SERVICE LEVEL AGREEMENT

SMT02/21/22

Entered into by and between

SWELLENDAM MUNICIPALITY

(A Local Government Institution established in accordance with the laws of South Africa, having its main place of business at 49 Voortrek Street, Swellendam, 6740, represented by A.M Groenewald in his capacity as Municipal Manager, duly authorized hereto)

(Hereinafter referred to as "the Purchaser")

And

SYNTELL (PTY) LTD

(A Private Company duly incorporated in terms of the laws of South Africa, having its main place of business at Great Westerford, 240 Main Road, 2nd Floor, Rondebosch, 7700 with registration number, 2003/022275/07 represented herein by

Mr. Z. Lalla in his capacity as General Manager Revenue System, duly authorized thereto)

(Herein referred to as "the Service Provider")

PREAMBLE

WHEREAS Syntell (Pty) Ltd was appointed as Service Provider under reference SMT02/21/22, for the Provision and Administration of an Electrical Prepayment Vending System for the period from 01 September 2022 to 31 August 2027; and

WHEREAS The duration of this agreement is subject to the Purchaser following a section 33 process in terms of the Municipal Finance Management Act, 2003. Should the outcome of this process not be successful the duration will automatically reduce to 3 years with the option to extend for a further period; and

WHEREAS Syntell (Pty) Ltd accepted such appointment;

Now therefore the parties agree as follows:

1. INTERPRETATION

1.1 The terms and conditions contained in the General Conditions of Contract (GCC), incorporated in the tender document forms part of the agreement between the Parties.

1.2 In the event of any inconsistency between the provisions of this Service Level Agreement and the terms and conditions contained in the GCC, the provisions of this Service Level Agreement shall prevail over the terms and conditions contained in the GCC.

1.3 In this agreement the following expressions bear the meanings assigned to them below and cognate expressions bear corresponding meanings: -

1.3.1 **"Agreement"** means this document, as part of the contract [inclusive of the tender document; award submission; appointment letter), Government Procurement – General Conditions of Contract and any other annexures hereto and **"this Agreement"** or **"the Agreement"** shall bear the same meaning.

1.3.2 **''By-Law''** the Swellendam Municipality By-Law on Special Rating Areas;

1.3.3 **"Data Subject"** means the person to whom the personal information relates;

1.3.4 **"Municipality"** means the Swellendam Municipality.

1.3.5 **"Operator"** means a person who processes personal information for a responsible party in terms of a contract or mandate, without coming under the direct authority of that party.

1.3.6 **"Parties"** means the Purchaser and the Service Provider, and each individually shall be referred to as a **"Party"**.

1.3.7 **"Personal Information"** means:

i. Race, sex, gender, sexual orientation, pregnancy, marital status, nationality, ethnic or social origin, colour, age, physical or mental health, well-being, disability, religion, conscience, belief, cultural affiliation, language and birth;

ii. Education, medical, financial, criminal or employment history;

iii. Names, identity number and/or any other personal identifier, including any number(s), which may uniquely identify a Data Subject, account or client number, password, pin code, customer or Data Subject code or number, numeric, alpha, or alpha-numeric or configuration of any nature, symbol, e-mail address, domain name or IP address, physical address, cellular phone number, telephone number or any other particular assignment;

iv. Blood type, fingerprint or any other biometric information;

v. Personal opinions, views or preferences;

vi. Correspondence that is implicitly or expressly of a personal, private or confidential nature (or further correspondence that would reveal the contents of the original correspondence); and

vii. Corporate structure, composition and business operations (in circumstances where the Data Subject is a juristic person) irrespective of whether such information is in the public domain or not;

1.3.8 **"Purchaser"** means the Swellendam Municipality.

1.3.9 **"POPIA"** means the Protection of Personal Information Act, No. 4 of 2013, as amended or substituted from time to time;

1.3.10 **"Processing"** means any operation or activity or any set of operations, whether or not by automatic means, concerning Personal Information including:

i. The collection, receipt, recording, organization, collation, storage, updating or modification, testing of, retrieval, alteration, consultation or use;

ii. Dissemination through transmission, distribution or making available in any other form by electronic communications or other means; or
iii. Merging, linking, blocking, degradation, erasure or destruction; and

1.3.11 **"Process"** has a corresponding meaning;

1.3.12 **"Responsible Party"** means a public or private body or any other person which, alone in conjunction with others, determines the purpose of and means for processing personal information;

1.3.13 **"Supplier"** means the Service Provider.

1.4 Words and expressions defined in any clause shall, for the purpose of that clause, bear the meaning assigned to such words and expressions in such clause.

2. APPOINTMENT AND COMMENCEMENT

2.1 The Purchaser hereby appoints the Service Provider for the Provision and Administration of an Electrical Prepayment Vending System for the period ending as **31 August 2027** in accordance with the terms and conditions as set out in this Agreement. The Service Provider will be responsible for performing the tasks and duties outlined in Section 3 below.

2.2 The Service Provider accepts such appointment.

2.3 The Agreement shall commence on date of appointment being **01 September 2022** and shall, unless otherwise provided for in this Agreement, remain in force until terminated on **31 August 2027** in accordance with the provisions of this Agreement.

3. SCOPE OF SERVICE

3.1 The supply, delivery, installation, training and commissioning of the most optimal vending solution for Electricity & Water STS meters, including a cloud-based back-end, billing system integration and distributed 3rd party 24-hour vending, offered by the Service Provider within the framework and performance specification as detailed in this document.

3.2 The Service Provider will also provide a Revenue Protection service to eliminate the loss of revenue as a result of prepaid meter failure, tampering and/or bypassing.

3.3 It will comprise the provision of data management and Revenue Protection for the whole Swellendam Local Municipal jurisdiction area.

3.4 This will include:

3.4.1 Data and Revenue protection sweep audits and TID Rollover services.

3.4.2 Data and Revenue protection targeted audits and TID Rollover services.

3.4.3 Data and Revenue protection remedial actions.

3.4.4 Provision of detailed reference database.

3.5 Additional requirements included in the document are:

3.5.1 Stand-by and support required as detailed in this document are required.

3.5.2 Disaster recovery and business continuity as specified.

3.5.3 Setting up the system and importing the data into the system.

3.5.4 Configuring and commissioning of the all-vendor machines according to the project specifications.

3.5.5 Training of all required municipal staff and vendors.

3.5.6 Maintaining the system for the tender period.

3.6 INFORMATION TO BE MADE AVAILABLE BY SWELLENDAM MUNICIPALITY

3.6.1 Database file containing all available data in relation to its meters such as:

3.6.1.1 Meter number

3.6.1.2 Stand number

3.6.1.3 Account number

3.6.1.4 Account holder name

3.6.1.5 Street address

3.6.1.6 Meter type

3.6.1.7 Meter position description

3.6.1.8 Meter reading history of three years

3.6.1.9 Any other available information which can assist the service provider to set up the system.

3.6.2 The Swellendam Municipality financial management system, SAMRAS DB4 interface data migration. SAMRAS import file structure for all data, including sales information and auxiliary data.

