

**11.
LONG TERM CONTRACT FOR BANKING SERVICES TENDER SC1933/2018:
PROVISION OF BANKING SERVICES FOR A CONTRACT PERIOD ENDING
30 JUNE 2024**

5/18/1

BA King

14 June 2019

(028) 313 8154

Head Office Administration

1. Executive Summary

A long term banking services contract SC1933/2018 has been awarded to Nedbank by the Accounting Officer, following a recommendation by the Bid Adjudication Committee on 24 April 2019.

The purpose of this report is to present Council with the long term banking services contract and to seek Council's resolution to approve the Contract in its final form, as it is to be executed, and to authorise the Municipal Manager to sign the contract as is required by section 33 of the Local Government: Municipal Finance Management Act, Act no. 56 of 2003 (MFMA).

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Finance

Department: Accounting Services

3. Compliance with Strategic Priority

Provision of democratic, accountable and ethical governance

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Finance Management Act, 2003(Act 56 of 2003)
Overstrand Municipality Supply Chain Management Policy, as amended
Overstrand Municipality Contract Management Policy, as amended
MFMA Circular No. 73 issued by National Treasury

6. Background/Discussion/Evaluation/Conclusion

Background

In terms of the Municipal Finance Management Act (MFMA) and Supply Chain Management Regulation 30, the Municipality must procure banking services. The Primary Bank Account and related accounts receive all revenue due to the Municipality, all income received on its investments, all income received in

connection with its interest in any municipal entity including dividends, all money collected by the Municipality, entity or other external mechanism on behalf of the Municipality and any other monies as may be prescribed. It is also used for all disbursements for the payment of creditors, salaries and wages and any other monies due.

Discussion

The banking services tender was awarded to Nedbank on 24 April 2019 for a period of five years, commencing on 1 July 2019 and ending 30 June 2024.

Section 33 of the MFMA provides as follows:

33. (1) A municipality may enter into a contract which will impose financial obligations on the municipality beyond a financial year, but if the contract will impose financial obligations on the municipality beyond the three years covered in the annual budget for that financial year, it may do so only if—

- (a) the municipal manager, at least 60 days before the meeting of the municipal council at which the contract is to be approved—
 - (i) has, in accordance with section 21A of the Municipal Systems Act—
 - (aa) made public the draft contract and an information statement summarising the municipality's obligations in terms of the proposed contract; and
 - (bb) invited the local community and other interested persons to submit to the municipality comments or representations in respect of the proposed contract; and
 - (ii) has solicited the views and recommendations of—
 - (aa) the National Treasury and the relevant provincial treasury;
 - (bb) the national department responsible for local government; and
 - (cc) if the contract involves the provision of water, sanitation, electricity, or any other service as may be prescribed, the responsible national department;
- (b) the municipal council has taken into account—
 - (i) the municipality's projected financial obligations in terms of the proposed contract for each financial year covered by the contract;
 - (ii) the impact of those financial obligations on the municipality's future municipal tariffs and revenue;
 - (iii) any comments or representations on the proposed contract received from the local community and other interested persons; and

- (iv) any written views and recommendations on the proposed contract by the National Treasury, the relevant provincial treasury, the national department responsible for local government and any national department referred to in paragraph (a)(ii)(cc); and
- (c) the municipal council has adopted a resolution in which—
 - (i) it determines that the municipality will secure a significant capital investment or will derive a significant financial economic or financial benefit from the contract;
 - (ii) it approves the entire contract exactly as it is to be executed; and
 - (iii) it authorises the municipal manager to sign the contract on behalf of the municipality.
- (2) The process set out in subsection (1) does not apply to—
 - (a) contracts for long-term debt regulated in terms of section 46(3);
 - (b) employment contracts; or
 - (c) contracts—
 - (i) for categories of goods as may be prescribed; or
 - (ii) in terms of which the financial obligation on the municipality is below—
 - (aa) a prescribed value; or
 - (bb) a prescribed percentage of the municipality's approved budget for the year in which the contract is concluded.
- (3) (a) All contracts referred to in subsection (1) and all other contracts that impose a financial obligation on a municipality—
 - (i) must be made available in their entirety to the municipal council; and
 - (ii) may not be withheld from public scrutiny except as provided for in terms of the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000).
- (b) Paragraph (a)(i) does not apply to contracts in respect of which the financial obligation on the municipality is below a prescribed value.
- (4) This section may not be read as exempting the municipality from the provisions of Chapter 11 to the extent that those provisions are applicable in a particular case.

The procedures prescribed by section 33 of the MFMA have been duly followed. This report to Council concludes the section 33 process, and includes the projected financial obligations for each financial year.

Integrated banking services play a major role in the collection of revenue and the payment of creditors. Integrated systems must be in place to update debtors' accounts with payments received, so that monies due to the municipality can be determined at all times. The municipality must be in a position to collect and receive revenue due and to pay its creditors.

Changing of service provider involves:

- New software implementation
The service provider for the current financial system (SAMRAS) and Nedbank's software need to be compatible to ensure we have a stable and manageable environment, inclusive of avoiding any negative impact of collecting outstanding monthly accounts via electronic transactions, bank statement downloading, bank file uploads to the financial system, creditors and remuneration runs, etc.
- The integration of client accounts with the current software system and financial institution is paramount in sustainable revenue collection.

Contract SC1933/2018 was advertised for comment as follows:

a) For public comment

Date of advertising: 18 April 2019

Method of advertising: Overstrand website, Municipal notice boards, Hermanus Times, The Village News and Die Burger
 Closing date for comments: 23 May 2019

No comments were received from the public by the closing date.

b) National and Provincial Treasury

Date of requesting comments: 16 April 2019
 Closing date for comments: 23 May 2019

No comments were received from National Treasury or Provincial Treasury.

7. Financial Implications

Source of Funding: Operating Budget Provisions

	YEAR 1 2019/ 2020	YEAR 2 2020/2021	YEAR 3 2021 2022	YEAR 4 2022/ 2023	YEAR 5 2023/ 2024
SCOA description	MRC – Acc Services – Operational Cost Bank Charges				
SCOA cost account	10180221580000				
SCOA business key	20170525079129				
Budget provision (Excl. VAT)	R1 600 000	R1 680 000	R1 764 000	R1 852 200	R1 944 810
Balance available (Excl. VAT)	R1 600 000	R1 680 000	R1 764 000	R1 852 200	R1 944 810
Total expenditure (Excl. VAT)					
Any other costs related to project, e.g. consultant fees, etc. (Excl. VAT)					
Estimated expenditure in the case of tariffs (Excl. VAT)	R1 369 547.08	R1 410 312.25	R1 493 962.39	R1 581 962.33	R1 674 538.26
Estimated total project cost (Excl. VAT)	R7 530 322.31				
Escalation (if any)	CPI				
Escalation date	1 January 2021 and annually on 1 January thereafter				

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

Supply Chain Management:

A compliance check in terms of the Supply Chain Management Policy has been undertaken and verified and the SCM Unit is satisfied that Nedbank complies in all respects.

Contract Management Office:

In terms of Section 33 of the MFMA, due process has been followed, making provision for the contract having future budgetary implications.

No recommendations or representations were received from any other relevant stakeholders.

10. Annexures

- Annexure A: Merchant Agreement
- Annexure B: Advertisement
- Annexure C: Information Statement and Financial implications
- Annexure D: MFMA Section 33 Letter to Stakeholders

RECOMMENDATION TO THE COUNCIL:

1. that **it be noted** that no responses were received from the public or any other stakeholders, following the invitation for comments, representations, views and recommendations in respect of the long term contract, by the closing date of 23 May 2019;
2. that **cognisance be taken** of the reasons for concluding long term contract SC1933/2018 for the provision of banking services for a contract period of five years ending 30 June 2024, in terms of the enabling provisions of Section 33 of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the long term contract be approved; and
3. that the Municipal Manager be authorised to sign the long term contract on behalf of Overstrand Municipality.

RESPONSIBLE OFFICIAL :**BA KING****TARGET DATE FOR IMPLEMENTATION :****1 JULY 2019**



NEDBANK

MERCHANT AGREEMENT

between

Nedbank Limited

Registration number: 1951/000009/06

of

135 Rivonia Road, Sandown, Sandton
(‘Nedbank’)

and

OVERSTRAND MUNICIPALITY

Registration number: _____ (where applicable)

of

MAGNOLIA AVENUE

HERMANUS

7200

(‘the merchant’)

The business of the merchant is that of

MUNICIPALITY

The number of the nominated bank account is: ((account no))

at the 198765

branch of NEDBANK

The merchant’s VAT registration number is: ((VAT reg.no))

1 INTERPRETATION AND DEFINITIONS

In this agreement:

- 1.1 clause headings are simply for convenience and not relevant in the interpretation thereof;
 1.2 unless the context clearly indicates a different intention, any reference to a natural person includes a legal entity and vice versa; and
 1.3 the singular includes the plural and vice versa.

1.4 Definitions of terms used in this agreement

Unless expressly indicated otherwise, the following words and expressions have the meanings specified below:

