

Master Agreement

entered by and between

MUNSOFT PROPRIETARY LIMITED

(Registration number: 2001/024674/07)

Physical address:

Building 17
Cycad House
Constantia Office Park
Corner of 14th Avenue and Hendrik Potgieter Street
Weltevredenpark
1709

Email address:

legal@munsoft.co.za

(hereinafter referred to as "Munsoft")

(herein represented by N Rerani, duly authorised)

AND

WATERBERG DISTRICT MUNICIPALITY

A Municipality as contemplated in terms of Section 12 of the Municipal Structures Act, Act 117 of 1998 with legislative and executive powers inside the area as demarcated in terms of the Municipality Demarcation Act, 27 of 1998 and being a statutory corporate herein represented by **MR MOLOPO ZACHARIA NAMATE** in his capacity as the **MUNICIPAL MANAGER** appointed through a Resolution Section 54A and duly authorised thereto.

Physical address:

Harry Gwala Street
Modimolle
0510

Email address:

kmakobela@waterberg.gov.za

(hereinafter referred to as the "Client")

(herein represented by **MR MOLOPO ZACHARIA NAMATE** in his/her capacity as the **MUNICIPAL MANAGER**

appointed in terms of Section 55 of the Municipal Systems Act)

(collectively referred to as the "Parties" and "Party" referring to either one of them)

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1. Background

- 1.1 Munsoft and the Client entered into an agreement in for the provision of integrated financial management and internal control services on 26 January 2018 for a period of 36 months commencing 1 July 2017.
- 1.2 The Agreement would have expired on 30 June 2020.
- 1.3 The Parties now wish to amend the term of the Agreement by extending the term with another 24 months. The Agreement will consequently now expire on 30 June 2022.
- 1.4 The Parties now extend and amend the master services agreement on the terms contained within this Agreement.
- 1.5 This Agreement will consequently replace the master services agreement entered between the Parties on 26 January 2018.
- 1.6 The entering into this Agreement is not a novation of the master services agreement, but rather an amendment of an existing agreement relating to the provision of the System and Services.
- 1.7 The Client enters into this Agreement in accordance with the supply chain regulations governing local government procurement in terms of Section 116 of the MFMA.

2. Definitions

Unless inconsistent with the context, the words and expressions below will have the following meanings and similar expressions will have the same meanings:

- 2.1 "AFSA" means the Arbitration Foundation of Southern Africa;
- 2.2 "Agreement" will mean this Master Agreement, together with any Schedules hereto;
- 2.3 "Annexure A" means the Summary Cost Schedule setting out all the fees payable in terms of the Agreement;
- 2.4 "Annexure B" means the License Schedule Summary setting out the details of the licenses for the various Licenced Programs and Sub-Systems;

- 2.5 "Annual License Fees" will mean the annual license fees payable for the continued use of the System and Services as indicated on Annexure A;
- 2.6 "Business Day" will mean the hours from 08:00 to 17:00 on any day other than a Saturday, Sunday or public holiday in South Africa;
- 2.7 "Confidential Information" means any technical, regulatory, business, management, commercial and product or service information, which information is marked confidential or is by its nature confidential, including without limitation data processes, specifications, drawings, design, computer software, know-how, contractual arrangements, future plans, reports, business discussions and any material bearing or incorporating such information, disclosed between or on behalf of the Parties either orally or in tangible or visible or machine readable form. Confidential Information will include all consumer data kept by the Client;
- 2.8 "Commencement Date" will, notwithstanding the date of signature of this Agreement, **1 July 2020**;
- 2.9 "Computer" means an electronic device which can receive information (data) in a particular form and of performing a sequence of operations in accordance with a predetermined but variable set of procedural instructions (program) to produce a result in the form of information or signals
- 2.10 "Domicilium" means a Party's *domicilium citandi et executandi* at which all documents in legal proceedings about this Agreement must be served;
- 2.11 "Enhancement" will mean updates, modifications, refinements and improvements made to a Licensed Program and/or Licensed Material, which Munsoft does not separately market, but will specifically exclude any major reform required as a result of a reform of the MSCOA Regulations;
- 2.12 "Force Majeure Events" mean any earthquake, flood, fire, storm, natural disaster, act of God, war, terrorism, armed conflict, labour strike, lockout, boycott or other similar events beyond the reasonable control of the affected Party;
- 2.13 "ICT" means information communication technology;
- 2.14 "Initial Period" will mean the period from the Commencement Date until **24 calendar months** later;
- 2.15 "Licensed Programs" will mean all the software programs employed to deliver the Service, including but not limited to, the Munsoft Financial System and the Sub-Systems. The Licensed Programs will be provided in object code form only;
- 2.16 "Licensed Materials" will mean all manuals and other documentation, owned by or licensed to Munsoft and supplied to the Client together with the Licensed Programs;
- 2.17 "Location" will mean the Municipal Offices of the Client;
- 2.18 "Maintenance and Support Services" will mean the monthly maintenance and support services required for the maintenance and support of the System and Services, as detailed in Schedule A;
- 2.19 "MFMA" means the Municipal Finance Management Act, 56 of 2003;
- 2.20 "Monthly Maintenance and Support Fee" will mean the fee for the Monthly Maintenance and Support Services as will more fully appear from the Annexure A;
- 2.21 "Munsoft Academy" means the online e-learning portal developed and maintained by Munsoft;
- 2.22 "Munsoft Essential ICT Services" mean the ICT supporting services Munsoft can deliver, which services are more clearly set out in Schedule I;
- 2.23 "Munsoft Financial System" means the municipal accounting software owned and developed by Munsoft;

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- 2.24 "Munsoft Invoice Dispute Form" means the invoice dispute form template used by Munsoft to handle disputed invoices from time to time;
- 2.25 "Munsoft User Group" means a group of representatives consisting of representatives of the different municipalities using the Munsoft Financial System;
- 2.26 "MSCOA Regulations" mean the Municipal Regulations on Standard Chart of Accounts, Government Gazette 37577, 22 April 2014 and includes any formal communications issued by National Treasury relating to the Municipal Regulations on Standard Chart of Accounts;
- 2.27 "Prime Rate" means the prime bank overdraft rate of interest charged from time to time by ABSA bank on unsecured overdrawn current accounts of its most favoured corporate customers;
- 2.28 "Protection of Personal Information Act" means the Protection of Personal Information Act, 4 of 2013;
- 2.29 "Related Parties" mean the subcontractors and agents and their respective directors, officers and employees of either Party;
- 2.30 "Services" will mean the integrated financial management and internal control services delivered by Munsoft to the Client;
- 2.31 "Service Addendum" means the document setting out the additional Supporting Services procured by the Client;
- 2.32 "Source Code" means the source code of the Licensed Programs which has been written by the programmers of the Licensed Programs and comprising the listings of the various instructions and statements that the Licensed Programs contain in plain English or any programming language;
- 2.33 "Sub-Systems" mean asset management, payroll and human resources, electronic meter reading system, performance management system, GIS and document management;
- 2.34 "Supporting Services" include the supporting services procured by the Client as indicated in Annexure A. All available supporting services are defined in the Schedules;
- 2.35 "System" will mean all Licensed Programs and Licensed Materials licensed under this Agreement;
- 2.36 "Use" means to load, execute, store, transmit, display (for the purposes of loading, execution, operation, storage, transmission or display) or otherwise utilise the Licensed Programs for legitimate business purposes, in accordance with this Agreement.

3. Interpretation

Unless inconsistent with the context or where the contrary is expressly indicated:

- 3.1 A "person" will be interpreted as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether having separate legal personality) of two or more of the foregoing.
- 3.2 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it appears only in clause 2 or 3, effect will be given to it as if it were a substantive provision of this Agreement;
- 3.3 When any number of days is prescribed in this Agreement, it will be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Day, in which case the last day will be the next Business Day;
- 3.4 If the day for payment of any amount due in terms of this Agreement should fall on a day which is not a Business Day, the relevant day for payment will be the next Business Day;

- 3.5 If the day for performance of any obligation to be performed in terms of this Agreement should fall on a day which is not a Business Day, the relevant day for performance will be the next Business Day;
- 3.6 Any reference in this Agreement to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time;
- 3.7 Any reference in this Agreement to this Agreement or any other agreement or document will be interpreted as a reference to this Agreement or such other agreement or document as same may have been, or may from time to time be, amended, varied, notated or supplemented;
- 3.8 No provision of this Agreement constitutes a stipulation for the benefit of any person who is not a party to this Agreement;
- 3.9 References to day/s, month/s or year/s will be interpreted as Gregorian calendar day/s, month/s or year/s; and
- 3.10 A reference to a Party includes that Party's successors-in-title and permitted assigns.
- 3.11 Any one gender includes the other genders; the singular includes the plural and vice versa.
- 3.12 Where any term is defined within the context of any clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, will have the same meaning as ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in clause 2.
- 3.13 This Agreement will be binding on and enforceable by the estates, heirs, executors, administrators, trustees, permitted assigns or liquidators of the Parties as fully and effectually as if they had signed this Agreement in the first instance and reference to any Party will be deemed to include such Party's estate, heirs, executors, administrators, trustees, permitted assigns or liquidators.
- 4. Grant of license**
- 4.1 The Client is hereby granted a non-exclusive, non-transferable license to Use the System, subject to payment in full of all amounts due in terms of this Agreement.
- 4.2 The Client will receive a single copy of the Licensed Programs for Use on any number of compatible Computers at the Location designated by the Client, provided the number of concurrent users does not exceed the number of users defined in Annexure B.
- 4.3 Munsoft will provide a complete set of Licensed Materials to the Client.
- 4.4 Munsoft will make scheduled Enhancements and upgrades to the Licensed Programs during the term of this Agreement. Any major reform of the System required due to a reform of the MSCOA Regulations or an extensive revision of the software platform on which the Munsoft Financial System is coded will not be considered an Enhancement and the cost of such a major reform will be for the Client.
- 4.5 Except as provided otherwise in this Agreement, or agreed in writing between the Parties, the Client will not:
- 4.5.1 make available or distribute all or part of the System to any third party by cession, assignment, delegation, and sub-license or otherwise;
- 4.5.2 copy, adapt, reverse engineer, decompile, disassemble, modify or make modifications or enhancements in whole or in part to the System;
- 4.5.3 market, sell, lease, permit third party use of or in any other way allow third parties access to the System;

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4.5.4 have access to or be entitled to the Source Code for any reason whatsoever.