3.6.3 Details of personnel to be trained.

3.6.4 Training facilities for the training of municipal staff.

3.6.5 The municipality has +- 6 500 electricity pre-paid meters.

3.6.6 The municipality existing online vendors (approximately 33) is currently managed by the service provider connected to the existing Vending System using GPRS/mobile broadband and the internet shall remain operational during the installation and until successful commissioning of the new Vending System.

3.7 USE OF REASONABLE SKILL AND CARE

3.7.1 In applying the scope of work, it is expected of the Service Provider to render services that commensurate with the highest expectations of professionals in the industry and to ensure that all legislative requirements are met.

3.7.2 It is expected of the Service Provider to take ownership of the project and to facilitate a process that commensurate with the integrity of the municipality as a public institution to ensure successful completion of the project within budget estimates and time frames.

3.7.3 It will also be required of the Service Provider to report back at project management team meetings and to contribute to reports on the process progress and outcomes to the relevant officials and/or committees if need be.

3.7.4 It will be required of the Service Provider to prepare a detailed phased project program for the project within 2 weeks of appointment. This must include system testing and user acceptance. The Service Providers are required to acknowledge the dynamics of proper planning for the practical completion of the project.

3.8 NORMATIVE REFERENCES

3.8.1 The solution offered must be compliant with SABS 1524, the STS Specifications, SABS IEC 1036 and any other relevant guidelines and standards in the industry to ensure compliance and STS standards for Water and Electricity (as and when required).

3.9 DETAILED SPECIFICATION OF VENDING SYSTEM

3.9.1 System Configuration

3.9.1.1 The Service Provider must ensure that he understands the current hardware, software, network infrastructure availability and requirements at each of the current vending offices.

3.9.1.2 The municipality uses windows 10 software and Microsoft office ranges from 2010 to 2019.

3.9.1.3 The Service Provider shall keep in mind the system configuration required by Swellendam Local Municipality and utilize the current infrastructure belonging to Swellendam Municipality. It remains the responsibility of the Service Provider to ensure compliance with the Service Provider's minimum requirements.

3.9.1.4 The vending system must be TCP/IP compliant and functional over Ethernet on a LAN/WAN environment. WIFI, GPRS, ADSL and Diginet lines must also be accommodated.

3.9.1.5 The vending solution offered by the Service Provider must be capable of managing and vending to Electricity & Water STS meters from a common platform and user interface. A single consumer record must have the capacity to have Electricity & Water meters linked to it.

3.9.1.6 A hosted database configuration set is required with standby disaster recovery capability for business continuity.

3.9.1.7 A disaster recovery plan shall be provided with all necessary hardware and infrastructure utilized.

3.9.1.8 Assurance of business continuity in the event of a catastrophic systems and/or communications system breakdown in the Municipal environment must be provided. A description of associated redundancies built into the offered solution must also be provided.

3.9.1.9 The system should have the capacity to provide for a monthly update of a local database copy in Swellendam Local Municipality premises if and when required.

3.9.2 Physical Location of Servers and Workstations

3.9.2.1 The configuration envisaged by the municipality is one where the management and vending server(s) will be located off-site in a high availability environment with redundant power and connectivity.

3.9.2.2 Full disaster recovery and business continuity must be provided for.

3.9.2.3 Vending workstations (credit dispensing units) will be required at each of the vending offices.

3.9.2.4 The system must not be limited to existing workstations and locations.

3.9.2.5 The Service Provider is required to evaluate the existing hardware at each of the current offices and make an optimum solution recommendation to the Purchaser.

3.9.3 System Capacity

3.9.3.1 The system shall be designed to ultimately accommodate a minimum of 20 000 consumers/meters. The system shall have the capacity to retain a five (5) year transaction history (estimated 50 million transactions) in the live database and older transactions in an archive database. Any system limitations shall be indicated by the Service Provider.

3.9.4 System Integration

3.9.4.1 The Purchaser currently uses the SAMRAS Financial System. The Vending System offered must have the capability to interface with, at current, applicable modules, inter alia customer database, billing system, etc, or any other financial management system that might be implemented.

3.9.4.2 The Vending System shall have an Application Programme Interface (API) to allow third parties to access the system securely for integration purposes. The API must be web-based.

3.9.4.3 It is envisaged that a Geographical Information System will be linked/incorporated into the Vending system in the future. The proposal should describe how the solution would cater for such GIS integration.

3.10 PERFORMANCE SPECIFICATION

3.10.1 A full and detailed functionality description of the system shall be provided by the Service Provider.

3.10.2 The Service Provider shall not focus on the provisioning of computer hardware since Swellendam Local Municipality will use existing infrastructure where possible. For this reason, it is also imperative that the Service Provider should be quite clear on where Swellendam Local Municipality's hardware and/or networks lack the capability and/or capacity to function properly with the system proposed by the Service Provider and the Service Provider should indicate the cost of additional or replacement infrastructure.

3.10.3 A detailed graphical drawing depicting the proposed network and system layout must be drafted to clarify and indicate solution functionality. Should changes be required, full specifications and pricing must be provided.

3.10.4 The system provided by the Service Provider should ensure that different servers are utilized for different applications such as:

3.10.4.1 Database functions

3.10.4.2 Management applications

3.10.4.3 Transactions

3.10.4.4 Encryption / Security

3.10.4.5 Disaster recovery

3.10.5 The vending solution should be designed to use a relational database and run as a client-server application on a LAN or a WAN. It should be able to run under the Windows Server 2019 (Windows data centre) and at least Windows 10 operating systems.

3.10.6 The network for the vending solution is Ethernet. The network protocols shall be TCP/IP and be able to operate real-time over GPRS/3G/EDGE/HSDPA/GPRS/WIFI/ADSL/Diginet is available in certain areas in the online mode.

3.10.7 To simplify the third-party integration, process the system will comply with Eskom XMLVend 2.1 (or later). It would be preferred that the system is native XML i.e. that there is no translation interface between the system and an XML client and that all client/server interfaces are based on the XML standard.

3.10.8 The system shall be a single database solution which from which both management functions and vending take place for all meter and utility types. All updates to customer data must be immediately available at vending terminals and all transactions made at all sales outlets must be immediately available for reporting on.

3.10.9 The vending terminal solution shall be web-based or a web application that automatically updates from the host server should update be posted. Security and data encryption will be provided by mutually authenticated SSL between the vending terminal and the server.

3.10.10 The solution should have the capability to provide pre-paid vending services over the internet/intranet. Customers should be able to purchase prepaid Electricity & Water either via the Internet or a cell phone.

3.10.11 A registered service on the web where the customer registers for the service. This includes providing the required financial information and then simply authenticating on every transaction. Swellendam Local Municipality's vending and credit management rules must still be applicable and transactions must be made against Swellendam Local Municipality local vending system, not an offline copy.

3.10.12 The system should cater for integration to vending mechanisms such as automatic cash handling machines, self-service terminals and other third-party vending networks by providing an API specification to the alternate provider. The Service Provier shall assist with integration testing.

3.10.13 Convenience charges must be able to be charged at specific vending outlets over the contract period.

3.10.14 The solution shall be able to function on low-bandwidth requirements between remote vending points (credit dispensing units) and the central prepaid system (system master station) and optimized to run over networks (such as GPRS), with the

maximum packet size being minimal and clearly indicated GPRS/WIFI/ADSL/DIGINET connection points that should be created on the Swellendam Local Municipal infrastructure to directly serve transactions on this type of networks.

