



## REVIEWED SERVICE LEVEL AGREEMENT

ENTERED INTO BETWEEN

### **SOUTH AFRICAN SOCIAL SECURITY AGENCY**

An Agency established in terms of section 2 of the South African Social Security Agency Act, 2004 (Act 9 of 2004), herein represented by **MS TBJ MEMELA** in her capacity as the **Chief Executive Officer**, duly authorized hereto

(herein referred to as "SASSA")



AND

### **SOUTH AFRICAN POST OFFICE SOC LIMITED**

A public company incorporated in terms of the Companies Act, 2008 (Act 71 of 2008), registration number: 1991/005477/30, herein represented by **MS R LANGA** in her capacity as **Acting Group Chief Executive Officer**, duly authorized hereto

(herein referred to as "SAPO")



(Both hereafter collectively referred to as "the Parties")

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## **1. DEFINITIONS & INTERPRETATION**

The General standards pertaining to the Definitions are as follows:

- 1.1. The headings of the clauses in this Service Level Agreement are for the purpose of convenience and reference only, and shall not be used in the interpretation nor to modify or amplify the terms of this agreement or any clause hereof.
- 1.2. Any expression which denotes any gender includes the other gender.
- 1.3. Unless the context clearly requires a different interpretation, any reference to:
  - 1.3.1 the singular includes the plural and vice versa; and
  - 1.3.2 natural persons includes juristic persons and vice versa.
- 1.4. Where appropriate, meanings ascribed to defined words and expressions in clause 1.12 of this Agreement shall impose substantive obligations on the Parties.
- 1.5. Words and phrases defined in the main body of this Agreement shall bear the same meanings in the Annexes to this Agreement where such words or phrases are not specifically defined.
- 1.6. Words and expressions defined in any sub-clause shall, for the purposes of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause.
- 1.7. If any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it is

only in the definition clause, effect shall be given to it as if it were a substantive provision in the body of the Agreement.

- 1.8. When any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday, however given that Saturdays are normal business days for SAPO, operations may happen at SAPO branches by mutual agreement, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday.
- 1.9. The use of the word "including" followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule (i.e. the rule that a general word or clause is restricted in meaning to the same class as the specific words which precede it) shall not be applied in the interpretation of such general wording or such specific example/s.
- 1.10. The terms of this Agreement having been negotiated, the *contra proferentem* rule (i.e. that words should be interpreted against the stipulator) shall not be applied in the interpretation of this Agreement.
- 1.11. Any reference to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation as at the Effective Date, and as amended or substituted from time to time.
- 1.12. The following expressions shall bear the meanings assigned to them below:
  - 1.12.1 "Act" means a written law passed by a legislative body. The relevant Acts governing the SLA includes the following:
    - 1.12.1.1 Constitution of the Republic of South Africa, 1996

(Act No. 108 of 1996)

1.12.1.2 Social Assistance Act, 2004 as amended (Act No. 13 of 2004)

1.12.1.3 South African Social Security Agency Act, 2004 (Act No. 9 of 2004)

1.12.1.4 Inter-governmental Relations Framework Act, 2005 (Act No. 13 of 2005)

1.12.1.5 Companies Act, 2008 (Act No 71 of 2008)

1.12.1.6 Postal Services Act, 1998 (Act No. 124 of 1998)

1.12.1.7 Protection of Personal Information Act, 2013 (Act No. 4 of 2013)

1.12.1.8 South African Labour Relations Act, 1995 (Act No. 66 of 1995)

1.12.1.9 Public Finance Management Act, 1999 as amended (Act No.1 of 1999)

1.12.1.10 Value Added Tax Act, 1991 as amended (Act No. 89 of 1991)

1.12.2 **“Access Channels”** refers to facilities such as Cash Pay Points (“Cash Pay Point”), SAPO branches and National Payment Infrastructure (NPS), where physical withdrawal of social grants is done

1.12.3 **“Agreement”** refers to the Master Service Agreement (MSA) as “The Agreement” and the Service Level Agreement as “This Agreement”

1.12.4 **“Alternative Identification”** means the documents as prescribed by SASSA in terms of Regulation 11(1) of the Social Assistance Act;

1.12.5 **“Beneficiary”** an eligible person who receives social assistance through the payment of a Social Grant inclusive

of SRD where applicable, in terms of the Social Assistance Act.

For purposes of this Agreement, refers only to Beneficiaries who have not elected to receive payment of the Social Grant into a private bank account;

1.12.6 **“Biometric”** means the method by which a person is uniquely identified by evaluating one or more distinguishable biological traits, based primarily on fingerprints;

1.12.7 **“Business Day”** means any day other than a Saturday (unless mutually agreed), Sunday or official public holiday in the Republic of South Africa;

1.12.8 **“Calendar Month”** means a period from the first day of the month to the last day of the month;

1.12.9 **“Card Reader”** means an electronic device that reads the data stored on a card;

1.12.10 **“Card Replacement”** means re-issuing of a new Social Grants Payment card to the Beneficiary to replace the previously issued card;

1.12.11 **“Cash In Transit”** (CIT) is the physical transfer and safeguarding of bank notes from and to Payment Access Channels i.e. SAPO branches and Cash Pay Points (“Cash Pay Point”)

1.12.12 **“Cash pay point”** (Cash Pay Point) means a place approved by SASSA for the physical payment of Grants, which may be fixed structure or mobile;

1.12.13 **“Child”** means any person under the age of 18 (eighteen) years who is entitled to benefit from the payment of a Social Grant in terms of the Social Assistance Act

1.12.14 **“Children”** shall have a corresponding meaning;

1.12.15 **“Data”** means all information including biometrics of beneficiaries obtained by SAPO through the implementation of this Service Level Agreement;

1.12.16 **“Effective Date”** means 1ST October 2018, notwithstanding the date on which the Service Level Agreement has been signed by the Parties.

1.12.17 **“Europay MasterCard and Visa” (EMV)** means the global standard for credit and debit payment cards based on chip card technology;

1.12.18 **“Entity”** includes any association, business, close corporation, sole propriety, company, concern, enterprise, firm, partnership, joint venture, person, trust, undertaking, voluntary association with distinct and independent existence

1.12.19 **“Equipment”** means the essential item/s, such as computers, peripherals, card readers, scanners, printers, biometric fingerprint readers, wireless routers, signal boosters and call centre equipment (telephone instruments and cordless headsets), required for the purposes of effective, efficient payment of social grants in an economical manner

1.12.20 **Foster Child** means any child who has been placed in foster care of any foster parent in terms of the Children's Act 38 of 2005 ;

1.12.21 **Foster Parent** means a person who has foster care of a child by order of the children's court, in terms of the Children's Act 38 of 2005;

1.12.22 **"Inter-Ministerial Committee (IMC)"** means Inter-Ministerial Committee on Comprehensive Social Security;

1.12.23 **"Industrial Action"** means any labour protest action; strike; lock-out; and any general retardation of work, whether unprotected or protected by legislation and as further comprehensively defined by the South African Labour Relations Act, 66 of 1995 and other relevant regulatory legislation;

1.12.24 **"Intellectual Property"** means any computer software, material, name, concept, training material, training instruments, copyright in documents, patentable or non-patentable inventions, discoveries and improvements, patent, trade mark, trade name, drawings, designs, operational analysis, technology and know-how or other intellectual property;

1.12.25 **"Integrated Community Outreach Programme" (ICROP)** is the increased service delivery footprint programme to ensure accessible services closest to communities within a designated municipal ward;

1.12.26 **"Invoice"** means an original tax invoice reflecting the amount owing by SASSA to SAPO and which conforms to the



provisions of the Value Added Tax Act, 1991; and Tax Invoice shall have a corresponding meaning;

1.12.27 **“Large Amount”** refers to any amount payable to an eligible beneficiary which exceeds R5 000 in total.

1.12.28 **“Month”** means a calendar month, being one of the 12 (twelve) periods into which a year is divided;

1.12.29 **“National Payment System”** (NPS) means the National Payment System, which is one of the pillars of financial stability of the economic system.

1.12.30 **“Parties”** means the South African Social Security Agency (SASSA), which has been established in terms of section 2 of the South African Social Security Act, 2004; and the South African Post Office SOC Ltd (SAPO) established in terms of the Companies Act, 2008 (Act No 71 of 2008);

**“Party”** means either SASSA or SAPO as the case may be;

1.12.31 **“Payment”** means the loading of a Social Grant in the individual Special Disbursement Account (SDA) due to a beneficiary, as per SASSA instruction as contained in the payment file as processed via bankserv; as well as ensuring access to that grant through various Access Channels like cash pay point (Cash Pay Point), SAPO branches and NPS infrastructure;

1.12.32 **“Payment cycle”** means the period of approximately a month in which Payments are allowed to be effected by SAPO in accordance with the SOCPEN Payment extraction

and cut-off schedules; and which will be agreed to by the Parties from time to time

1.12.33 **“Pay Day”** means the Business Day in any given Payment Cycle upon which Payment is to be made by SAPO as specified in the payment schedule;

1.12.34 **“Payment Extraction”** means the downloading of the Social Grants Payment report as generated from SOCPEN;

1.12.35 **“Payment File”** means the electronic information provided to SAPO by SASSA, which contains all the information needed to effect Payments to Beneficiaries;

1.12.36 **“Pay Master General” (PMG)**: Is the cash account held in the South African Reserve Bank from which grants monies are distributed

1.12.37 **“Payment Methodology”** means the payment methods of Social Grants as provided for in the Regulations, which facilitates the Payment of Grants to Beneficiaries at designated Pay-Points or through other alternative payment channels;

1.12.38 **“Payment Schedules”** means the Payment times, dates and venues agreed upon between SASSA and SAPO;

1.12.39 **“Payment Association of South Africa (PASA)”** means the payment system management body recognised by SARB in terms of the National Payment Systems Act of 1998, to organise, manage and regulate the participation of its members in the payment system;