- 1.4.1 **'acquirer'** or **'acquiring bank'** means the institution where a merchant has a credit card account to process transactions and credit payments. The acquiring bank transfers credit card and other purchase information to a Card Scheme, and it in turn forwards the information to an issuing bank;
- 1.4.2 **'Amex'** means American Express;
- 1.4.3 **'authorisation'** means the issuing bank confirming that sufficient funds are available on the card and allowing the payment transaction to be proceeded with;
- 1.4.4 **'bank'** means a bank registered in terms of the Banks Act, 94 of 1990;
- 1.4.5 **'batch'** means a series of electronic financial card transactions in a settlement;
- 1.4.6 **'budget (extended-payment terms)'** means the ability to process a transaction whereby the cardholder pays the transaction off over a specified period;
- 1.4.7 **'card'** means any valid card acceptable to Nedbank (as communicated to the merchant from time to time) and issued by a financial institution or a card issuer for the exclusive use of an authorised cardholder for card transactions, which will include a contactless card;
- 1.4.8 **'card schemes'** means any card scheme, including, but not limited to, Visa, Mastercard, Union Pay International and American Express;
- 1.4.9 **'cardholder'** means any legal entity or natural person to whom a card is issued and/or who is authorised to use it;
- 1.4.10 **'card issuer'** means any entity legally entitled to issue cards that are acceptable to Nedbank;
- 1.4.11 **'card transaction'** means any commercial transaction for which the card and card processing equipment are used;
- 1.4.12 **'chargeback'** means a procedure where a card issuer charges a card transaction back to the acquiring bank and the acquiring bank subsequently debits its merchant in accordance with the appropriate Card Schemes rules;
- 1.4.13 **'chargeback fee'** means an administration fee that the bank charges the merchant for processing a chargeback;
- 1.4.14 **'chip card'** means a plastic card embedded with an integrated circuit, or chip, that communicates information to a point-of-sale (POS) device, depending on the risk parameters on the card and POS device;
- 1.4.15 **'contactless card'** means a chip card with additional functionality, which is able to make a contactless payment;
- 1.4.16 **'contactless payment'** means a payment transaction made below the contactless transaction limit whereby the contactless card is touched against a contactless POS device or within close proximity of the contactless POS device; commonly known as 'tap and go';
- 1.4.17 **'contactless POS device'** means a Nedbank POS device that is enabled to perform contactless payments;
- 1.4.18 **'commencement date'** means the date on which this agreement was signed by the last of the parties concerned;
- 1.4.19 **'CVV2/CVC2/4DBC'** is a security feature for card-not-present transactions on most Visa, Mastercard, American Express and Diners Club cards, consisting of a three- or four-digit value that provides a cryptographic check of the information embossed on the card. CVV2, CVC2 and 4DBC are card verification codes for Visa, Mastercard and American Express respectively. For American Express the code, called CID, is a four-digit number on the front of the card above the account number. For Visa and Mastercard the code is a three-digit number that appears at the end of the account number on the back of the card. A CVV2, CVC2 or 4DBC number is printed only on the card – it is not contained in the magnetic strip information, nor does it appear on sales receipts or statements;
- 1.4.20 **'days'** means all days except Saturdays, Sundays and public holidays. Where a number of days is stipulated, it will exclude the first day and include the last;
- 1.4.21 **'debit card'** means a card giving online access via the POS device to the cardholder's bank account, allowing an immediate debit to this account of the full transaction amount;
- 1.4.22 **'delivery address'** means the address/addresses of the merchant where Nedbank must deliver the equipment (as specified in Annexure A);
- 1.4.23 **'EMV'** is the abbreviation for Europay, Mastercard and Visa, which enables card issuers, retailers and consumers to use chip cards and POS devices with added security;
- 1.4.24 **'equipment'** means a POS device, PIN entry device (PED) and other peripherals to enable the equipment to operate as supplied by Nedbank;
- 1.4.25 **'fees'** means charges that Nedbank is entitled to debit to the nominated bank account, including but not limited to, service and transaction fees and administration charges;
- 1.4.26 **'floor limit'** means the maximum amount (including VAT) Nedbank may allow a merchant to charge to a card for a single card transaction before an authorisation is required;
- 1.4.27 **'foreign card'** means a card issued by a foreign issuing bank and therefore not governed by local interchange regulations;
- 1.4.28 **'fraudulent transaction'** means a transaction that in common law or in accordance with any statutory provision constitutes fraud, regardless of whether Nedbank has given an authorisation code or not;
- 1.4.29 **'hot-card file'** means a limited electronic file of debit and credit cards that are considered high risk by the banking industry of South Africa;
- 1.4.30 **'imprinter'** means a device that enables the merchant to make an impression of an embossed card on a manual sales voucher;
- 1.4.31 **'issuing bank'**, also known as a card issuer, means the bank or entity that issues cards;
- 1.4.32 **'liability shift'** means that the issuing bank will not be in a position to charge back a transaction to the merchant, subject to the merchant complying with all EMV conditions and processes, as stipulated in clause 6 of this agreement;
- 1.4.33 **'magnetic strip'** means a strip of magnetic tape affixed to the back of a card containing basic data such as the account number and the cardholder's name;
- 1.4.34 **'maintenance period'** means the period between the delivery date of the equipment and the date of its return;
- 1.4.35 **'manual entry'** means the keying of a card number into the POS device to effect a transaction without inserting the card into or swiping the card through the POS device;
- 1.4.36 **'merchant commission'** means the fees payable by the merchant to Nedbank;
- 1.4.37 **'merchant supervisor card(s)' and/or 'PIN(s)'** means the card(s) or PIN(s) issued by Nedbank to the merchant that give(s) the merchant access to the supervisor functions on the POS device;
- 1.4.38 **'MOTO'** means mail order and/or telephone order card transactions;
- 1.4.39 **'nominated bank account'** means the bank account nominated by the merchant from time to time in accordance with clause 10;
- 1.4.40 **'PCI DSS'** means Payment Card Industry Data Storage Standards as stipulated by the card schemes;
- 1.4.41 **'penalty'** means a fine levied by a card scheme to a bank for the contravention of its regulations and/or operational risk parameters by a merchant;
- 1.4.42 **'petrol card'** and/or **'garage card'** means any card that is issued to be used specifically for purchasing petroleum products and/or repairs and maintenance in the case of a garage card;
- 1.4.43 **'petroleum products'** means petrol, oil, oil additives, lubricants, diesel, paraffin, power paraffin, petroleum additives and other similar motor products;
- 1.4.44 **'petrol voucher'** means a voucher issued by a merchant for petroleum product sales;

- 1.4.45 'PIN' means a cardholder's personal identification number that is issued to the cardholder by the card issuer;
- 1.4.46 'point-of-sale' (POS) device' means an Imprinter and/or POS device that is used for processing card transactions;
- 1.4.47 refund means the amount that is debited to the nominated bank account and credited to the Cardmember in terms of clause 9;
- 1.4.48 'replaceable value' means the value of parts of the POS equipment that can be replaced without discarding the device in its entirety;
- 1.4.49 'SIM' means Security Identity Module, a security device which may be an integral part of or used in conjunction with the POS device, enabling the POS device to communicate via the mobile communications data networks;
- 1.4.50 'this agreement' means the merchant agreement and its annexures;
- 1.4.51 'transaction fee' means a fee Nedbank charges the merchant for each card transaction, as specified in Annexure B; and
- 1.4.52 'voucher' means a sales transaction slip electronically generated by the POS device or manually Imprinted on bank-issued stationery.

2 PURPOSE

The parties wish to record the terms and conditions:

- 2.1 applicable to the card payment facilities offered by Nedbank to the merchant; and
- 2.2 for the rental of equipment from Nedbank by the merchant.

3 BUSINESS OF MERCHANT

3.1 The business of the merchant is that as described in the preamble of this agreement.

- 3.2 The merchant undertakes to accept cards in payment of goods and/or services relating only to the business described in the preamble, which goods and/or services may not be sold or produced in contravention of any common-law or statutory provision.
- 3.3 The merchant must immediately within 3 (three) working days notify Nedbank in writing should there be any change in the nature of the merchant's business or should there be a change in the ownership of the merchant.
- 3.4 In the event of such a change, irrespective of any clause to the contrary in this agreement, Nedbank will be entitled to:
 - 3.4.1 terminate this agreement immediately without giving notice or reasons; or
 - 3.4.2 continue with this agreement subject to any amendments that it considers appropriate, including the right of Nedbank to re-sign the necessary documents and agreements and reassess the merchant.

4 DURATION

- 4.1 This agreement will come into force on the commencement date and, subject to the provisions of this clause and clause 3.4 and/or 27 and/or 29, it will endure for an initial period of 1 (one) year (the 'initial period'). Subject to clause 4.1, this agreement will remain in force until it is terminated in terms of clause 3.4 and/ or clause 27 and/ or clause 29. Should the merchant terminate this agreement for any reason within the initial period, Nedbank will be entitled to debit the nominated bank account, on cancellation, with the basic monthly rental fee, including VAT, multiplied by the number of months remaining in the initial period, which the merchant agrees is a reasonable cancellation penalty.
- 4.2 Prior to the expiry of the initial period, Nedbank will notify the merchant of the impending expiry and of any material changes that would apply if this agreement is to be renewed or otherwise continue beyond the initial period.
- 4.3 If the merchant does not inform Nedbank of its wish to terminate this agreement, it will automatically continue for an indefinite period until terminated in accordance with its terms.
- 4.4 Termination of this agreement will not affect any existing obligations or rights of Nedbank in terms thereof.

5 ACCEPTANCE OF CARDS

- 5.1 The merchant undertakes to display clearly all POS promotional material supplied by Nedbank, indicating that the merchant accepts certain Nedbank-approved cards for payment of goods and/or services. The merchant also undertakes to replace or remove such material immediately when requested by Nedbank to do so. The POS promotional material contains intellectual property proprietary to Nedbank or to the card schemes and the merchant may not use the intellectual property for any purpose other than for a purpose prescribed by Nedbank.
- 5.2 The merchant may accept and process only cards that are:
 - 5.2.1 genuine, signed, correct and valid;
 - 5.2.2 issued by a bank or a card issuer in its original form;
 - 5.2.3 not rejected by the POS device;
 - 5.2.4 contactless cards for the purpose of processing contactless payments;
 - 5.2.5 authorised for use by Nedbank; and
 - 5.2.6 presented by the cardholder.

6 MERCHANT PROCEDURES

- 6.1 The merchant may only use a POS device and POS promotional material as supplied by Nedbank or its appointed agents.
- 6.2 Before concluding a sale the merchant must verify that the card presented complies with clause 5.2.
- 6.3 The merchant specifically accepts responsibility for and assumes all risk relating to fraudulent transactions, even if the card concerned does not appear on the hot-card file.
- 6.4 The merchant must compare the number on the card with the number printed by the POS device on the voucher. If the numbers differ, the merchant must contact the Nedbank Card Authorisation Department on 0860 321 222 for instructions.
- 6.5 When a cardholder presents a non-PIN-driven magnetic strip card, the merchant must ensure that the cardholder signs the voucher generated by the POS device. The merchant must then compare this signature with the specimen signature in the signature panel at the back of the card.
- 6.6 In the event that the POS device cannot read the electronic magnetic strip and/or chip a manual transaction can be performed by entering the embossed card number as well as the expiry date and CVV2/CVC2/4DBC number into the POS device. This process must be followed by taking an imprint of the embossed card on the manual imprinter supplied by Nedbank using the stationery supplied by Nedbank. Manual transactions are only allowed under Visa and American Express card schemes.
- 6.7 The merchant must also make sure that each voucher carries the transaction date and includes sufficient details to identify the transaction.
- 6.8 The merchant must retain the merchant's voucher for a period of at least 3 (three) years from the transaction date, in a manner so as to ensure that it retains its clarity. If for any reason Nedbank requires a copy of the merchant's voucher, the merchant must respond within 7 (seven) days of the request.
- 6.9 The merchant may not, in the case of card payments, charge more than its normal cash price for the goods and/or services.
- 6.10 The merchant may not sell, store, provide, exchange or divulge any information relating to the card and/or the cardholder.
- 6.11 The merchant may not allow a cardholder to split transactions or carry out multiple card transactions on any single day if the total value of these transactions would exceed the floor limit. The merchant may also not charge parts of a single transaction on different dates in order to bypass authorisation or take any other measures that would have this effect.
- 6.12 No manual entry is allowed, unless the merchant has obtained the prior written consent of Nedbank, which will be given at Nedbank's sole discretion and on conditions determined by Nedbank. Manual entry is allowed under Visa and American Express card schemes only, no Manual entry card transactions whatsoever are allowed under Mastercard card scheme. The Merchant specifically accepts responsibility for and assumes all risk

relating to the processing manual transactions and any related chargebacks, which include but not limited to incorrect transaction, unauthorised and fraudulent transactions.