3.10.15 The vending system shall cater for integration with the systems/applications in use. Swellendam Local Municipality uses the SAMRAS financial system. The nature of the integration catered for must include periodic bulk export/import of arrears balances/collections to/from the billing system.

3.10.16 The service provider must indicate their approach to the requirements of mSCOA with respect to data exchange between systems.

3.10.17 The system must cater for the storage of all information to comply with financial services regulations (e.g. the storage of all sales/vending transactions).

3.10.18 The vending system will provide a web-based interface to allow for management functionality and reporting over the Swellendam Local Municipal Intranet and the internet.

3.10.19 Connections will be secured by mutually authenticated SSL between the management terminals and the webserver. The standard Microsoft Internet Explorer will be used for this. The system must ensure that the program supports the latest version of Microsoft Internet Explorer and always keep up with updates by Microsoft. The currently deployed version of Microsoft Internet Explorer is IE8.

3.10.20 Tamper monitoring and specific technologies to effect notifications in this regard should be catered for in the solution.

3.11 SYSTEM / OPERATION REQUIREMENTS

3.11.1 General

3.11.1.1 The administrator(s) must have the option to link directly into the server from their offices e.g. management, reports, etc.

3.11.1.2 Maintenance staff must have the option to link into the system over a 3G data connection from remote locations to perform customer maintenance functions.

3.11.1.3 All licenses required must be clearly defined and a list provided with license cost. All limitations must clearly be indicated.

3.11.1.4 All current data on the current vending systems used by the municipality must be catered for on the supposed vending system. The last 3 years data

must be migrated into the supposed vending system from the current vending system.

3.11.2 Access

3.11.2.1 It must be possible to allocate access rights into the system into users and user groups. Access rights allocations shall be transferred during the data migration process and distributed throughout the system.

3.11.2.2 The vending system must allow for the activation of password ageing functionality. If this function is activated, the password of the particular user shall expire after a definable amount of time.

3.11.2.3 Early password expiry warnings must be available. In addition, a concurrent log-in limit for log-in attempts is also required. User IDs not used or disabled permanently must not be able to be removed from transaction history data. A full audit trail on user IDs and movement must be kept. Access rights must be configured by Swellendam Local Municipality.

3.11.3 Arrears

3.11.3.1 The vending system offered by the Service Provider shall make it possible for the Purchaser to deduct arrears from moneys tendered by consumers to purchase pre-paid electricity and/or water. The vending system must be able to define within the applicable arrears scheme and/or credit control policy of the municipality different arrears recovery categories/indexes. Within each category/index, the system shall allow for various recovery alternatives. This must be included and enforced in all Electricity & Water dispensing strategies and/or systems, inclusive of third-party vending systems. The system must allow for the payment of rates and other services which is not in arrears.

3.11.3.2 The system shall allow for at least:

(i) Fixed percentage of transaction recovery
(ii) Availability charge recovery on a monthly or daily basis
(iii) Full arrear payment recovery
(iv) Partial or percentage-based arrear recovery and limited sales
(v) Over right facility for negotiated individual account recovery setup and payment as determined by credit control.

3.11.4 Blocking

3.11.4.1 The vending system offered by the Service Provider will allow for profiled blocking of purchases by customers based on arrears balances in specific account types. Blocking will be configurable by account type and will

allow for either no sales or limited monthly sales to customers with arrears balances.

3.11.4.2 The system must allow to block per category rules or to block accounts individually. The system must allow for a manual over right on individual accounts and be able to set different block amounts for example customers pay R100 arear and can purchase R40. This method is not linked to percentages but present amounts which much be paid.

3.11.4.3 Customers with shared service accounts will all be unblocked simultaneously when anyone blocked account is paid in full.

3.11.5 mSCOA

3.11.5.1 The Service Provider must indicate their approach to the requirements of mSCOA with respect to data exchange between systems.

3.11.5.2 The Service Provider must provide proof of at least one online integration with a billing system where arrears balances are updated, and transactions are posted to the billing system in real-time.

3.11.6 Engineering

3.11.6.1 The system must make provision for the generation of all STS engineering vouchers directly from the management terminal and these vouchers can be printed, viewed (without printing) or sent via SMS.

3.11.6.2 An Android smartphone-based Engineering application must be provided. The application must allow for issuing of engineering tokens and for field meter replacements with an audit trail including GPS coordinates.

3.11.7 Free issues/replacement tokens.

3.11.7.1 The vending system should allow the issuing of vouchers free of charge with the requirement to add reasons and free text notes to each issue.

3.11.8 Key management

3.11.8.1 The vending system must support the upload of key management files (KMF) into the system database to configure and connect encryption devices, for STS encryption algorithms. This can be used to load details of new area keys into the encryption device.

3.11.8.2 STS certification is required, in the name of the bidding company, to a minimum of STS Edition2: IEC62055-41 Ed3, including Electricity and Water units and currency vending and Key Management and Engineering tokens,

conforming to a minimum of Edition 1.9 of the STS standards. Security modules in use must be the Prism STS-6 type module.

3.11.9 Vendor credit management

3.11.9.1 The vending system should allow a limit for the amount of credit that any individual terminal or group of terminals in the system can issue without re-authorization. This amount can be defined per terminal.

3.11.9.2 The credit update of a terminal must be done by a supervisor (or another user with appropriate access rights) updating the credit limit via the management interface. All updates will be recorded; the records will include the previous credit balance and the user identity, the date and time of the update and a reference field with free text entry. The update will automatically print for audit purposes.

3.11.9.3 Electricity & Water token limits will be set at terminal group level. These limits may be exceeded by operators with the input of a password to confirm the transaction value.

3.11.10 Messages

3.11.10.1 The vending system should allow the utility to define voucher messages that are printed at the bottom of the printed voucher. The Purchaser must have the option to change the messages according to requirements.

3.11.11 Registration

3.11.11.1 The vending system must be able to track any historical connections between the meter, point of connection and the consumer.

3.11.12 Vending

3.11.12.1 Vending to a consumer shall only be possible when a point of connection and meter is linked to the consumer and a tariff has been selected. The customer must still be able to do payments although blocked for pre-paid Electricity & Water sales.

3.11.12.2 Should the information on the database differs from the information on the meter card, no token must be generated.

3.11.12.3 Free Basic Electricity & Water must be issued to identified indigents based on the Municipalities Indigent policy. The indigent register is updated

monthly and the system must accommodate these updates monthly or as requested.

3.11.12.4 Free Basic Electricity & Water tokens must be SMSed to those indigents that have registered mobile numbers immediately after the new register becomes available. The tokens must also be available to the Indigent customers at all points of sale on request. Additionally, a USSD based service request must be available for the customers to request their tokens from their mobile phones.

3.11.13 Search and filter

3.11.13.1 The vending system should support the full search for the following items in registration:

(i) Consumer surname & first names,
(ii) ID number
(iii) Postal address details
(iv) Comments
(v) Blocking codes
(vi) Account number
(vii) Point of connection
(viii) Meter serial number

3.11.13.2 All of these searches can be incremental searches or full word searches. Once the search criteria are entered, the system must display the first record matching the search condition or the closest field at any one time for the search.