5. Provision of the Services

- 5.1 Munsoft will provide the Services to the Client, which, when employed with the System, will deliver the functionality defined in the MSCOA Regulations.
- 5.2 The Sub-Systems integrate fully with the Munsoft Financial System. These Sub-Systems will only form part of the System and Services if specifically included in this Agreement in Annexure A. Should the Client operate a third-party module delivering the same functionality of any of the Sub-Systems and decide to continue its use of the third-party module, Munsoft will be entitled to charge a fee for the integration of the third-party module into the System. This fee will depend on the extent of the integration process and will be negotiated between the Parties.
- 5.3 Should the Client require any training or consulting services on any of the Sub-Systems, such training and consulting may be provided by independent consultants appointed by the proprietors these Sub-Systems (where applicable) and such training and consulting will be for the account of the Client.
- 5.4 Where independent consultants are appointed to provide training and consulting services on any Sub-Systems, Munsoft will not be responsible or liable for the services provided by these independent consultants.

6. Third party service providers

- 6.1 If the Client has negotiated or is in the process of negotiating with other service providers for the provision of certain services that fall within the scope of the System and Services as defined herein, these service providers will have independent agreements with the Client and Munsoft will not be responsible or liable to the Client for any services delivered by these independent service providers.
- 6.2 The provisions in 6.1 will apply even if the services of the service providers are included on Annexure A and/or Annexure B at the Client's insistence, and/or if Munsoft performs certain administrative functions on behalf of these service providers.

7. Specific exclusions

- 7.1 Munsoft is responsible to ensure the proper installation and functioning of the System, to enable the Client to transact in terms of the MSCOA Regulations. Munsoft is not responsible to perform these transactions on behalf of the Client. Any support provided by Munsoft to assist the Client with transacting on the System, will attract an additional fee and should be procured in terms of the change order procedure prescribed in this Agreement.
- 7.2 Munsoft will be relieved of the obligation to perform Services and/or Maintenance and Support Services and will in addition not be liable for any loss, liability, damages or expenses of whatsoever nature and howsoever arising where Munsoft's failure, delay or inability to perform any of the Services and/or Maintenance and Support Services are due to:
 - 7.2.1 The Client's failure to perform or delay in performing its obligations in terms of this Agreement;
 - 7.2.2 All ICT infrastructure and/or communication line faults that is not within the direct control of Munsoft;
 - 7.2.3 Power failures or power interruptions at the Location and/or of the System;
 - 7.2.4 Failure or delay by the Client to report faults/problems to Munsoft, including, but not limited to, failure to report missing functionality;

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- 7.2.5 The Client or any person under its direct control making unauthorised changes to the System, Services and/or Supporting Services or any part thereof;
- 7.2.6 The failure of any hardware, software, application/s or any other computer system (or any component thereof) of any third party on whom the Client relies (whether directly or indirectly) to use the System and/or on which Munsoft relies to provide the Services and/or the Maintenance and Support Services; or
- 7.2.7 The Use by Client of the System, Services and/or Supporting Services other than in accordance with the terms set out in this Agreement, Licensed Materials and/or reasonable instructions from Munsoft;
- 7.2.8 Understaffing by the Client, specifically in key positions relating to the System and/or Services;
- 7.2.9 The exclusion by the Client of any Services proposed by Munsoft in Annexure A, which Services forms part of the System.

8. Fees and Payment terms

- 8.1 Monthly Maintenance and Support Fees are payable monthly in advance and will become due and payable even if Munsoft suspends Maintenance and Support Services to the Client in terms of clause 25 (Suspension of Maintenance and Support Services) of this Agreement.
- 8.2 Annual License Fees are payable annually on the presentation of an invoice.
- 8.3 All invoices are payable 30 days from date of invoice.
- 8.4 The Client may not withhold payment on any invoice due to System related issues. All invoices must be paid as it falls due and all System related issues must be dealt with in accordance with the provisions of Schedule A.
- 8.5 Munsoft reserves the right to charge interest on all invoices that remain unpaid for more than 60 days, at the Prime Rate plus 2%.

9. Disputed invoices

- 9.1 Should the Client dispute the correctness or validity of any invoice, the Client must complete the Munsoft Invoice Dispute Form and forward the completed form together with a copy of the disputed invoice on which the disputed items are clearly marked to Munsoft within 7 days from the date of the disputed invoice.
- 9.2 Should a Munsoft Invoice Dispute Form not be received from the Client within 10 days from the date of invoice, the invoice will be deemed as correct and where relevant, interest will be charged on all overdue accounts.
- 9.3 Munsoft will investigate the dispute raised by the Client and provide the Client with its findings within 3 days of the receipt of the Munsoft Invoice Dispute Form.
- 9.4 A separate Munsoft Invoice Dispute Form must be completed for each disputed invoice.

10. Escalation of fees

- 10.1 Munsoft will be entitled to increase the Annual License Fees for each Licensed Program as well as the Monthly Maintenance and Support Fee on the anniversary date thereof, with the pricing as approved by National Treasury and on 60 days' written notice to the Client.

- 10.2 Munsoft will be entitled to increase the fees charged for additional Supporting Services on the anniversary thereof and on 60 days' written notice to the Client. Such increase will not exceed 10%, except if Munsoft provides satisfactory motivation to the Client that justifies a higher increase.

11. Maintenance and Support Services

- 11.1 Munsoft will perform Maintenance and Support Services, subject to the payment of the Monthly Maintenance and Support Fee.
- 11.2 Munsoft will not be obliged to provide Maintenance and Support Services to the Client if the Client is not using the correct version of the System. However, Munsoft may, in its sole discretion, agree to support any such preceding version of the System for a period to be agreed upon between Munsoft and the Client in writing.

12. Bribery and Corruption

The Parties warrant that, regarding this Agreement, it and its Affiliates, as well as Related Parties:

- 12.1 will comply with all applicable anti-bribery and corruption laws and regulations; and
- 12.2 will not, directly or indirectly, offer, give or agree to give any person, or solicit, accept or agree to accept from any person gratification (including, without limitation, loans, gifts, donations, status, privilege or anything else of value) in order to act in a dishonest, biased or any other improper manner in carrying out any powers, duties or functions that amounts to the abuse of a position of authority or any other unauthorised or improper inducement of a person to do or not to do anything.

13. General warranties

- 13.1 Munsoft warrants that it is entitled to grant to the Client a license to Use the System as provided for in this Agreement.
- 13.2 Munsoft warrants that it has obtained the necessary authorisation from the proprietary owners of all such copyright and intellectual property rights subsisting in the System, to distribute and license the System and indemnifies the Client against any liability in respect of claims from the third parties for infringement thereof.
- 13.3 Munsoft warrants that the System, when used according to the operating instructions, will perform in accordance with its specifications and in the manner intended.
- 13.4 The warranties set out in this clause are used in the place of all other warranties, representations or conditions, express or implied, statutory or otherwise, including any implied warranties of satisfactory quality and fitness for a purpose.

14. Client obligations

The Client must –

- 14.1 provide suitable access to Munsoft or its suppliers at the Locations to install and maintain the System and to deliver the Services and/or Supporting Services;
- 14.2 provide access to the Client's system and ICT network to enable Munsoft to provide the Services and/or Supporting Services and to install and maintain the System;

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- 14.3 provide Munsoft with accurate information that may affect the installation and/or maintenance of the System and/or the delivery of the Services and/or Supporting Services, such as Client policies and ICT network architecture;
- 14.4 deliver all assistance requested by Munsoft that may be necessary to enable Munsoft to resolve any issues or problems that the Client may experience with the System;
- 14.5 assume full responsibility for the overall suitability of the Locations in which the service equipment is to function and the Services and/or Supporting Services are to be rendered;
- 14.6 ensure that internet access to the System as required to enable remote Maintenance and Support Services, is always available and functional;
- 14.7 ensure the physical security of all Munsoft hardware installed at the Client's premises and be obligated to replace any hardware that may be damaged or stolen on Client premises;
- 14.8 prevent any unauthorised access to the System and any Supporting Services utilised by the Client;
- 14.9 log all support calls on Munsoft's help desk in terms of the agreed process;
- 14.10 provide adequate downtime for scheduled Maintenance and Support Services;
- 14.11 ensure that its relevant personnel have sufficient training to attain and maintain competence in the operation of the System, before allowing them Use of the System
- 14.12 inform Munsoft of any perceived lack of functionality as may be required by the MSCOA Regulations and allow Munsoft to indicate where such functionality may be found and/or develop such functionality within a reasonable period.