- 1.12.40 **“Payment Period”** means the number of days starting from the first day to the last day in which payments is made during a specific payment cycle;
- 1.12.41 **“Payment Team”** means SAPO's employees responsible to effect payment of Grants during the Payment cycle;
- 1.12.42 **“Personal Information”** as defined in the Protection of Personal Information Act, 4 of 2013, as amended from time to time, including the Regulations issued in terms of that Act ('POPI Act'). This agreement contemplates the Personal Information pertaining to the Parties and their respective affiliates and subsidiaries, as well as to their employees, members, clients, and officials, as the case may be. Personal information shall include special personal information as defined in the POPI Act.
- 1.12.43 **“PIN”** means Personal Identity Number for collection of social grants linked to the Social Grants Payment card;
- 1.12.44 **“Private Security Industry Regulatory Authority”(PSIRA)** is the responsible authority to oversee the legitimacy of the private security industry;
- 1.12.45 **“Procurator”** means a person appointed by the beneficiary or SASSA to apply for and/or receive the social grant on behalf of the beneficiary, as provided for in the Social Assistance Act;
- 1.12.46 **“Special Disbursement Account (SDA)”** means an account for depositing of social grant/s for each beneficiary held with SAPO;

- 1.12.47 **“Services”** means the services provided by SAPO to SASSA to effect payment of social grants as detailed in clause 6 in this agreement;
- 1.12.48 **“SAPO”** means South African Post Office (SAPO) SOC Ltd established in terms of the Companies Act, 2008 (Act No 71 of 2008);
- 1.12.49 **“Social Assistance”** means a social grant including Social Relief of Distress (SRD) as provided for in the Social Assistance Act
- 1.12.50 **“Social Grant”** means a child support grant, a care dependency grant, a foster child grant, a disability grant, an older person's grant, a war veteran's grant and a grant-in-aid as provided for in the Social Assistance Act
- 1.12.51 **“Socpen”** means the SASSA data management and social pension system
- 1.12.52 **“Stop Payment”** refers to the temporary withholding of payment or ability to withdraw the grant from the SDA of affected beneficiaries upon SASSA's instruction;
- 1.12.53 **“South African Reserve Bank (SARB)”** means the institution responsible for the formulation and implementation of the monetary policy of South Africa
- 1.12.54 **“Sub- Contractor”** means the party or parties contracted by SAPO to render services on behalf of SAPO for the duration of the contract, while the overall responsibility and accountability of those services remain with SAPO;

1.12.55 **“Systems”** means the systems used by SAPO to deliver the services set out in this agreement from time to time, which as at the signature date include the Biometric Engine, the Integrated Grant Payment System (IGPS), system interfaces, network connections, SAPO’s point of sale system including its peripherals to enable cash withdrawals at SAPO branches and the hardware and software in use at Cash Pay Points (“Cash Pay Point”);

## **2. INTRODUCTION**

**2.1** The Parties have entered into and signed a MSA on 28 September 2018

**2.2** The parties hereby formalise their business relationship by concluding this agreement that regulates all aspects of their business and working relationship.

**2.3** The terms of the agreement are incorporated into this agreement by reference as if set forth in full in this agreement subject to any variations to the terms of the agreement as described in this agreement.

**2.4** Save to the extent agreed upon to the contrary in this SLA, the Parties to this SLA shall be bound to the terms and conditions of the MSA.

**2.5** Any lawful modifications or amendments to the terms of the MSA, executed in accordance with the provisions of that agreement, shall also be applicable to this SLA, without requiring any further amendment to be executed under this SLA.

## **3. APPOINTMENT**

**3.1** SASSA appointed SAPO, who accepted such appointment to provide the Services, in terms of the conditions set out in this SLA.

SAPO declared that it has sufficient knowledge and expertise in all aspects of the Services and has the level of skill and experience to perform the Services. SAPO shall use its best endeavours, care and skill in performing all its obligations in terms of this SLA.

#### **4. DURATION**

- 4.1** Notwithstanding the date of signature by the Parties, this Agreement shall commence on 01 April 2021, and shall continue until final delivery of the Services as per this SLA and/or any approved Change Order.
- 4.2** Notwithstanding the provisions of clause 4.1, Parties may cancel this SLA in its sole discretion and for any reasons as per Clause 5 of the MSA, by giving the other Party 18 (eighteen) month's written notice of such intent to terminate the services.
- 4.3** Any work already performed by SAPO in terms of this SLA shall be paid for by SASSA up until the date of termination agreed to.

#### **5. REVIEW**

- 5.1** The terms of this SLA and the performance of either Party is subject to review.
- 5.2** The Performance Reports must be tabled at the National Payment Oversight Committee monthly for consideration
- 5.3** This SLA must be reviewed annually to redress and optimise so as to ensure relevance to the SASSA business operating model by 31 March of the same financial year and be implemented on 1 April of the following financial year.

- 5.4 Any Change Requests initiated by the Parties for the duration of the SLA and approved Changed Orders will be regarded as mechanisms of review

## 6. SCOPE OF SERVICE

Subject to the terms and conditions of this SLA, SAPO shall provide the Services as set out below:

- 6.1 Develop and implement an effective and efficient Payment System to pay social assistance benefits;
- 6.1.1 Develop effective and efficient Payment Systems which provide for the distribution of SRD and other social security benefits, as indicated in Clause 14.1.3
- 6.2 provide electronic banking services through the SDAs;
- 6.3 ensure that the Systems provide accurate, real time management information, such as real time reports on payments effected; use of the SDA by Beneficiaries and procurators, as well as Access Channels utilised;
- 6.4 Enable designated SASSA staff as approved by the Executive Manager: Grants Administration to have real time access to SAPO IGPS and to provide training to SASSA staff to enable them to utilise the Systems optimally. To the extent necessary, SAPO shall assist SASSA to obtain a software license or other permission to monitor and view the data on the Systems. Such licence or permission shall subsist for the duration of this Agreement.

- 6.5. Money must be available in all payment channels to ensure that every beneficiary and procurator access their Social Grants.
- 6.6 SASSA/SAPO social grant payment card must operate in all access payment channels within the NPS infrastructure.
- 6.7 SAPO is to make arrangements for sufficient cash to ensure that 100% of the beneficiaries and procurators are paid.
- 6.8 Payment must takes place within the Norms and Standards set by SASSA.
- 6.9 Guarding services must ensure that beneficiaries and procurators are safe to transact at all SAPO branches and CPPs.
- 6.10 Provide for the Payment of Social assistance benefits through biometric Verification Method acceptable standard within the banking environment once the standard within the banking environment has been implemented by the industry.
- 6.11 Provide for biometrically enabled withdrawals for beneficiaries and procurators who are unable to utilise a pin at SAPO branches and cash pay-points;
- 6.12 Provide payment services to special categories of beneficiaries and procurators who are registered on SASSA System with system generated numbers as well as any other social assistance benefits which may be approved by SASSA in the course of this contract.
- 6.13 SRD must be paid within 5 working days in line with SASSA SRD workflow. SOCPEN modification to link SRD applicants to the nearest SAPO branch.
- 6.14 Procure and keep sufficient stock of cards which comply with the requirements of SASSA and distribute the cards to Beneficiaries and Procurators in accordance with agreed procedures and instructions.



- 6.15 provide integrated call centre services for payment enquiries,
- 6.16 Provide SASSA/SAPO Risk and Fraud Management Plans as it relates to grant disbursement and report on its status at the relevant Payment Governance Structure
- 6.17 Manage the stock of SASSA/SAPO Social Grant Payment cards to ensure that all cards issued ,lost, stolen or misplaced are accounted for at all times in terms of the SAPO Card Storage and Maintenance Procedure

## **7. SERVICES PROVISION STANDARDS**

- 7.1 SAPO hereby agrees to provide the Services, in accordance with the standards as detailed in Annexure "A" to this SLA to ensure compliance with the following overarching requirements;
  - 7.1.1 Render a service at the designated locations agreed between the Parties
  - 7.1.2 Respect the laws and customs of the provinces in which services are conducted
  - 7.1.3 Maintain professional and ethical conduct at all times as agreed as per the employee code of conduct of the respective Parties
  - 7.1.4 Together with SASSA, limit opportunities for fraudulent transactions
- 7.2 Annexure A details the service standards required for each of the following:
  - 7.2.1 Governance Arrangements
  - 7.2.2 Systems
  - 7.2.3 Cards

- 7.2.4 Access Channels
- 7.2.5 Beneficiary Services
- 7.2.6 Security
- 7.2.7 Management of Payment File
- 7.2.8 Reporting

- 7.3 In the case of any additional services not stated above, the Parties will then follow the change request process, as defined in the agreement to negotiate reasonable costs payable to SAPO cognisant of SAPO's ability and competencies to deliver on the type of additional services required
- 7.4 SAPO is not allowed to sub-contract any of the required services without prior consultation and agreement with SASSA

## 8. BENEFICIARY ON-BOARDING

- 8.1 SAPO will administer the following on-boarding processes in SAPO branches,
- 8.1.1 SAPO must make available all the resources needed for Beneficiary on-boarding and manage Beneficiary information responsibly, taking every precaution to protect Beneficiary Information
- 8.1.2 The On-boarding process includes the following activities;
- 8.1.2.1 Account opening and card issuance of beneficiaries and authorised procurator who choose to be paid using the Social Grants Payment card entails the capturing and registration of the following data:
- 8.1.2.2 Name, Surname, 13-digit identification number an/or alternative system generated number (7777) of the

beneficiary as well as the identifying information of the Procurator linked to that Beneficiary with a valid cell phone number (if available) for monthly SASSA approved short messaging service (sms) to confirm the deposit of the grant into the SDA and any other activity on the SDA as agreed to by both parties.

8.1.2.3 Two (2) fingerprints that will be used to validate the beneficiary and/or Procurator against HANIS until such time that the SASSA database is operational.

8.1.2.4 The place of on-boarding.

8.1.2.5 On boarding officer's details,

8.1.3 If and when required home visits will be conducted for account opening, card issuance and replacement for the frail, bedridden and over 75 years.