3.11.14 Reports

3.11.14.1 The vending system should support a set of standard reports and the capability to customize and/or create new Reports. The tenderer undertakes to add or alter reports according to the needs of the Municipality for at least the first six months free of charge.

3.11.14.2 Printer selection and formatting according to operating system availability must be supported. Exporting of all reports to at least Excel or PDF must be supported.

3.11.14.3 A Month Management Report is a mandatory requirement and samples of this must be submitted with the Service Provider.

3.11.14.4 The system must allow for the pre-view of reports.

3.11.14.5 The standard reports required should include:

(a) Standard operator reports

(i) Operator actions between dates grouped by date
(ii) List of all users registered on the system
(iii) List of all the user's groups and their functions
(iv) List of all the groups and their respective functions

(b) Standard consumer reports
(i) Number of consumers registered by town between dates
(ii) List of POC'S grouped by system area code
(iii) List of all STS meters registered on the system
(iv) List of towns registered on the system
(v) List of disconnected meters by POC between dates
(vi) List of disconnected meters by disconnect reason between dates
(vii) Consumer information for POC'S
(viii) Total new connections per town
(ix) Total installed meters per town
(x) Meter replacements per town
(xi) All consumers in alphabetic order

(c) Standard transaction reports
(i) List of transactions grouped by date between dates
(ii) Sum of transactions grouped by transaction type and tariff
(iii) List of credit and debit card transactions between dates
(iv) Total Electricity & Water bought between dates by consumer
(v) Free issues between dates per meter
(vi) Cheque List between dates
(vii) Low purchases of Electricity & Water over a specified period
(viii) Total Electricity & Water bought in the last 30 and 90 days
(ix) Breakdown of consumer's purchase times between dates
(x) Balancing report of credit amounts used against physical transactions
(xi) Reversals between dates
(xii) Summary of all end of shifts for a user between dates
(xiii) All transactions for a meter between custom dates
(xiv) Arrears owed by the consumer
(xv) Daily cash reconciliation report
(xvi) All transactions for an account between dates
(xvii) Low consumption report
(xviii) Indigent high purchase report
(xix) Total sales by town
(xx) Total sales by the operator

(xxi) All transactions for one shift on one user

(xxii) Shift details for one user

(xxiii) IBT customer purchase breakdown with graph

(xxiv) IBT month sales analysis by Tariff Class

(d) Engineering Reports

(i) Current power limit for a meter

(ii) Current power limit for all meters

(iii) Audit trail on Amperage changes

(iv) Reports in the vending system must be able to be previewed before printing

(e) Customised Reports

(i) The system must allow for customised reports as requested by the municipality or allow the municipality to build their own reports from the available data.

3.11.15 Software

3.11.15.1 The vending system should be able to use/support the Windows 10, or earlier software/operating systems and support the latest version of Internet Explorer.

3.11.15.2 The system must keep up with new Windows, Microsoft and Internet explorer releases.

3.11.16 Tariffs

3.11.16.1 The vending system must support the use of vending-based tariffs. The system must cater for pre-defined tariffs by date to be created in advance. The tariff structure of current vending systems must be accommodated.

3.11.16.2 Meter Tariff Index and Customer Tariff Class must not be linked in the system to avoid key changes when tariffs are changed, for instance from an Indigent to Domestic tariff.

3.11.17 Block tariffs

3.11.17.1 A block tariff module or stepped tariffs must be able to be defined.

3.11.18 VAT

3.11.18.1 The vending system shall support the use of vending-based VAT where the VAT is calculated at the time of vending.

3.11.19 Security

3.11.19.1 The vending system interconnections shall be secured with mutually authenticated SSL certificates. The tenderer must describe the process of issue and management of these certificates.

3.11.19.2 Passwords must meet the Auditor General's requirements in terms of complexity and expiry. An optional One Time Pin for system administrators must be provided for.

3.11.20 Account payments

3.11.20.1 In vending, it should be possible to pay off arrears amounts or portions thereof separately from the purchase of actual Electricity & Water.

3.11.20.2 The solution shall also allow for debtor payments and sundry payments if and when required by Swellendam Local Municipality. This functionality will allow and provide the municipality the capability of collecting account payments, arrear amounts as well as selling pre-paid services.

3.11.20.3 The system shall allow the cashier to enter the full amount from which the arrear amount will automatically be deducted and the remainder of the money will then automatically be allocated towards pr-paid electricity or water sales.

3.11.20.4 The business rules of the municipality will apply at all times. Current account amounts, arrear amounts, linked account amounts and blocking codes will be transferred from the financial system to the vending system.

3.11.20.5 The system must make provision for capturing of debit– and credit cards payments and cancellation of payments (not tokens). Cancellation options must be linked to access rights.

3.11.20.6 The debit card and credit card options must be configurable for each workstation.

3.11.20.7 The system must work in such a manner that the pre-paid Electricity & Water sales as well as the account payment amount be deducted from the credit amount on the dispensing unit.

3.11.20.8 The system must make provision for account payments on conventional meter accounts and rates accounts.

3.11.20.9 The cashier must be warned before a transaction is finally accepted.

3.11.20.10 The system must allow the cashier different search options but at least the following:

(i) Swipe meter card

(ii) Manually key in meter number

(iii) Manually key in billing account number

3.11.20.11 The system must warn the cashier before finalizing any transaction.

3.11.20.12 The system must provide for batch numbers to follow sequentially and print a breakdown of all money received separately per category, for example, cash, credit card, debit card eft etc.

3.11.21 Vending Amounts

3.11.21.1 For each workstation in a vending system, a list of predefined typical purchase amounts must be able to be set up individually.

3.11.22 Third-Party Vending

3.11.22.1 The Service Provider must be integrated with third-party vending providers to provide the Purchaser with a broad-based third-party footprint to sell prepaid Electricity & Water locally and nationally.

3.11.22.2 The footprint must include retail chain stores, banks, petrol stations web-based sales using credit card and/or EFT, and non-retail vendors. The Service Provider must indicate the process and cost, if any, of deploying additional footprint with non-retail (informal) vendors to areas where there is deemed to be insufficient coverage.

3.11.22.3 The Service Provider should indicate the policy and process that they use to deal with non-retail (informal) vendors that are over-charging customers.

3.11.22.4 The Service Provider must describe in detail their remittance process where monies collected are paid across to the municipality. This must include payment schedules and administration requirements.

3.11.22.5 A list of vending sites or proposed vending sites, retail stores and banks that will be made available must be provided. Only one level of aggregation is allowed; no sub-aggregators shall be enabled to control the vending footprint effectively.

3.11.22.6 The Purchaser will not allow voucher-based vending to its customers.

3.11.22.7 A supporting letter from the aggregator(s) is required.

3.11.22.8 The Service Provider must provide all hardware, software and communications equipment for all vending and third-party points where applicable.

3.11.22.9 Provision of all necessary consumables and routine maintenance, service of and repairs as and when required.

3.11.22.10 Technical Helpdesk operating 24 hours per day, 7 days per week and 365 days per annum.

3.11.23 Database

3.11.23.1 The back-end system must operate on a Relational database. The design of the database shall be such that it conforms to the following Relational Database Management System (RDBMS) rules:)

(i) All information shall be represented only in tables.