15. Munsoft's obligations

Munsoft undertakes to:

- 15.1 maintain properly trained staff, agents and/or consultants to provide and deliver the Services, Maintenance and Support Services as well as the Supporting Services;
- 15.2 ensure that the Licensed Programs remain compatible with the operating system used by the Client;
- 15.3 attend to the routine maintenance of the Licenced Programs;
- 15.4 install any Enhancements;
- 15.5 attend to the correction of critical errors in the Licensed Programs;
- 15.6 do all things necessary to ensure that the Licenced Program functions in accordance with their specifications;
- 15.7 transfer skills and to provide the relevant training to the designated employees of the Client to enable the Client to handle basic diagnostics, support and maintenance functions.

16. Intellectual property rights

- 16.1 Ownership of the intellectual property rights in the various Licensed Programs will remain vested in the proprietors of such Licensed Programs (which includes Munsoft) and no intellectual property rights to the Licensed Programs are granted or assigned to the Client.
- 16.2 The Client will not at any time, in any way, question or dispute the ownership of any proprietor (including Munsoft) of the Licensed Programs and undertakes not to infringe or prejudice any rights of the proprietors in and to the Licensed Programs.

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- 16.3 The Client acknowledges that the System is not the property of the Client and that Munsoft intends that the Client will use the System only in terms of this Agreement.

17. Change order procedure/Requesting additional Supporting Services

- 17.1 No changes or additions to this Agreement will be effective or binding on the Parties unless a written change order is signed by authorised representatives of both Parties.
- 17.2 If either Party wants to propose a change in or addition to the System, Services and/or Supporting Services or other aspects of this Agreement, it may do so by delivering a change order request to the other Party.
- 17.3 If the Client delivers a change order request to Munsoft, Munsoft will issue a Service Addendum for the addition or amendment to the System, Services and/or Supporting Services. The written acceptance by the Client of this Service Addendum, by signature of the designated employee on the Service Addendum, will be sufficient proof of the authorisation of the addition and/or amendment required and confirmation that all internal requirements relating to the supply chain management of the Client and any requirements of the MFMA have been met.
- 17.4 The Client may request any of the Munsoft Essential ICT Services by providing Munsoft with a written request for such Munsoft Essential ICT Services. Munsoft will issue a Service Addendum for the provision of the required Munsoft Essential ICT Services and the acceptance of the designated employee of the Client of this Service Addendum will be enough proof of the authorisation of the required Munsoft Essential ICT Services.
- 17.5 Munsoft will be entitled to accept that by the signature of the designated employee being appended on the Service Addendum providing for an addition or amendment, all internal processes of the Client have been complied with and that such signature creates a valid acceptance of the Service Addendum provided by Munsoft.

18. Confidentiality and non-disclosure

The Party receiving the Confidential Information will:

- 18.1 not disclose or communicate the Confidential Information to any person other than its employees, agents or contractors who will be directly involved in work in respect of the System and/or Supporting Services and who have been made aware of the confidential nature of the Confidential Information and have agreed to act in accordance with the terms of this undertaking.
- 18.2 will seek permission from the disclosing party prior to disclosing the Confidential Information to any third party who needs to know the Confidential Information;
- 18.3 act on or use the Confidential Information only for this Agreement and will not make any copies or otherwise duplicate the Confidential Information. The receiving party will seek permission from the disclosing party prior to using the Confidential Information for any other purpose; and
- 18.4 protect the Confidential Information with the same degree of care with which it protects its own confidential information of like importance, but in any event not less than with a reasonable degree of care.
- 18.5 The above undertakings will not apply to the extent that:
- 18.5.1 the receiving party is required by law to make disclosure of the Confidential Information. If a receiving party is required to disclose the Confidential Information pursuant to law, judicial or arbitration process, or by governmental authorities, the receiving party will

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- advise the disclosing party thereof prior to disclosure, if possible, and will further to the extent that it is lawfully able to take such steps to limit the extent of the disclosure, afford the disclosing party a reasonable opportunity to intervene in the proceedings; and comply with the disclosing party's requests as to the manner and terms of any such disclosure;
- 18.5.2 the Confidential Information is or becomes generally available to the public other than because of a breach of the above by the receiving party or any of its employees, agents or contractors;
- 18.5.3 any Confidential Information is received by the receiving party from a third party who did not acquire the Confidential Information subject to any duty of confidentiality to the disclosing party;
- 18.5.4 the Confidential Information is already known to the receiving party or in its possession before the disclosure hereunder free of any obligation to keep it confidential;
- 18.5.5 the Confidential Information is already possessed or independently developed by the receiving party; or
- 18.5.6 the Confidential Information is approved for release by prior written authorisation from the disclosing party.
- 18.6 Each Party's Confidential Information will be and remain the property of that Party.
- 18.7 Neither Party will possess or assert any lien or other right against or to the other Party's Confidential Information, or sell, assign, lease or otherwise dispose of the other Party's Confidential Information, or any part thereof, to third parties.
- 19. Data privacy, collection, protection and consent**
- 19.1 The Parties undertake to comply with the Protection of Personal Information Act in exercising its rights and obligations in terms of this Agreement.
- 19.2 The data provided by the Client to Munsoft remains the property of the Client and the Client retains all Intellectual property rights therein.
- 19.3 The Client grants Munsoft a license to use the data to the extent necessary for the provision of the System and/or the performance of the Services, which includes, but is not limited to, any regulatory reporting requirements.
- 19.4 The Client specifically consents to the use of its data to further the aims of the MSCOA Regulations, through the publishing of its data to governmental departments having the necessary authority.
- 19.5 The Client hereby specifically agrees that Munsoft may collect data from time to time that verifies the circumstances under which the Client is using the System and the Supporting Services, including the number of employees of the Client using the System and the IP addresses of the computer and/or computers, network or any other device in which the System is installed. The collection of such data will assist Munsoft in preventing the Use of the System other than in accordance with this Agreement and to enforce its rights in terms of the Agreement.
- 19.6 The Client hereby consents to the transfer of all data under its control (including personal Information as defined in terms of the Protection of Personal Information Act) to servers located outside of South Africa (cloud storage) and undertakes to procure that its consumers provide the necessary consent in relation to their personal information (as defined in the Protection of Personal Information Act) for the transfer of their personal information to servers located outside of South Africa.

20. Indemnity

- 20.1 The Client hereby indemnifies Munsoft for all loss and damage (including legal fees) arising from:
- 20.1.1 a breach or non-performance of this Agreement by the Client or its authorised employees;
 - 20.1.2 all claims made by any third party arising from the Client's Use of the System, Services or Supporting Services;
 - 20.1.3 any failure by the Client to obtain the necessary consent required by Munsoft in terms of clause 18.3 (Confidentiality and non-disclosure); and
 - 20.1.4 any incidence of an information security breach of the System.

21. Limitation of Liability

- 21.1 Each Party's liability to the other for all claims, losses, damages or expenses from any cause whatsoever will be limited to direct damages proven, provided that in the case only of the Client's claim against Munsoft for proven direct damages, the amount that the Client is entitled to recover will not exceed the total amount of Annual License Fees paid to Munsoft by the Client for the period of the Agreement.
- 21.2 In no event will either Party be liable to the other for any special, incidental, consequential, or any other indirect loss or damage (including but not limited to lost profits or revenues, loss of data). These limitations of liability will apply regardless of the form of action, whether in contract, delict, strict liability, or otherwise and regardless of whether either Party has been advised as to the possibility of such damages and/or losses.

22. Term and Termination

- 22.1 This Agreement will commence on the Commencement Date and will remain effective for the Initial Period.
- 22.2 The Client may renew this Agreement for subsequent 36-month periods by giving 90 days' written notice before the expiry of the Initial Period or any renewal period.
- 22.3 The Client may not terminate this Agreement before the expiry of the Initial Period and will remain liable for all fees as quoted in the Summary Cost Schedule (Annexure A) in the event of any premature termination of this Agreement.
- 22.4 The term of any additional Supporting Service procured by the Client will appear on the Service Addendum issued by Munsoft for the relevant Supporting Service and will be subject to the provisions of this clause (Term and Termination).
- 22.5 If either Party terminates the Agreement, such termination will take effect from:
- 22.5.1 the last day of the calendar month in which the termination notice is received, if the termination notice is received by the other party at least 5 Business Days prior to the end of the relevant calendar month; or
 - 22.5.2 the last day of the next calendar month, if the termination notice is not received 5 Business Days prior to the end of the relevant calendar month.

23. Effects of termination

- 23.1 The termination of this Agreement will not affect:
- 23.1.1 either Party's rights or remedies for the period prior to termination; or
 - 23.1.2 those rights and obligations which, in terms of the Agreement, either expressly or by implication, will survive beyond termination.