- 6.13 Debit card transactions are to be processed as follows:
- 6.13.1 The cardholder must be present when the card is being processed and verify the transaction by entering his/her valid PIN into the POS device or PED.
 - 6.13.2 Transactions may be processed online only by swiping the debit card through the POS device; no debit card transaction may be processed manually by using imprints or other devices.
 - 6.13.3 Under no circumstances may the merchant the cardholder to divulge his/her PIN.
 - 6.13.4 The merchant must ensure that debit card transactions are performed in a secure environment.
 - 6.13.5 Refunds may be processed only by using the reversal option. This reversal of an online debit card sale must be in relation to a sale processed during the same day in the same batch.
- 6.14 EMV chip card transactions must be processed as follows:
- 6.14.1 The cardholder must be present when the card is being processed and verify the transaction by entering his/her valid PIN into the POS device or PED.
 - 6.14.2 Transactions may be processed online or offline by inserting the chip card into the POS device.
 - 6.14.3 The merchant must ensure that chip card transactions are performed in a secure environment;
- 6.15 An EMV transaction will be incomplete:
- 6.15.1 if the card is taken out of the slot before the transaction is completed; and/or
 - 6.15.2 if the chip technology fails during the transaction; and/or
 - 6.15.3 if the telecommunications are interrupted during the transaction flow.
- 6.16 Contactless payments:
- 6.16.1 may be processed only on a contactless POS device;
 - 6.16.2 must be processed online;
 - 6.16.3 cannot be charged back and any incorrect contactless payment must be refunded to the cardholder in terms of clause 13 herein;
 - 6.16.4 are subject to a floor limit which may be reviewed from time to time at Nedbank's discretion;
 - 6.16.5 over a prescribed amount will require the cardholder to enter a PIN.
- 6.17 The merchant is responsible for the control and use of the merchant supervisor card(s) and/or PIN(s) and indemnifies Nedbank against and agrees to hold Nedbank harmless from any direct or indirect damage, loss, claims, costs and the expenses incurred or suffered by Nedbank as a result of or in connection with the use of the merchant supervisor card(s) and/or PIN(s).
- 6.18 The merchant will under no circumstances be allowed to store the PIN(s) and any Track 2 information.
- 6.19 The merchant must refund the cardholder in the case of:
- 6.19.1 damaged goods;
 - 6.19.2 no proof of delivery; and
 - 6.19.3 incorrect delivery of a specified order.
- 6.20 The merchant may under no circumstances retain or make a permanent record of the following card information pertaining to a particular card: CVV2/CVC2/4DBC number and the expiry date of the card and the card number, as this is in direct violation of PCI DSS rules. All fines imposed by the card schemes as a result of such violation will be charged to the merchant.

7 MOTO TRANSACTIONS

- 7.1 The merchant may process MOTO card transactions only with the written consent of Nedbank, and this consent will be given at Nedbank's sole discretion.
- 7.2 Except in the case of MOTO services, the merchant must hand a correct and complete copy of the signed and imprinted voucher to the cardholder at the time of the transaction.
- 7.3 The merchant must enter the following information into the POS device to obtain authorisation:
- 7.3.1 Card number.
 - 7.3.2 Expiry date.
 - 7.3.3 CVV2/CVC2/4DBC number.
- 7.4 For MOTO sales the merchant must write the cardholder's name and account number on the voucher, as well as the address to which the goods were dispatched or the date on which the services were rendered. The merchant must also label the voucher a MOTO card transaction and ensure that it is signed by the merchant (or authorised official) in the cardholder's signature block on the voucher. The merchant must retain the order form bearing the cardholder's signature and attach it to the POS device-generated voucher. The merchant will be liable for the amount reflected on the voucher should the cardholder subsequently repudiate or dispute any MOTO transaction.
- 7.5 This clause 7 is applicable to Visa and American Express Cards only, as no Manual entry transactions can be processed on Mastercard cards.

8 GARAGE AND PETROL CARDS

- 8.1 These card types may only be accepted if the merchant conducts one or more of the following businesses:
- 8.1.1 Sale of petroleum products.
 - 8.1.2 Sale of motor accessories and motor spares.
 - 8.1.3 Repair and maintenance of motor vehicles.
 - 8.1.4 Payment of toll fees.
- 8.2 The following additional procedures will apply when a petroleum product sale is performed:
- 8.2.1 Only petrol vouchers must be used to record petroleum product sales.
 - 8.2.2 The merchant must ensure that the registration number of the motor vehicle for which the petroleum products have been purchased and the signature of the merchant's attendant appear on the petrol voucher.

9 AUTHORISATION

- 9.1 For all transactions the card must be either swiped (for magnetic strip cards) or inserted (for EMV or chip cards) to obtain authorisation.
- 9.2 The merchant must record the authorisation number legibly on each voucher in the event of the merchant requiring a manual authorisation.
- 9.3 The authorisation code must at all times be a valid code, either supplied electronically or by contacting the Nedbank Card Authorisation Department.
- 9.4 Telephone authorisation is to be obtained only:
- 9.4.1 when the imprinter is used in conjunction with a card, and the transaction exceeds the floor limit;
 - 9.4.2 when the transaction exceeds the floor limit and the magnetic strip or chip on the card is damaged to such an extent that the POS device cannot read the information on it, and once the merchant has obtained an imprint of the card; and
 - 9.4.3 when the POS device instructs the merchant to obtain such authorisation.
- 9.5 Nedbank reserves the right to decline authorisation, without explanation.
- 9.6 An authorisation granted under any provision of this clause 9 does not constitute evidence or a warranty:
- 9.6.1 that payment will eventually be made by Nedbank;

- 9.6.2 that the card is valid;
- 9.6.3 that the card is genuine (i.e. that the card is not counterfeit); and/or
- 9.6.4 that the person presenting the card is the cardholder.

- 9.7 An authorisation is merely an indication that the relevant account has sufficient funds to meet payment on the authorisation date and that the card has not been reported lost or stolen at the time the card was presented for payment. An authorisation does not mean that a card transaction may not be charged back. An authorisation also does not mean that payment will ultimately be made following the actions or inactions of a third party participating in the payment process.
- 9.8 All budget/extended-payment-term transactions require an authorisation.
- 9.9 The merchant must ensure, unless prior written consent has been given by Nedbank that the transaction will take place on the same date as that on which the authorisation was given. Certain categories of merchant, including but not limited to, lodging and car rental merchants, are exempt from this rule.
- 9.10 Nedbank has the right, at any time and at its sole discretion and without having to provide reasons, to increase, decrease or cancel a merchant's floor limit by giving the merchant notice in writing of such an amendment.
- 9.11 The floor limit for electronically processed credit card transactions will be R . The floor limit for debit card and manual transactions is R0 (nil rand).

10 NOMINATED BANK ACCOUNT

- 10.1 The merchant must not change the nominated bank account without first giving 7 (seven) days' written notice to Nedbank Card Division.
- 10.2 The merchant must direct any query relating to payments into and/or charges to the nominated bank account to Nedbank Card Division within 30 (thirty) days of the date of the relevant bank statement, failing which the merchant will have no claim against Nedbank in this respect.

11 PRESENTATION FOR PAYMENT AND SETTLEMENT

- 11.1 The POS device is programmed to perform automated daily settlement within a specified timeframe. Should the merchant prefer to settle manually, the merchant must perform this within 3 (three) days of the date of the transaction. If the merchant fails to do this, the merchant will be liable for any late-presentment or other applicable fees.
- 11.2 Any payment not reflected in the nominated bank account must be queried within 7 (seven) days of the date of settlement. This means that the merchant must reconcile its accounts at least once a week.
- 11.3 Nedbank reserves the right to net-settle the merchant at Nedbank's sole discretion. Net-settle means the transaction value less the merchant commission.
- 11.4 Nedbank reserves the right to withhold settlement of a given batch or part thereof while investigating potential irregularities.
- 11.5 Deposits into the nominated bank account will be regarded as payment of money into this account only once each card transaction has been honoured.
- 11.6 While Nedbank acts in good faith and exercises reasonable care, it cannot be held liable if any deposit (or sales voucher) is dishonoured for any reason.

12 INVALID CARD TRANSACTIONS

- 12.1 A transaction is invalid if:
 - 12.1.1 it is/or appears to be illegal and/or unenforceable;
 - 12.1.2 the voucher is incomplete;
 - 12.1.3 the voucher is negotiated or discounted in any way;
 - 12.1.4 the signature on the voucher differs from the signature on the card;
 - 12.1.5 there is no signature on the voucher (with the exception of vouchers for PIN-driven card transactions);
 - 12.1.6 the copy of the transaction voucher provided by the merchant is not identical to the copy provided by the cardholder;
 - 12.1.7 the card had expired at the time of the transaction;
 - 12.1.8 the card is not acceptable to Nedbank;
 - 12.1.9 the card number is listed on the current hot-card file;
 - 12.1.10 the merchant's floor limit has been exceeded or a budget transaction is unauthorised;
 - 12.1.11 a MOTO card transaction is concluded with the cardholder –
 - 12.1.11.1 without obtaining Nedbank's prior authorisation when the transaction exceeds the floor limit; or
 - 12.1.11.2 without indicating all necessary details on the voucher;
 - 12.1.12 the authorisation code on the voucher is invalid;
 - 12.1.13 the merchant fails to manually settle with Nedbank within the stipulated period;
 - 12.1.14 an imprint of the card is not obtained when the merchant is required to do so in terms of this agreement;
 - 12.1.15 the merchant fails to retain the signed order form as required for MOTO transactions;
 - 12.1.16 the merchant accepts a mutilated, defaced, blank or illegible card;
 - 12.1.17 the merchant breaches any of the provisions of clauses 5 and/or 6 and/or has breached any other provisions of this agreement at the time of the transaction; and/or
 - 12.1.18 it is subject to a chargeback in terms of the card schemes rules.
- 12.2 The value of an invalid card transaction may be debited against the nominated bank account at any time by Nedbank or may be recovered from the merchant in any other way by Nedbank.