8.1.4 SAPO shall ensure that on boarding of beneficiaries, Data capturing, data storage, Data transfer and Data management, including Reporting is maintained as per the SLA standards

8.1.5 All Data and the format thereof in respect of on-boarding ,Payment, reconciliations , statistical and management information files have to comply with SASSA linkage specifications as set by SASSA

8.1.6 SAPO must ensure that the 13 digit identification number or Alternative identification number (7777) issued by SASSA is used for on-boarding approved Beneficiaries and/or Procurators

8.1.7 Where a list of beneficiaries for pre-opening of accounts is issued by SASSA to SAPO, SAPO must ensure the following:

The account opening and card issue of the beneficiaries in 8.1.7 must follow the same process as stipulated in 8.1.

8.1.8 The Biometric Data captured during on-boarding shall be used for matching and authenticating during the Payment process. SAPO's Payment solution must allow and enable these Business Functions

8.1.9 The SAPO must verify the identity of all beneficiaries and procurators against SASSA database before on-boarding.

8.1.10 SAPO's system must interface with all relevant systems used by SASSA for biometric registration when SASSA Biometric data is available

8.1.11 SAPO must ensure that the 13 digit identification number or Alternative identification number (7777) issued by SASSA remains the primary identifier of any beneficiary , and must be used for reporting purposes

## 8.2 On-boarding infrastructure

8.2.1 SAPO must ensure that all on-boarding equipment is at all times fully capacitated and functional to capture all the relevant data and that staff are adequately trained;

## 9. PAYMENT CARDS

**9.1** SAPO must issue a **Social Grants Payment** card to every beneficiary and procurator **on account opening** under the following conditions :

**9.1.1** There is a **positive biometric match**

**9.1.2** **Over-ride for disabled, aged or in exceptional circumstances is reported to SASSA**

**9.2** SAPO must ensure that **Social Grants Payment** card provides for enhanced protection of the information and is durable and able to withstand rigorous use.

**9.3** The following information must be stored in the card.

**9.3.1** Biometric information of the beneficiary and/or **procurator** where applicable;

**9.4** Ensure that the card is able to interoperate with the banking infrastructure connected to the NPS or Pay Point infrastructure in order to provide the beneficiary with full flexibility of choice.

**9.5** SAPO must provide the first card at no cost to SASSA or the beneficiary.

**9.6** Only one card will be issued to the beneficiary irrespective of the number of Grants that the beneficiary receives, and no cards will be issued to children.

**9.7** **The social grant payment card must enable withdrawal by the beneficiary and/or procurator using PIN or biometrics.**

**9.8** In terms of Card Replacement;

- 9.8.1 SAPO shall, in the case of technical fault, on demand by the beneficiary, be responsible for the replacement card at its own cost.
- 9.8.2 SAPO shall replace cards that are lost/damaged within 3 (three) Business Days after the beneficiary has notified SAPO to enable collection of the card by the beneficiary before or during the next payment cycle as specified on the Card replacement application
- 9.8.3 In cases of damaged or lost cards, the first replacement will be free and any subsequent replacement of the same beneficiary card will be at the beneficiaries' cost, which cost shall not exceed the agreed fee
- 9.8.4 The transaction fee (cost) of any subsequent replacement card, in addition to card replacement referenced to in paragraph 9.8.3 in this agreement, as requested by the beneficiary, must be indicated on a signed document, as notice to and acknowledgement by the Beneficiary of the transaction cost due during the next payment cycle.

## **10. Special Disbursement Account (SDA)**

### **10.1 The SDA shall entitle each Beneficiary to-**

- 10.1.1 One (1) free mini statement from any ATM per payment cycle;
- 10.1.2 One (1) free balance enquiry from any ATM per payment cycle;
- 10.1.3 One (1) free three (3)-month bank statement per month from a SAPO branch;
- 10.1.4 Three (3) free cash withdrawals from a participating point of sale merchant, per payment cycle;

- 10.1.5 One (1) free cash withdrawal at a SAPO facility per payment cycle;
  - 10.1.6 One (1) free card and one (1) free replacement card a year;
  - 10.1.7 unlimited free point of sale purchases at all merchants who accept VISA cards;
  - 10.1.8 SAPO will change card fee in line with agreed fee structure which is revised annually, this must be concurrence by SASSA.
  - 10.1.9 one(1) free SMS notification per month to notify the beneficiary as soon as the money is available in the SDA, to **beneficiaries who provided** a valid cell phone number linked to the beneficiary's account
  - 10.1.10 Any costs for any additional SMS notifications, to inform beneficiaries, where applicable, of withdrawals from the account, card replacement, PIN reset and/or card issuance will be agreed to by the Parties.
- 10.2** No deposits, unless authorised by SASSA, other than the Social Grant shall be permitted in the SDA.
- 10.3** No deductions of any nature may be made on the SDA.
- 10.4** SAPO is permitted to levy charges on the SDA for services provided in excess of the limits set out in this clause 10, to the extent such charges have been approved by SASSA and have been clearly explained to the Beneficiaries as being a transaction cost and not a deduction. The receipt issued to every Beneficiary must clearly indicate the value of the grant deposit and any transaction costs levied for services in excess of the approved bundle of services.

## **11. GRANTS FUNDING, PAYMENT AND RECONCILIATION**

### **11.1 FUNDING**

11.1.1. SAPO will distribute Social Grants to Beneficiaries who have elected to receive their Social Grant into the **Social Grants Payment card** by electronic transfer of funds.

11.1.2. SAPO will distribute Social Grants to Beneficiaries who have elected to receive their Social Grant into the Social Grants Payment card through any access channel

11.1.3. At the Cash Pay Points, SAPO must **dispense cash to beneficiaries as well as provide receipt as proof of payment indicating the next date payment**

11.1.4. SASSA may instruct SAPO to stop payment of a Social Grant to one or more Beneficiaries after the Pay File is submitted but prior to the funds being accessed by the Beneficiary and SAPO shall comply with such request provided that such request complies with the NPS rules and other financial regulations as agreed between the Parties.

### **11.2 DISBURSEMENT**

11.2.1. **Disbursement of cash** to Beneficiaries will take place over a period of a payment cycle, in accordance with the Payment Schedule

11.2.2. The Parties must agree on the above referred Payment Schedule 6 (six) months in advance. Any changes to the agreed schedule must be done by giving thirty (30) days' notice and the amendment must be signed off by both Parties.



11.2.3. SAPO shall ensure that as soon as a grant application has been approved by SASSA, and the beneficiary has elected to receive payment through the Social Grants Payment card, that the account of beneficiary is opened

11.2.4. Payment at Cash Pay Points ("Cash Pay Point") must be available during Business Days and Payment teams are not to leave the fixed Pay-Points earlier than fifteen (15) minutes after the last Beneficiary has been paid.

11.2.5. Cash Payment of Grants at any Pay Point, whether portable or mobile, is not to continue after 16h00, or take place on days not designated as Pay Days, except by arrangement by both Parties.

11.2.6 Where false rejection of fingerprints occur, pay the Beneficiaries on the presentation and identification of a valid South African 13 (thirteen) digit bar coded identity document or acceptable Alternative identification, subject to written approval and positive identification by a SASSA official.

### 11.3 RECONCILIATION

SAPO shall ensure that;

11.3.1 Social Grant Payments are done by paying the right amount, to the right person and at the right (agreed) time and place;

11.3.2 SAPO must provide a reconciliation between the payment file and the actual disbursement made with the following details :

- Beneficiaries who access or not accessed their funds;
- Grant money not accessed in that month;

- Casual illness payment effected; and all other aspects relevant to confirm the accuracy of the Invoice
- Breakdown of access channels utilised per region
- Incorrect payments made pending investigation by SAPO
- Large amounts disbursed
- SRD distributed

11.3.3 investigation shall inform the final decision in this regard, as mutually agreed by the Parties

## **12. INVOICING AND PAYMENT OF INVOICES**

- 12.1** It is recorded that SASSA has made an advanced payment to SAPO in the amount of R541 million (Five Hundred and Forty one million rand), which SAPO shall repay through 10% deduction from the Service Fee payable to SAPO in terms of the Master Services Agreement. This repayment deduction is effective from the October 2018 Service Fee payable until such time that the advanced payment is repaid in full
- 12.2** The Parties acknowledge that the advanced payment of R541 million has been recorded in SASSA's financial records as debt to be set-off against SAPO's Service Fees with effect from 1 October 2018
- 12.3** All invoices shall include Value Added Tax (VAT)
- 12.4** All payments from SASSA to SAPO shall be in South African Rand
- 12.5** Payment of invoices shall be effected within 30 days of receipt of correct and original invoice and statement. Statements relating to

the invoice should be submitted to SASSA together with the original invoice to enable SASSA to conduct a proper reconciliation

- 12.6 Invoices must be supported by a full Statement confirming reconciliation as per clause 11.3.2
- 12.7 Statements, Invoices and all supporting documentation in relation to the previous month must be received on /before the end of 15 working days excluding weekends and public holidays.
- 12.8 If SAPO's documentation is incomplete or incorrect, payment of the invoice shall be delayed until the correct documents are received and agreed upon by both Parties
- 12.9 If SAPO's reconciliation includes transaction pending investigation, SAPO shall pass credit/debit notes to be effected in the follow-up invoice considering clause 11.3.2
- 12.10 SASSA to verify the service fees due prior to payment. If the reconciliation and statements are not submitted the payment will be delayed.
- 12.11 Should an amount owed to SASSA arising from any penalty implemented remain outstanding for a period of 45 (Forty five) days from the date on which it was due, SASSA may set-off the amount owing against the amount payable to SAPO the following month
- 12.12 Payment shall be effected by means of an electronic bank transfer to the following account:

ACCOUNT HOLDER:	South African Post Office SOC Ltd
BANK:	Standard Bank
BRANCH:	Pretoria
BRANCH CODE:	010045
ACCOUNT NUMBER:	010547002
REFERENCE NUMBER:	System Generated Unique per payment

- 12.13 Any money owing to either Party shall not accrue interest, notwithstanding the circumstances which caused the delay in the payment of such amounts

### 13. PAYMENT DATA

- 13.1 SASSA will make available a weekly database of all changes on the original database supplied to SAPO as per the agreed specification.
- 13.2 SASSA shall make available to SAPO a payment file, via Bankserv every month as per an agreed schedule.
- 13.3 SASSA will provide SAPO with a data file of beneficiaries who do not have a SAPO account number.
- 13.4 SAPO shall provide SASSA with account numbers in respect of beneficiaries who received a Social Grants Payment card weekly on a Monday by 10:00. SASSA will provide SAPO with a data file of beneficiaries who do not have account numbers by 17:00 on a Friday before the payment extraction run. SAPO will return the results by 10am on Saturday on the day scheduled for payment extraction run.