(ii) Each atomic value must only be accessible by combination of table name, primary key and column name.

(iii) All NULL"s must be systematically treated within the RDBMS.

(iv) An online data catalogue must be maintained by the RDBMS.

(v) High-level Insert, Update and Delete functionality must exist within the RDBMS.

(vi) A low-level language shall not subvert or bypass the RDBMS high-level language.

(vii) The database shall allow concurrent users to access data on a central database from various online terminals.

(viii) The database shall allow for multi-version consistency. The requirement is that "readers do not block writers and writers do not block readers".

3.11.23.2 The database shall allow the following:

(i) Control of sorting

(ii) Control over caching

(iii) Control over storage space

(iv) Range partitioning

3.11.23.3 To negate any significant system overhead, especially in consideration of the diverging business rules for prepayment and associated debt collection Stored Procedures must be precompiled before executed.

3.11.23.4 The database shall allow the reading of, and writing to, external files via Stored Procedures, ensuring ease of system integration.

3.11.23.5 The Service Provider must specify their latest technology, software and platforms. The Service Provider shall supply independent, documented proof to substantiate conformance to these aspects listed above.

3.11.24 Meter Management

3.11.24.1 To assist with meter management, the system shall have the ability to record, in a free-form field, a meter status.

3.11.24.2 All meter management processes shall be performed via a user-friendly, iconic graphical user interface depicting a certain task. The minimum number of pre-defined meter management tasks shall be:

(i) Receive a meter from a service provider
(ii) Send a meter to a service provider for repair
(iii) Scrap a meter
(iv) Install a meter
(v) Remove a meter
(vi) Change status of a meter
(vii) Update status of a meter
(viii) Create a location
(ix) Update a locations detail
(x) Link a consumer with a location/meter

3.11.24.3 Meter management processes shall automatically change the modes of operations associated with a meter.

3.11.24.4 Changes to an active meter linked to a location shall not be possible without selecting a predefined task and performing the steps indicated.

3.11.24.5 The system shall be customizable in real-time and in such a way that processes could be adapted to the utility's unique process flows and needs.

3.11.24.6 The system shall allow for the definition of an unlimited number of meter locations that could be associated with the real-time customizable meter management processes.

3.12 TECHNICAL REQUIREMENTS

3.12.1 Workforce Management Tool

3.12.1.1 The Service Provider will provide an Android-based audit application downloadable from the Google Play Store, which utilises a phone GPS and camera to record audit data, as well as referencing back to the vending system to validate customer and address details.

3.12.1.2 Data such as last purchase dates and averages shall be presented to the auditor for them to make informed decisions while they are carrying out the audit. The application must allow for job card functionality and the scheduling of audits and routes. The application must allow for online

meter replacements and TID updates and for basic engineering tokens to be made, according to the user profile.

3.12.1.3 The application must also allow for offline audit operations as these are data-intensive and must be synchronised when the user is in a Wi-Fi zone.

3.12.1.4 Audits must be reported on and reviewed from a web portal that shows the audit activity on a map and is able to present the GIS data to the municipality for updating their GIS system data. Further to this, the spatial data must be made available to be incorporated in the mainstream Vending solution once the audits have been completed.

3.12.1.5 The audit process must include data cleansing, with updates for account numbers and customer data as a minimum. Any fines or charges to be levied to the customer for tampering must be automatically calculated or must be recorded for approval and implementation at a later stage.

3.12.1.6 The Management Portal must store all audit evidence and must be easily accessible by the municipality's management team. Such audit evidence must include the audit findings, photos, and vending profiles. The audit evidence shall be exported into both excel and pdf formats.

3.12.2 Output Requirements

3.12.2.1 A minimum of the following output and outcomes are required.

(i) A full data clean-up and mapping of all audited meters and customers in the field to the pre-payment and financial database of the municipality.

(ii) Detailed GIS data indicating all findings in the field, Meter types, customers not at home and other additional key information will be required. The GIS field information forms part of the management console required for sustainable management.

(iii) Detailed progress reports must be presented, coupled with feedback/monitoring reports on a weekly/monthly basis.

3.13 AUDIT PROCESS REQUIREMENTS

3.13.1 Below find a detailed schedule of the work functions required by the Purchaser.

3.13.1.1 Sweep Audit Plus TID Rollover Service

(i) Full technical audit of an entire area's meters supervised by a licensed wireman including removing the meters and checking the installation.

(ii) Upstream load testing (for example geysers/stoves on under "no meter load" conditions).
(iii) Recording of mandatory information related to each endpoint (linked to a spatial GPS coordinate).
(iv) Capturing a high-quality photo of installation and ''front of the house'' to confirm addresses.
(v) Sealing of the meters with municipality approved seals.
(vi) Performing the TID update if the meter is identified as a KRN 1 meter. See TID Rollover for details required in this process.
(vii) Importing the information into a central repository

3.13.1.2 Targeted Audit Plus TID Rollover Service

(i) Full technical audit of specific statistically identified potential tamper/bypass prepaid meters supervised by a licensed wireman. Including removing the meters and checking the installation.
(ii) Upstream load testing (of for example geysers/stoves under "no meter load'' conditions).
(iii) Recording of mandatory information related to each endpoint (linked to a spatial GPS coordinate).
(iv) Capturing a high-quality photo of installation and ''front of the house'' to confirm addresses.
(v) Sealing of the meters with municipality approved seals.
(vi) Performing the TID update if the meter is identified as a KRN 1 meter. See TID Rollover for details required in this process.
(vii) Importing the information into a central repository.

3.13.1.3 Remedial Actions

(i) Technical remedial meter disconnections of identified tamper/ bypassed prepaid meters carried out by a suitably qualified technician.
(ii) Technical remedial actions to remove tamper/bypass of identified tamper / bypassed prepaid meters carried out by a suitably qualified technician.
(iii) Recording important information related to each action.
(iv) Capturing a photo of installation and importing the information into a central repository.

3.13.1.4 TID Rollover

(i) Using the Management Tool, online identification of meters requires updates.

(ii) Confirmation sign-off that there are no tokens outstanding by the customer.
(iii) Re-entry of the last five tokens purchased by the technician.
(iv) Perform the TID update with a key change token and enter a 0.1kWh test token.
(v) Automatic online update of the vending system meter record when the TID process has been completed.
(vi) Import the information into a central repository.

3.14 DATA OWNERSHIP

3.14.1 All the information on consumers and related info in the databases will remain the property of the Purchaser at all times and will not be disclosed as a whole or in part to any third party without the express permission of the Purchaser. Any data archived and warehoused on behalf of the Purchaser shall be accessible at any time by the Purchaser or its appointed auditor.

3.15 COST METHODOLOGY

3.15.1 The method of payment will be per successfully completed audit, TID update or remedial action and separate rates will apply for:

3.15.1 Sweep Audit
3.15.2 Sweep Audit with TID
3.15.3 Targeted Audit
3.15.4 Targeted Audit with TID
3.15.5 Targeted TID
3.15.6 Remedial Action – service disconnection and removal of the meter
3.15.7 Remedial action – service reconnection and replacement of meter

3.16 IMPLEMENTATION AND COMMISSIONING

3.16.1 The Service Provider shall be responsible for the conversion of current Swellendam Local Municipal system data, static as well as historical transactions as well as all meter related data to the new system of which the cost must be included in the proposal.

