

## PRISM RECEIVER AGREEMENT

entered into by and between —

**PRISM TRANSWITCH SYSTEM (PTY) LTD**  
(hereinafter referred to as "PTSS")

and

**CITY OF CAPE TOWN**  
(hereinafter referred to as the "RECEIVER")

### WHEREAS —

- I PTSS owns **EASYPAY**;
- II The **RECEIVER** wishes to use **EASYPAY** and so participate in this Payment collection system;
- III The Collector participates in the **EASYPAY** System;
- IV PTSS and the **RECEIVER** wish to record the Agreement between them in writing.

### NOW THEREFORE THE PARTIES AGREE AS FOLLOWS —

#### PART 1 - GENERAL TERMS

##### 1 DEFINITIONS

The following words and expressions shall have the meanings hereunder assigned them and cognate words and expressions will have their corresponding meanings, unless the context indicates to the contrary —

Handwritten signatures and initials: "L.A.", "Zw", and a signature.

- 1.1 **"ACB"** means the Automated Clearing Bureau, being the South African Banks' representative institution, which accepts input magnetic tape transactions for settlement between various account drawers and beneficiary payees.
- 1.2 **"Collector(s)"** means the various entities with whom PTSS has contracted or will in the future contract by signing the **EasyPay Collector Agreement**.
- 1.3 **"Collector Agreement"** means the Agreement entered into by and between its **Collector(s)** and **PTSS** regulating the use and implementation of the **EasyPay System**.
- 1.4 **"Confidential Information"** means in addition to the definition set out in the latest edition of the Oxford English Dictionary, and without prejudice to the generality of the expression, all information of any nature whatsoever disclosed by the parties hereto to each other, their legal counsel, agents, associates or representatives and relating to **PTSS** and the **RECEIVER**, whether orally, in writing or in software format, in relation to:
- 1.4.1 the business and affairs of **PTSS** and the **RECEIVER**;
- 1.4.2 all information relating to the **EasyPay System**, the software, trademarks, logos and all intellectual property rights relating thereto.
- 1.5 **"Day"** means one 24 hour day, including public holidays and weekends.
- 1.6 **"EasyPay/EasyPay System"** means the software application / electronic payment system owned by **PTSS** which facilitates the collection and switching of **RECEIVER** payments from the **Collector(s)** nominated bank account(s) to the **RECEIVER** and which is downloaded onto the Payment System in accordance with the **EasyPay Receiver Technical Specification**.
- 1.7 **"EasyPay Receiver Technical Specification"** means the technical specification and any amendments thereto from time to time to which the **RECEIVER** shall adhere and with which it shall comply, details whereof shall be furnished to the **RECEIVER** by **PTSS** prior to or on signature hereof and amendments thereto as soon as reasonably possible.
- ACF  
L.A.  
2007

- 1.8 **"EasyPay Receiver Number"** means a number or series of numbers allocated to the **RECEIVER** and reflected by it in accordance with the format specified in the **EasyPay Receiver Technical Specifications**, and in terms of which it is described more fully.
- 1.9 **"Payment(s)"** means any payments, made using the **EasyPay System**, but limited to account payments.
- 1.10 **"Payments Systems"** means the **Collector's** system(s), being electronically linked to the **EasyPay System** (e.g Point of sales).
- 1.11 **"RECEIVER"** means a metropolitan municipality, established in terms of the Local Government : Municipal Structures Act, 1998, read with the Province of the Western Cape : Provincial Gazette 5588 dated 22 September 2000.
- 1.12 **"Receiver Agreement"** means this Agreement entered into by and between the **RECEIVER** and **PTSS** regulating the use and implementation of the **EasyPay System**.
- 1.13 **"Receiver Nominated Bank Accounts"** means -

BANK : Standard Bank  
BANK ACCOUNT NO.: 073093025  
BRANCH : Merriman Square (021109)  
ACCOUNT HOLDER : City of Cape Town,  
the account to which must be credited all the payments envisaged in terms of clause 4.2 of this Agreement.

