that the content of any documentation produced by the TMT System and sent out to the general public or the Courts are approved in writing by the Local Authority before being printed.
g. Include an image and relevant offence details on Section 341 notices processed in accordance with the TCSP guidelines.
h. Generate, print and process the following Court related documentation for Court purposes:



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- Section 54 / J175 Summonses [considered an “infringement notice” processed as referred to in Schedule 3]
 - Court Rolls
 - Section 341 Control Register
 - Section 56 Control Register
 - Section 54 Control Register
 - Section 341 Spot Fine Register
 - Pro forma Section 341 spot fines to accompany the Spot Fine Register
 - Admission of Guilt Register
 - Contempt of Court Register
 - Warrants of Arrest including “double contempt” warrants of arrest [considered an “infringement notice” processed as referred to in Schedule 3]
 - Warrant of Arrest Register
 - Any other Court related documentation that may be required by the Courts or the Local Authority eg. charge sheets, blank court register, charge book, data export report or standard letters.
- i. Generate, print and process the following reports for internal use:
- Audit trials
 - Concept Court Register
 - Summons Server productivity analysis reports
 - Any other reporting that may be required in the process.
 - A productivity report of each user on a daily basis
- j. Provide the Local Authority with the following management reports and statistics on the 7th day of each month. Every effort has been made to include all aspects of traffic law enforcement in these reports and any requests over and above these reports will be provided on a time and cost basis.
- Detailed analysis of Sections 56 and 341 and camera offences showing the number of offences, values, actual payments, success rates, number of cases withdrawn, untraceable and number of outstanding offences.
 - Comparison of monthly offence volumes.
 - Numbers and value of payments received by the Local Authority and income generated.
 - The number and value of fines reduced versus the number and value of fines originally issued.
 - Status of all offences at the various processing stages.
 - Month by month statistical analysis of offences committed per suburb, ward and sub-council area.
 - Representation results showing “proceed”, “withdrawn”, “reduced” separately.
 - Outstanding representation results.
 - Officer statistics and productivity.
- k. Ensure that general housekeeping procedures are established and performed in respect of the TMT System including, but not limited to the following:
- Creating a daily backup of all data and images captured on the TMT System to be made available to the Local Authority on reasonable request.
 - Creating a weekly full system backup and ensure that it is stored at a secure off-site location as agreed in writing by the Local Authority and to be made available to the Local Authority on request.
 - Performing system administrator duties such as registering users on the system and assigning user rights.


- Performing regular, scheduled history runs to remove redundant data from the system and provide Local Authority with details.
 - Ensure that the TMT system provide a cancellation report of old cases after the manual cancellations were done by the Local Authority on a monthly basis.
- l. Ensure that the TMT System is fully auditable and able to produce reports and on-screen logs of all activities on the system for each offence, including the time and date of the event, user, activity details, data element added, or changed, or deleted by any user, or system transaction. These activity logs shall also be available per user.
 - m. Ensure that the TMT system is capable of controlling which functions can be performed by individual users through a system administrator assigning user rights on the system in a hierarchical manner to individual users, or groups of users.

5. Summons Serving

TMT shall:

- a. Ensure, wherever possible, that summonses are issued and served within 18 months of the date of offence, provided that this period may be extended where a summons has to be re-issued due to receipt of a notification of change of offender, or such other period as agreed in writing by the Local Authority.
- b. Utilize the current appointed serving agents of the Local Authority (where possible) inside and outside the boundaries of the Local Authority to serve the summonses generated by the TMT System. TMT will bear the cost of the service fee payable to the serving agents. If the serving agents are limited, TMT in conjunction with the Local Authority can appoint a number of serving agents to successfully serve all summonses generated.
- c. Ensure that serving agents appointed to serve summonses within the boundaries of the Local Authority are duly authorized and approved by the Local Authority to do so.
- d. Ensure that serving agents appointed to serve summonses on behalf of the Local Authority in areas outside the boundaries of the Local Authority are duly authorized by the applicable local authorities to do so.
- e. Ensure that the TMT System is capable of registering all appointed serving agents, capturing of any return of service from any serving agent, tracking summonses allocated to individual servers and reporting on server performance and the status of every summons at any time.
- f. Take effective steps to ensure that the serving agents do not collect any money and that they perform their functions in terms of their authorizations and the law.
- g. Administer all summonses and the allocation thereof to serving agents.
- h. Facilitate and support the serving of summonses by the Local Authority's employees at roadblocks, or as and when determined by the Local Authority.
- i. Provide a facility for immediate, on-site production of summonses at roadblocks for the purposes of serving offenders that have been apprehended at the roadblocks, with summonses.