- 23.2 If, at the time that termination takes effect, the Client has already paid its Annual License Fees for any subsequent renewal period, Munsoft will, within 30 Business Days after termination takes effect, refund to the Client any portion of the Annual License Fee remaining for the relevant subsequent renewal period. It is recorded that this provision only applies to Annual License Fees payable during subsequent renewal periods and that the Client will remain liable for all Annual License Fees quoted in Annexure A for the duration of the Initial Period, even if termination takes place during the Initial Period.
- 23.3 At the termination of this Agreement for whatever reason, the Client must delete all copies of the System from its ICT network and provide Munsoft with written confirmation that the System was removed. The Client will be responsible to make the necessary backup copies of all Client data and Munsoft will in no way be responsible to ensure that backup copies of Client data are kept.
- 23.4 Munsoft can assist the Client with the conversion of all Client data to whatever new integrated financial management and internal control system will be used by the Client, however, this service does not form part of this Agreement and will be quoted for separately.

24. Breach

- 24.1 Either Party may terminate this Agreement and/or claim specific performance and/or damages if the other Party breaches any of the terms of this Agreement and fails to remedy such breach within 30 Business Days of receipt of a written notification from the Party requesting that the breach be remedied.
- 24.2 In the event of a breach of a material provision of this Agreement in circumstances where the remedy of specific performance or damages would not adequately prevent Munsoft from being prejudiced, Munsoft may cancel this Agreement, in which case Munsoft will give the Client written notice of cancellation and the cancellation will take effect on the giving of such notice.
- 24.3 The provisions in this clause are without prejudice to any other remedies that the Party affected by the breach may have at law.

25. Suspension of Maintenance and Support Services

- 25.1 In addition to Munsoft's rights contained in the clause 22 (Term and Termination), if the Client materially breaches this Agreement or if the Client remains in arrears on any payment due for more than 60 days, Munsoft may, without prejudice to any other remedy it may have at law, immediately and without notice to the Client, suspend all Maintenance and Support Services to the Client.
- 25.2 If Munsoft suspends the Client's access to the Maintenance and Support Services and the Client:
- 25.2.1 remedies its breach;
 - 25.2.2 complies with the Agreement; and
 - 25.2.3 pays all outstanding amounts due in terms of the Agreement,
- then Munsoft will reactivate the Client's access to the Maintenance and Support Services.

26. Force Majeure

- 26.1 Neither Party will be deemed in default of this Agreement, nor will it hold the other Party responsible for, any termination, interruption or delay in the performance of its obligations (excluding payment obligations) due to Force Majeure Events, provided that the Party relying on this clause gives prompt written notice thereof and takes all steps reasonably necessary to limit the effects of the force majeure event.

26.2 If a Force Majeure Event extends for more than 30 days in total, either Party may terminate this Agreement upon written notice.

27. Relationship between the Parties and good faith

- 27.1 Munsoft will serve as an independent contractor and under no circumstances will it be, or be deemed to be, a partner, joint venture or employee of the Client in the performance of its duties and responsibilities pursuant to the Agreement.
- 27.2 All employees engaged by Munsoft will be the Munsoft's employees, servants, or agents, and the entire management, direction, and control of all such employees will be exclusively vested with the Munsoft.
- 27.3 The Parties undertake to act in the utmost good faith in their relationship with each other and they undertake not to do anything nor refrain from doing anything which might prejudice or detract from the rights or interests of the other of them.

28. Dispute Resolution

- 28.1 In the event of a dispute between the Parties of any kind or nature relating to this Agreement, upon the written request of either Party, each of the Parties will appoint a senior representative whose task it will be to meet to resolve such dispute. Such representatives will discuss the matter in dispute and negotiate in good faith, to resolve the dispute on mutually agreeable terms.
- 28.2 No formal proceedings may be commenced until either or both designated representatives conclude in good faith, that amicable resolution through continued negotiation of the matter is not likely to occur.
- 28.3 Any dispute that might arise between the Parties that cannot be resolved by the above will be submitted to and decided by arbitration.
- 28.4 Both Parties will continue to comply with all the provisions of this Agreement with all due diligence during the determination of such dispute, should the dispute arise during the subsistence of this Agreement.

29. Arbitration

- 29.1 The Parties agree to subject themselves to resolve any disputes that could not be resolved between themselves, by means of arbitration in English through AFSA or any other mutually agreed upon institution.
- 29.2 The agreement to resolve any dispute through arbitration does not preclude any party to seek urgent interim relief from the High Court of South Africa, Gauteng Division, Pretoria, should such urgent relief be required.
- 29.3 The arbitration will take place in Pretoria as soon as possible, but not later than 21 days from notification to such effect, given by either Party, except for urgent interim relief which may be sought from the High Court of South Africa, Gauteng Division, Pretoria.
- 29.4 AFSA, or any other institution which the Parties may agree upon, will take the nature of the dispute into account when appointing an arbitrator, who will first endeavour to resolve the dispute between the Parties by means of mediation, failing which he/she will arbitrate the matter in terms of the applicable institution's rules.
- 29.5 For purposes of having any award made by the arbitrator, being made an order of court, each Party hereby submits itself to the jurisdiction of the High Court of South Africa, Gauteng Division, Pretoria.

- 29.6 This clause is severable from the rest of this Agreement and will remain in effect, even if this Agreement is terminated for any reason.

30. Addresses

- 30.1 Each Party chooses the addresses set out on the cover page of this Agreement as its address and Domicilium to which all notices and other communications must be delivered for the purposes of this Agreement.
- 30.2 Any notice or communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be valid and effective only if in writing and delivered to a Party's chosen address or email address in accordance with the provisions of this clause.
- 30.3 Any Party may, by written notice to the other Party, change its chosen address to another address, provided that the change will become effective on the 10th Business Day after the receipt or deemed receipt of the notice by the addressee.
- 30.4 Any notice to a Party contained in a correctly addressed envelope and delivered by hand to a responsible person during ordinary business hours at its chosen address will be deemed to have been received on the day of delivery.
- 30.5 Any notice by email to a Party at its email address will be deemed, unless the contrary is proved, to have been received on the first Business Day after the date of transmission.
- 30.6 Notwithstanding anything to the contrary contained in this clause, a written notice or communication received by a Party will be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen address.

31. Entire Agreement

This Agreement contains the entire agreement between the Parties in relation to the subject matter hereof.

32. Variation

No amendment or variation to this Agreement will be of any force or effect unless reduced to writing on paper and signed by or on behalf of the duly authorised representatives of both Parties in pen. The provisions of the Electronic Communications and Transactions Act, 2002 (25 of 2002) are expressly excluded from this clause.

33. No waiver

The failure of either Party to insist upon the strict performance of any provision of this Agreement or to exercise any right, power or remedy in the event of a breach of this Agreement, will not be a waiver by such Party to require strict and punctual compliance with every provision of this Agreement.

34. Cession and Assignment

- 34.1 The Client will not, without the prior written consent of Munsoft, assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under this Agreement.
- 34.2 Munsoft may at any time assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under this Agreement.

35. Severability

If any clause or term of this Agreement should be invalid, unenforceable, defective or illegal for any reason whatsoever, then the remaining terms and provisions of this Agreement will be deemed to be severable from such clause and will continue in full force and effect unless such invalidity, unenforceability, defect or illegality goes to the root of this Agreement.

36. Costs

Each Party will bear its own costs relating to the negotiation and execution of this Agreement.

37. Counterpart

This Agreement may be signed in counterparts and the copies signed in counterpart will form the Agreement. This will include scanned copies of this Agreement.

38. Governing language

Any notice given or communication made in terms of this Agreement will be in English. To be clear, any communication in whatever form (written or verbal) between Munsoft and the Client must be made in English.

39. Governing Law

All the provisions of this Agreement will be governed by and interpreted in accordance with the laws of the Republic of South Africa. Furthermore, the Parties hereby irrevocably and unconditionally consent to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Division, Pretoria regarding all matters arising from this Agreement.

Initials Client


Initials Munsoft
N.R

40. Signature

SIGNED at Centurion on this the 06 day of August 2020

For and on behalf of **MUNSOFT PROPRIETARY LIMITED**

Signature

: 

Name

: Ndiaphi Rerani

Capacity

: Executive Director

Who warrants that he/she is authorised to do so.

Witness

1. _____

2. _____

SIGNED at Mohamolle on this the 06 day of August 2020

For and on behalf of **CLIENT**

Signature

: 

Name

: MOLOFO ZACHARY NKOMO

Capacity

: Acting Municipal Manager

Who warrants that he/she is authorised to do so.

Witness

1. _____

2. _____

Annexure A - Summary Cost Schedule

1. Summary of fees

All fees quoted are exclusive of Value Added Tax

Service Schedules: Original Subscriptions					
	Once-off Fees	Monthly Fee 2020/21	Annual Fee 2020/21	Monthly Fee 2021/22	Annual Fee 2021/22
Munsoft Service Fee		R 129 232,13		R 142 155,34	
Munsoft Annual Maintenance Fee			R 300 082,31		R 330 090,54
Service Schedule A: Munsoft Technical Support	Included		Included		Included
Service Schedule B: General Consulting	Included		Included		Included
Service Schedule C: Munsoft Connectivity (384kb)	Included		Excluded		Excluded
Service Schedule E: Munsoft Standard Disaster Recovery Service	Included		Included		Included
Service Schedule H: Statement Printing Solution	Included		Included		Included
Service Schedule Q: Munsoft Academy (Online LMS Facility)	Included		Included		Included
Service Schedule R: Munsoft Reporting (1 Bizsuite, 2x CWWP, 2x GRAP)	Included		Included		Included
Original Subscription Fees for Period 1 July 2020 - 30 June 2023 (Ex VAT)		R 1 550 785,50	R 300 082,31	R 1 705 864,05	R 330 090,54
Total Fees for Period 1 July 2020 - 30 June 2023 (Ex VAT)					R 3 886 822,40

2. Service Schedules

The table below contains a summary of all the available Supporting Services that Munsoft can deliver and indicates which Supporting Services the Client procured, as well as the Supporting Services highly recommended by Munsoft and any optional Supporting Services that the Client may wish to procure. The specific terms (where applicable) relating to each of these Supporting Services appear in the relevant Schedules annexed to this Agreement.