- 1.14 **"Receiver Dedicated Bank Accounts"** means -

BANK : Standard Bank  
BANK ACCOUNT NO.: 073093319  
BRANCH : Merriman Square (021109)  
ACCOUNT HOLDER : City of Cape Town,  
the account from which PTSS is entitled to debit its fees and other charges as envisaged in terms of clause 5.2 of this Agreement.

may  
L.A.  
Zur  
N7

- 1.15 **"Transaction Data"** means such data as is described more fully in the **EasyPay Receiver Technical Specifications**.
- 1.16 **"PTSS"** means Prism Transwitch Systems (Pty) Ltd. (Reg. No. 83/08597/07), a company duly registered in accordance with the laws of South Africa, and having its principal place of business at 3<sup>rd</sup> Floor, Ebdon House, Belmont Office Park, Belmont Road, RONDEBOSCH.
- 1.17 **"PTSS Control Account"** being part of the **EasyPay System** means an internal **PTSS** account, on which is reflected all Transaction Data, and from which instructions are issued to debit the Collector(s) Nominated Account(s) via ACB with amounts due in terms of this agreement by the **Collector** and to credit these amounts via ACB to the **RECEIVERS Nominated Bank Account** and to **PTSS** where appropriate.
- 1.18 Words importing the singular shall include the plural and vice versa.
- 1.19 Words importing any one gender shall include any other gender, including the neuter, and vice versa.

## 2 RECITAL

- 2.1 **PTSS** owns **EasyPay**.
- 2.2 The **RECEIVER** wishes to participate in the **EasyPay System**.
- 2.3 It is recorded that **PTSS** actively markets **EasyPay** to a wide range of **Collectors** and that subject to the terms and conditions herein may continue to do so and may continue to sign further **EasyPay Collector Agreements**, which agreements contain certain undertakings and warranties by the **Collector**.

## 3 OBLIGATIONS AND DUTIES OF THE RECEIVER

The **RECEIVER** hereby agrees and undertakes -

my  
L.A.  
L.A.  
L.A.

- 3.1 to also use the **EasyPay System** to collect Payments;
- 3.2 to comply with and adhere to the **EasyPay Receiver Technical Specifications** and to bear any costs related directly thereto;
- 3.3 to deal with **RECEIVER** customer queries and to advise the **RECEIVER's** customers not to raise queries with any **Collector** or with **PTSS**, but to direct such queries to the **RECEIVER**; and
- 3.4 should a **Collector** instruct **PTSS** to reverse a Payment, which Payment has in error been transferred via ACB to the **RECEIVER** (e.g.: that the error has arisen due to a technical problem or a duplication of **Transaction Data** resulting in the **RECEIVER** receiving a payment to which it is not entitled), **PTSS** shall immediately notify, in writing, the **RECEIVER** who undertakes to forthwith investigate the payment concerned. If the **RECEIVER** is satisfied that an error has occurred it undertakes to refund **PTSS** by issuing a cheque for the amount of the erroneous payment within thirty (30) days of written notification by **PTSS**;
- 3.5 to reimburse **PTSS** in respect of payments made to the **Collector** by a **RECEIVER** customer using a credit or debit card the fees charged to that **Collector** by the supplier of the credit or debit card.
- 3.6 to reimburse **PTSS** in respect of those cheques returned to the **Collector** by its banker by reason only of there being insufficient funds in the payees account and furthermore **PTSS** must provide the **RECEIVER** with a copy of both sides of the cheque.

#### 4 METHOD OF PAYMENTS

- 4.1 Upon receiving the **Transaction Data** from the **Collectors**, **PTSS** shall consolidate same and transmit it to the **RECEIVER** in such manner and by such method as is elected by the **RECEIVER** in accordance with the manner and method specified in the **EasyPay Receiver Technical Specification**.

my L.A.  
200

- 4.2 The consolidated total of all **RECEIVER** payments reflected in the **Transaction Data**, and collected by the respective **Collectors**, must be transferred each **Day**, by **PTSS** to the **RECEIVER** via **ACB** by crediting the **Receiver's Nominated Bank Account**.
- 4.3 The **RECEIVER** hereby agrees and undertakes to allow **PTSS** access to the **Receiver's Nominated Bank Account** via **ACB** in order to pass a credit of the consolidated total referred to in paragraph 4.2 above.