6. Payment Facilities

TMT shall:

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- a. Ensure that the TMT System has an integrated cashiering facility that enables the Local Authority cashiers to take Spot Fines, Admission of Guilt Fines and Contempt of Court Fines online at remote workstations.
- b. Ensure that the TMT System provides for the following in respect of cashiering transactions:
 - System printed receipts.
 - Show balance of outstanding fine amounts on receipts.
 - Receipt reprints by authorised supervisor.
 - Cancellation of payment transactions only by authorised supervisor.
 - Taking of payments before the corresponding notices have been captured.
 - Daily cashing-up reports showing the daily transactions for the cashier and giving the amounts taken by payment type (cash, cheque, credit cards etc.).
 - Daily reports showing the payments taken in respect of each Court.
 - Daily reports showing payments taken by a user or users in a designated group.
 - Reports detailing the allocation of money received to multiple income votes including the amounts taken in respect of contempt of court.
 - Reports showing payments transactions cancelled by supervisor.
 - Reports showing the cashiers that were active on the system by user group.
 - Reports showing payments comparing to previous months (at least three months)
 - Audit trails and reports as necessary for auditing purposes made available as soon as requested by Management.
 - User authorizations to allow system administrator to nominate the transactions a user from the TMT team as well as the users of the Local Authority is able to perform on the system.
- c. Ensure the TMT system is capable to accept third party payments electronically on a daily basis.

7. Offender Tracing and Call Centre

TMT shall:

- a. Establish and operate an outbound/inbound compatible call centre, which shall be utilized to perform the following functions:
 - Trace offenders with inaccurate address details telephonically
 - Update TMT system with change of offender details
 - Remind offenders of upcoming court dates
 - Notify offenders of warrants of arrest authorized
 - Communication will be telephonically, via sms or e-mail.
 - Any other activity that may be necessary to assist or trace offenders.
- b. Take effective steps to ensure that call center employees conduct the various types of telephone calls to offenders in accordance with scripts approved by the Local Authority.
- c. Trace offenders who cannot be reached by introducing and utilizing innovative methods of tracing, including obtaining of up-to-date particulars such as address details and telephone numbers from commercial databases available from credit bureaus and the like.
- d. Create and maintain an offender database with the most recent known and confirmed particulars of offenders including full names, ID numbers, address details and telephone

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numbers and update the offender database whenever more recent or more accurate particulars of an offender is obtained.

- e. Utilize the confirmed particulars in the offender database in the first instance for the production of notices and summonses.

8. Warrant of Arrest Administration and Roadblock Support

TMT shall:

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| a. Ensure proper record keeping and control over movement of warrants of arrest, including warrants received, on hand, allocated to officers, returned, admin mark placed or distributed for any other reason. |
| b. Ensure that warrants of arrest are properly cancelled upon expiry of their period of validity and marked as cancelled on the TMT system. |
| c. Provide facilities for the immediate production and printing of summonses at the roadside to allow serving on previously untraceable persons. |
| d. Provide facilities for the immediate production and printing of scanned copies of warrants. |
| e. Provide systems for the transmission of electronic copies of documents and printing at the roadside as necessary. |
| f. Provide facilities for online enquiries on the contractor system and the viewing of camera images at the roadside. |
| g. Provide secure facilities accepted by the Local Authority for the taking of fine payments at the roadside |
| h. Assist with roadside enforcement operations according to an agreed operational schedule including weekends and holidays by: <ul style="list-style-type: none"> • Providing the equipment necessary for conducting efficient roadside enforcement operations, including portable computers, printers, scanners, fax facilities, electronic information displays, generators, road signs and cones, reflective barrier tape fitted in a mobile minibus. • Preparing and uploading the databases on the ANPR system, including outstanding warrants of arrest, duplicate number plates, outstanding summonses, stolen vehicles, unknown addresses, or any other data sets specified by the Local Authority • Providing sufficient operators on site to operate the ANPR system and print copies of documents during the full duration of any roadside enforcement operations. • Provide the minimum requirements/specifications on the ANPR. |
| i. TMT will provide a monthly reconciliation of all e -natis blocks against warrants that have been authorised provided that the Municipality provides weekly a list of all e -natis blocks issued for that same period. |

9. Fine Collection Initiatives

The Parties agrees to the following fine collection initiatives:

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| a. Credit card payments of fines paid through the website www.paymyfines.co.za are paid into a TMT managed merchant account under the following conditions: |
|---|

- To partly offset this cost, TMT will retain a R15. 00 pre-agreed convenience fee paid by the user and any interest earned on the said merchant account
 - At the end of every month, a reconciliation summary will be prepared and the amount of the fines paid during the course of the preceding month, will be electronically transferred into the Municipality's dedicated fine account (referred to in 5(a) in Schedule (2))
 - The details of the website payment facility will be printed on each infringement sent out to infringers.
- b. Payments of fines paid at selected retailers and banks are paid into the TMT managed merchant account under the following conditions:
- TMT's payment switch company [APS] facilitates that fine payments can be made at Standard Bank, ABSA Bank and any retailer signed up to the pay@ payment channel including Shoprite Checkers, Spar and Pick 'n Pay
 - At the end of every month, a reconciliation summary will be prepared and the amount of fines paid during the course of the preceding month, will be transferred to the Municipality's dedicated fine account. Should payments be due and payable to TMT and such payments are in arrears, TMT will apply debt offset in relation to the monies in the merchant account. The balance will be paid over to the local authority, if any. Should there still be any short fall after the debt offset has been applied, the local authority will pay such shortfall within 14 working days to TMT.
 - The logos of the aforementioned retailers and banks will be printed on each infringement sent out to infringers.
- c. A facility providing SMS text messages and an inbound call centre:
- TMT will send text messages to notify infringers of their fine details and send various reminders to pay the fine at various points in time (refer to the SMS Wording in Annexure B)
 - Infringers will be informed that they may telephone TMT's inbound call centre to make enquiries about the fine (refer to the Call Centre Process in Annexure A)

Schedule 2: Duties and Functions of the Local Authority

1. General Requirements

The Local Authority:

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|--|
| a. Shall nominate a suitable person as the Project Manager with overall responsibility for implementation and management of all aspects of this Agreement and to serve as primary liaison between TMT and the Local Authority. |
| b. Agrees that TMT retains ownership of the Intellectual Property, Software, Hardware and equipment provided in accordance with, and during the course of, the Agreement. |
| c. Shall provide adequate traffic law enforcement officers to achieve optimal law enforcement levels in consultation with TMT on the understanding that the number of cameras TMT will provide will be limited to requirements as agreed in writing between both parties. |
| d. Ensure that the traffic surveillance and law enforcement systems provided by TMT for the use by the Local Authority shall be used with due care and diligence and that mobile camera systems shall be used productively and effectively, unless there are emergencies or bad weather. All cameras will be operated at a minimum of seven hours per day, per camera, seven days a week. The Local Authority will be responsible for all DPP applications with TMT's assistance, where permitted. |
| e. Ensure that all track and tracing, ANPR equipment, vehicles will be utilized efficiently and effectively. The parties are in agreement the minimum use of the aforementioned equipment is forty hours per week. All equipment, including cameras, that is not utilized as stated above, by the municipality, in consultation with the responsible Director, may be withdrawn by TMT in its sole discretion. |
| f. Ensure that cameras and ANPR equipment are utilized at locations where driver compliance are the lowest. |