3.17 SYSTEM CHANGES AND ENHANCEMENTS

3.17.1 The Service Provider shall indicate corporate policy requirements on system enhancements and changes, including mSCOA compliance and the upcoming key rollover.

3.18 REVENUE PROTECTION

3.18.1 The Service Provider will provide an Android-based audit application downloadable from the Google Play Store, which utilises the phone GPS and camera to record audit data, as well as referencing back to the vending system to validate customer and address details.

3.18.2 Data such as last purchase dates and averages shall be presented to the auditor for them to make informed decisions while they are carrying out the audit. The application allows for job card functionality, scheduling of audits and routes.

3.18.3 As well as recording audit data, the application must allow for meter replacements and for basic engineering tokens to be made, according to the user profile.

3.18.4 The application must also allow for offline audit operations as these are data-intensive and must be synchronised when the user is in a Wi-Fi zone.

3.18.5 Audits must be reported on and reviewed from a web portal that shows the audit activity on a map and is able to present the GIS data to the municipality for loading to their GIS systems.

3.18.6 Further to this, the spatial data must be made available to be incorporated in the mainstream Vending solution once the audits have been completed.

3.18.7 The audit process must include data cleansing, with updates for account numbers and customer data as a minimum. Any fines or charges to be levied to the customer for tampering must be automatically calculated or must be recorded for approval and implementation at a later stage.

3.18.8 The Service Provider must provide for revenue protection services including the TID rollover in their proposal.

3.19 CUSTOMER REFERENCES

3.19.1 Token Identifier Rollover Programme for each meter changing the current STS5 key to a new STS6 key by no later than 30 June 2023. There are currently 6 496 prepaid meters installed in the municipal area.

3.19.2 The vending system must be able to accommodate both tokens until fully converted. The token identifier rollover must be done simultaneously with the meter audit.

3.19.3 The vendor must provide the following:

3.19.3.1 Skilled resources (Project managers, field engineers, contact centre support staff, etc)

3.19.3.2 Comprehensive reporting

3.19.3.3 Weekly management updates

3.19.3.4 Fieldwork tools

3.19.3.5 Customer marketing campaign

3.20 FINANCIAL AND VENDING SYSTEM INTERFACES

3.20.1 It shall be the responsibility of the Service Provider to liaise with the service providers of the SAMRAS Financial system to ensure system compatibility and to finalise the detailed design of the interfaces after the contract has been awarded.

3.20.2 The following are the minimum interfaces that will be required to provide functionality between SAMRAS and the Vending System:

3.20.2.1 An arrears balance/credits outbound file from SAMRAS to the Vending System. Before downloading balances to the Vending System, all balances must be zeroed on Vending System.

3.20.2.2 An arrears payments/refunds inbound file from Vending System to SAMRAS for arrears collected and refunds are given.

3.20.2.3 An outbound file from SAMRAS to the Vending System for customer data for all new connections and retrofits (credit meters replaced with prepayment meters).

3.20.2.4 An inbound file from the Vending System to SAMRAS for all meter changes carried out (may be considered).

3.20.2.5 An inbound file from the Vending System to SAMRAS for all Vendor sales.

3.20.2.6 An inbound file from the Vending System to SAMRAS for sales transactions has been deleted.

3.20.2.7 In the interfaces listed above only the data that has changed must be transferred between the Vending System from SAMRAS

3.21 POPI ACT

3.21.1 All information in the vending system and any data between the Service Provider and third-party vendors as well as online vending must meet the requirements of the POPI act.

3.22 COPY RIGHT DATA

3.22.1 The data and or information contained in the vending system and database remain the property of the Purchaser. On termination of the contract must the information be made available to the Purchaser at no cost in the prescribed format as requested by the Purchaser.

3.23 SOCIAL RESPONSIBILITY

3.23.1 As part of the tender conditions, the Service Provider must participate in the social responsibility (community investment) initiative of the Municipality. It is therefore compulsory for Bidders to participate in at least one or more of the projects in paragraph 3.23.3 below, and complete the Schedule of Social Responsibility in the tender document.

3.23.2 The Service Provider's proposed implementation of social responsibility projects must be provided to determine whether the Purchaser's procurement is socially responsible. The Service Provider are required to complete the Social Responsibility Schedule as contained in the tender document.

3.23.3 The Service Provider can propose the following socio-economic project practices for consideration or identify additional projects:

3.23.3.1 On the job training and development of staff (learnerships), particularly for the unemployed or young people including the recruitment of long-term job seekers and handicapped people;

3.23.3.2 Young women/mothers' upliftment/leadership programme;

3.23.3.3 Skills development initiatives (technical and soft skills) must be provided by accredited and recognized institutions;

3.23.3.4 Financial support/bursaries to previously disadvantaged youth;

3.23.3.5 Youth leadership and empowerment projects;

3.23.3.6 Early childhood development;

3.23.3.7 Projects can be in collaboration with Local Community Based Organisations (CBOs), Non- Government Organisation (NGOs) and relevant local institutions;

3.23.3.8 Business skills and enterprise support including mentoring of local enterprises; and Development of Parks and open spaces.

3.24 To comply with the specifications at all times.

3.25 To submit a valid tax invoice for payment.

4. TERMINATION OF APPOINTMENT

4.1 The Purchaser shall be entitled to terminate this agreement forthwith by written notice if the Service Provider:

4.1.1 enters into insolvency;
4.1.2 commits a fraudulent or dishonest act;
4.1.3 is not performing its duties hereunder for a period exceeding one (1) month;
4.1.4 is guilty of any conduct, which is prejudicial to the Purchaser's interest;
4.1.5 if a judgment is entered against the Service Provider which is prejudicial to the Purchaser's interest;
4.1.6 Non or poor performance; and
4.1.7 becomes legally and/or mentally incompetent.

5. PAYMENTS:

5.1 The cost and relevant fees (excluding VAT) are as follows:

A. ONCE-OFF: SYSTEM SETUP, IMPLEMENTATION AND TRAINING COST		
ITEM	**DESCRIPTION**	**FIXED PRICE (EXCL. VAT) FROM DATE OF APPOINTMENT**
1.1	SYSTEM SETUP COST	R 0.00
1.2	DATA MIGRATION COST	R 0.00
1.3	INTERFACE WITH SAMRAS (FINANCIAL SYSTEM)	R 0.00
1.3.1	FILE BASED INTEGRATION	R 0.00

1.3.2	WEB SERVICES BASED INTEGRATION	R 0.00
1.4	TRAINING COST PER 10 USERS	R 0.00
1.5	STS6 IMPLEMENTATION COST	R 0.00
1.6	Other	R 0.00