The Client may procure any of the additional Supporting Services listed in below and not previously procured by the Client. The process described in the Clause 17 of the Agreement should be followed when procuring additional Supporting Services from Munsoft.

Service Schedules: Included in section 1: Summary of fees	Once-off Fees	Monthly Fee	Annual Fee
Service Schedule A: Maintenance and Support Services	Included	Included	Included
Service Schedule B: Operational Consulting Requires Scoping	Included	Included	Included
Service Schedule C: Munsoft Connectivity	Included	Included	Included
Service Schedule E: Munsoft Standard Disaster Recovery Service	Included	Included	Included
Service Schedule H: Statement Printing Solution	Included	Included	Included
Service Schedule Q: Munsoft Academy	Included	Included	Included
Service Schedule R: Munsoft Reporting (3x CWWP, 1x GRAP, 1x NT)	Included	Included	Included

Service Schedules: Highly Recommended	Once-off Fees	Monthly Fee	Annual Fee
Service Schedule D: Integrated Municipal Information System	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule F: Electronic Meter Reading Solution	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule G: Munsoft Extended Disaster Recovery Service	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule I: Munsoft Essential ICT Services	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule J: Munsoft e-Services Solution	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule K: Munsoft Performance Management and Risk	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule L: Electronic Meter Reading Device	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule M: Data Cleansing & Enhancement Services	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule O: Training Budget	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule N: Consulting Budget	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule P: HR & Payroll	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule S: Legal Compliance & mSCOA Compliance Testing	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule T: Asset Verification System	Requires Scoping	Requires Scoping	Requires Scoping
Service Schedule U: 3rd Party Systems through Munsoft	Requires Scoping	Requires Scoping	Requires Scoping

3. Communication charges

The following communication charges are invoiced separately on a per use basis. All charges quoted exclude Value Added Tax and are subject to change on giving 30 days' notice.

e-Services Rates		
Email statements (per email)	R	0,11
SMS statements (per SMS)	R	0,28
MMS statements (per MMS)	R	2,15

4. Schedule of out of scope tariffs

The Client may from time to time require Munsoft to deliver additional services, outside the scope of the Agreement. These out of scope services will be delivered on a time and materials basis. The relevant tariffs for any out of scope work to be delivered by Munsoft are as follows:

Adhoc Hourly Rates in ZAR (VAT Exclusive)	
Project Manager	R 1 200,00
Junior Consultant	R 950,00
Consultant	R 1 200,00
Senior Consultant	R 1 400,00
Principal Consultant	R 1 400,00
Project Support Officer	R 1 400,00
Business Analyst	R 1 400,00
Change Management Specialist	R 1 400,00
Team Lead	R 950,00
Subject Matter Expert	R 1 400,00
Senior Implementation Consultant	R 1 400,00
Implementation Consultant	R 1 200,00
Junior Implementation Consultant	R 950,00
Enterprise Architect	R 1 400,00
Senior Developers	R 1 400,00
Junior Developers	R 1 200,00
Senior Data Migration Specialist	R 1 400,00
Junior Data Migration Specialist	R 1 200,00
ICT Specialist	R 1 200,00
Trainer	R 1 400,00

5. Travel and subsistence:

Travel & Accommodation Rates (VAT Exclusive)	
Per kilometre rate for travel	R 5,00
Accommodation and subsistence per day	R 1 720,00
Flight cost per return flight	R 4 700,00
Car hire cost per day	R 800,00
Car refuel	R 800,00
Point-to-point (to & from airport)	R 1 800,00
Travel time	R 950,00
Miscellaneous	R 650,00

6. Printing Charges

The following printing charges are invoiced separately on a per use basis. All charges quoted exclude Value Added Tax and are subject to change on giving 30 days' notice.

R 1.91 per statement printed and mail processed (R1 910.00 per 1000)

R 3.83 per statement posted* (R 3 830.00 per 1000)

Net courier rate for statements sent to branch

*please note that postage discounts of up to 8% can be achieved if valid PAMSS certificate is on hand.

Annexure B – License Summary Schedule



The following licenses are included in the cost summary above. Should the number of employees / users increase to more than the maximum number indicated below, additional Software and Annual Licence fees will be payable.

License	License Count	Comment
Munsoft FMS	18 Users	Included
Payroll and HR System	Excluded	Excluded
IMIS	Excluded	Excluded
CaseWare	1 Bizsuite, 2x CWWP, 1x GRAP, 1x NT	Included
Action Assist	Excluded	Excluded

Please refer to the Schedule per module for a comprehensive description of above summary.

Schedule A – Maintenance and Support Services

Maintenance and Support Services will include:

1. Provision and maintenance of the Munsoft FMS Core End user licenses for up to 100 concurrent users.
2. Unlimited remote and telephonic support (incidents and/or requests only, telephonic training is excluded) via Munsoft's service desk.

All incidents and/or requests (Service Records) logged with Munsoft will be classified in accordance with the guidelines below. Please note the provisions relating to onsite support, specifically relating to the cost thereof.

Incident is defined as an unplanned interruption, or reduction in the quality of, existing systems, platforms, modules or services.

Request is defined as a formal request from a user for installation, move, addition or change of new- or existing systems, modules, platforms or services.

Service Record Type	Description	Frequency	Remote	Onsite	Cost
Support	All software error related incidents that require remote support or onsite support for error resolution. A software error is a flaw, failure or fault in the Munsoft System that causes it to produce an incorrect or unexpected result. Human errors and system errors caused as an indirect result of human errors (i.e. verification done inappropriately that prevents creditor payments), are specifically excluded from support. Imbalances between submodules and the General Ledger caused by journals, inappropriate transactions on the segments processed by the end user are excluded.	Unlimited	Unlimited	As and when required - only if remote support options are exhausted with no error resolution.	Remote Support Included in Monthly Service Fee. Labour, Travel & Accommodation (if applicable) to be recovered on cost recovery.

Service Record Type	Description	Frequency	Remote	Onsite	Cost
Development	All incidents that require coding for system customisation or enhancement. This can be in a form of a Bug Fix/Patch, Update or Upgrade. All development requests/enhancements will go through an evaluation and assessment phase. Only approved change requests will be scheduled.	As and when required	Unlimited or at cost	As and when required	All Bug Fix/Patch and minor updates are unlimited in Monthly services and Annual Maintenance Fees. All custom development requests (client specific) and major upgrades are subject to approval of quotation.
Training	All training requests including hand holding, classroom, onsite and one on one system usage training. Updating and distribution of user manuals and/or Licensed Material (where possible) in electronic format. Online training and user manuals available through the Munsoft Academy.	As per schedule	At cost	At cost	All hand holding, classroom, onsite and one on one system usage training are at cost as per training schedule. The Munsoft Academy is a free e-learning service.
Technical Support	Munsoft Technical Support, not FMS system related, but rather of a technical nature and that is essential for the optimal performance of the System.	Unlimited	Unlimited	At cost	Remote Support Included in Monthly Service Fee. Labour, Travel & Accommodation (if applicable) to be recovered on cost recovery basis.
Consulting	All incidents that are not system error related, i.e. monthly reconciliations, that require a consultant to assist a client to fulfil a municipal business process.	As and when required	At cost	At cost	As per approved Schedule B and/or N or the use of Ad-hoc rate card.

Munsoft provides technical support that is not Munsoft Financial System related but rather of a technical nature and that is essential for the optimal performance of the System (hereinafter referred to as "Technical Support").

The various Munsoft Technical Services included in this schedule are selected below.

Any additional Technical support required does not form part of this schedule and should be negotiated between the parties in terms of Schedule I.

Service Description	
☒	Standard Monthly Infrastructure Reporting ☒ Backup Success, Failure and Licensing* *Schedule E* dependent ☒ Munsoft FMS Server Health Status ☒ Munsoft Service Desk
☒	FMS Infrastructure Monitoring ☒ Munsoft Server ☐ Payroll Server ☒ MPLS Router* *Dependent on Schedule C ☐ IMIS Server
☒	Munsoft Server Administration and Maintenance ☒ Operating System ☒ Oracle ☒ System Security ☒ ProIV Licensing ☒ Integration Services
☒	End-user Dependencies ☒ ProIV Client ☐ Cashier Printer(s) ☐ Orders Printer(s) ☒ Caseware* *Schedule R dependent for licensing ☐ Cheque Printer(s) ☐ Receipt Printer(s)
☒	Munsoft Financial Management System Software ☐ Payroll (Payday) ☐ Payroll (VIP) ☒ Caseware ☒ ProIV Clients
☒	Munsoft Financial Management System Hardware (Subject to valid warranty) ☒ Munsoft Server ☐ Munsoft Print Server ☐ Dot-matrix Printers

The following will not be considered part of the Maintenance and Support Services for this Agreement:

1. Services which may be required due to the malfunction of any nature whatsoever at the Location, including power failure, switching off the system in error and faulty wiring;

2. Services which may be required due to the Client's use, operation or utilisation in any manner of the System (or any part thereof) outside the scope of this Agreement, the Licensed Material and or any other reasonable instructions of Munsoft to the Client in terms of this Agreement;
3. Maintenance, support or attending to faults or errors of any software, accessories, attachments, hardware, machines, systems or any other device of which is not supplied by Munsoft to the Client, unless specifically included;
4. Consulting tasks or any other task that would otherwise have been the responsibility of the client.
5. All development requests for systems enhancements and improvements.