13 REFUND PROCEDURE

- 13.1 If the merchant is of the reasonable opinion that the cardholder is entitled to a refund, or a refund is requested by a cardholder, the merchant must process the refund transaction through the POS device with the card present.
- 13.2 The merchant may not give the credit cardholder a cash refund and if the merchant chooses to do so, the merchant does so at the merchant's own risk. Any refund may only take place with the original card present and may not take place using a different bank card.
- 13.3 The amount of any refund must be calculated at the refund date and must take into account the prevailing exchange rate (where applicable) less any Nedbank fees applicable at the time.

14 AUTHORITY TO NEDBANK TO DEBIT

- 14.1 The merchant irrevocably authorises Nedbank to debit the nominated bank account, as referred to in the preamble, with the following:
 - 14.1.1 The merchant commission.
 - 14.1.2 Any refund due to the cardholder in accordance with the refund procedure specified in clause 13.
 - 14.1.3 Adjustments for any errors, whether on the part of the merchant or Nedbank.
 - 14.1.4 Reversals of invalid transactions.
 - 14.1.5 Adjustments in respect of fraudulent entries/items.
 - 14.1.6 Any dishonoured deposits.

- 14.1.7 Any penalty levied by a card scheme for the contravention of its regulations and/or operational risk parameters.
- 14.1.8 All Nedbank service and other charges prevailing at the time, including stamp duties, VAT, chargeback fees, transaction fees, stationery fees, setup fees and other charges relating to this agreement.
- 14.1.9 The amount of any card transaction where the merchant fails to supply Nedbank with a merchant's voucher requested in terms of clause 6.
- 14.1.10 The full amount of any MOTO card transaction in the event of a subsequent dispute in respect of the transaction.
- 14.1.11 Interest in accordance with clause 14.2.
- 14.1.12 Equipment rental, insurance and other rental-related fees.
- 14.1.13 Chargebacks.
- 14.2 Interest will accrue on all amounts outstanding at the maximum interest rate permitted by law at the time (as certified by any manager of Nedbank), calculated from the due date until the date of final payment, both days inclusive.
- 14.3 Nedbank is authorised to debit any other account of the merchant held at Nedbank or any other financial institution with items listed in clauses 7, 11, 12, 13 and 15 to 18 in the event that debits to the nominated bank account are unsuccessful.

15 CONFIDENTIAL INFORMATION

- 15.1 Nedbank will be entitled to:
 - 15.1.1 take all steps it considers necessary to verify the information contained in the merchant's application form;
 - 15.1.2 request necessary additional documentation or information from the merchant at any time;
 - 15.1.3 retain and process any information provided by the merchant; and
 - 15.1.4 provide any confidential information relating to any account operated by the merchant at Nedbank to any person (including any credit bureau) in accordance with any law, the Code of Banking Practice or generally accepted banking practice.
- 15.2 Should the merchant fail to provide any requested information or documentation Nedbank will have the right to immediately suspend the merchant's services.

16 LIABILITY SHIFT

- 16.1 In the event that the merchant has complied with all the merchant procedures as set out in clause 6 of this agreement, the liability for any resultant chargebacks will shift from the merchant to the issuing bank.
- 16.2 In the event of the merchant not following the merchant procedures as set out in clause 6 of this agreement, the liability for any resultant chargeback will shift from the issuing bank to the merchant and the merchant will be liable for such chargebacks.

17 PAYMENT CARD INDUSTRY

The merchant must at all times when processing card transactions comply with PCI DSS and therefore must adhere to the following:

- 17.1 Register for the PCI DSS programme at the merchant's cost.
- 17.2 Complete and submit the relevant documentation to Nedbank within 30 (thirty) days of registration.
- 17.3 Undergo quarterly network scans and an annual onsite audit when required by PCI DSS.
- 17.4 Complete the relevant documentation for annual review to determine the merchant's compliance status.

18 HOT-CARD FILE

- 18.1 In the event that the POS device identifies a particular card as being present on a current hot-card file, the merchant may under no circumstances attempt to process a transaction against that card.
- 18.2 The merchant undertakes to take all reasonable steps to ensure at all times that each card presented is not listed on the hot-card file.
- 18.3 The merchant agrees that it will remain responsible for and assume all risk in relation to fraudulent card transactions, notwithstanding the fact that the cards used for such transactions may not appear on the hot-card file.

19 FRAUDULENT TRANSACTIONS

- 19.1 Fraudulent transactions include:
 - 19.1.1 any purchase and/or transaction arising from the use of a card or card number by a person other than the authorised cardholder;
 - 19.1.2 acceptance of a card that is not acceptable to Nedbank, ie use of a card that has not been issued by a bona fide card issuer (ie Visa, Mastercard, American Express[®] or Diners Club or any other globally accepted card scheme);
 - 19.1.3 use of a card that is not authorised in terms of the rules governing the issue and use of cards; and
 - 19.1.4 any duplicate transaction.
- 19.2 Nedbank reserves the right to levy a charge, the percentage of which will be determined with reference to the fraud basis points generated by the card schemes, and which will be debited to the nominated bank account.
- 19.3 Should fraudulent transactions account for more than 8% (eight percent) of the merchant's sales turnover in any month, Nedbank will be entitled to review this agreement without prejudice to any other rights that this agreement may confer on Nedbank.
- 19.4 The merchant agrees that it will always be responsible for the actions of its employees whether such actions are fraudulent or negligent.

20 CHARGEBACKS

- 20.1 Any transaction may be charged back to the merchant by reason of:
 - 20.1.1 a customer dispute;
 - 20.1.2 a transaction reversal;
 - 20.1.3 actual or suspected lack of authorisation;
 - 20.1.4 unlawful or suspicious transactions; or
 - 20.1.5 transactions processed outside the terms of this Agreement.
- 20.2 The merchant must request transaction information from Nedbank if a customer disputes a transaction or raises a chargeback.
- 20.3 The merchant will be liable to Nedbank for the full amount of the chargeback amount as well as any associated fees, penalties and charges.
- 20.4 Nedbank will debit the transaction amount against the merchant's nominated bank account or any other bank account holding sufficient credit in the merchant's name.
- 20.5 Nedbank may hold the transaction amount in advance for potential chargebacks until the chargeback process has been completed.
- 20.6 The merchant agrees to assisting Nedbank with investigating any transactions and to Nedbank sharing personal information with the relevant customers, issuers, financial institutions and regulators as required to investigate a chargeback.
- 20.7 The merchant agrees and accepts full chargeback liability for all fraud incurred on any card at its establishment, whether or not the chargeback is regarded as being the a result of fraudulent card usage.

21 COMMISSION/ FEES/CHARGES

- 21.1 Nedbank will be entitled to charge the merchant commission, fees and charges that are provided for in Annexure B.
- 21.2 Nedbank will provide the merchant with a statement reflecting the merchant commission, fees and charges debited or any other amount credited to the nominated bank account. This statement could be paper-based or electronic.

- 21.3 If Nedbank does not provide the merchant with such a statement from time to time, this will not constitute a waiver by Nedbank of its claims to the commission, fees or charges concerned.
- 21.4 Nedbank will determine, at its sole discretion, the percentage of the merchant commission. This may be revised from time to time and the merchant will be notified accordingly.
- 21.5 Nedbank reserves the right to levy other fees at any time, but will always notify the merchant accordingly one month before they become applicable.
- 21.6 All amounts specified in Annexure B will be exclusive of VAT (which is for the account of the merchant) and are payable free of any deductions or setoff.
- 21.7 The merchant hereby acknowledges and agrees that Nedbank will be entitled to debit the nominated bank account with all the amounts specified in this agreement for a period of 180 (one hundred and eighty) days from the date of cancellation of the merchant facility.

22 RENTAL

- 22.1 The merchant agrees to rent the equipment from Nedbank or any of Nedbank's authorised agents for a basic monthly rental.
- 22.2 The merchant may not defer or withhold payment of any rental or fee or amount due to Nedbank, whether on the basis of setoff or counterclaim or for any other reason.
- 22.3 Should Nedbank terminate this agreement and the merchant dispute such termination, the merchant must continue to pay to Nedbank all rentals (including VAT) on the due date. Nedbank's acceptance of these rentals will be without prejudice to its right of termination, though disputed, or any other claim or right that it may have in relation to the merchant. Without prejudice to whatever other rights and remedies Nedbank may have against the merchant in terms of this agreement or in law, any arrear rentals or other amounts due and payable by the merchant will be subject to interest at the prevailing maximum interest rate permitted by law (as certified by any manager of Nedbank). This interest will be calculated from the due date of payment of the amount to the date it is actually paid by the merchant (both days inclusive), and must be paid together with the amount in arrears.
- 22.4 The basic monthly rental will be debited to the nominated bank account on the last day of every month. Nedbank will, at its sole discretion, be entitled to amend the rental amount on giving the merchant prior notice of the new rental.

23 EQUIPMENT AND USE THEREOF

- 23.1 The equipment will be delivered to the delivery address as reflected in Annexure A of this agreement.
- 23.2 The merchant must, at its own cost, provide telecommunication equipment to link the equipment to Nedbank.
- 23.3 SIM cards may be supplied by Nedbank and the merchant may rent these SIM cards from Nedbank together with the associated POS device.
- 23.4 The equipment may not be removed from the delivery address or relocated anywhere else without the prior approval of Nedbank.
- 23.5 Nedbank will not be liable for any telecommunications failure.
- 23.6 The merchant must always keep the equipment fully charged (where applicable) and in a safe place at the delivery address. The merchant must also ensure that the equipment is used with due skill and care, and only in the manner and for the purpose for which it is designed and intended, in accordance with the business of the merchant as specified in this agreement.
- 23.7 The merchant may not alter or modify the equipment. All replacement parts used in or attached to the equipment are regarded as being part of the equipment and remain the property of Nedbank.
- 23.8 The merchant must ensure that the equipment is always operated in accordance with the law.
- 23.9 The merchant may not sell, assign, mortgage, encumber or otherwise dispose of, deal with or part with the equipment (or any interest in it) under this agreement or attempt to do so without the prior written consent of Nedbank.
- 23.10 Subject to compliance by the merchant with all its obligations in terms of this agreement, Nedbank will maintain the equipment for the duration of the maintenance period to the extent provided for in this agreement.
- 23.11 Nedbank, its agents, contractors and subcontractors must be given access to the merchant's premises at all reasonable times (including, by arrangement, access after business hours) to inspect, deliver, maintain, repair or replace the equipment.
- 23.12 The merchant must ensure that the equipment has a constant supply of power, insofar as this is within its control, in order for the equipment to update vital information, which includes hot cards, on a daily basis.
- 23.13 If any damage is suffered by Nedbank due to the direct or indirect abuse of the equipment by the merchant, the cost of such damage will be debited to the nominated bank account together with any other associated costs.