## 5 COLLECTION FEE AND OTHER CHARGES

- 5.1 The **RECEIVER** shall pay to **PTSS** a collection fee for each collected payment reflected in the **Transaction Data** and at the rate specified in Schedule 1 annexed hereto.
- 5.2 The fee for each collected payment shall be consolidated and the charges due in terms of paragraph 5.1 above shall be consolidated and shall be paid to **PTSS** on a daily basis. The payment shall be made by **PTSS** debiting the **Receiver's Dedicated Bank Account** via **ACB**.
- 5.3 For the purpose of reclaiming VAT, **PTSS** shall furnish the **RECEIVER** with a VAT invoice on the last Day of each month reflecting the total collection fees (including VAT) due by the **RECEIVER** to **PTSS**.
- 5.4 The collection fee referred to in paragraph 5.1 above shall be reviewed annually on the anniversary of the signing of this Agreement, and if necessary the collection fee shall then be adjusted by mutual written agreement between the parties, and a fresh Schedule 1 signed.

## 6 MARKETING AND EASYPAY

- 6.1 The parties may not use the others logo's without the other's consent.

L.A.  
2007

- 6.2 The **RECEIVER** shall not, without the prior written consent of any **Collector** (which consent shall be obtained via **PTSS**), use any **Collector's** name or logo in any way whatsoever.

## 7 CONFIDENTIALITY

- 7.1 The parties acknowledge that all **Confidential Information** disclosed by them, their legal counsel, their associates or representatives during negotiations and discussions between the parties is private and confidential and as such the parties hereby undertake to accord such **Confidential Information** subject to the provisions of the Constitution of the Republic of South Africa Act 108 of 1996.
- 7.2 The parties shall at all times, unless otherwise agreed to in writing between the parties, hold the **Confidential Information** disclosed to them in strict confidence and shall use such **Confidential Information** only for such purpose and to the extent that it may be necessary for the parties to comply with their obligations in terms hereof.
- 7.3 **PTSS** agrees that it shall treat as confidential all **Transaction Data** and information of whatever nature acquired or received by it from the **RECEIVER** and furthermore agrees that such Transaction Data and information shall only be divulged and disclosed to the **Collector** to whom it relates and only to any other third party with the **RECEIVER's** prior written consent.

## 8 DURATION AND TERMINATION

This Agreement shall endure for a period of two year's reckoned from the date of signature hereof, whereafter it shall continue indefinitely upon **three calendar months** written notice of cancellation being furnished by one party to the other.

ny L.A.  
2-  
27



## 9 OBLIGATIONS AND DUTIES OF PTSS

PTSS hereby agrees and undertakes -

- 9.1 to ensure that all **Collectors** sign the **EasyPay Collector Agreement** as approved by the **RECEIVER** and in so doing adhere to certain risk and management criteria and standards set by **PTSS**;
- 9.2 to notify the **RECEIVER** of all its existing **Collectors** prior to signature of this **Agreement**;
- 9.3 to notify the **RECEIVER** of the appointment of all **Collectors** who are appointed by **PTSS** subsequent to the conclusion of this **Agreement**. Such notification shall be made within thirty (30) days of their appointment;
- 9.4 to furnish the **RECEIVER** by no later than close of business on the 15<sup>th</sup> day of each month, with a consolidated report of all transactions that occurred in the preceding month, detailing *inter alia* -
  - 9.4.1 details of **RECEIVER** Payments transmitted via ACB from The Collectors Nominated Bank Account to the **Receiver's Nominated Bank Account**;
  - 9.4.2 transaction volumes and transaction costs;
  - 9.4.3 those aspects of the **Transaction Data** detailing consolidated data pertaining to all the previous month's transactions.
- 9.5 prior to signature of this Agreement to provide the **RECEIVER** with the **EasyPay Receiver Technical Specifications**;
- 9.6 to ensure that all **RECEIVER** payments reflected in the **Transaction Data** and collected by the respective **Collectors** shall be transferred to the **RECEIVER** within 24 hours of a **Collector** having receipted such payment. Transfer must be effected via the **ACB** by crediting the **Receiver's Nominated Bank Account**;

L.A.  
2007  
X7



- 9.7 to immediately terminate an **EasyPay Collector Agreement** with any **Collector** that has been liquidated, voluntary or compulsory, and whether such liquidation is provisional or final;
- 9.8 to only appoint those **Collectors** who have signed an **EasyPay Collector Agreement**;
- 9.9 to make available to the **RECEIVER** on a daily basis those aspects of the **Transaction Data** detailing payments received.