2. Administration operations

The Local Authority shall:

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| a. Perform a supervision function on the transactions of all infringement notices. |
| b. Receive all written infringement notices issued by the Law Enforcement officials. |

3. Support Operations

During the execution of the project the Local Authority shall:

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|---|
| a. Arrange that relevant staff members attend training workshops in the use of the cameras and ancillary equipment, presented by TMT as agreed from time to time. |
| b. Provide duly appointed peace officers to adjudicate every image and associated data and either accept it as prosecutable or reject it as non-prosecutable within three business days of the image being captured on the System by TMT. |
| c. Will ensure at all times that there will be at least four designated traffic officers available to operate all cameras and/or ANPR equipment efficiently and effectively. |
| d. Ensure that all court roles are delivered to the court on time. |

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- e. Ensure that all court results are obtained from the court on time.
- f. Ensure that all warrants authorized be delivered to the magistrate on time for issuing.

4. Summons Serving

During the execution of the project the Local Authority shall:

- a. Support TMT in negotiations with the Court Officials of the Department of Justice regarding Section 54 processes.
- b. Will authorize and certify competent people to serve summonses in terms of section 15 of the Magistrates Court Act, Act 32 of 1944.
- c. Provide Traffic Officers to serve summonses issued by the municipality at roadside, within the municipal jurisdiction of the Local Authority.
- d. TMT and the Municipality agree that the parties undertake to process a minimum of 350 cases per day for the court roll, at least 4 days a week. The Municipality will be responsible for at least 150 notices issued per week for cases recorded on the hand held ticketing system.

5. Payment Facilities

During the execution of the project the Local Authority shall:

- a. Establish a dedicated fine payment bank account, facilitate and give approval for electronic payment interfaces and cover the costs of any bank fees associated with the bank account and any other charges relating to electronic payments received.
- b. Provide the required approval so that electronic payment of fines may be implemented.
- c. Ensure banking every day of daily receipts as per the TMT Daily Banking Procedure, unless there are circumstances beyond control.
- d. Provide the daily bank statements of the fine payment bank account to TMT for reconciliation purposes.

6. Warrant of Arrest Administration and Roadblock Support

During the execution of the project the Local Authority shall:

- a. Support TMT in negotiations with the Court Official of the Department of Justice regarding the warrant of arrest processes
- b. Assist with roadside enforcement operations by:
 - Providing Traffic Officers for conducting efficient roadside enforcement operations;
 - Providing a Clerk of the Court during roadside operations to deal with the administration of warrants of arrest and issuing of summonses for officers engaged in roadside operations or the courts as necessary.
 - Provide a cashier for the receiving of all payments received from offenders during roadside operations.

[Handwritten signatures and initials]
 J. Welsh, DA, AV M

- c. Ensure that all warrants are blocked on Natis within 3 working days from date the warrant is authorized by the court and provide a weekly report to TMT on the Natis blocks that were captured.

J. Webb  *AV M*

Schedule 3: Service Fees

1. The Local Authority will pay TMT a service fee in accordance with the terms and conditions of the tender. The service fee is applicable to all fines generated and paid as per the table below. All infringements of which, forty percent or more of the total infringement value is paid, will be accepted as paid.