24 OWNERSHIP AND RISK

- 24.1 Notwithstanding delivery of the equipment to the merchant, Nedbank will always retain ownership of the equipment.
- 24.2 All risk relating to the equipment including, but not limited to, loss thereof, damage or destruction thereof, arising from any cause whatsoever (including acts of God), will pass to the merchant on delivery of the equipment and remain that of the merchant until the equipment is returned to Nedbank.

25 INSURANCE

With effect from the delivery date the merchant must insure the equipment with a registered insurer for the market value against risks of loss, theft, damage or destruction that Nedbank may stipulate from time to time. The merchant must ensure that the respective rights and interests of Nedbank and the merchant are noted on the insurance policy. Refer to Annexure B for the market value.

26 CONSENT TO DISCLOSE INFORMATION

- 26.1 The merchant consents to the disclosure by Nedbank of any information concerning the merchant to any card scheme, card issuer and other financial institution for use in any fraud prevention schemes they may set up.
- 26.2 Information may also be disclosed to the Members Alert to High Risk System and to the Merchant Performance Reporting Services for the purpose of helping Nedbank and other card issuers to identify merchants who are, or are suspected of being, or are likely to become involved in fraud or in any other fraud prevention matter.

27 OBLIGATIONS OF NEDBANK

- 27.1 In addition to any obligation specified in this agreement, Nedbank will:
 - 27.1.1 supply the merchant with the necessary stationery and promotional material;
 - 27.1.2 provide the merchant with a monthly statement detailing all activity on the nominated bank account, which statement can be electronic or paper-based;
 - 27.1.3 provide the merchant with the necessary training in the use of the equipment;
 - 27.1.4 maintain and service the equipment, subject to clause 22;
 - 27.1.5 ensure that the hot-card lists are systematically updated on the POS device;
 - 27.1.6 keep the merchant informed of any changes in the operational policies affecting the merchant; and
 - 27.1.7 terminate merchant facilities that are dormant for more than three months, other than in respect of seasonal merchants.

28 INDEMNITY

The merchant indemnifies Nedbank against:

- 28.1 all losses, liability, damage or expense that Nedbank may sustain or incur as a result of, or attributable to, any claim instituted by anyone in connection with any act or omission of the merchant in terms of this agreement or in connection with any act or omission of Nedbank relating to this agreement, unless such claim arose as a direct or indirect consequence of the gross negligence or wilful misconduct of Nedbank or any person acting for or controlled by Nedbank;
- 28.2 any claim arising out of a fax instruction, mandate, consent, commitment and the like that purport to be given by the merchant (purported instruction). The merchant agrees that any purported instruction will be regarded as coming from the merchant irrespective of the format in which it is received by Nedbank, and agrees to be bound by it; the merchant also waives any right that it may have against Nedbank for any loss or damage, whether direct or indirect, that it may suffer as a result of a purported instruction, unless such claim arises as a direct consequence of the gross negligence or wilful misconduct of Nedbank or any person acting for or controlled by Nedbank; and
- 28.3 any liability arising from any dispute with the cardholder in respect of any goods and/or services obtained from the merchant as a result of the card being used.

29 BREACH

- 29.1 Subject to this clause 28, if the merchant breaches or otherwise defaults on any obligations in terms of this agreement, Nedbank will give the merchant 5 (five) days' written notice to remedy such breach. If the merchant fails to comply within 5 (five) days, or is unable to remedy the breach, Nedbank will be entitled to terminate this agreement without further notice. Alternatively, Nedbank may insist on immediate performance and/or payment from the merchant of all obligations or amounts under this agreement, whether or not these obligations or amounts are due at that time for performance or payment. In either case this is without prejudice to any other legal rights Nedbank may have, including the right to claim damages.
- 29.2 Without limiting the general provisions of clause 26.1, the merchant will be committing a material breach of this agreement if it commits any act of insolvency or effects a compromise or composition with creditors, or if a creditor institutes insolvency proceedings against the merchant.

30 JURISDICTION

- 30.1 Nedbank will have the right at its sole discretion to institute legal proceedings against the merchant in any court with the necessary jurisdiction.
- 30.2 This agreement will in all respects be governed by the laws of the Republic of South Africa and all disputes, actions and other matters in connection with it will be determined in accordance with such laws.

31 TERMINATION

- 31.1 Termination in the event of fraud:
- 31.1.1 Where the equipment is used to commit fraud or where Nedbank suspects the existence of fraud or nefarious conduct in respect of the provisions of this agreement, Nedbank may terminate the agreement without giving the merchant any notice and will furthermore be entitled to recover the equipment immediately.
- 31.1.2 This agreement will continue to be in full force in respect of any outstanding obligations of the merchant to Nedbank.
- 31.2 If the merchant wishes to terminate this agreement, it must log a call with the Nedbank Merchant Helpdesk.

32 RETURN OF EQUIPMENT

- 32.1 The merchant must return the equipment and stationery to Nedbank in good condition, fair wear and tear excepted, together with all licences, permits and instruction manuals relating to it. Should the merchant fail to return the equipment and stationery to Nedbank within 7 (seven) days of the termination of this agreement, the merchant will be liable to Nedbank for its market value and other related costs.
- 32.2 If the equipment is not returned in a condition that is acceptable to Nedbank, the full market value of the equipment or the value of the replaceable part will be debited to the nominated bank account. A certificate signed by a manager of Nedbank Card Division will be sufficient proof of the value thereof.

33 DOMICILIA AND NOTICES

- 33.1 In connection with this agreement and for the service of all notices pertaining to it the parties choose as *domicilia citandi et executandi* their respective physical addresses furnished on the cover page of this agreement (or such other address as either party may notify to the other in writing).
- 33.2 All notices in terms of this agreement:
- 33.2.1 must be in writing and delivered by hand;
- 33.2.2 will be regarded as having been received on the date of delivery.

34 GENERAL

- 34.1 Nedbank may add to, amend or replace all or any of the terms and conditions of this agreement by notice to the merchant, whether by way of email, telephone call, statement message or any other viable means, and, unless the merchant terminates this agreement by giving notice to that effect, the merchant will be deemed to have accepted such additional amendment or new terms and conditions.
- 34.2 This agreement, as amended by Nedbank from time to time, constitutes the entire agreement between the parties in respect of the subject matter, correctly reflects the intention of the parties and constitutes all arrangements entered into between them.
- 34.3 A certificate of indebtedness signed by any manager of Nedbank will be regarded as sufficient proof of the particulars included in it for purposes of provisional sentence, summary judgment or any other purpose.
- 34.4 No failure, delay, relaxation or indulgence on the part of Nedbank in exercising any power or right conferred on it by this agreement will operate as a waiver of such power or right, nor will it change or cancel any of the terms and conditions of this agreement.
- 34.5 Unless expressly stated otherwise, this agreement in whole or in part, any share or interest in it, or any rights or obligations conferred on the merchant may not be ceded, assigned or otherwise transferred without the prior written consent of Nedbank.
- 34.6 The merchant hereby acknowledges that, apart from what is recorded in this agreement, Nedbank has given no warranty, express or implied, concerning its obligations under this agreement or in respect of any provisions contained in it.
- 34.7 Nedbank will not be liable for any corrupted computer data or vouchers lost in transit, whatever the cause.
- 34.8 Nedbank will be entitled at its sole discretion, without notifying the merchant, to consolidate any or all of the merchant's Nedbank accounts. A partial consolidation will not preclude Nedbank from claiming from the merchant any amount not included in such consolidation.
- 34.9 Nedbank may, for any reason, set off amounts due and payable to Nedbank against amounts that Nedbank may owe the merchant, from any account the merchant holds with Nedbank. The merchant must immediately pay to Nedbank any net amount that is still payable to Nedbank after setoff.
- 34.10 The terms of this agreement will be deemed to be, in respect of each part, entire, separate and severable and separately enforceable in the widest sense from the rest of this agreement.
- 34.11 Should any provision of this agreement be found by any competent court to be defective or unenforceable for any reason, the remaining provisions of this agreement will continue to be of full force and effect.

9/16

34.12 This agreement is subject to the card acquiring rules and regulations of the card schemes, as amended from time to time.

Signed at _____ on _____ / _____ / _____
Place Day Month Year

Witnesses

The merchant hereby acknowledges that it knows and understands the meaning and the full force and effect of the terms and conditions as set out in this agreement.

1 _____

Signature

2 _____

For and on behalf of the merchant, duly authorised

Signed at _____ on _____ / _____ / _____
Place Day Month Year

Witnesses

1 _____

Signature

2 _____

For and on behalf of Nedbank Limited, duly authorised

10/16

ANNEXURE A

DELIVERY ADDRESS

Tel:

Fax:

Cellphone:

Email:

Postal address:

ANNEXURE B

MERCHANT COMMISSION/ TRANSACTION FEE/ ADMINISTRATION FEE/ OTHER FEES

- 1 The Merchant commission, calculated on the total value of all vouchers the merchant deposits into the nominated bank account and payable by the merchant to Nedbank for credit card transactions, will be an amount equal to % (exclusive of VAT) of the aggregate daily transfers to the nominated bank account.
- 2 The Merchant commission fee payable by the merchant to Nedbank for debit card transactions will be an amount equal to % (exclusive of VAT) of the aggregate daily transfers to the nominated bank account.
- 3 The Merchant commission payable by the merchant to Nedbank for foreign card transactions will be an amount equal to % (exclusive of VAT) of the aggregate daily transfers to the nominated bank account.
- 4 The Merchant commission payable by the merchant to Nedbank for American Express card transactions will be an amount equal to % (exclusive of VAT) of the aggregate daily transfers to the nominated bank account.
- 5 The SIM card rental payable by the merchant to Nedbank will be R per month (exclusive of VAT).
- 6 The POS device monthly rental will be R (exclusive of VAT) and will be subject to annual review
- 7 An initial administration charge of R (exclusive of VAT) will be payable by the merchant.
- 8 A minimum commission fee of R (exclusive of VAT) will be payable by the merchant monthly.
- 9 Nedbank reserves the right to vary the Merchant commission and Transaction fee and any other fees provided for in this Agreement on written notification to merchant, which notification may be included in but will not be limited to a letter, statement message or this statement insert.
- 10 Ad hoc charges in respect of the equipment
- | | | | |
|-------|--------------------|---|--------------------|
| 10.1. | Installation fee | R | (exclusive of VAT) |
| 10.2. | SIM activation fee | R | (exclusive of VAT) |
| 10.3. | Stationery | R | (exclusive of VAT) |
| 10.4. | Bill folders | R | (exclusive of VAT) |
| 10.5. | Supervisor card | R | (exclusive of VAT) |
- 11 Ad hoc fees for services rendered
- | | | | |
|-------|------------------|---|--------------------|
| 11.1. | Training | R | (exclusive of VAT) |
| 11.2. | Consultation fee | R | (exclusive of VAT) |
| 11.3. | Wasted Costs | R | (exclusive of VAT) |
- 12 Nedbank reserves the right to charge the merchant for a wasted/erroneous callout. This charge could include labour as well as travelling costs at the applicable AA rates.
- 13 The following values should be used for insurance purposes:
- | | | | |
|------|-------------------|---|-------|
| 12.1 | Desktop POS unit | R | |
| 12.2 | Portable POS unit | R | |
| 12.3 | PIN pad | R | |
| 12.4 | Imprinter | R | |

12/16

**STANDARD DECLARATION
RETAIL AND BUSINESS BANKING
NATURAL PERSONS AND NON-NATURAL PERSONS**

LEGAL AND GENERAL INFORMATION

While Nedbank Group Limited and all its subsidiaries and associates and its cessionaries, delegates or successors in title (collectively 'Nedbank') are constantly striving to provide a service that is intended to make your banking as easy and convenient as possible, all South African banks are legally obliged to verify, including identity verification with statutory bodies, and your information received from you.

