

Annexure 4 – Penalties

NB: In addition to the penalties identified in each Service Level Agreement the following additional system of penalties will be applied for the failure of Service Provider to comply with service levels requirements:

Penalties Payable by Service Provider		
Area	Event	Penalty
Ad hoc Vehicles	Where a Vehicle required through an Ad Hoc Vehicle Agreement is not delivered to SANParks in accordance with the requirements of annexure 7 - Replacement / Ad hoc Rental delivery requirements	SANParks may lease similar vehicles from a third party for the total required period and any adverse cost shall be for Service Provider's account.
New Vehicles	Where a standard new Vehicle is ordered under a FML / OPL agreement and is not delivered to SANParks within 90 (ninety) days from the order being placed. Where a customised Vehicle is not delivered within the period agreed as agreed between the parties in writing at the time of ordering.	The service provider will provide an ad hoc rental vehicle, of equivalent make and model, at a pro rata cost of the monthly FML rental reduced by 50%
Breakdowns	Where an FML / OPL Vehicle breaks down	
	Once during a month	No penalty, repair subject to normal service levels.
	Twice during a calendar month	The Rental for the relevant Vehicle shall be reduced by 50% (fifty percent) for the month in question.
	More than twice during a calendar month	No Rental shall be charged for the relevant Vehicle for the month in question.
Roadside assistance	Where breakdown or roadside assistance is not provided within the stipulated timeframes.	The Rental for the relevant Vehicle for the month in which the breakdown occurs shall be reduced by 50% (fifty percent).
Maintenance, Theft, Hijacking	Where a replacement vehicle is not provided in line with the requirements of annexure 7 - Replacement / Ad hoc Rental delivery requirements.	The Rental for the relevant Vehicle for the month in which the failure occurs shall be reduced by 50% (fifty per cent). SANParks may lease similar vehicles from a third party for the total required period and any adverse cost shall be for Service Provider's account.
Game Viewing / School Bus	Where a replacement game viewing vehicle / school bus is not provided in line with the requirements of annexure 7 - Replacement / Ad hoc Rental delivery requirements.	The Rental for the relevant Vehicle for the month in which the failure occurs shall be reduced by 50% (fifty per cent). SANParks may lease similar vehicles from a third party for the total required period and any adverse cost shall be for Service Provider's account.

Penalties payable shall be calculated monthly and payable by Service Provider within 7 (seven) days of the end of each calendar month.

1. All penalties shall be payable free of deduction or set-off into a penalty fund established by SANParks in terms of and subject to the provisions of the Public Finance Management Act, 1999.
2. No penalties will be payable by Service Provider during the Interim Phase of this Agreement.