Should the information not be received on time, the payment file run will continue without the SAPO Missing accounts beneficiaries. SAPO is obliged to submit the Missing accounts file by Monday 15:00 following the payment extraction weekend to enable SASSA to execute and additional payment file extraction.

SAPO will be liable for any costs incurred to execute the additional payment extraction

- 13.5 SASSA shall update the account details of these beneficiaries on the SOCPEN system and this information will be used to effect the payment extraction file for the next payment cycle.
- 13.6 Annual SOCPEN and Data exchange schedules will be drafted and signed in October of every year. No change to this schedule will be effected, unless agreed to in writing by both parties.

#### 14. SAPO OBLIGATIONS

- 14.1 SAPO shall take all necessary steps to ensure that the right social assistance benefits is timeously paid to the correct Beneficiary or Procurator. In that, SAPO shall;
  - 14.1.1 open an SDA for each Beneficiary whose application has been approved by SASSA and who has chosen the Social Grants Payment card as the method of payment;
  - 14.1.2 Distribute social assistance benefits in accordance with clause 11 of this SLA;

14.1.3 Make provision to pay SRD as well as other social security benefits, as and when directed by SASSA using creditable identification (identity document (ID), and temporary ID to ensure that the eligible Beneficiary and procurator is paid

14.1.4 develop, together with SASSA, messages to be communicated to Beneficiaries and other interested parties and to communicate these messages in a manner approved by SASSA;

14.1.5 procure and keep sufficient stock of cards which comply with the requirements of SASSA and distribute the cards to Beneficiaries in accordance with clause 9 of this agreement;

14.1.6 procure or lease suitable Cash Pay Points ("Cash Pay Point") in accordance with paragraph 8.6 of the agreement

14.1.7 perform biometric authentication of Beneficiaries and/or Procurators when making a withdrawal at a cash pay point ("Cash Pay Point") and/or a SAPO branch;

14.1.8 respond to and resolve enquiries from Beneficiaries and other interested parties regarding the payment of Social Grants in accordance with clause 8, paragraph 8.8 of the agreement;

14.1.9 Manage its personnel in accordance with clause 11 of the agreement;

14.1.10 Adhere to the Norms and Standards in the payment of Social Grants;

14.1.11 Participate in the Steering Committee in accordance with Part D of the agreement; and

14.1.12 Adhere to its undertakings in this signed SLA which has been signed by both Parties.

14.1.13 Provide information on new accounts opened and all other information that may be relevant to the operationalization of this agreement, to SASSA within the time frames agreed.

14.1.14 SAPO shall ensure that funds are available in individual accounts of beneficiaries at 00:01 on the scheduled action date.

14.1.15 SAPO shall make available payment details of SASSA beneficiaries as agreed

14.1.16 SAPO shall provide SASSA through the Bankserv processes data files (EF 70 reports) of payments that were rejected.

14.1.17 Ensure that effective measures are in place to detect, prevent and report fraud

14.1.18 Ensure that all Payments are effected upon authentic verification.

14.1.19 Ensure that Payments to Beneficiaries are effected not in contravention with any laws.

14.1.20 Payment occurs under humane and dignified conditions in accordance with Batho Pele principles;

14.1.21 In the event that incorrect Payments are made, SAPO shall be directly liable for any costs associated with the double

and/or short payments; the results/outcome of SAPO investigation shall inform the final decision in this regard, as mutually agreed by the Parties.

14.1.22 SAPO grants permission and undertakes to allow SASSA or its duly authorized representatives to conduct periodic auditing, monitoring and inspection

## **15. SASSA OBLIGATIONS**

**15.1** SASSA shall ensure that the administration of Social Grants occurs effectively and efficiently in that SASSA shall;

15.1.1 Informing SAPO of all Beneficiaries whose applications have been approved where the Beneficiary has elected to be paid through the Social Grants Payment card;

15.1.2 SASSA to send SAPO SRD payment file of beneficiaries/procurator who needs to be paid within 5 working days.

15.1.3 SAPO needs to inform SASSA on media related issues Develop, together with SAPO, messages to be communicated to Beneficiaries that impacts on SAPO. SASSA to endorse Media enquiries responses related to beneficiaries enquiries as per this contract before SAPO can communicate to beneficiary

15.1.4 Compiling a correct Pay file and submit to SAPO within 3(three) Business days prior to the payment date through the approved Bankserv process



15.1.5 SASSA must maintain an updated, effective and efficient Beneficiary biometric database when we implement beneficiary biometric enrolment.

15.1.6 Based on the locality model SASSA is to identify suitable Cash Pay Points in line with norms and standards which SAPO is to effect payments at. To establish, move or close a cash pay point

## **16. SECURITY**

**16.1** SAPO is responsible to provide CIT and Guarding Services as per service standards outlined in Annexure A of this agreement and must ensure that;

16.1.1 The safe and secure transportation of money provided.

16.1.2 Security team for each payment team shall consist of a minimum of 4 grade C armed security guards, registered with PSIRA.

16.1.3 All security officials mentioned above are in full branded uniform with visible nametags or identification cards.

**16.2** SAPO is responsible to provide Manned Security Services as per service standards outlined in Annexure A of the SLA, at all of its SAPO Branches where social grants are paid and shall do all things to ensure that the Manned SAPO Security Officials act in terms of the Control of Access to Public Premises and Vehicles Act No. 53 of 1985 (as amended)

16.2.1 SAPO will ensure that security officials with necessary level of skill and expertise to perform the security and related

functions as per industry specific standards or prescripts are in place.

16.2.2 Security officers must at all times carry licenced firearms with ammunition and have in their position valid SAPS firearm competence certificate

16.3 Security Officers on duty must at all times have their valid PSIRA and SAPS firearm competence certificates on-site for purposes of verification during monitoring and to produce to any authorised SASSA official as and when required.

16.4 Security breach report and/or incident which is SASSA related must immediately be reported to designate SASSA Regional Security Manager.

16.5 Incidents reports on robbery must be submitted to SASSA Senior Manager Security within 1 hour of the incident.

16.6 SASSA Security Management must ensure that monthly Joint SLA meetings are convened or as and when the need arises. SAPO must participate in security sessions arranged by SASSA

## 17. GOVERNANCE RISK AND COMPLIANCE

17.1 SAPO and SASSA Risk & Compliance Managers to manage the risk & compliance exposure and mitigation controls, maintaining risk & compliance registers and reports accordingly.

17.2 SAPO Fraud Manager must develop Fraud Prevention Strategy and share with SASSA. SAPO must ensure that the strategy is implemented.

SAPO and SASSA Fraud Managers should collaborate on fraud preventative measures and investigations.

SASSA will monitor the strategy, provide report on non-compliance report and ensure implementation of corrective measures.

**17.3** The following table outlines the governance structures that must be established between the Parties;

GOVERNANCE STRUCTURE													
TYPE	COMPOSITION	MANDATE	FREQUENCY										
17.4.1 Joint Executive Committee (JEC)	<p>17.4.1.1 The DG-DSD will be appointed as the Chairperson</p> <p>17.4.1.2 The CEO's of the Parties shall appoint their Executive Committee members to the JEC</p> <p>17.4.1.3 The Membership is as follows:</p> <table><tr><th>SASSA</th><th>SAPO</th></tr><tr><td>(Hon) Minister of Social Development (MP)</td><td>(Hon) Minister of Post &amp; Telecommunication (MP)</td></tr><tr><td>CEO SASSA</td><td>CEO SAPO</td></tr><tr><td>EXCO SASSA</td><td>EXCO SAPO</td></tr><tr><td colspan="2">Designated DSD official must be appointed as Secretariat</td></tr></table>	SASSA	SAPO	(Hon) Minister of Social Development (MP)	(Hon) Minister of Post & Telecommunication (MP)	CEO SASSA	CEO SAPO	EXCO SASSA	EXCO SAPO	Designated DSD official must be appointed as Secretariat		<p>17.4.1.4 (i) Provide strategic political direction for effective, efficient delivery of the SASSA mandate to pay social grants</p>	<p>17.4.1.5 The JEC shall be convened bi-annually (September and March)</p> <p>Adhoc meeting may be convened when necessary</p>
SASSA	SAPO												
(Hon) Minister of Social Development (MP)	(Hon) Minister of Post & Telecommunication (MP)												
CEO SASSA	CEO SAPO												
EXCO SASSA	EXCO SAPO												
Designated DSD official must be appointed as Secretariat													

GOVERNANCE STRUCTURE													
TYPE	COMPOSITION	MANDATE	FREQUENCY										
17.4.2 National Payment Oversight Committee	<p>17.4.2.1 GM PCM shall be appointed as chairperson by Executive Manager Grants</p> <p>SASSA will appoint a member of the PCM Unit as Secretariat.</p> <p><u>Membership</u></p> <table><tr><th>SASSA</th><th>SAPO</th></tr><tr><td>PCM Forum members</td><td>GM Centre of Excellence SM: Operations Postbank</td></tr><tr><td></td><td>SM: Finance</td></tr><tr><td></td><td>GM: Communications</td></tr><tr><td></td><td>GM: ICT</td></tr></table>	SASSA	SAPO	PCM Forum members	GM Centre of Excellence SM: Operations Postbank		SM: Finance		GM: Communications		GM: ICT	<p>17.4.2.2 Responsible for considering the following :</p> <p>a. matters which require adjudication in accordance with the early warning list in terms of clause 28 in the agreement</p> <p>b. Resolve outstanding issues of performance in terms of the agreement</p>	<p>17.4.2.4 Monthly at venues agreed by the Parties</p>
SASSA	SAPO												
PCM Forum members	GM Centre of Excellence SM: Operations Postbank												
	SM: Finance												
	GM: Communications												
	GM: ICT												