## 10 NON-PAYMENT / LATE PAYMENTS

- 10.1 In the event, that for any reason whatsoever, **PTSS** is unable to deposit payments via **ACB** in terms of the provisions of this Agreement timeously or at all, **PTSS** shall be liable to the **RECEIVER** for such deposit together with interest on the said deposit calculated at the prime bank overdraft rate charged by the Standard Bank Ltd. from time to time plus 1% reckoned from the **Day** the deposit should have been made until the **Day** on which it is made. Any such interest owing shall be calculated by the **RECEIVER** and deducted from the collection fee due by the **RECEIVER** to **PTSS** in terms of paragraph 5.1 above.
- 10.2 In the event that **PTSS** is unable to deposit Payments timeously, or at all, **PTSS** shall immediately upon becoming aware of this fact, notify the **RECEIVER** in writing thereof, together with a written explanation therefore.

It is specifically recorded and acknowledged by **PTSS** that this notification is essential as the **RECEIVER** might otherwise disconnect or discontinue services to the **RECEIVER** customers.

## 11 THE EASYPAY COLLECTOR AGREEMENT

The **RECEIVER** acknowledges that it is acquainted with the provisions of the **EasyPay Collector Agreement**.

L.A.  
2007

## 12 NON-LIABILITY

Subject to the provisions of paragraph 10 above, **PTSS** shall not be held liable to the **RECEIVER** whatsoever for any damages suffered, claims instituted or loss sustained by reason of **PTSS's** failure to make the deposits referred to in paragraph 9.6 above timeously or at all, provided that such failure does not arise from the negligence or fraud of **PTSS**.

## 13 DATA TRANSFER TO THE RECEIVER

The cost of the telecommunication line shall be borne by the **RECEIVER**.

## 14 BREACH

- 14.1 Should either party hereto breach or fail to comply with any term or condition of this Agreement, then the party aggrieved thereby shall give the defaulting party written notice to rectify such a breach.
- 14.2 In the event of the defaulting party failing to rectify such a breach within fourteen (14) days of the dispatch of such notice, the aggrieved party shall be entitled to give written notice of termination of this Agreement to the other party. Such termination shall take effect upon dispatch of such notice to the other party.
- 14.3 Should either party repeatedly breach any of the terms and conditions of this Agreement in such a manner as to justify the aggrieved party in holding that the defaulting party's conduct is inconsistent with the defaulting party's intention to carry out the terms and conditions of this Agreement, then and in such event the aggrieved party shall without prejudice to its legal rights and remedies, be entitled to terminate this Agreement.
- 14.4 On terminating this Agreement, the aggrieved party will be entitled to claim and recover such damages as the aggrieved party may be able to prove that it has sustained.

L.A.  
2007  
657

## 15 TERMINATION

This Agreement shall terminate with immediate effect upon the happening of any of the following events:

- 15.1 If either party fails to rectify a breach of this Agreement as provided for in terms of Clause 14;
- 15.2 If either party takes a resolution to wind-up its operations
- 15.3 If either party commits a act of insolvency or is placed under final or provisional liquidation.

## 16 PTSS EXCLUSIVITY

- 16.1 Unless otherwise provided for herein the **RECEIVER** agrees and expressly undertakes that it shall not under any circumstances whatsoever deal directly with any **Collector**.
- 16.2 The **Parties** shall not cede, assign, transfer or make over any of their rights, nor delegate any of their obligations, in terms of this Agreement to any third party without the prior written consent of the other party.

## 17 NON-WAIVER

The remission of any payment grant of any concession or condonation of any breach of the terms and conditions hereof, or any other act of relaxation or indulgence on the part of either party shall not in any way constitute or be deemed to be of a waiver by such party of its rights under this Agreement nor shall it constitute a novation hereof.