B. ANNUAL VARIABLE FEES – YEAR 1 – YEAR 3				
ITEM	**DESCRIPTION**	**Year 1 (01 Sep'22 – 31 Aug'23)**	**Year 2 (01 Sep'23 – 31 Aug'24)**	**Year 3 (01 Sep'24 – 31 Aug'25)**
		Unit Price /Percentage (Excl. VAT)	**Unit Price /Percentage (Excl. VAT)**	**Unit Price /Percentage (Excl. VAT)**
1	Management/Hosting Fees/ICT backups and recovery	R 0.00	R 0.00	R 0.00
2	Applicable Annual License Fees	R 0.00	R 0.00	R 0.00
3	Data Communication Cost	R 0.00	R 0.00	R 0.00
4	Super vending Bank Credit Card Fees	0%	0%	0%
5	Super vending Bank Debit Card Fees	0%	0%	0%
6	Super vending Commission: 3rd party vending sales own vendors and online website sale	1.4%	1.4%	1.4%
7	Super vending Commission: 3rd party vending sales retail and banks (This includes retailers such as SPAR, Checkers, etc and all banks)	1.4%	1.4%	1.4%

C. OPTIONAL AUDITS AND STS6 TID ROLLOVER KEY CHANGES YEAR 1 – YEAR 3				
ITEM	**DESCRIPTION**	**Year 1 (01 Sep'22 – 31 Aug'23)**	**Year 2 (01 Sep'23 – 31 Aug'24)**	**Year 3 (01 Sep'24 – 31 Aug'25)**
		Unit Price /Percentage (Excl. VAT)	**Unit Price /Percentage (Excl. VAT)**	**Unit Price /Percentage (Excl. VAT)**
1	Sweep Meter Audits (every 3 Years)	R 95.00	R 0.00	R 0.00
2	Targeted Audits (90-day list)	R 116.25	R 118.75	R 121.25
3	TID Rollover Key Changes	R 12.50	R 107.50	R 110.00

5.2 Prices beyond the three-year period shall be negotiated according to the CPI rate on the anniversary of the agreement. Should the CPI rate increase by more than 10% the rate will be negotiated on an annual basis.

5.3 Payment shall be disbursed as per services delivered 30 days from receipt of invoice.

6. DELIVERABLES

6.1 The Service Provider is responsible for the Provision and Administration of an Electrical Prepayment Vending System.

7. MONITORING, EVALUATION AND PENALTIES

7.1 The Service Provider will meet with the Director Financial Services or his / her delegate providing feedback on activities performed, if and when reasonably required.

7.2 Penalties for poor or late performance will apply and may include retainment of a percentage portion of payment as agreed at the time, considering the merits of each situation.

8. COPYRIGHT / INTELLECTUAL PROPERTY RIGHTS

8.1 The Purchaser shall have all rights on its data, but all document templates generated from the software will remain the property of the Service Provider, with user rights by the Purchaser for the duration of this Agreement.

9. DUTIES OF THE MUNICIPALITY

9.1 The Purchaser hereby entrusts all such powers and duties to the Service Provider as are required to enable the Service Provider to lawfully perform its duties in terms of this Agreement effectively and competently.

9.2 The Purchaser shall provide the Service Provider with timeous access to information reasonably required by the Service Provider to perform its duties as per this agreement.

9.3 The Purchaser shall advise the Service Provider as soon as reasonably possible of any amendments to legislation or Regulations affecting the services provided by the Service Provider.

9.4 The Service Provider shall not be liable for any regulatory non-compliance and/or any penalties, claims or actions resulting there from due to the Purchaser not notifying the Service Provider of any of the above amendments and/or new legislation and Regulations.

9.5 The Purchaser shall be responsible for the management of the contract and remuneration pertaining to the Service Provider.

10. INDEPENDENT CONTRACTOR

10.1 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.

10.2 This Agreement replaces any other previous verbal or written agreement entered into between the parties.

11. ENTIRE AGREEMENT

11.1 This Agreement constitutes the entire agreement between the Parties and no amendment, alternation, 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.

11.2 The Parties agree that no other terms or conditions, variations or representations, whether oral or written, and whether express or implied, or otherwise, other than those contained in this Agreement.

12. WAIVER

12.1 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.

12.2 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.

12.3 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.

13. DISPUTE RESOLUTION

13.1 Without detracting from a party's right to institute action or motion proceedings in the Western Cape High Court or other Court of competent jurisdiction in respect of any dispute that may arise out of this agreement, the parties may, by mutual consent follow the mediation and arbitration procedure as set out below.

13.2 Should any dispute of whatsoever nature arise between the parties out of or pursuant to this Agreement, or should a deadlock occur, either party shall be entitled, by written notice to the other party, to refer the dispute to a committee comprising two (2) members appointed by each party who will resolve the dispute within fourteen (14) days of receipt of the referral.

13.3 If the committee is unable to resolve the dispute within the fourteen (14) days from date of referral or in the event that the either party refuses or omits to attend the meeting of the dispute committee, then either the committee or either Party may (but are not obliged to) refer the dispute to mediation and/or arbitration procedures, as set out below.

13.4 Mediation

13.4.1 Subject to the provisions above, the parties shall refer any dispute arising out of this agreement without legal representation to a Mediator.

13.4.2 The dispute shall be heard by the Mediator at a place and time to be determined by him or her in consultation with the parties.

13.4.3 The Mediator shall be selected by agreement between the parties.

13.4.4 If an agreement cannot be reached upon a particular Mediator within three business days after the parties have agreed to refer the matter to mediation, then the President for the time being of the Law Society of the Cape of Good Hope shall nominate the Mediator within seven business days after the parties have failed to agree.

13.4.5 The Mediator shall at his or her sole discretion determine whether the reference to him or her shall be made in the form of written or verbal representations, provided that in making this determination he or she shall consult with the parties and may be guided by their common reasonable desire of the form in which the said representations are to be made.

13.4.6 The parties shall have seven business days within which to finalise their representations. The Mediator shall within seven business days of the receipt of the representations express in writing an opinion on the matter and furnish the parties each with a copy thereof by hand or by registered post.

13.4.7 The opinion so expressed by the Mediator shall be final and binding upon the parties unless a party is unwilling to accept the opinion expressed by the Mediator. In such event, the aggrieved party must deal with the dispute in terms of clause 13.5. The expressed opinion of the Mediator shall not prejudice the rights of either party in any manner whatsoever in the event of it proceeding to arbitration.

13.4.8 The cost of mediation shall be determined by the Mediator.

13.4.9 Liability for such cost shall be apportioned by the Mediator and shall be due and payable to the Mediator on presentation of his or her written account.

13.5 Arbitration

13.5.1 Subject to the provisions above, a party aggrieved by the opinion of the mediator may demand to proceed to arbitration.

13.5.2 Arbitration shall be held in Cape Town informally and otherwise in accordance with the provisions of the Arbitration Act, No. 42 of 1965, it being intended that, if possible, it shall be held and concluded within ten days after it has been demanded.

13.5.3 Save as otherwise specifically provided herein, the Arbitrator shall be if the matter in dispute is:

(a) primarily a legal matter, a practising Senior Advocate of the Cape bar;

(b) any other matter, an independent and suitably qualified person as may be agreed upon between the parties to the dispute.

13.5.4 If agreement cannot be reached on whether the question in dispute falls under 13.5.3(a) or 13.5.3(b) and/or upon a particular Arbitrator within three days after arbitration has been demanded, then the President for the time being of the Law Society of the Cape of Good Hope shall:

(a) determine whether the question in dispute falls under 13.5.3(a) or 13.5.3(b); and/or

(b) nominate the Arbitrator within seven days after the parties have failed to agree.