Apart from the information you will provide in your application, Nedbank may therefore require additional documentation and information from you.

Where the words 'I', 'me', 'my', 'you' and 'your' are used, these also refer to entities other than natural persons in the event that such entities are represented in this document.

PRIVACY CONSENT

I provide my express consent to Nedbank to process my personal information as defined in legislation, including fingerprints, biometric personal identification details, photographs and identity verification in terms of the Financial Intelligence Centre Act of 2001, for purposes of providing financial services and preventing fraud and money laundering, and to send my personal information to third parties in order to provide a service to me, and also to send such information to foreign countries, when necessary, by electronic or other means for processing. I understand that such countries may not have specific data privacy laws.

FURTHER PROCESSING

- 1 Nedbank may search, update or place my records at credit reference bureaus and government agencies in order to verify my identity, assess my ability to obtain credit or to provide collateral of any kind, including guarantees or suretyships, and may, on request from another credit provider with whom I have applied for credit, provide my personal information, including my credit reference data, to such credit provider and also make any enquiries that it deems necessary to confirm the details on this form for marketing purposes and to assess my creditworthiness.
- 2 Nedbank may use my personal information for debt enforcement, including but not limited to recovery, collection, repayment, surrender, enforcement and cession of debts.
- 3 I confirm that I have fully disclosed my debt repayment history.

COMMUNICATION AND MARKETING

- 1 I would like Nedbank to inform me of new Nedbank products and special offers. Yes No
- 2 I would like Nedbank to present exclusive offers from other organisations to me. Yes No
- 3 Nedbank may request reputable research organisations to contact me. Yes No
- 4 My preferred method of communication is as follows: Email SMS Direct mail Telephone All
- 5 Nedbank may use a method of communication other than that preferred by me as well as my personal information to market its products to me, including electronic marketing and telesales, until I give an instruction to the contrary. Yes No

CONFIRMATION

- 1 Nedbank has explained this application form, the product and costs, where applicable, to me and I confirm that I fully understand the contents thereof and that I am completing it of my own free will.
- 2 I warrant that I have fully and truthfully answered all questions and responded to requests for information as part of the assessment process, and that I am not aware of any other information that may affect this application negatively.
- 3 Nedbank may undertake identity and fraud prevention checks and share information relating to this application with the South African Fraud Prevention Services.
- 4 All consents provided in this document will survive any contractual relationship that I have with Nedbank, unless I provide written notice to Nedbank that I have cancelled such consents.

FOR NATURAL PERSONS PLEASE SIGN BELOW

Signatures

Signed at _____ on _____ / _____ / _____
 Place Day Month Year

Applicant _____ Spouse (if married in community of property) _____
 who attests to the above who attests to the above

Legal guardian _____ Surety, guarantor or co-applicant _____
 (if unemancipated minor) who attests to the above who attests to the above

Signature of administrator _____
 (if under administration)

FOR NON-NATURAL PERSONS PLEASE COMPLETE THE RESOLUTION BELOW

RESOLUTION (NON-NATURAL PERSONS ONLY)

Extract from the minutes of a meeting of the directors/members/trustees/partners of _____ ('business')
 held at _____ on _____
 RESOLVED THAT _____ (full names) in his/her capacity as _____ (designation)
 and/or _____ (full names) in his/her capacity as _____ (designation)

be authorised to complete and sign this document, as well as any other subsequent documentation submitted to Nedbank, on behalf of the business.

Full names _____
 Identity number _____ If not a South African citizen or resident: Nationality _____ Passport no _____
 Residential address _____
 Suburb _____ City _____ Postcode _____
 Tel no _____ Cell _____ Fax no _____ Email _____

Signature _____

Date _____

Capacity (e.g. chairman/company secretary/director/member/trustee/partner) _____

Business
Details _____

Memorandum of Incorporation (MOI)

Yes No

If a company, is the company a ring-fenced ('RF') company?

If 'Yes', specify date of MOI

 Yes No

Headoffice address _____

Telephone number _____

Fax number _____

Email address _____

if different from physical business
address, specify _____

Source of funds:

- Business proceeds
 Fees for services rendered
 Dividends, management fees
 Rental/Leasing income
 Shareholding in another legal entity

- Royalties and licence fees
 Donations
 Interest income
 Trading in financial instruments

- Government grants and subsidies
 Shareholder(s) loan
 Share trade div/dends
 Court order

Other source of funds _____

Business registration date _____

Nature of business _____

Industry sector (e.g.
construction) _____

Business VAT number _____

Number of years in business _____

Financial year-end (ddmm) _____

Please select the type of business:

Type of business	Select the applicable client subcategory	Associated parties must provide details and certified copies of their valid identity cards/documents
Company [(Pty) Ltd]	<input type="checkbox"/> Non-listed South African company registered after Companies Act (1/5/2011)	A minimum of one director or one managing director or company secretary and all shareholders with 25% or more shares.
	<input type="checkbox"/> Non-listed South African company registered before Companies Act (1/5/2011)	
	<input type="checkbox"/> Wholly owned subsidiary of a listed South African company	
Incorporated business (Inc)	<input type="checkbox"/> Non-listed South African company registered after Companies Act (1/5/2011)	A minimum of one director or one managing director or company secretary and all shareholders with 25% or more shares.
	<input type="checkbox"/> Non-listed South African company registered before Companies Act (1/5/2011)	
	<input type="checkbox"/> Wholly owned subsidiary of a listed foreign company	
	<input type="checkbox"/> Wholly owned subsidiary of a listed South African company	
Public company (Ltd/Unlimited)	<input type="checkbox"/> Listed South African company	A minimum of one director or one managing director or company secretary and all shareholders with 25% or more shares.
	<input type="checkbox"/> Non-listed South African company registered after Companies Act (1/5/2011)	
	<input type="checkbox"/> Non-listed South African company registered before Companies Act (1/5/2011)	
	<input type="checkbox"/> Wholly owned subsidiary of a listed South African company	
Company under provisional/judicial administration	<input type="checkbox"/> Joint Liquidators/Judicial managers	A minimum of one judicial management relationship.
	<input type="checkbox"/> Liquidators/Judicial managers	
	<input type="checkbox"/> Wholly owned subsidiary of a listed South African company	
Company under provisional administration/liquidation	<input type="checkbox"/> Joint Liquidators/Judicial managers	A minimum of one executor.
	<input type="checkbox"/> Liquidators/Judicial managers	
	<input type="checkbox"/> Wholly owned subsidiary of a listed South African company	
Trust company	<input type="checkbox"/> Non-listed South African company registered after Companies Act (1/5/2011)	A minimum of one director or one managing director or company secretary and all shareholders with 25%

Type of business	Select the applicable client subcategory	Associated parties must provide details and certified copies of their valid identity cards/documents
	<input type="checkbox"/> Non-listed South African company registered before Companies Act (1/5/2011)	or more shares.
	<input type="checkbox"/> Wholly owned subsidiary of a listed South African company	
State-owned company (SOC)	<input type="checkbox"/> Listed South African company	A minimum of one director or one managing director or one member or company secretary or chairman or administrator and all shareholders with 25% or more shares.
	<input type="checkbox"/> Non-listed South African company registered after Companies Act (1/5/2011)	
	<input type="checkbox"/> Non-listed South African company registered before Companies Act (1/5/2011)	
	<input type="checkbox"/> Other legal entities/persons/organs of state purpose	
	<input type="checkbox"/> Wholly owned subsidiary of a listed South African company	
Nedbank Group services	<input type="checkbox"/> Non-listed South African company registered after Companies Act (1/5/2011)	A minimum of one director.
	<input type="checkbox"/> Non-listed South African company registered before Companies Act (1/5/2011)	
Non-profit company (NPC)	<input type="checkbox"/> South African non-profit company/section 21 registered before the Companies Act (1/5/2011)	A minimum of one director.
	<input type="checkbox"/> South African non-profit company registered after the Companies Act (1/5/2011)	
Cooperative	<input type="checkbox"/> Cooperative	A minimum of one member.
Foreign company (not registered in South Africa)	<input type="checkbox"/> Correspondent bank	A minimum of one director or one managing director or one organisational director.
	<input type="checkbox"/> Correspondent bank w/parent	
	<input type="checkbox"/> Listed foreign company	
	<input type="checkbox"/> Non-listed foreign company	
	<input type="checkbox"/> Wholly owned subsidiary of a listed foreign company	
Local foreign company (registered in South Africa)	<input type="checkbox"/> Correspondent bank	A minimum of one director or one managing director or company secretary and all shareholders with 25% or more shares.
	<input type="checkbox"/> Correspondent bank with parent	
	<input type="checkbox"/> Non-listed foreign domestic company	
	<input type="checkbox"/> Non-listed foreign external company	
Partnership	<input type="checkbox"/> Other partnership	A minimum of two partners.
Indicate Professional Body Registered With	<input type="checkbox"/> Professional Partnership Registered before the Companies Act (1/5/2011) – Architect	
	<input type="checkbox"/> Professional Partnership Registered before the Companies Act (1/5/2011) – Attorney, notary and Conveyancer	
	<input type="checkbox"/> Professional Partnership Registered before the Companies Act (1/5/2011) – Medical practitioner, Dentist or Psychologist or a Supplementary Health Service Professional	
	<input type="checkbox"/> Professional Partnership Registered before the Companies Act (1/5/2011) – Pharmacist	
	<input type="checkbox"/> Professional Partnership Registered before the Companies Act (1/5/2011) – Professional Engineer	
	<input type="checkbox"/> Professional Partnership Registered before the Companies Act (1/5/2011) – Public Accountant or Auditor	
	<input type="checkbox"/> Professional Partnership Registered before the Companies Act (1/5/2011) – Quantity Surveyor	
	<input type="checkbox"/> Professional Partnership Registered before the Companies Act (1/5/2011) – StockBroker	
Sole proprietor	<input type="checkbox"/> Sole proprietor	Sole-proprietor details to be provided in the sole-proprietor owner section.
Family trust account Indicate total number of trustees	<input type="checkbox"/> Inter vivos trust – created in South Africa	All founders, beneficiaries, donors and nominees. All Trustees also require an original/certified copy of proof of address.
	<input type="checkbox"/> Inter vivos trust – created outside South Africa	
Purpose of trust		
Attorneys trust account Indicate total number of trustees	<input type="checkbox"/> Statutory investment account section 78(2A)	A minimum of one director or one partner or one sole proprietor owner or company secretary.
	<input type="checkbox"/> Statutory trust account section 78(1)	
	<input type="checkbox"/> Statutory trust account section 78(2A)	
Purpose of trust		
Estate agents trust account Indicate total number of trustees	<input type="checkbox"/> Statutory investment account section 32(2A)	A minimum of one director or one partner or one sole proprietor owner or company secretary.
	<input type="checkbox"/> Statutory trust account section 32(1)	
Purpose of trust		
Other inter vivos trust account	<input type="checkbox"/> Inter vivos trust - created in South Africa	