Process of Logging Service Records

1. How to Log Support Calls via Telephone

Service requests can be logged via telephone by phoning our Help Desk:

- Munsoft FMS related queries **011 215 8000**
- ICT Infrastructure related queries **086 123 4862**

A support consultant will then log a call and provide you with a service request (SR#) number.

By providing the consultants with detailed information around the issue, you will be ensuring we assist with your service request's resolution promptly.

Please take note issues won't necessarily be resolved over the phone immediately as technicians could be busy with another call in the support queue. If it's an emergency or priority call, please escalate via your service delivery manager.

2. How to Log Support Calls via E-Mail

Support service requests (SR#) can be logged by sending an email to support@munsoft.co.za.

Please apply the following format in your email:

- Subject line should read "Company Name – Brief description of the request or problem"

For example: "Company Name: Johannesburg – Branch can't connect to the internet"

- In the body of the email, provide us with detailed information describing your request. For instance, when or under which circumstances the issue occurs. Indicate who the contact person is and what their contact details are.

For example: "Please have a look at my internet access, it is very slow. This is urgent as I need to do my internet banking today. Thanks John Doe 082 123 4567 & email address"

- Our system will respond with an email sent to the initial sender with the subject line: "New Incident #12,345". Should the sender not receive this email, they should phone the Munsoft Help Desk on 011 215 8000 or 086 123 4862 to log the call telephonically.

3. How to Follow Up

To follow up on your service request, you can call our Help Desk on 011 215 8000 or 086 123 4862. When following up have your Service Request (SR#) number ready.

Munsoft Help Desk Contact Details:

- Service Desk telephone number for Munsoft FMS related queries: 011 215 8000
- Service Desk telephone number for ICT Infrastructure related queries: 086 123 4862
- Emails for support requests: support@munsoft.co.za

Munsoft Service Desk Support Hours:

- Monday – Fridays during business hours 08:00 – 17:00
- The Munsoft Help Desk is not open on weekends or public holidays.

Service Level Warranties

Impact, Urgency and Priority Criteria

- **Impact** is a measure of the effect of an incident, problem, or change on business processes. Impact is often based on how service levels will be affected.
- **Urgency** is a measure of how long it will be until an incident, problem, or change has a significant business impact. For example, a high impact incident may have low urgency if the impact will not affect the business until the end of the financial year.
- **Priority** is a category that identifies the relative importance of an incident, problem, or change. Priority is based on impact and urgency, and it identifies required times for actions to be taken. Impact and urgency are used to assign priority.

Impact criteria

The following table lists the criteria for determining the impact of an incident.

Category	Description
Extensive	There is extensive business service impact because multiple clients, or an entire critical business area is affected by the incident. Considerable human and technical resources are needed. Management is involved in the decision process.
Significant	- A large number of staff, or an important business area is severely affected and/or not able to do their job. - A large number of clients are affected and/or acutely disadvantaged in some way. - The damage to the reputation of the business is likely to be high.
Moderate	- A moderate number of staff are affected and/or not able to do their job properly. - A moderate number of customers are affected and/or inconvenienced in some way. - The damage to the reputation of the business is likely to be moderate.
Minor	- A minimal number of staff are affected and/or able to deliver an acceptable service, but this requires extra effort. - A minimal number of customers are affected and/or inconvenienced but not in a significant way. - The damage to the reputation of the business is likely to be minimal.

The following matrix is used to determine the incident's impact.

Impact	#Affected Services		
#Affected Users	Core Business Functions/Systems/ Modules/Platforms	Support Functions/Systems/ Modules/Platforms	Non-urgent Functions/Systems/ Modules/Platforms
Municipality/ Department/Branch/ Group of VIPs	Extensive	Significant	Significant
Small Group of Users or VIPs	Extensive	Significant	Moderate
Single User (VIPs excluded)	Significant	Moderate	Minor

Urgency criteria

The following table lists the criteria for determining the urgency of an incident.

Urgency Action needed

- Critical** Resolution is immediately necessary to prevent severe business impact.
- High** Resolution is needed as soon as possible because of potentially damaging service impact.
- Medium** Resolution will solve irritating problems or repair missing functionality. The solution change can be scheduled.
- Low** Resolution will lead to improvements, changes in workflow, development of new functionality or configuration. The solution can be scheduled.

Priority Criteria

The following matrix is used to determine the incident's priority, automatically allocated based on the incident's impact and urgency.

Priority	Urgency			
	Critical	High	Medium	Low
Extensive	P1	P1	P2	P4
Significant	P1	P2	P3	P4
Moderate	P2	P2	P3	P4
Minor	P2	P3	P3	P4

The table below defines the various priority levels of an incident with associated response and resolution times.

Priority	Name	Description	Response Time	Resolution Time
P1	Critical	Interruption making a critical functionality inaccessible or a complete network interruption causing a severe impact on services availability. There is no possible alternative.	0 – 2 consecutive business hours	0 – 16 consecutive business hours

Priority	Name	Description	Response Time	Resolution Time
P2	Important	Critical functionality or network access interrupted, degraded or unusable, having a severe impact on services availability. No acceptable alternative is possible.	2 – 4 consecutive business hours	3 Business Days
P3	Normal	Non-critical function or procedure, unusable or hard to use having an operational impact, but with no direct impact on services availability. A workaround is available	4 – 6 consecutive business hours	5 Business Days
P4	Low	Application or personal procedure unusable, where a workaround is available, development of new functionality has been requested or a repair is possible.	7 – 12 consecutive business hours	To be scheduled

1. The above service level warranties will only be maintained by Munsoft if all Annual License Fees and Monthly Maintenance and Support Fees are paid up to date.
2. Response Time is defined as the amount of time between when the client first creates an incident report (which includes sending an email or using an online ticketing system) and when the provider responds and lets the client know Munsoft is currently working on it.
3. Resolution Time is defined as the amount of time between when the client first creates an incident report (which includes sending an e-mail or logging the incident on the helpdesk, followed by an automated response allocating a unique service record number) until the time that the client is advised that the problem is solved.
4. Response and Resolution times will be measured by the Munsoft call logging system.
5. If a call is logged prior to the completion of a Business Day, measurement of the response and resolution targets will be adjusted accordingly to only include Business Hours.
6. Should a temporary bypass be effected which results in the ability of the System to operate in such a way that it does not materially affect the Client's business, this will be deemed to be a resolution in terms of this clause, provided that the permanent fix is effected according to the determined priority.
7. Data corruption because of server malfunction and data imbalances due to a user error are not measured as part of the Service Level Warranties appearing above.
8. Should the Munsoft communication link be unavailable, then resolution of the problem may require an on-site visit, and, in this event, resolution time will be affected by the travel time.
9. Munsoft will not be able to manage and/or control any third-party suppliers also engaged by Munsoft if the Client elects to directly engage with such third-party suppliers to deliver services like the Services, or to integrate its products and/or services with the Munsoft

Initials Client
[Signature]

Initials Munsoft
N.R.

Financial System. Munsoft will not be responsible to maintain any service levels on behalf of such independently contracted third-party suppliers.

10. Munsoft will not be accountable for any financial advice that is provided by contracted Consultants of the Municipality with regards to transactions performed on the Munsoft FMS that Munsoft may not agree to and/or may adversely affect the financial data of the Municipality, i.e. General Ledger journals processed on the incorrect control segments.

Service Level Penalties

1. The Client must give Munsoft notice in writing of any unsatisfactory performance because of non-delivery against agreed response and resolution times and allow Munsoft reasonable time to rectify the unsatisfactory performance.
2. Should Munsoft fail to rectify any unsatisfactory performance within the allowed period, the following penalties may be imposed by the Client:
 - Severity 1 - non-performance - 1/12 of Annual License Fee;
 - Severity 2 - non-performance - 1/24 of Annual License Fee;
 - Severity 3 - non-performance - 1/36 of Annual License Fee.
3. These penalties will only be payable by Munsoft if any unsatisfactory performance was not caused due to a breach of any of the Client's obligations contained in 14. (Client obligations) hereof.

Initials Client
[Signature]

Initials Munsoft
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Schedule B – Operational Consulting Services

This schedule offers a municipality the opportunity to get additional assistance on financial items normally performed by municipal staff. The actual work is still performed by the relevant municipal staff member(s), but assistance comes in the form of making sure any non-application related errors or assistance of a consulting nature is resolved timeously.