GOVERNANCE STRUCTURE								
TYPE	COMPOSITION		MANDATE	FREQUENCY				
	<table><tr><td></td><td>SM: Risk and Compliance</td></tr><tr><td></td><td>SM: Security</td></tr></table>		SM: Risk and Compliance		SM: Security		<p>c. Overall management of working relationship by reviewing the written reports submitted by both Parties and resolution of issues raised therein which is mutually acceptable for both Parties</p> <p>d. Managing Change requests and Change orders duly signed by both Parties or delegated authority</p>	
	SM: Risk and Compliance							
	SM: Security							

GOVERNANCE STRUCTURE			
TYPE	COMPOSITION	MANDATE	FREQUENCY
		<p>17.4.2.3</p> <ul style="list-style-type: none"> <li>a) Ensure compliance to this agreement</li> <li>b) Resolving grant related payment matters</li> <li>c) Provide guidance to regions regarding payment matter, which were escalated and provide any support to lower governance structure</li> <li>d) Submit the quarterly performance review report to EM Grants</li> </ul>	

GOVERNANCE STRUCTURE											
TYPE	COMPOSITION	MANDATE	FREQUENCY								
		e) Consider Regional Performance reports									
17.4.3 Regional Payment Oversight Committee.	<div>17.4.3.1 The GM: Grants Administration shall be appointed as Chairperson by the REM.</div> <div>Memberships:</div> <table><tr><th>SASSA</th><th>SAPO</th></tr><tr><td>District Managers</td><td>Regional General Manager</td></tr><tr><td>SM/Managers PCM</td><td>District Senior Managers Manager Centre of excellence.</td></tr><tr><td>SM: BMU</td><td>Regional Rep: Communications</td></tr></table>	SASSA	SAPO	District Managers	Regional General Manager	SM/Managers PCM	District Senior Managers Manager Centre of excellence.	SM: BMU	Regional Rep: Communications	<div>17.4.3.2 Responsible for:</div> <div>a) Considering the internal review reports by the respective Parties for resolutions of issues raised which is mutually acceptable to both Parties, in line with</div>	17.4.3.3 Monthly
SASSA	SAPO										
District Managers	Regional General Manager										
SM/Managers PCM	District Senior Managers Manager Centre of excellence.										
SM: BMU	Regional Rep: Communications										



GOVERNANCE STRUCTURE				
TYPE	COMPOSITION		MANDATE	FREQUENCY
	SM: Communications and Marketing	Manager :Security and Investigations	the service standards in this agreement b) To consider challenges which took place during payment cycle and put a recommendation to REM for approval c) Submit the written regional review reports signed off by REM to the National Payment Oversight committee for review	
	SM: Customer Care	Manager: ICT		
		Manager: Logistics.		
		Manager: Property infrastructure		
		Senior/Manager: Finance.		
		Manager: HR		
	PCM must provide Secretariat			
	SM: PCM mandatory to table the Payment Review Report.			

GOVERNANCE STRUCTURE			
TYPE	COMPOSITION	MANDATE	FREQUENCY
		<p>d) submit a summary of the Decision Register to the National Payment Oversight Committee for consideration and guidance where and if required (NB: Only issues that are unresolved should be elevated to NPOC)</p> <p>e) Considering Early Warning as outline in Part G of the agreement on matters that could</p>	

GOVERNANCE STRUCTURE			
TYPE	COMPOSITION	MANDATE	FREQUENCY
		<p>impact on performance and compliance with set service standards tabled in writing by either Party which require adjudication and strategic guidance and support</p> <p>f) resolving any outstanding issues by either Party with regard to performance of each Parties obligations in terms of this agreement</p>	

GOVERNANCE STRUCTURE							
TYPE	COMPOSITION	MANDATE	FREQUENCY				
		g) overall management of the working relationship between the Parties h) ensuring that any complaints are handled to the satisfaction of both Parties provide support to lower structure					
17.4.6 District Implementation Committee	17.4.6.1 The District Senior Manager of the respective districts in the region shall be appointed as chairperson <u>Membership</u> <table><tr><th>SASSA</th><th>SAPO</th></tr><tr><td>Local Office Managers</td><td>Area Managers</td></tr></table>	SASSA	SAPO	Local Office Managers	Area Managers	17.4.6.2 Responsible for: a) Monitor compliance with service standards as set out in this agreement	17.4.6.3 Monthly
SASSA	SAPO						
Local Office Managers	Area Managers						

GOVERNANCE STRUCTURE				
TYPE	COMPOSITION		MANDATE	FREQUENCY
	Grants Managers	Security and Investigations, Infrastructure representatives HR.	b) Mutually agree on corrective measures required c) Compile service review reports on the standardised monitoring template for submission to and consideration by the Regional Payment oversight Committee for support, guidance, resolution and/or escalation to the appropriate governance structure if required	
	District PCM Representative	Centre of excellence representative		
SASSA will appoint a Secretariat.				

GOVERNANCE STRUCTURE			
TYPE	COMPOSITION	MANDATE	FREQUENCY
		<p>d) Ensure effective logistic management is done for effective enrolment, on-boarding, card issuance and payment of social grants at cash pay point and SAPO branches</p> <p>e) Training Programme is developed, implemented and monitored to ensure that high levels of competency is sustained in execution of duty to</p>	

GOVERNANCE STRUCTURE			
TYPE	COMPOSITION	MANDATE	FREQUENCY
		comply with the service standards and obligations stated in this agreement	
<b>17.4.7 General Provisions</b> 17.4.7.1 Written request may be given by either Party 5 (five) Business days if required to convene an extraordinary / special meeting 17.4.7.2 The quorum for Governance Structures at all levels will be constituted on the 50% plus 1 principle for either Party 17.4.7.3 All Governance structures should be governed as outlined in the Terms of Reference for each of the structures and appointment letters issued to individual members 17.4.7.4 Each Governance Structure shall appoint a Deputy Chairperson from SASSA members			

## **18. CONTRACT MANAGEMENT**

### **18.1 SASSA**

SASSA has assigned Executive Manager Grants Administration to coordinate and provide overall guidance in terms of strategy, policy standards and priorities as deemed appropriate for the provision of the Services by the SAPO and as a single point of contact

### **18.2 SAPO**

SAPO will appoint General Operations Manager, who from the Effective Date, shall have overall responsibility for managing and coordinating the performance of SAPO's obligations under this Agreement and who will have the authority to act for and on behalf of SAPO in respect of all matters relating to this Agreement.

## **19. REPORTING**

19.1 SAPO shall prepare the following reports for SASSA in respect of the services undertaken by SAPO in terms of this agreement:

<b>Type of Report</b>	<b>Frequency</b>	<b>Date of Submission</b>
1. Full and comprehensive reconciliation services for all Social Grants and SRDs distributed. For reconciliation of Beneficiary payment data for a specific payment month, SAPO must return a full reconciliation file that correlates with the payment file submitted	Monthly	The month following the payment month , on or before fifteen(15) working days excluding weekends and holidays



to it. All data transfers (payment and reconciliation data) must comply with the specifications agreed on between SASSA and SAPO ;		
2. Opening of accounts and issuing of cards to Beneficiaries and Procurators including pre-opened accounts information	Monthly	15th of each month
3. Grant distribution statistics as well as any other detail required by SASSA from time to time	Monthly and/or when required	Within 15 working days in the month following payment cycle month and/or on the request
4. Beneficiaries whose cards were replaced and costs associated with such replacements per beneficiary.	Monthly	Within 15 working days in the month following payment cycle
5. Information on a social grant deposited into an SDA and not withdrawn or utilised for a period of 30 (thirty) consecutive days as part of the SAPO monthly Reconciliation Report on payment of grants	Monthly	Within 15 working days in the month following payment cycle

6. Successful and failed stop payment requests by SASSA	Monthly	30 days after the payment cycle
7. Exception report together with copies of approval retained by both the authorizing SASSA official as well as SAPO, and copies for payments made as per clause 11.1.4	Monthly	Within 15 working days in the month following payment cycle
8. SAPO to provide report on large amounts disbursed	Monthly	Within 15 working days in the month following payment cycle

**19.2** Should SASSA require additional reports from SAPO, such reports shall be submitted to SASSA within a reasonable time frame of the SASSA's request.

## **20. DOMICILIA CITANDI ET EXECUTANDI**

**20.1** The Parties choose as their *domicilium citandi et executandi* for all purposes under this Agreement, whether in respect of court processes, notices or other documents or communication of whatsoever nature (including the exercise of any option) the following addresses:

### **SASSA**

Physical address: SASSA House, 501 Prodinsa Building  
Cnr Steve Biko and Pretorius Street,  
Arcadia, PRETORIA

Postal address: Private Bag X55662

Telephone: 012-400 2000

Reference:

## SAPO

Physical address: 497 Sophie de Bruyn Street  
Pretoria 0002  
Postal address: PO Box 10 000  
Pretoria 0001  
Telephone: 012-640 6000  
Reference:

- 20.2** Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing. It shall be competent to give such notice by facsimile, if applicable.
- 20.3** Either Party may give notice to the other Party to change the physical address chosen as its *domicilium citandi et executandi* to another physical address in South Africa, provided that such change shall become effective on the 7th (seventh) day from the deemed receipt of the notice by the other Party.
- 20.4** Any notice sent by facsimile to the facsimile number stipulated in the *domicilium citandi et executandi*, shall be deemed to have been received on the date of dispatch (unless the contrary is proved). Any notice sent by prepaid registered post in a correctly addressed envelope sent to the address stipulated in the *domicilium citandi et executandi*, shall be deemed to have been received on the 7th (seventh) Business Day after posting, unless the contrary is proved.
- 20.5** Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a Party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered to the address chosen as the *domicilium citandi et executandi*.