Type of business		Select the applicable client subcategory	Associated parties must provide details and certified copies of their valid identity cards/documents
Indicate total number of trustees	<input type="checkbox"/>	Inter vivos trust - created outside South Africa	
Purpose of trust			
Other trust accounts Indicate total number of trustees	<input type="checkbox"/>	Statutory investment account section 15(2)	A minimum of one director or one partner or sole proprietor owner or company secretary or one trustee or one donor or one founder or one beneficiary.
	<input type="checkbox"/>	Statutory investment account section 22(2A)	
	<input type="checkbox"/>	Statutory investment account section 15(A)	
	<input type="checkbox"/>	Statutory investment account section 20(1)	
	<input type="checkbox"/>	Statutory investment account section 22(1)	
	<input type="checkbox"/>	Testamentary trust created in South Africa	
	<input type="checkbox"/>	Testamentary trust created outside South Africa	
Purpose of trust			
Estate account – insolvent and incapacitated	<input type="checkbox"/>	Curatorship/Insolvency	A minimum of one executor or one <i>curator bonis</i> .
Estate account of deceased estate	<input type="checkbox"/>	Deceased estate	All founders, trustees, beneficiaries and donors.
Association/Society/Trade union	<input type="checkbox"/>	Other legal entities/persons/organs of state Purpose	A minimum of the treasurer or chairman or administrator or one manager or one member.
	<input type="checkbox"/>	Regulated funds	
	<input type="checkbox"/>	Unregulated funds	
Friendly Societies Act, 25 of 1956	<input type="checkbox"/>	Other legal entities/persons/organs of state Purpose	A minimum of one member.
Body corporate (e.g. townhouses)	<input type="checkbox"/>	Other legal entities/persons/organs of state Purpose	A minimum of one member.
Purpose of trust			
Club	<input type="checkbox"/>	Other legal entities/persons/organs of state Purpose	A minimum of the treasurer or chairman or club secretary or administrator or one member.
Purpose of trust			
Charitable organisation – no free banking	<input type="checkbox"/>	Other legal entities/persons/organs of state Purpose	A minimum of treasurer or chairman or secretary or administrator or one member.
Purpose of trust			
Registered NPO or religious body	<input type="checkbox"/>	Other legal entities/persons/organs of state Purpose	A minimum of the treasurer or chairman or secretary or administrator or one member.
Purpose of trust			
Embassy and consulate – free banking	<input type="checkbox"/>	Other legal entities/persons/organs of state Purpose	A minimum of the consulate general or ambassador or secretary or one member.
Purpose of trust			
Close corporation	<input type="checkbox"/>	Close corporation	A minimum of one member.
Close corporation – liquidation	<input type="checkbox"/>	Joint liquidator/Judicial manager	A minimum of one executor.
	<input type="checkbox"/>	Liquidator/Judicial manager	A minimum of one executor.

1 ASSOCIATED PARTY INFORMATION (please copy this page if you have more than three associated parties)

ASSOCIATED PARTY**A certified copy of the identity document must be provided.**

Relationship	Shareholder % (if shareholder)		
Title	First name(s)	Surname	
Asylum seeker?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Refugee?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If asylum seeker or refugee, please enter permit number		Permit expiry date	
Identity no	Date of birth	Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female	
Nationality	Country of birth	Occupation	
Passport no (if not South African citizen)	Passport expiry date	Passport country of issue	
Multiple nationalities?	<input type="checkbox"/> Yes <input type="checkbox"/> No	If 'Yes', please specify:	
Foreign citizenship tax obligation?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Residential address		Suburb	
City	Postcode	Country	

ASSOCIATED PARTY**A certified copy of the identity document must be provided.**

Relationship	Shareholder % (if shareholder)		
Title	First name(s)	Surname	
Asylum seeker?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Refugee?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If asylum seeker or refugee, please enter permit number		Permit expiry date	
Identity no	Date of birth	Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female	
Nationality	Country of birth	Occupation	
Passport no (if not South African citizen)	Passport expiry date	Passport country of issue	
Multiple nationalities?	<input type="checkbox"/> Yes <input type="checkbox"/> No	If 'Yes', please specify:	
Foreign citizenship tax obligation?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Residential address		Suburb	
City	Postcode	Country	

ASSOCIATED PARTY**A certified copy of the identity document must be provided.**

Relationship	Shareholder % (if shareholder)		
Title	First name(s)	Surname	
Asylum seeker?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Refugee?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If asylum seeker or refugee, please enter permit number		Permit expiry date	
Identity no	Date of birth	Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female	
Nationality	Country of birth	Occupation	
Passport no (if not South African citizen)	Passport expiry date	Passport country of issue	
Multiple nationalities?	<input type="checkbox"/> Yes <input type="checkbox"/> No	If 'Yes', please specify:	
Foreign citizenship tax obligation?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Residential address		Suburb	
City	Postcode	Country	



NOTICE/KENNISGEWING/ISAZISO

<p>Proposed long term contract SC1933/2018 for the provision of banking services for a contract period ending 30 June 2024, giving effect to the Local Government Municipal Finance Management Act, Act No. 56 of 2003; Section 33.</p>	<p>Voorgenome langtermyn kontrak SC1933/2018 vir die verskaffing van bank dienste vir 'n kontrakperiode wat op 30 Junie 2024 eindig, in nakoming van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, Wet Nr. 56 van 2003; Artikel 33.</p>	<p>Isiphakamiso sesivumelwano sexesha elide SC1933/2018 sokunikeza ornatsihini beofisi abasebenza ngeendlela ezalukkeneyo ezininzi nabaniki nkongo abohlukeneyo sexesha elide esiyophela nge30 Juni 2024, ngokwemimiselo kaMasipala weNgingqi: Umthetho wokuLawula ezeMali kaMasipala onguNombolo 56 ka2003; ICandelo.</p>
<p>Duly authorised by resolution of Council, the Overstrand Local Municipality, in terms of the provisions of Section 33 of the Local Government Municipal Finance Management Act, No. 56 of 2003, hereby makes it public that Overstrand Municipality intends to enter into a long term contract for the provision of banking services, for a contract period ending 30 June 2024.</p>	<p>Soos goedgekeur deur die Raad, ooreenkomstig die bepalings van artikel 33 van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, Nr. 56 van 2003, gee Overstrand Munisipaliteit hiermee kennis van hul voorneme om 'n langtermynkontrak vir die vooriening van bank dienste te sluit, vir 'n kontrakperiode eindigend 30 Junie 2024.</p>	<p>Isiqibo esisesikweni esigunyaziswe libhunga likaMasipala wase-Overstrand, ngemimiselo yemibhantela yeCandelo 33 kaMasipala weNgingqi: Umthetho wokuLawula ezeMali kaMasipala onguNombolo 56 ka2003, ipapasha ukuba uMasipala waseOverstrand uceba ukungena kwisivumelwano sexesha elide sokunikeza isishini lenkonzo yokubhankisha sexesha lekhortrakhi esiyophela nge30 Juni 2024..</p>
<p>The proposed contract and an information statement summarising the Municipality's obligations in terms of the proposed contract can be inspected at the Municipality's head and satellite offices and libraries during the official office hours or accessed on the Municipality's official web-site www.overstrand.gov.za, from 18 April 2019.</p>	<p>Die voorgename kontrak en die inligtingstuk wat die Munisipaliteit se verpligtinge ten opsigte van die voorgename kontrak vervat kan by die Munisipaliteit se hoof- en satellietkantore en biblioteke gedurende amptelike kantoorure geïnspekteer word of die kontrak en inligtingstuk is ook verkrygbaar op die amptelike webblad van die Munisipaliteit by www.overstrand.gov.za vanaf 18 April 2019</p>	<p>Esi sivumelwano siphakanyiswayo kunye nenkcukacha ezishwankathela izibophelo zikaMasipala ngokwesi sivumelwano esiphakanyiswayo singahlolwa kwi-ofisi eyintloko kaMasipala nakwi ofisi ezingamaseyena kwakunye namathala encwadi ngeeyure zokusebenza zezi ofisi nala mathala eenowadi. Esi sivumelwano siphakanyiswayo kunye neenkukacha siyafumaneka kwi website esemthethweni yakwa Masipala www.overstrand.gov.za ukususela nge 18 ka-Aprili 2019 kofuna ukusigwalasela.</p>
<p>The proposed contract will be considered by the Municipal Council of the Overstrand Local Municipality at its Council meeting to be held on 26 June 2019 at the Municipal Offices in Hermanus.</p>	<p>Die voorgename kontrak sal vir oorweging voor die Munisipale Raad van die Overstrand Plaaslike Munisipaliteit dien tydens die Raadsvergadering geskeduleer vir 26 Junie 2019 by die Munisipale Kantore in Hermanus.</p>	<p>Esi sivumelwano siphakanyiswayo siya kuqwalasela libhunga likaMasipala elikuMasipala weNgingqi: Overstrand nge sexesha lentlanganisio yeBhunga eya kube ibanjelwe eHermanus nge26 Juni 2019 kwiOfisi zikaMasipala eHermanus.</p>
<p>Notice is hereby further given in terms of Section 21 and 21A of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) that the local community and affected parties are invited to submit comments or representations on the proposed long term contract for the provision of banking services. Such comments or representations must be submitted by not later than Thursday, 23 May 2019 at 12:00.</p>	<p>Kennis geskied verder ingevolge artikel 21 en 21A van die Wet op Plaaslike Regering: Munisipale Stelsels, 2000 (Wet 32 van 2000), dat die plaaslike gemeenskap en geaffekteerde partye genooi word om kommentaar of vertoe oor die voorgename langtermyn kontrak vir die verskaffing van bank dienste. Hierdie kommentaar of vertoe moet teen nie later nie as Donderdag, 23 Mei 2019 om 12:00 ingedien word.</p>	<p>Isaziso sinikwa ngokwemimiselo ye Candelo 21 no 21A kaMasipala weNgingqi: Umthetho wokuZiphatha kaMasipala, 2000 (uMthetho 32 ka2000) ukuba abantu abasuka ekuhlafeni nabanye abantu abachaphazelekileyo bayamenywa ukuba bathumele izimvo zabo okanye izinto abazibhalileyo kuMasipala mayelana nesivumelwano sexesha elide esiphakanyiswayo sokunikeza isishini lenkonzo yoku bhankisha, izimvo okanye izinto ezibhalileyo mazingeniswe engatulianga lweSine, 23 Meyi 2019 ngo 12:00.</p>
<p>Comments or representations must be submitted in a sealed envelope clearly endorsed "SC1933/2018: Long term contract for banking services" and be deposited in Tender box no.7.</p>	<p>Kommentare of vertoe moet ingedien word in 'n verseelde koevert, duidelik gemerk "SC1933/2018 Langtermyn kontrak vir bank dienste" en geplaas word in Tenderbus nr.7.</p>	<p>Izimvo ezibhalileyo mazifakwe kwimvulophu ebhalwe ngokucacileyo, etywiniweyo kubhalwe "SC1933/2018: ukuNikezwa kweeNkonzo zeBhanki kwisivumelwano esiphela nge30 Juni 2024" zifakwe kwi Bhokisi ye Zintiki-maxabiso no.7.</p>
<p>All submissions must be addressed to: The Municipal Manager Tender box no. 7 Overstrand Municipality Magnolia Avenue Hermanus 7200</p>	<p>Alle voorleggings moet geadresseer word aan: Die Munisipale Bestuurder Tenderbus nr.7 Overstrand Munisipaliteit Magnoliaaan Hermanus 7200</p>	<p>Zonke iziphakamiso mazithunyelwe ku: Umphahathi kaMasipala Bhokisi yeZintiki-maxabiso no. 7 UMasipala weNgingqi yase-Overstrand Magnolia Avenue Hermanus 7200</p>
<p>Enquiries can be directed to Mr B A King, Tel: 028 313 8154 and e-mail: bkng@overstrand.gov.za.</p>	<p>Navrae kan gerig word aan Mnr. B A King, Tel: 028 313 8154 en e-pos: bkng@overstrand.gov.za</p>	<p>Imibuzo ingathunyelwa ku Mnu. Nkzn. B. A. King, Ummxeba: 028 313 8154 ne-imeyili: bkng@overstrand.gov.za</p>
<p>Persons who are physically disabled or who cannot read or write but wish to participate in the process, may come during office hours to the Municipal Offices, Magnolia Avenue, Hermanus where that person will be assisted by the Director: Finance or a person designated by her to transcribe that person's comments or representations.</p>	<p>Persone wat liggaamlik gestremd is of nie kan lees of skryf nie, maar aan die proses wil deelneem, kan gedurende kantoorure na die Munisipale Kantore, Magnoliaaan, Hermanus kom, waar die Direkteur: Finansiële of 'n persoon soos deur haar aangewys daardie persoon sal help om die kommentaar of vertoe neer te skryf.</p>	<p>Nawuphi na umntu onqwenela ukuthumela izimvo zakhe okanye izinto abazibhalileyo, abangakwaziyo ukubhala baya kuncedwa nguMlawuli wezokuLawulo okanye ngumntu ornisawe nguye kwi-ofisi zikaMasipala eMagnolia Avenue, eHermanus.</p>
<p>Notice nr. 59/2019 C. Groenewald Municipal Manager</p>	<p>Kennisgewing nr. 59/2019 C. Groenewald Munisipale Bestuurder</p>	<p>Isaziso no. 59/2019 C. Groenewald UManejela kaMasipala</p>

