



COMMUNITY DEVELOPMENT INITIATIVES INTERNATIONAL NPC

Reg. 2012/201981/08 | PBO 930 041 456 | Tax Ref: 9162706189



[Date]

[Company Name]

[Attention: CEO / CFO / HR Director]

[Company Address]

Dear [Name]

LETTER OF INTENT — SMARTCOMMUTE™ COMMUTER RESILIENCE PARTNERSHIP

Thank you for your interest in the SmartCommute™ Commuter Resilience Partnership (CRP). This letter confirms our mutual intention to proceed with implementation and outlines the key terms.

1. WHAT SMARTCOMMUTE™ IS

SmartCommute™ is a turnkey, NPO-governed programme that delivers immediate financial relief to your staff during the current fuel and cost-of-living crisis, ensures SARS compliance, and creates B-BBEE scorecard opportunities — all through your existing payroll infrastructure. CDII is the Programme Principal; your company acts as the Participating Employer.

The programme operates on a two-track eligibility model: Track 1 (employer payroll, Code 3601) covers permanent employees, employed learners under registered learnerships, and employed interns on fixed-term contracts. Track 2 (CDII direct disbursement from the Fund) covers unemployed learners in registered learnerships and stipend-only interns without employment contracts.

2. WHAT YOU RECEIVE

- A pre-populated Programme Participation Agreement (PPA) for execution
- The SmartCommute™ Cost Model with your estimated programme cost
- Employee Cover Note and Employee Acceptance Form templates (Track 1 and Track 2 variants)
- Payroll Instruction Sheet (SARS Code 3601 — ex gratia gross remuneration, PAYE applicable)
- Monthly Disbursement Notice from CDII specifying participants and amounts
- Section 18A Tax Certificate and/or B-BBEE SED Verification Letter (per your election)

3. ESTIMATED PROGRAMME COST

Based on preliminary information:

Eligible employees: _____

CDII admin fee (7.5%): R _____

Estimated monthly disbursement total: R _____

s11(a) staff welfare deduction (primary — ~27% CIT saving): R _____ | s18A alternative election (may qualify, subject to SARS assessment): R _____

Net monthly cost after potential tax recovery: R _____

Programme period: [Agreed commencement date] + 3 months — closing no later than 30 September 2026 | Payment: R250–R500 per eligible participant per month (tiered by verified commuting distance and cost)

4. NEXT STEPS

1. CDII provides you with the full SmartCommute™ Programme Pack
2. Your Board/EXCO passes a resolution approving participation (template provided)
3. Both parties sign the Programme Participation Agreement (PPA)
4. You provide CDII with your eligible participant list (employee/participant numbers only — no names)
5. CDII issues the first Disbursement Notice for the relevant payroll cycle
6. Your payroll processes Track 1 Social Ex Gratia Payments under SARS Code 3601; CDII processes Track 2 disbursements directly

5. NO OBLIGATION

This letter is a statement of intent, not a binding commitment. Either party may withdraw at any time before the Programme Participation Agreement is signed. The programme is ex-gratia, non-contractual, and time-bound (3 months from the agreed commencement date, closing no later than 30 September 2026, or earlier per either of the two defined Sunset Events).

6. CONFIDENTIALITY

All information exchanged in connection with this engagement is treated as confidential and will not be disclosed to third parties without written consent, except as required for B-BBEE verification or SARS compliance.

We look forward to partnering with you on this initiative.

Yours faithfully,

Adv. Don Leffler

Director, CDII

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ACCEPTED AND ACKNOWLEDGED:

Date: _____

[Authorised Signatory] [Company Name]