Basic fee per paid fine (CPA) - Fine value R200 and less	R119,00
Basic fee per paid fine (CPA) - Fine value above R200	R119,00
Set fee per AARTO Infringement paid as reflected on the NCR	R87,00
Fixed digital camera system	R1,00
Fixed camera site	R1,00
Mobile digital camera system	R1,00
Roadblock support vehicle as per clause 5.7.2. with additional requirements	R1,00
ANPR vehicle as per clause 5.7.3. with additional requirements	R1,00
Portable warrant query and printing unit	R1,00
Handheld device and associated printer	R1,00

2. The fees referred to in paragraph 1 relates to the costs of all items of work associated with the Services, including the supply of personnel, equipment, general operating costs, telecommunications, network connections, vehicle operating costs, postage, serving of summonses, calibration of camera equipment, executing warrant of arrests at the roadside, and overhead costs such as maintenance and insurance.
3. For the purposes of this Schedule 3, "infringement notice" includes Section 54 summonses, Section 341 notices and Section 56 notices.
4. Any additional service fees for the supply of any additional services will be agreed between the Parties and this Schedule 3 shall be amended accordingly.
5. The Local Authority shall make monthly payments of the Service Fee within 30 days from date of invoice, which invoice will be based on records of payments made as reflected by the Systems. All late payments by the municipality will carry interest of prime plus two percent, calculated and compounded monthly.

Guweth   

Schedule 4: Duration of Contract

1. The Services will be rendered in terms of Schedule **1: Duties and Functions of TMT**, from the commencement date for an initial period as per the terms and conditions of tender.
2. The Parties agree to a Run-off Period of 18 months as per the terms and conditions of tender after the expiry of the initial period referred to in clause 1 above, to collect outstanding fines processed. During the Run-off Period the Service Fee specified in Schedule 3 paragraph 1 will be payable. TMT will render no further services regarding these infringements, other than collecting the payments.
3. Should the AARTO Act be implemented during the term of the contract, or should any other law come into effect, or be repealed, or amended which materially impacts on the Services, further discussions will take place between the two Parties and new conditions will be agreed upon.
4. Upon termination of this agreement, for any reason whatsoever, the Local Authority shall have the right to conclude a license agreement with the software licensor for the continued usage of the software.

Handwritten signatures and initials, including a circled 'D', 'AV', and 'M'.

Annexure ACall Centre Process

Seven step call script (OUT GOING CALLS)

Step 1: Greeting, Introduction, advise where you're calling from, and confirm if you are speaking to the right person.

- Good day, my name is.....I am calling from the Infringement Recovery Call Centre. May I speak to (Debtors name)
(If incorrect data, "admit fault" apologise for the inconvenience and close call politely)
Explain the purpose of your call and explain that calls are recorded for quality and training purposes.
In order to establish that I am talking to the correct account holder please may I kindly confirm your id number/ DOB/ or postal address.

Step 2: Inform the debtor of outstanding infringements.

- Sir / Madam the purpose of this call is to inform you of outstanding traffic infringements currently linked to your account and to enquire as to why payment has not yet been made.
- Give relevant information as shown on Wincollect as per the invoice panel.

Step 3: Proceed to ask for payment.

- Push for immediate full payment first or alternatively per infringement. Explain the discount (AARTO) and how the amount is affected by not making a timeous payment
(Be advised that at this point the call may often take a different direction depending on the nature of the discussion. The debtor may require a nomination or representation, wherein you must explain the process. Followed by steps 5, 6 and 7
Probe before giving the relevant information relating to Representation or Nomination.

Step 4: Confirm and update information.

- Sir/Madam may I kindly confirm that your postal address, contact telephone numbers and email address remains unchanged. Update where necessary.

Step 5: Explain the benefits or consequences of the debtors preferred action.

- By making payment or taking action towards a nomination or representation you would be in a position to avoid any further action against you e.g. Summons and or warrant.

Step 6: Summarise the call and explain consequences or benefits

- Sir/Madam you have agreed to make your payment of (AMOUNT) on or before the (DATE), I expect you to meet your arrangement so as to avoid further calls or action.

Step 7: Thank the debtor for his / her time, have a good day and end the call.

Handwritten initials and marks:
JLW
A
AV
W