**TENDER NO. SC1933/2018
PROVISION FOR BANKING SERVICES CONTRACT PERIOD
ENDING 30 JUNE 2024**

MFMA INFORMATION STATEMENT

1. OBJECTIVE

Overstrand Municipality is making public its intention to award Contract No: SC1933/2018 for Provision of Banking Services for a contract period ending 30 June 2024.

Because the proposed award of the contract poses financial obligations on the Municipality beyond the current financial year, the Municipality must comply with Section 33 (1) of the Local Government: Municipal Finance Management Act No. 56 of 2003.

The objective of this Information Statement is to inform the community and other interested parties of the proposed award of this long term contract.

2. INVITATION

The local community and other interested parties are hereby invited to submit to the Municipality comments or representations in respect of the proposed long term contract.

3. PROCEDURE FOR GIVING COMMENTS

Members of the local community and other interested persons are invited to submit to the Municipality their comments or representations in respect of the proposed award of the long term agreement before 12:00, Thursday 23 May 2019 in a sealed envelope clearly endorsed "SC1933/2018: Long term Contract Provision for banking services for a contract period ending 30 June 2024" and addressed to: Municipal Manager, Overstrand Municipality, Magnolia Avenue, Hermanus, 7200 and to be deposited in Tender box no.7.

Written enquiries for clarification can be directed to Mr B A King e-mail: bking@overstrand.gov.za. Any person who wishes to submit comments or representations in respect of the proposed amendment to the existing long term agreement and who cannot write

will be assisted by Mr B A King or a person designated by him at Overstrand Municipal offices, Hermanus up to Thursday 23 May 2019.

4. PROJECT BACKGROUND

In terms of the Municipal Financial Management Act (MFMA) and Supply Chain Management Regulation 30, the Municipality must procure banking services. The Primary Bank Account receives all revenue due to the Municipality, all income received on its investments, all income received in connection with its interest in any municipal entity including dividends, all money collected by the Municipality, entity or other external mechanism on behalf of the Municipality and any other monies as may be prescribed, as well as all disbursements for the payment of creditors, salaries and wages and any other monies due.

5. FINANCIAL IMPLICATIONS

	YEAR 1 2019/2020	YEAR 2 2020/2021	YEAR 3 2021/2022	YEAR 4 2022/2023	YEAR 5 2023/2024
SCOA description:	MRC – Acc Services – Operational Cost Bank Charges				
SCOA cost account:	10180221580000				
Budget provision (Excl. VAT)	R1 600 000	R1 680 000	R1 764 000	R1 852 200	R1 944 810
Balance available (Excl. VAT)	R1 600 000	R1 680 000	R1 764 000	R1 852 200	R1 944 810
Estimated expenditure in the case of tariffs (Excl. VAT)	R1 369 547.08	R1 410 312.25	R1 493 962.39	R1 581 962.33	R1 674 538.26
Estimated total project cost (Excl. VAT)	R7 530 322.31				

6. NEXT STEPS

Members of the local community and other interested persons are invited to submit to the Municipality their comments or representations in respect of the proposed long term agreement as set out above.

The Municipality will solicit and receive the views and recommendations of stakeholders, including National and Provincial Treasuries and the National Department responsible for local government.

The proposed long term agreement and all comments and views received pertaining to the proposed agreement will be presented to Council on 26 June 2019 for authorization to enter into the long term agreement.



Navrae:
Enquiries: B A King

Lêerverwysing: SC1933/2018
File Reference:

Datum: 16 April 2019
Date:

KANTOOR VAN DIE MUNISIPALE BESTUURDER /
OFFICE OF THE MUNICIPAL MANAGER

To: National Treasury – Messrs TV Pillay & W McComans
Provincial Treasury Western Cape – Mr Z Hoosain
Co-operative Governance and Traditional Affairs (COGTA) – Mr T Lebohlang

CONTRACT NO.: SC1933/2018 PROPOSED LONG TERM CONTRACT FOR THE PROVISION OF BANKING SERVICES: NOTICE IN TERMS OF SECTION 33 OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT NO. 56 OF 2003).

In terms of Section 33(1)(a)(ii) of the Local Government Municipal Finance Management Act, 2003 (Act no 56 of 2003), you are hereby notified of the Overstrand Municipality's intent to enter into a contract which will impose a financial obligation beyond the three years covered in the annual budgets for the 2019/2020 to 2023/2024 financial years.

In order for you to express your views and recommendation(s) as required, please find attached the following:

1. Annexure A: Information Statement
2. Annexure B: Draft Contract
3. Annexure C: Advertisement inviting the local community and interested stakeholders to submit representations or comments on the amendment of the existing contract for a period beyond three years.

Please express your views and recommendation(s) to the undersigned on or before 23 May 2019, in order for the local council to take all representations into account for decision making, giving effect to section 33(1)(b)(iv) of the MFMA.

Yours sincerely

CC GROENEWALD
MUNICIPAL MANAGER
S. Madikane
ACTING MUNICIPAL MANAGER

Office of the
Municipal Manager

MEMORANDUM

Kantoor van die
Munisipale Bestuurder

e-mail: cgroenewald@overstrand.gov.za

Tel: 028 – 313 8003

Fax: 086 568 9726

The Executive Mayor

APPOINTMENT OF ACTING MUNICIPAL MANAGER

Section 56(1)(a)(ii) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) as amended by section 3 of the Local Government: Municipal Systems Amendment Act, 2011 (Act 7 of 2011) with effect from 5 July 2011, provides as follows:

"A municipal council, after consultation with the municipal manager, must appoint-

- (i)
- (ii) *an acting manager directly accountable to the municipal manager under circumstances and for a period as prescribed."*

Council resolved on 1 June 2011 *inter alia* as follows:

"Item 7: DELEGATED POWERS TO EXECUTIVE MAYOR

RESOLVED (UNANIMOUSLY)

1. *that the Principles and Conditions of Delegation, pages 30-36 to item 7 which served before Council on 1 June 2011, be re-confirmed; and*
2. *that all powers not reserved by law for full council, be delegated to the executive mayor."*

The Municipal Manager will be out of the office from 8 April 2019 to 3 May 2019. It is recommended that you appoint Mr Solomzi Madikane as Acting Municipal Manager for the period 8 to 18 April 2019 and Ms Santie Reyneke-Naudé from 23 April 2019 to 3 May 2019, in terms of your Delegated Powers referred to above.


C GROENEWALD
MUNICIPAL MANAGER

4 / 4 / 2019

Recommendation approved / not approved / approved with the following amendments:


ALD DUDLEY COETZEE
EXECUTIVE MAYOR

4 / 104 / 2019

PO Box 20
HERMANUS
7200

Posbus 20
HERMANUS
7200