**PROCEDURES FOR RECORDING AND RECONCILING BREACHES OF THE CONTRACT AND ITS ANNEXES**

1. **The quality of the Carrier's passenger transport services shall be monitored by the Authorized Body, which:** 
   1. It monitors the execution of journeys according to the agreed schedule and records breaches.
   2. It shall monitor compliance of passenger handling and service provision with the Contract and the quality requirements set out in Annexes 2, 3 and 8, and shall record breaches.
   3. Controls the compliance of the Carrier's drivers on the route with: the established route and meeting at stops, the schedule, punctuality according to the schedule: at each stop, at the start, at the end and at the interchange points, and records breaches.
   4. Checks the condition and labelling of vehicles and records breaches.
   5. It shall monitor the quality and performance of passenger services and record irregularities and other breaches as provided for in the Contract and its Annexes.
2. **Procedures for recording and reconciling breaches**
3. The breaches of the established service provision and quality requirements shall be recorded by the Authorized Body in a monthly report of the Carrier (see Annex 8 of the Contract).
4. At the end of the reference calendar month, until the 10th day of next month, the Authorized Body shall prepare and submit a report on the Carrier’s breaches - a penalty report with annexes on the established breaches of quality requirements of public passenger transportation services and their quantity.
5. At the end of the calendar month to which the report relates, the Carrier shall certify by signature the breach /penalty report submitted to the Authorized Body by the 14th calendar day of the current month at the latest.
6. If the Carrier fails to provide reasons for not approving the breach / penalty report by the 15th calendar day of the current month, the Carrier shall be deemed to have accepted the breaches found.
7. The Authorized Body undertakes to provide the Carrier with access to the Breach Recording Information System(s) within 5 (five) working days prior to the commencement of the service.

**Municipality Authorized body Carrier**

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