1. ASSISTANCE WITH MONTHLY OPERATIONAL RECONCILIATIONS

1.1 Bank Control

Reviewing the bank reconciliation to ensure the following:

- Cash book agrees to the bank statements
- Cash book agrees to the ledger
- Only valid reconciling items exist

1.2 Debtors

1.2.1 Receivables from Exchange Transactions (Debtors ledger needs to agree to the sub module)

- Monthly review will include agreeing the ageing of the debtors (GL) to the sub module
- Other debtors (maintenance of sundry debtors list and making sure that it reconciles to the GL)
- Investigating credit balances on debtors
- Monthly calculation of bad debt provision and reconciliation with the ledger

1.2.2 Receivables from Non-Exchange Transactions (Debtors ledger needs to agree to the sub module)

- Monthly review will include agreeing the ageing of the debtors (GL) to the sub module
- Other debtors (maintenance of sundry debtors list and making sure that it reconciles to the GL)
- Investigating credit balances on debtors
- Monthly calculation of bad debt provision and reconciliation with the ledger

1.3 Stock

Review of stock listing and reconciliation to the GL

1.4 Creditors

1.4.1 Trade payables from Exchange Transactions (Creditors ledger needs to agree to the sub module)

- Monthly review will include agreeing the ageing of the creditors (GL) to the sub module
- Investigating debit balances on creditors
- Other creditors (maintenance of sundry creditors list and making sure that it reconciles to the GL)

1.4.2 Trade payables from Non-Exchange Transactions (Creditors ledger needs to agree to the sub module)

- Monthly review will include agreeing the ageing of the creditors (GL) to the sub module
- Investigating debit balances on Creditors
- Other creditors (maintenance of a sundry creditors list and making sure that reconciles to the GL)

1.5 Opening balances

Ensure that all PY journals that were made per AG and AFS, are included on the Munsoft system to correct opening balances

2. REGISTERS

2.1 Investment Register

- Reviewing supporting documentation against the register
- Reviewing the register to the GL

2.2 Grants Register

- Reviewing supporting documentation against the register
- Reviewing the register to the GL

2.3 Loans Register

- Reviewing supporting documentation against the register
- Reviewing the register to the GL

2.4 Lease Registers

- Prepare amortization schedules
- Operating lease liability calculation

2.5 Annuity Loans Register

- Reviewing supporting documentation against the register
- Reviewing the register to the GL

2.6 Suspense, Clearing and Control Accounts and Trial Balance

2.6.1 Clearing of the suspense accounts

2.6.2 Balancing of the control accounts to the General Ledger:

- Bank Control
- Stock Control
- Debtors Control
- Creditors Control

2.6.3 Balancing of the Trial balance

2.6 Correction of Misallocation of Actual Transactions

- Review of budget and actuals to identify under or and overspent
- Review the actuals to identify incorrect posting of transactions

2.7 On System Assistance

Creation of new data strings for transactional and financial reporting in compliance with GRAP and National Treasury Validation Rules

3. CASEWARE ASSISTANCE

3.1 File setup

3.2 Generating of monthly Section 71's

3.3 Generating of Annual 2nd Quarter Section 71 Publication

4. OPTIONAL (Optional services will be scoped and priced accordingly)

4.1 Interim Financial Statements

- Capturing prior financial year figures into Case Ware
- Capturing the Entity's financial figures (where applicable)
- Preparing interim financial figures
- Preparing consolidated interim financial figures (if necessary)

4.2 Annual Financial Statements

- Audit support
- Preparing consolidated AFS
- Audit Adjustments
- Communication with the AGSA
- Working Papers File

4.3 VAT Recovery Services

- Reconcile VAT returns to amounts per ledger
- Prepare spread sheet consolidating VAT votes
- Reconcile VAT spread sheet with SARS statement
- Submit VAT 201 returns
- Submit supporting documentation in the event of a VAT audit by SARS

4.4 Annual Financial Statements Review (Independent Review)

Schedule C – Munsoft Connectivity

Munsoft can offer the Client Virtual Private Network via Munsoft Connectivity

1. Munsoft is able provide the Client with a cost-effective Wide Area Network ("WAN") solution, managed and maintained currently by Telkom.
2. All router equipment will be provided to the Client directly by Telkom. The Client will connect to Telkom's IP Network by means of Telkom owned routers.
3. If the Client makes use of this specific Supporting Service, Munsoft will enter into a 'Bronze' Service Level Agreement (hereinafter referred to as "Bronze SLA") with Telkom on behalf of the Client.
4. The Bronze SLA will include:
 - a. **384K Diginet Line**
 - b. Monthly uptime of 98.33 %
 - c. A guaranteed maximum time to repair (GMTR) of 12 hours.
 - d. Penalties for accumulated down time over a month not exceeding 30% of the monthly rental. Exclusions will apply for scheduled monthly maintenance, downtime because of repair delays, faults caused by Munsoft or Force Majeure events.
5. The terms of the Bronze SLA are subject to change without notice if Telkom changes the terms of its Bronze SLA

Initials Client


Initials Munsoft
M.R.

Schedule D – Integrated Municipal Information System

The Services set out in this schedule are delivered by an independent proprietor on whose behalf Munsoft acts as an agent. Any Services procured in terms of this schedule will, in addition to the terms of the Agreement, be subject to the specific proprietor's standard terms. These terms will be made available upon request.

Munsoft can extend the Munsoft FMS functionality with additional IMIS modules as depicted below.

Nr	IMIS Module
1.	IMIS Core - Integrator
	IMIS Core - Document Management
	IMIS Core – Land Viewer
2.	IMIS Town Planning
3.	IMIS Valuation Management
4.	IMIS Building Control
5.	IMIS Customer Care
6.	IMIS Asset Management
7.	IMIS Contract Management
8.	IMIS Meeting Management
9.	MIS Cemetery Management

Modules can be procured separately or grouped as per each client requirement and the exact extent of the IMIS modules must be negotiated by the Parties.

1. IMIS Core Module

IMIS Core forms the workflow platform on which all the other IMIS modules are running. It serves as the backbone communicator for all the users to be in contact with each other and have access to information, based on the level of access they have been assigned. IMIS Core can run independently from any of the other modules. The IMIS Core Module consist out of the following 3 components:

a. Integrator

This section forms the heart of the IMIS Core and consists of the following components:

- **Calendar** – An electronic calendar which can be used to make notes, schedule events and set reminders related to a specific time and date. The in and out whiteboard is also available via the calendar.
- **Chats** – The Chat Module deals with text based real-time messages between system users.

- **Tasks** – Tasks are messages which communicate a specific action needed to be performed. This is a delegation and automation tool. They may either be sent on an ad hoc basis or linked to a specific process from other modules which automatically sends tasks.
- **Emails** – This section allows the user to exchange digital messages from an author to one or more recipients.
- **Dashboard** – An easy to read, often single page, real-time user interface, showing a graphical presentation of the status (snapshot) and historical trends of an organization's or computer appliance's key performance indicators to enable instantaneous and informed decisions to be made at a glance.
- **Portal** – Portal Viewer is a centralized starting place (portal), used to access and view consolidated, enterprise-related documents, functions, and other applications.
- **Contacts** – Contacts Management allows for the easy management and lookup of contacts. Corporate Contacts can easily be created, updated and deleted by the person responsible for managing the contacts while the other contact types can be created and updated by the specific user.
- **Companies** – This section allows for new organisations to be registered, with some basic information required for each. The primary function is to link Companies and their offices to contacts, which would insure a more accurate contacts database and assist in the search of contacts. This section will also form the basis for other modules requiring a link to a company, like contracts, projects, and supply chain.
- **Reminder/Alert** - Notifications and the personalisation thereof.
- **Workflow** - Automation is the use of control systems and information technologies reducing the need for human intervention.

b. **Document Management**

Document Management is the process where documents are managed within the organisation. This is far more lucid and liquid as documents are continuously flowing through any organisation.

Records Management is a process of ensuring proper creation, maintenance, use and disposal of records to achieve efficient, transparent and accountable governance. This entails never destroying, disposing of or transferring any public document without approval by the National Archivist. Records are documentary proof of actions taken, such as plans, documents, invoices and certificates

IMIS Document Management ensures delivery of a more effective service to the public and tighter control over internal communication to shorten the amount of time spent on document handling. Inter departmental communication is essential to all organizations. Using a centralized document storage/access point will effectively promote inter-departmental communication.

This IMIS component allows the user to create new documents, index scanned and faxed documents, review indexed documents, review vital and security classified documents and view and export reports.

The Document Management module consists of the following components:

- **Library** – The Library section allows the user to access information using a file plan search, content search, date search and content management portal. Search for documents using phrases, key words and a catalogue.
- **Records Management** – The Record Management component deals with managing the physical File Plan of the municipality according to the guidelines set by National Archives. This section manages the file plan, file classifications, retention and disposal and allows the user to view reports regarding these aspects.
- **Postmaster** – The role of Postmaster is assigned to one user. This user is responsible for distributing electronic copies of all paper correspondence received by the municipality, and for the scanning and uploading of all signed outgoing post. This section allows for the distribution of post, manages outgoing and declined posts and view reports.
- **Content Management** – Allows users to access pre-determined documents via a portal. Rights must be given to write to and manage the portal and all users may read from the portal. This allows organizations to shorten lead times on important documents for example latest price lists can be placed here so users don't need to search for price lists and then select which is the correct one from the entire archive.

c. **IMIS Land Viewer**

A geographic information system (GIS), or geographical information system, is any system that captures, stores, analyses, manages, and presents data that are linked to location. In the simplest terms, GIS is the merging of cartography and database technology.