## 18 DOMICILIUM CITANDI ET EXECUTANDI

- 18.1 Each of the parties chooses *domicilium citandi et executandi* for the purposes of the giving of any notice, the serving of any legal process and for any purposes arising from this Agreement at their respective addresses set forth hereunder:

L.A.  
[Handwritten signatures]

**RECEIVER:** The City of Cape Town  
Paul Sauer Building  
1 Adderley Street  
**CAPE TOWN 8001**

**PTSS:** Prism Transwitch System (Pty) Ltd  
3<sup>rd</sup> Floor Ebdon House  
Belmont Office Park  
Belmont Road  
**RONDEBOSCH 7764**

- 18.2 Any notice to any party shall be addressed to it at its *domicilium* aforesaid and be sent either by pre-paid registered post or be delivered by hand. In the case of any notice:
- (a) Sent by pre-paid registered post, it shall be deemed to have been received, unless the contrary is proved, on the seventh day after posting; and
  - (b) Delivered by hand, it shall be deemed to have been received, unless the contrary is proved, on the date of delivery, provided such date is a business day or otherwise on the next following business day.
  - (c) Any party shall be entitled by notice in writing to the other, to change its *domicilium* to any other address within the Republic of South Africa, provided that the change shall become effective only fourteen (14) days after the service of the notice in question.
  - (d) Any notice addressed to the **RECEIVER** shall be required to be addressed to the Director : Income & Cash to be deemed to have been effectively delivered or served.

my L.A.  
2007

**19 VIS MAJOR**

Neither party shall be liable to the other for any prevention, suspension or postponement of its performance in terms of this Agreement where such prevention, suspension or postponement is due to any event of *vis major* (including but not limited to any act of God, flood, fire, earthquake, terrestrial or extraterrestrial interference, satellite malfunction, war, riot, insurrection, strike or act of any civil or military authority, or other cause of similar nature beyond the reasonable control of a party hereto).

If any such event *vis major* shall continue for a period of sixty consecutive days, or ninety consecutive days, in the aggregate in any one-year contract period during the terms of this Agreement, either party shall have the option thereupon to terminate this Agreement upon no less than ten days written notice to the other party.

In the event of such termination, neither party hereto shall have any further obligations hereunder to the other party, except for payment of any fees, other sums or other consideration past due hereunder and obligations of indemnification expressly contained herein.

**20 DISPUTE RESOLUTION**

The Parties hereby consents in terms of section 45 of the Magistrate's Court Act No 32 of 1944 as amended to the jurisdiction of the Magistrate's Court of any district having jurisdiction in terms of Section 28 of the said Act, provided that either party may at its sole discretion, elect to institute such proceedings in the High Court.

**21 ENTIRE AGREEMENT**

This Agreement constitutes the entire Agreement between the parties and no Agreement at variance with the terms and conditions hereof shall be binding on the parties unless reduced to writing and signed by both parties.

 L.A.  
2007

**22 COSTS**

Each party shall bear their own costs incurred in the negotiations, preparation and settling of the terms of this Agreement.

SIGNED AT Cape Town THIS 26<sup>th</sup> DAY OF July 2002

**AS WITNESSES:**

1 [Signature]

2 [Signature]

[Signature]  
PTSS

SIGNED AT Cape Town THIS 30<sup>th</sup> DAY OF July 2002

**AS WITNESSES:**

1 [Signature]

2 [Signature]

[Signature]  
RECEIVER

**SCHEDULE 1**

Fee per Account Payment : **R2,80** Ex VAT per Transaction  
**R3,19** (Including VAT)

**Bank Costs to be recovered from Receivers :**

Cash Handling Fee : maximum of 0.5%

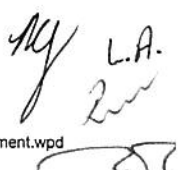
Debit Card Commission : maximum of 1.75%

Visa and Master Card Commissions : maximum of 2.5%

Diners : maximum of 2.5%

Amex : maximum of 2.5%

Unibank : maximum of 2.5%

Handwritten signature and initials, possibly "L.A." and "2007".