## 21. ENTIRE AGREEMENT

This Agreement, read together with the Agreement, constitutes the entire contract between the Parties with regard to the matters dealt with in this Agreement and no representations, terms, conditions or warranties not contained in this Agreement will be binding on the Parties.

## 22. GOVERNING LAW

22.1 Notwithstanding the place of signature, this Agreement will be construed, executed and delivered in accordance with the laws prevailing in the Republic of South Africa.

## 23. CESSION AND ASSIGNMENT

23.1 SAPO shall not be entitled to cede and assign its rights and obligations in terms of this Agreement without the written consent of SASSA

## 24. CONTROLLING LANGUAGE

24.1 The original of this Agreement has been drafted and executed in the English language. This Agreement may be translated into any other language, but only this Agreement in the English language version shall be deemed the original document. If any conflict arises between the English version and any version in any other language into which this Agreement has been translated, the English language version shall have the controlling authority.

THUS DONE AND ENTERED INTO AT PRETORIA H/O ON THIS

THE 29TH DAY OF APRIL 2021

[Signature] : CEO

FOR SASSA

IBS Member Khabisa  
[Signature] NAME

Who warrants that he/she is duly authorized here to

IN THE PRESENCE OF THE UNDERSIGNED WITNESSES:

1. [Signature]

WITNESS

2.

[Signature]

WITNESS

THUS DONE AND ENTERED INTO AT PRETORIA ON THIS

THE 11 DAY OF MAY 2021

[Signature]

Nomkhita Mona - Group CEO

**FOR SAPO**

**NAME**

who warrants that he/she is duly authorised hereto

**IN THE PRESENCE OF THE UNDERSIGNED WITNESSES:**

1.

\_\_\_\_\_

WITNESS

2.

[Signature]

WITNESS

# **SERVICE LEVEL AGREEMENT for SASSA and SAPO**

## **ANNEXURE A**

ANNEXURE A: SASSA/SAPO SLA SERVICE STANDARDS					
SCOPE OF SERVICES	CLAUSE REFERENCE	SERVICE DESCRIPTION (Norms)	SERVICE STANDARD	METHOD OF MEASUREMENT	APPLICATION OF PENALTY
<b>A1 BENEFICIARY SERVICES</b>					
A1.1 Dignified Services provided	Clause 14 SLA	SAPO Branches and all Cash Pay Points must have accessible facilities and equipment that will promote the human dignity of beneficiaries as required in terms of the provision of Section 4(3)(b) of the SASSA Act	All SAPO Branches and Cash Pay Points shall have basic facilities such as:  SAPO Branches  -Seating (minimum of 100 sturdy chairs at SAPO Branches ( depending on the size of the branch) and Cash Pay Points,	Availability of dignity services during payment of social grants	5% of monthly service fee for each SAPO Branch and Cash Pay Point not meeting the standard

			SAPO BRANCHES with inadequate seating space alternative accommodation (service fees implications) must be utilized SAPO will treat this as a cash pay point		
			CASH PAY POINTS (open and closed structures) Seating (minimum of 100 sturdy chairs at cash pay points)		



			<p>-Ablution facilities for male, female and people with disabilities,</p> <p>- Fresh drinking water to be provided in a dignified way (water bottles or water coolers with paper cups)</p> <p>-One (1) OHSA approved medical first aid kit per site,</p> <p>- Minimum of one (1) wheel chair per <b>dedicated payment</b> site</p> <p>- Adequate shelter during payment times</p>		
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A1.1.1 Facilities and Equipment	Clause 11 Par 11.1.3 in the SLA	Adequate equipment to comply with SASSA Norms & Standards	Adequate equipment to comply with SASSA Norms & Standards as outlined in the SAPO 5-year Infra-structure Procurement and Maintenance Plan. - Cash Dispensing Machines - Money Counting machines - Adequate staff. The number of cash dispensing	Availability of prescribed functional payment equipment during payment of grants  Availability of adequate payment staff as prescribed.  Time taken to restore network downtime	5% of monthly service fee for each SAPO Branch and Cash Pay Point not meeting the standard relating to Facilities and Equipment
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			<p>machines at a Cash Pay Point must be deployed.</p> <p>Downtime of the equipment must not exceed one (1) hour</p>	<p>Availability of prescribed functional payment equipment during payment of grants</p>	<p>5% of service fee based on number of targeted sites where equipment has not been implemented</p>
			<p>All SAPO Branches and Counter service points must be equipped with electronic cash dispensing machines</p> <p>Note counting machines</p> <p>Downtime of the equipment must</p>		

			not exceed one (1) hour		
	Clause 14 SLA	Fully functional payment equipment must be provided at all times	Downtime of the equipment must not exceed one (1) hour	Availability of prescribed functional payment equipment during payment of grants.  Availability of adequate payment staff as prescribed.	5% of monthly service fee for each SAPO Branch and Cash Pay Point not meeting the standard relating to Facilities and Equipment

					Turnaround time to restore network downtime.	
	Clause 15 in the SLA		Repair or replacement of payment equipment within 1 hour of failure or breakage.	Mutually agreed by the Parties approved contingency plan to cover equipment failure At least one cash dispensing machine must be functional within one (1) hour at the affected site		
			Availability of alternative power supply in the event of power failure or no power supply	Availability of a functional backup power supply Number of beneficiaries paid in	-Where alternative power supply is not supplied 5% of monthly service fee per affected Access Channel	

<b>A1.1.2 Queue Management</b>	Clause 11.3.5 in the SLA	Service needs of the beneficiary be identified.  Beneficiary directed to the right service queue/teller	No person shall queue for longer than one (1) hour	the event of power failure	-Where delay in payment exceeds 1-hour waiting period, sandwiches and fresh drinking beverage must be provided
				Number of beneficiaries paid within one (1) hour (It's important to specify, if counting is started on arrival of a beneficiaries at SAPO or CPP or on the start of payment.) Bear in mind, the arrival of beneficiaries is beyond SASSA/SAPO control)	5% of monthly fee for each Access Channel not meeting the standard Where delay in payment exceeds 1-hour waiting period, sandwiches and fresh drinking beverage must be provided

A1.2 Management of an Integrated Call Centre	Clause 7 Par 7.1.14 of the MSA	Priority must be given to segregation of beneficiaries by giving preference to the aged, the frail, people with disabilities, and pregnant	At least 1 SAPO staff member deployed at Cash Pay Points and SAPO Branches to assist in queue management	Number of SAPO staff deployed at cash pay points and SAPO branches	Correction of negative outcomes as per monitoring findings by the next payment cycle
	Joint resolution to reported payment related enquiries, disputes and complaints by SASSA and SAPO designated officials.  Balance enquiry resolve.	Immediately	Turnaround time of resolving enquiries/disputes/complaints within a payment stipulated time frames	5% of monthly service fee payable to SAPO in respect of number of unresolved which is within SAPO scope  If stated resolution time is not met an outbound call must be made to the affected beneficiary with a constructive outcome	

		Telephone enquiries/disputes/complaints referred through ICCAS.	- within seven (7) Business days but not exceeding 21 Business days		SAPO must keep SASSA informed of the progress
		Short payment through payment channels	- within three (3) Business Days of notification		
		Non-payment: resolve	- resolved within seven (7) Business Days but not exceeding 21 Business Days		
<b>A1.3 Payment</b>	Clause 11.2 of the SLA	Disburse cash to Pay 100% of eligible beneficiaries reporting for	Disburse the right amount due to the beneficiaries the first time.	Amount of cash disbursed to eligible beneficiary during payment at Cash Pay	Material events of default (Clause 25.1 of the MSA) Invoke Clauses 26, and/or 28 and 29 of the Agreement
<b>A1.3.1 Payment of Beneficiaries</b>					



		payment during a payment cycle at Cash Pay Points and dedicated SAPO outlets	Disburse cash to 100% of eligible beneficiaries reporting for payment during a payment cycle at Cash Pay Points and dedicated SAPO outlets in line with SAPO 3 months forecast	Points and dedicated SAPO outlets	
Clause 11.2 Par 11.2.5 of the SLA		Disbursement of cash to all eligible beneficiaries within the stipulated normal working hours (08:00-16:00)	Disburse cash to eligible beneficiaries who present themselves for payment before 15H00 at the last CPP at all designated	Payment monitoring reports considering the 3 months forecast	5% of service fee for those beneficiaries that were not paid within the stipulated normal working hours

A1.3.2 Large Amounts	Clause 6 Par 6.1 in the SLA			An amount payable at any Access Channel may not exceed R5000 per beneficiary per day per transaction or cumulative per day.		SAPO Branches and CPP.	The maximum amount which may be dispensed at any Cash Pay Point and/or SAPO Branch is R5000 per Beneficiary per day or transaction cumulatively.	Availability of large Amount Report	5% of service fee for those beneficiaries that were paid in excess of R5000 per day.
A1.3.4 Stop payment or Temporary withhold of payment	Clause 6 Par 6.1 of the SLA			Withhold disbursement of cash to affected beneficiaries where SASSA instructed Stop Payments until	Stop Payment or temporary hold requests should be stopped within 2 hours of requests being		Number of the successful and fail stop payment undertaken within 2 hours of receiving requests( defined but	Reimburse to SASSA the grant monies paid.  Incorrect payment to be reflected as credit note in the subsequent month invoice.	