13.5.5 The Arbitrator shall give his decision within five days after the completion of the arbitration. The Arbitrator may determine that the costs of the arbitration are to be paid either by one or the other or by both of the parties.

13.5.6 The decision of the Arbitrator shall be final and binding and may be made an order of the Western Cape High Court upon the application by any party to the arbitration.

13.6 Disputes between the parties shall be governed exclusively by, and settled in terms of this Service Level Agreement.

14. CONFIDENTIAL INFORMATION

14.1 The Parties shall hold in confidence all Confidential Information received from each other and not divulge the Confidential Information to any person, including any of its employees, save for employees directly involved in the execution of this Agreement.

14.2 The Parties shall prevent disclosure of Confidential Information except as may be required by law.

14.3 Immediately after the termination of this Agreement, for whatever reason, the recipient of Confidential Information shall return same or at the discretion of the original owner

thereof, destroy such Confidential Information, and shall not retain copies, samples or excerpts thereof, except as may be required by law.

14.4 It is recorded that the following information will, for the purposes of this Agreement, not be considered Confidential Information:

14.4.1 information known to either of the Parties prior to the date that it was received from the other Party; or

14.4.2 information known to the public or generally available to the public prior to the date that it either of the Parties to the other; or

14.4.3 information which becomes known to the public or becomes generally available to the public subsequent to the date that it was disclosed by either of the Parties to the other, through no act or failure to act on the part of the recipient of such information; or

14.4.4 information which either of the Parties, in Writing, authorizes the other to disclose; or

14.4.5 is developed independently by either of the Parties in circumstances that do not amount to a breach of the provisions of this Agreement.

15. **Protection of Personal Information**

15.1 The **Service Provider** undertakes to:

15.1.1 Only process personal Information in accordance with applicable laws, in terms of this Agreement and in accordance with any instructions, requirements or specific directions/purpose agreed to with the **Purchaser;**

15.1.2 Not to disclose or otherwise make available the personal information to any third party other than authorised persons who require access to such personal information for the **Service Provider** to carry out its obligations under this Agreement, unless the **Purchaser** has provided its prior written permission to do so to the **Service Provider**;

15.1.3 Ensure that all employees and any other persons that have access to the personal information are bound by appropriate and legally binding confidentiality and non-use obligations in relation to the personal information on substantially the same terms and conditions as set forth herein;

15.1.4 Take appropriate, reasonable, technical and organizational measures to ensure that the integrity of the personal information in its possession or under its control is secure and that such personal information is protected against

unauthorized or unlawful processing, accidental loss, destruction or damage, alteration, disclosure or access by having regard to:

a) any applicable requirement in law stipulated inappropriate industry rules or in codes of conduct or stipulated by a professional body governing the **Service Provider**; and

b) generally accepted information security practices and procedures which apply to the **Service Provider** and the **Purchaser**, as may be appropriate to discharge its obligations in terms of this Agreement.

15.1.5 The **Service Provider** may only process personal information:

a) For a specific lawful, purpose strictly in accordance with the Data Subject's consent;

b) In a manner, that does not infringe the privacy of the Data Subject;

15.1.6 The **Purchaser** must ensure that it obtains and maintains the necessary written consents from Data Subjects in respect of personal information; regularly update the personal information held by the **Purchaser** to ensure the integrity of such personal information.

15.1.7 The **Purchaser** shall take appropriate, reasonable, technical and organisational measures to ensure that the Personal Information in its possession or under its control remains available to the **Service Provider** as and when it may be required. In addition, the **Service Provider** shall, on reasonable written notice from the **Purchaser**, make all books and/or records, electronic or otherwise, available for inspection by the **Purchaser** and the **Service Provider** agrees to grant officers and/or employees of the **Purchaser** access to the **Service Provider** premises for this purpose.

15.1.8 The **Service Provider** shall:

a) Notify the **Purchaser** immediately when it becomes aware of or has reasonable grounds to believe that the personal information of a Data Subject has been accessed or acquired by an unauthorised person and take all appropriate steps to limit the compromise of personal information and to restore the integrity of the affected information systems as quickly as possible;

b) As soon as reasonably possible thereafter, assist the **Purchaser** to report all relevant facts relating to the compromise;

c) Provide the **Purchaser** with details of the personal information affected by the compromise, including but not limited to, the identity of Data Subjects, the nature and extent of the compromise, and, where possible, details of the identity of the unauthorised persons who are known to or

who may reasonably be suspected of, having accessed or acquired the personal information;

15.1.9 The **Service Provider** agrees that it shall not process the personal information whether for its account or any third party, for any reason or purpose whatsoever, unless such is being done in compliance with POPIA and the lawful directions of the **Purchaser**;

15.1.10 The **Service Provider** understands that any processing of the personal information contrary to the POPIA requirements may cause irreparable loss, harm, and damage to the **Purchaser**, the **Purchaser**client(s) (or the other Third Party whose information has been processed by the **Service Provider**). Accordingly, the **Service Provider** indemnifies and holds the **Purchaser**and the **Purchaser`s** client(s) (and the third party whose information has been processed by the **Service Provider**) harmless against any loss, action, expense, claim, harm or damage; of whatever nature, suffered or sustained by the **Purchaser**or the **Purchaser`s** client(s) (or the third party whose information has been processed by the **Service Provider**) according to a breach by the **Service Provider** of this Agreement.

15.1.11 The **Service Provider** shall not:

a) Transfer any personal information to any third party in a foreign country and/or across any country's border (having similar data protection legislation or safeguards) without the written consent of the **Purchaser**;

b) Transfer any personal Information to any third party in a foreign country and/or across any country's border without similar data protection legislation or safeguards; and

c) Retain any personal information for any longer than is necessary for achieving the purpose in terms of this Agreement.

16. NOTICES AND DOMICILIUM

16.1 The Parties hereto select as their respective domicilia citandi et executandi the following physical addresses, and for the purpose of giving or sending any notice provided for or required hereunder:

PURCHASER:	**SERVICE PROVIDER:**
Swellendam Municipality	Syntell (Pty) Ltd
49 Voortrek Street	Great Westerford, 240 Main Road
Swellendam	2nd Floor, Rondebosch
6740	7700
wbekker@swellendam.gov.za	zahir@syntell.co.za and legal@syntell.co.za

or such other address or electronic mail as may be substituted by notice given as herein required. Each of the parties shall be entitled from time to time by written notice to the other, to vary its domicilium to any other address within the Republic of South Africa which is not a post office box or poste restante.

16.2 All notices to be given in terms of this Agreement shall be given in writing and be delivered via electronic mail to the party's chosen domicilium citandi et executandi.

16.3 If delivered by hand, a notice shall be presumed to have been received on the date of delivery, or, if sent by electronic mail, be presumed to have been received on the same business day on the date of sending.

SIGNED AT SWELLENDAM ON THIS_____ DAY OF _____ 2022

_____
THE PURCHASER

AS WITNESS:

1. _____
2. _____

SIGNED AT _____ON THIS_____DAY OF _____ 2022

_____
THE SERVICE PROVIDER

AS WITNESS:

1. _____
2. _____