		SASSA issues instruction to release the payment.	received during business hours	not certain of this need clarity )	
A1.3.6 SRD payment	Clause 6 Par. 6.7 and 6.8 of SLA Clause 14 Par 14.1.3 of the SLA	Provision of immediate support in the form of cash to an individual experiencing a crisis situation, as a result of which they are unable to meet their basic needs.	Pay SRD to beneficiaries experiencing undue hardship in need of immediate relief , in line with the agreed plan between the two parties instructions provided by SASSA	Number of SRD beneficiaries paid. Turnaround time of paying SRD beneficiaries after instructions are provided by SASSA	Incorrect payment to be reflected as credit note in the subsequent month invoice
A1.3.7 Quad 7 – (7777) System	Clause 6.1.7 of MSA	Disbursement of cash to beneficiaries	Cards will be opened for beneficiaries	SASSA call centre report on refusal to open accounts of	5% of service fee for those beneficiaries with system generated numbers of

generated numbers		without 13 digit Id number , using a system generated number as per Regulation 11.1 of Social Assistance Act	registered on the SASSA system with system generated numbers	quad 7 (system generated numbers) beneficiaries	cards not issued after raised complaint
A1.4 On-boarding	Clause 8 of the SLA	Opening of accounts and issuing of cards to Beneficiaries and /or procurators to be done before cutoff date for the next payment cycle Ensure that there is sufficient stock of cards at all times	Open SDA account and issue cards to all SASSA referred approved beneficiaries for issuing of card consistent with the requirements stipulated in Par 8.1.2 of the SLA	Report of beneficiaries and procurators not issued with Social Grants Payment cards Report on card stock level Call centre report on beneficiaries who presented themselves and not issued with cards	1 % of the total grant value of the beneficiaries not issued with Cards but have presented themselves for the service

A 1.5 SDA	Clause 10 of the SLA	Availability of SDA for approved beneficiaries	One (1) SDA per beneficiary  No deposits into SDA unless authorized by SASSA  No deductions of any nature may be made on the SDA  SAPO is permitted to levy transaction cost where the beneficiary uses services outside the scope of the free services as mutually agreed	Availability of Reconciliation Report EFT exception report	5% of beneficiaries grant value not issued with SDA based on report
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Clause 10 of the SLA		Make available to beneficiaries the Terms and Conditions of the SDA at both local offices designated service points and SAPO Branches	Every beneficiary to have a personal copy of the terms and conditions for the SDA	Random sampling	If Terms and Conditions are not provided to beneficiaries as mutually agreed at each of SAPO Branch 5% of monthly service fee for the newly approved beneficiaries per region
<b>A 1.6 Cards (Additional Scope of Services A1.6.6)</b>					
<b>A 1.6.3 Stolen, Lost/Damaged Cards deactivation</b>	<b>Clause 9 Par 9.8 of the SLA</b>	All reported lost/damaged or stolen cards must be deactivated upon reporting	Deactivation of cards must be done within one (1) minute of reporting	Availability of Monthly report on deactivated cards	Incorrect payment to be reflected as credit note in the subsequent month invoice
<b>A 1.6.4 Card Replacement</b>	<b>Clause 9 Par 9.8 of the SLA</b>	Provide card replacement services to beneficiaries	SAPO must replace cards with technical faults on demand of the	Availability of Technical Fault Card Replacement Report	5% of the service fee charged by SAPO for the month

				beneficiary at its own cost		
				SAPO must replace <i>damaged, lost or stolen cards</i> as requested by the beneficiary within 3 Business Days of receipt of such request / notification	Availability of Damaged, lost or stolen cards Replacement Report	
<b>A 1.6.5 Card Pin Re-set</b>	<b>Clause 9 Par 9.1.9 in the MSA</b>	Provide PIN reset services to beneficiaries	100% of beneficiaries who are in possession of the Social Grants Payment card and seek the PIN reset should be	Availability of Exception report on PIN resets requested and PIN resets done Availability of Call centre complaints report	5% of the invoice service fee payable to SAPO for the month	

A1.7 Biometric Payment	Clause 6 and 8 Par 8.3.1.2 of the SLA	The method by which a <b>beneficiary</b> <b>and/or</b> <b>procursor</b> is uniquely identified and paid, by evaluating one or more distinguishable biological trait, based primarily on fingerprint	Biometrically enabled payment equipment must be available at all SAPO Branches and Cash Pay Points to use two (2) fingerprints to validate the beneficiary and/or procursor against the <b>biometric</b> database	Availability of Report on biometrically enabled payment of grants and biometric exceptions	Incorrect payment to be reflected as credit note in the subsequent month invoice
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<b>A1.8 Beneficiary Information</b>	<b>Clause 10.5 in the MSA</b>	Personal information of grant beneficiaries should only be used for the purpose of processing grant payments	SAPO must secure the integrity and confidentiality of personal information of grant beneficiaries by taking appropriate, reasonable technical and organizational measures to prevent: <ul style="list-style-type: none"> <li>• loss of, and damage to or unauthorized destruction of personal information; and</li> </ul>	Monitoring of SAPO Measures for compliance with the provisions of the POPI Act	Report to Information Regulator in the event of a breach for implementation of the mandatory penalties
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				<ul style="list-style-type: none"> <li>unlawful access to personal information</li> </ul>		
<b>A 1.9 COMMUNICATION</b>						
<b>A1.9.1 Branding</b>	<b>Clause 14 in the SLA</b>	There must be an integration communication between SAPO and SASSA in terms of branding and marketing	SASSA and SAPO should agree on branding.  Communication plan will be developed within 15 days when required.  SAPO and SASSA must provide all promotional and marketing material on social grant	Confirmation of receipt of Communication Plan on request.  Display of marketing and branding material		

including SASSA Customer Care Charter	Relevant and updated promotional and marketing material on SASSA in all SAPO Branches, Cash Pay Points and Alternative Distributive Channel should be available for distribution and signage.
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		Access channels and tellers to be easily identifiable	Staff to wear corporate branded clothing where possible and name tags to ensure they are visible at the access channels. The minimum standard being that every staff member will wear a name tag	Identifiable tellers at Access channels a) Names tags b) Uniform	5% of the service fee charged for the identified SAPO branch
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			Alternative Distribution Channels.		
<b>A1.9.2 Messaging</b>	<b>Clause 14 Par 14.1.4 in the SLA</b>	Implement robust communication and marketing strategy to create awareness of the Social Grants Payment card, benefits and Terms and Conditions	SAPO to use its social media channel to spread awareness of the benefits of the Social Grants Payment card, terms and conditions as well as giving consumer advice	Two posts per week on Facebook and twitter, SAPO must tag SASSA in its posts	1% of monthly service fee payable to SAPO of SMS'es not sent to beneficiaries with valid cellular numbers
			SAPO and SASSA must provide all promotional and marketing material on	Availability of promotional and marketing material on social grant services at SAPO branches	Non-compliance letter to SAPO  Non-material event of default ( clause 25.2 of the MSA)

			social grant services	and SASSA local offices	
				Monitoring report of the Joint Communication and Marketing Strategy	
		Internal Communication between SASSA and SAPO on social grant payment related issues	SAPO Communication s to provide SASSA Communication s with any emerging payment related issues as it occurs	SAPO Operations report on payment related incidences (national crisis)	Non-material event of default ( clause 25.2 of the MSA)
			All communication to beneficiaries	SASSA/SAPO Communication Plan	Any messaging issued without prior approval from SASSA, 5% of monthly

				must be done with joint and prior approval by SASSA (the content of media statement, flyers, social media)		fee payable to SAPO per unauthorised incident
<b>A1.9.3 Beneficiary Education</b>	<b>Clause 14 in the SLA</b> Social assistance benefits related messages at points of service and outreach programmes	SAPO conduct beneficiary education at SASSA outreach programmes and during payment at CPP and SAPO branches	SAPO display of service standards		Portfolio of evidence for Beneficiary education conducted during outreach programmes	
					Portfolio of evidence for beneficiary education conducted during payment at CPP and SAPO branches	

		SDA account information displayed at SAPO branches			
		Copies of the SDA conditions issued to beneficiaries			
<b>A1.10 Beneficiary Payment Recourse Mechanism (BPRM)</b>		All payment disputes to be managed in line with the approved dispute management mechanism	Every dispute to be resolved within the time frames set in the framework	Availability of Dispute management reports	5% of the overall service fee payable to SAPO for the month in which the BPRM standards deteriorated to below 95% Non-material event of default ( clause 25.2 of the MSA)
<b>A2 SYSTEMS</b>					
<b>A2.1 Biometric Electronic Payment</b>	Clause 7 Par 7.1.4 and 7.1.5 of the MSA	- Beneficiaries to be paid their Social	Social Grants Payment card issued to	Availability of Biometric CVM Report	Will be determined once approved as acceptable



		assistance benefits through biometric CVM	Beneficiaries will be encrypted with the biometrics of the		standard within the banking environment
		<ul style="list-style-type: none"> <li>- Provide for the payment of social assistance benefits through biometric verification method acceptable standard within the banking environment</li> <li>- Provide for biometrically enabled</li> </ul>	Beneficiaries, and the use of biometrics on the card must be fully inter-operable and EMV and PASA compliant mutually agreed upon by the Parties.		A joint Plan by SASSA/SAPO will be developed once approved as general practice in the banking environment (Date for completion dependent on above)

			withdrawals for beneficiaries and procurators who are unable to utilize a pin at SAPO branches and Cash Pay Points.			
<b>A3 ACCESS CHANNELS</b>						
<b>A3.1 SAPO Branches</b>	Clause 6 Par 6.5 in the SLA  <u>Procedure</u> <u>Guideline:</u> Norms and Standards for Social Assistance Service Delivery - 2.0 Version	Facility for the payment of social assistance benefits	SAPO must make available the list of all SAPO Branches equipped to do payment of social assistance benefits	List of approved SAPO Branches which pay social assistance benefits must include the following: (a) name (b) address and (c) GPS coordinates (d) Square meters per public areas	Non-material event of default ( clause 25.2 of the MSA)	

					(e) Number of chairs per public area	
<b>A3.2 Cash Pay Points (Last Mile Facilities)</b>	<p>Clause 6 Par 6.5 and Clause 14 Par 14.1.6 in the SLA</p> <p><u>Procedure</u></p> <p><u>Guideline:</u></p> <p>Norms and Standards for Social Assistance Service Delivery - 2.0 Version</p>	<p>SAPO procure or lease, suitable Cash Pay Points (Last Mile Facilities)</p>	<p>SAPO procure or lease suitable CPs in line with the norms and standards as provided by SASSA</p> <p>SASSA must available the list of all Cash Pay Point (Last Mile Facilities) as per signature date for gazetting</p>	<p>Suitable Cash Pay Points leased and procured</p>	<p>5% of the service fee of the previous month for that CPP</p>	
<b>A3.4 SASSA Outreach Programme</b>	<p>Clause 7.1.9 in the MSA</p>	<p>Provide mobile "on-boarding" services at mobile sites, as negotiated and</p>	<p>Availability of SAPO mobile on-boarding services at mobile sites as</p>	<p>SASSA Annual ICROP schedule Report providing number of on-boarding services</p>	<p>5% of the invoice service fee payable to SAPO for the month where SASSA requested the SAPO's presence</p>	

		agreed to with SASSA. This would be in support of outreach programmes undertaken by SASSA to provide services to communities.	agreed with SASSA, as per the annual SASSA ICROP's (scheduled and unscheduled)	provided by SAPO at mobile sites during outreach programmes during normal working hours	
<b>A4 SECURITY</b>					
<b>A4.1 Cash in Transit</b>	Clause 16 Par 16.1 in the SLA	The safe and secure transfer of money	Money must be transported in a bullet proof armoured vehicle by an armed driver	Compliance assessment Report by SASSA Security Management	R 5000 per payment team

<p><b>A4. 2 Guarding Services</b></p> <p><b>SAPO will engage with EXCO before making a decision as it has financial implications</b></p>	<p>Clause 16 Par 16.1 of the SLA</p>	<p>The act of guarding monies designated for the safe distribution to SASSA beneficiaries</p>	<p>Deploy a minimum of 4 (four) armed registered security officers at Cash Pay Points</p>	<p>4 armed security officers must be provided inclusive of the driver Certificates of competence and SAPS firearm competency certificate must be available on-site</p>	
				<p>Security Breach and Security Incident Monitoring reports must be submitted within 5 days after completion of the cash payment cycle</p>	<p>R 1500 per payment team</p>

		preventing or detecting the occurrence of any offense	Certificates of competence and SAPS firearm competency certificate must be available on-site		
<b>A4.3 Manned Security</b>	<b>Clause 16 Par 16.2 of the SLA</b>	Ensure that no unauthorized access or public occupation occur at SAPO Branches and Cash Pay Points	Visible access control in a dignified manner  Certificates of competence and SAPS firearm competency certificate must be available on-site	Security Breach and Security Incident Monitoring reports must be submitted within 5 days after completion of the cash payment cycle	R1500 per infringement

	Clause 16 Par 16.7 of the SLA		Arrange and attend monthly security meetings chaired by SASSA Head of Security	Attendance register Adopted minutes signed-off by Chairperson Matters escalated to national Steering Committee	Non-attendance of governance structures by appointed SAPO invoke Part G of the MSA (Clause 28 and 29)
<b>A5 MANAGEMENT OF PAYMENT FILE</b>					
A5.1 Account upload management A6.1.1 Provide the weekly upload file	7.14 in the MSA	Place the file of all Beneficiaries who were on-boarded on SASSA default payment method (SASSA/SAPO Card) on a secure environment on a weekly basis.	SASSA default payment Beneficiaries records updated with the SDA information	Availability of weekly Account upload file (every Monday at 10:00AM)	Material events of default (Clause 25, 26, 28 of the MSA)
A5.1.2 Resolve account upload exceptions	Par 8.16.1 in the MSA	Resolve or respond to the exceptions	SASSA default payment Beneficiaries	Availability of a weekly Account upload exception	Material events of default (Clause 25, 26, 28 of the MSA)

<p><b>A5.3 Credit the SDA with the Grant Amounts</b></p>	<p><b>Clause 10 of the SLA</b></p>	<p>provided by SASSA after processing the account upload file on a weekly basis.</p>	<p>records updated with the SDA information</p>	<p>resolution file (every Friday at 10:00AM)</p>	
<p><b>A5.3.1 Exclude the non -verified accounts</b></p>		<p>Check if all the accounts on the payment file are valid according to Banking standards-  Return the money to the PMG account and provide the report through the Bankserve processes  Ensure compliance with Bankserve timelines</p>	<p>No payment effected for non-verified bank accounts</p>	<p>Availability of rejection report  Proof of transaction reversal on PMG Account</p>	<p>Material events of default (Clause 25, 26, 28 of the MSA)  Incorrect payment to be reflected as credit note in the subsequent month invoice</p>



<b>A5.3.2 Credit the Beneficiaries account</b>	Clause 10 of the SLA	Credit the verified and correct accounts with the Grants money as instructed by SASSA 00:01 before action date (payment date)	SDA Accounts credited with correct voucher amounts as per the action date and the payment extraction file	Reconciliation report from SAPO	Incorrect payment to be reflected as credit note in the subsequent month invoice
<b>A5.3.4 Action recalled payments</b>	Clause 11 in the SLA	Return the amount of all recalled payments to the PMG account and provide the report through the Bankserve processes	No payment effected for the ineligible Beneficiaries	Availability of rejection report  Proof of transaction reversal on PMG Account	Incorrect payment to be reflected as credit note in the subsequent month invoice
<b>A5.3.5 Inactivate Deceased Beneficiaries</b>	Clause 11 of the SLA	Block the accounts of beneficiaries who were reported by SASSA as	Block the SDA on/or before payment date	Availability of a successful and failed stop payments request report	Incorrect payment to be reflected as credit note in the subsequent month invoice

		deceased before payment cycle starts	No payment effected for the beneficiaries who died after extraction but before the start of payment cycle		
<b>A5.4 Reconcile Grants</b>	<b>Clause 11 Par 11.3 of the SLA</b>  <u>Procedure</u> <u>Guideline:</u> Payment and Reconciliation file linkage Specification Reference	Reconcile grants for specific payment cycle – Including, money not collected within 30-days, SRD, 7777 and Once-off payments	Reconciliations to reach SASSA by the 15th of the month after payment cycle.	Availability of reconciliation report Reconciliation report	Incorrect payment to be reflected as credit note in the subsequent month without reconciliation SASSA will not release payment to SAPO
<b>A6 REPORTING</b>					
<b>A6.1 Reporting</b>	<b>Clause 19 of the SLA</b>	Provide weekly and monthly	Reports should be provided by	Consolidated report on Services rendered	Incorrect payment to be reflected as credit note in

		report of services undertaken as per clause 19. SASSA may request SAPO to provide special reports	the 15th of the month after the payment cycle	confirmation by the recipient	the subsequent month without reconciliation SASSA will not release payment to SAPO
			Report must include information on payments done which include the following: <ul style="list-style-type: none"> <li>- Confirmation of payments received to credit SDA's</li> <li>- Payments credited to SDA's</li> </ul>		

			<p>- Payments done via specified access channel CPP payments must include Start and End Times, Number of beneficiaries registered vs. number of payments done</p>		
<p><b>A6.2 SDA Account activity information</b></p>	<p>Clause 19 of the SLA</p>	<p>SAPO must provide statement of accounts for SDA Accounts as and when</p>	<p>SAPO must provide and comply the with sending SDA Accounts statements</p>	<p>SDA Accounts statement report within 36-hours of the request</p>	<p>5 % of the invoice service fee payable to SAPO for the month</p>

		required by SASSA			
<b>A7.1 Advance Payment of R541 000 000 (Five hundred and Forty One million rand)</b>	Clause 12.1 SLA	SASSA will deduct 10% from service fee payable effective from 1 October 2018 until the full amount recorded as debt in the SASSA financial records is repaid in full	SAPO must include as debt payable for deduction from the monthly service fee effective from 1 October 2018	Availability of monthly Invoices and Statement	Any outstanding amount of the 10% debt repayable from the monthly service fee effective from 1 October 2018 not invoiced and not part of the statement, SASSA will automatically deduct as per the signed agreement on the advance payment
	Clause 12.2 of the SLA				
<b>A7.2 Receipt and Payment of Invoices and Statements</b>	Clause 12.3 of the SLA	VAT inclusive	Invoices submitted must be VAT inclusive	Invoice Statements Supporting documents	
	Clause 12.4 of the SLA	Payment in ZAR	Payment of correct and complete Invoices and	Availability of Invoice Statements and	

			Statements will be done in currency of the RSA	Supporting documents	
Clause 12.5 of the SLA	Payment will be done upon receipt of the <u>correct</u> , <u>complete</u> and <u>original</u> statement and <u>reconciliation</u>	30 days after receipt of the <u>correct</u> , <u>complete</u> and <u>original</u> statement and <u>reconciliation</u>	Availability of Invoice Statements and Reconciliation		
Clause 11.3.2 of the SLA	The <u>reconciliation</u> must include the following: - Number of beneficiaries that accessed or not accessed their funds - Amount of grant money	Provide correct and complete <u>reconciliation</u> with the specified detail	Availability of reconciliation report		

			not accessed during the specified monthly payment cycle		
			- Type of payments done		
			- Breakdown of access channels used by the beneficiaries		
			- Incorrect payments made pending investigation by SAPO		
			- Large amounts disbursed		

	Clause 12.8 of the SLA	- SRD paid	Must be provided within 15 working days excluding weekends and holidays in the following the month of payment .	Availability of Invoices, Statement and Supporting documents as agreed to between SASSA and SAPO	
		Receipt of Invoices, Statements and Supporting documentation			
	Clause 12.10 of the SLA	Outstanding payment of penalties due by SAPO SASSA will inform SAPO of penalties to be deducted in the following month	payment of penalties cannot exceed 45 days from due date	SASSA Paymaster General Account (PMG) Availability of Invoice & Statement	SASSA may/must off-set amount owing against amount payable to SAPO the following month
<b>A8.1 Active participation in the</b>	Clause 17 of the SLA	Establishment of Governance	Participation in meetings as	Availability of approved minutes	Non-attendance of governance structures by



following		structures to assist with the management, implementation and effective performance of duties	stipulated in the provisions of Clause 17 of the SLA to executive defined mandates of the structures	signed by the chairperson	appointed SAPO invoke Part G of the MSA (Clause 28 and 29)
<b>Governance Structures:</b>					
(a) Joint Executive Committee				Attendance register	
(b) National Payment Oversight Committee				Number of Change Requests received and – Orders approved	
(c) Regional Payment Oversight Committee				Number of Review Reports submitted	
(d) District Implementation Committee					