GIS systems are used in cartography, remote sensing, land surveying, utility management, photogrammetry, geography, urban planning, emergency management, navigation, and localized search engines. Therefore, in a general sense, the term describes any information system that integrates, stores, edits, analyses, shares, and displays geographic information. In a more generic sense, GIS applications are tools that allow users to create interactive queries (user-created searches), analyse spatial information, edit data, maps, and present the results of all these operations.

The Land Viewer Module allows the user to query properties and view the information related to the property. The property information is uniquely numbered using the 21-digit code of the Surveyor General. There are various ways to query property information. These search options are Town Name, Erf No., Farm Name, Farm Portion, Diagram No., Owner Name, Sectional Scheme Name, Demarcation, Property Unique ID and integrated financial information regarding debtors, consumption and age analysis etc.

2. Town Planning

Town Planning is the IMIS Module which caters for the Administration and Management of Town Planning, with regard to geographical issues. The use of the GIS module will prove extremely beneficial to all parties involved with the town planning function of a municipality. All types of applications are available for automation including Consent Usage, Consolidation, and Coverage etc.

Information about these Applications can be extracted from the system in the form of reports. Town Planning will simplify the process of applications as it prompts for all the pertinent information and automates the process to ensure timely correspondence between all parties involved. Town planners find this tool indispensable as it aids them on a day to day basis and provides enormous benefits.

3. Building Control

Building Control is an extension of the system that caters for the management of Building Plan applications with associated operations. It will also serve for the electronic filing of digital plans that may be captured from paper plans.

Building plans are submitted to a municipality to ensure that all criteria and legislations are in order to have safe and functional buildings. The Building Control module will inform the user of all previous applications logged against this property. New applications can now be captured easily

All information captured or altered regarding building is stored within the building register. Once an application has been approved, the building work information becomes available in the Building Register section, and further information about the building can be captured and updated for the Building Register. The register's database structure is logical which allows the user to easily view the entire dataset or to filter specific searches to extract specific information.

- Building Plans – to add and maintain Building Plan applications.
- Building Register – to create a register with detailed information about buildings to be used for reports and to form a basis for improvement valuations.
- Inspections – to locate outstanding inspections, to add inspection dates and capture routine inspections and relating information.

All the reports, certificates, invoices for a specific property are printed during the workflow processes and can be reprinted at a later stage if necessary. These reports are customized to auto complete from the information already on the system. This auto complete function will save valuable time and eliminate errors. Invoices, Approval certificates and occupancy certificates are easily generated, distributed and managed within IMIS.

Building inspectors, whom check the progress of the building during the building process at various predetermined stages and occasionally randomly as well, can be more effectively utilized. Building Control will help manage this process. Inspectors will receive orders automatically, be booked via the system for inspection and all pending and completed inspections will be viewable via the reporting capabilities.

After an inspection is completed, the inspector will update the system by completing a variety of information including the number of the visit the reason for the inspection, as well as any notes taken. Once construction is completed and the final inspection has taken place and certification is granted an occupation certificate will be generated and can then be delivered to the applicant.

Building Control reports can be extracted from the system on all the properties in the Municipality or on a specific property. The Reports are divided into Management Reports available to management for day to day, weekly, monthly and yearly reports as well as Discrepancy Reports used to identify skipped processes and re-introduction of the application into the system for completion.

4. Valuation Management

This Module will aid a municipality in handling the valuations of erven within their jurisdiction. A valuation roll can be compiled, imported and edited. Various reporting options are available for the municipality to derive valuable and key information when making critical decisions. Valuations of properties can easily be accessed to aid decision makers in determining which rates and taxes should be levied. Properties which are still requiring a valuation are listed and the process of acquiring the valuations can be managed easily with the use of Valuation Management. The main processes covered in the Valuation Management environment are:

- Linking and integration with financial system;
- Integration with Building Control Module for interim valuation processes and processes with external Valuers; and
- Valuations appeal/objection processes.

5. IMIS Customer

Customer Care is a spatially integrated and comprehensive tracking and management solution that offers municipal officials and councillors constant updating, management and reporting on customer complaints, compliments and queries. It also allows tracking and management of internal complaints. The main functions of Customer Care Module, is to improve response time with customer complaints, decrease cost for municipality and improve overall customer satisfaction. All correspondence is linked to either a land parcel, or to a geographical point, and the process is divided into four sub-processes.

- **Logging Correspondence** – This is the first step in the process and is a two-fold step. Firstly, all details must be logged and in the second step a location must be assigned to the correspondence.
- **Tasking** – A task is generated and forwarded to the relevant department and individual and depending on the nature of the correspondence, an artisan can be tasked to execute inspections and repair actions in the field.
- **Creating and Updating Job Cards** – The artisan must complete a job card in the field of the actual work performed and this must be captured onto the system into an electronic job card.
- **Financial Report** – The final step in completing a customer complaint is to determine responsibility for costs incurred. This section will inform the Financial Department to do the correct allocations.

- Linking to Finances and Asset Management

6. Asset Management

The Asset Management Module enables the assigned users to manage and keeping record of the management of the life cycle of assets. This includes the acquisition, use, maintenance and disposal of assets. The asset management module is spatially enabled to allow the management of assets over a vast geographical area and is also build according to a GRAP compliant asset hierarchy. Furthermore, the module is developed to be mSCOA compliant and is interactively integrated with the Munsoft Financial System. The system allows for the following:

- Asset Management Administration – Asset Hierarchy Setup;
- Asset Register Maintenance;
 - Technical Definition on Component Level;
 - Financial Consideration on Component Level;
- Asset Under Construction (Capital Projects);
- Asset Operation and Maintenance;
 - Inspection Checklist Definition;
 - Inspection and Maintenance Scheduling;
- Asset Planning (GIS Reporting); and
- Asset Reports.

One of the main functions of a municipality is controlling the Infrastructure within its borders. This will include water, sewer, electricity, roads and storm water. The Asset Management module is the IMIS module that provides users a map-based solution (PlanetGIS) for managing and capturing infrastructure data, fully compliant with GAMAP, GRAP 17, the DPLG Guidelines for Infrastructure Asset Management in Local Government, and the International Infrastructure Manual.

7. Contract Management

Contract Management caters for the Administration and Management of Contracts. Various actions and or functions within a Municipality are governed by Contracts or Agreements. Various clauses exist in these Contracts that can have a large influence on the financial status of the Municipality. It is thus necessary to keep track of all these Contracts and the Conditions therein.

Effectively monitoring the contracts entered into will ensure that there is accountability for all shortcomings by contracted entities. The expiration of contracts often happens unnoticed and may cause service delivery problems as nobody is contracted to fulfil the obligations. Tracking expiration dates and reminders to indicate renewal activities are in order and will ensure a consistent and efficient delivery of services by the municipality.

8. Meetings Management

Meeting Management consists of two main processes, namely Agenda Management and Resolution Management.

Various types of Agendas can be managed by means of IMIS. Agendas are compiled to give a formal structure to a Meeting. These can be compiled in a participative or a non-participative manner.

This is a process driven module; various role players will be involved and each role player will have to perform certain actions. Various directorates or departments can request that items be put on the Agenda. IMIS will ensure effective communication takes place to facilitate meetings becoming more effective.

System functionality will allow for the following:

- Scheduling of meetings;
- Defining different Meeting Types;
- Agenda Compilation and import;
- Approval of Agenda;
- Minutes Compilation and import;
- Approval of Minutes;
- Resolution Tasking;
- Resolution monitoring; and
- Reporting.

9. Cemetery Management

Cemetery Management enables users to manage the allocation and use of graves, including the financial aspects involved, such as funeral services. All these processes are linked to the geographical information system and the Munsoft Financial System. The Cemetery Management Module makes provision for the following:

- Cemetery Administration – Cemetery Setup and Costs;
- Reservations;
- Interments;
- Memorial Works;
- Backlog Interments;
- Revert Grave Ownership;
- Cemetery Registers, and
- Reporting

IMIS 7 is a multi-layered application built on Microsoft .Net 4.5, using Windows presentation foundation as General User Interface (GUI) architecture, and Windows Communication Foundation as communication method, and C# as code base. IMIS 7 is a Windows based system that runs only on the Windows environment and interacts with all Microsoft software.

IMIS 7 has support for Microsoft SQL Server, Microsoft SQL Express, Oracle Database, Oracle Database Express, MYSQL and SQLite, as database types.

- Multi-Layered

The application architecture on both client application and server application are designed on the Model View Presenter methodology, allowing for clear segregation of duties by both the presenter and model. The Client-side application consists of two clearly distinct layers and a third underlying layer to give support to the two layers on top of it.

The two top layers consists of the GUI layer, and the presentation layer. The GUI layer is responsible to handle the user interaction for manipulation of presented information. The presentation layer is responsible for conveying the data via an interface to the GUI layer and back as well as communication with the server side application. To a marginal extend does this layer do some validation and data manipulation.

The third underlying layers give support to both these layers and exposes the support to the server side application.

The server side application in essence does not have a GUI layer and is Web enabled to allow clients to communicate with it and to push some communication back to the client if so required. The push back is only for active clients.

The server application consists of three clear layers, and the same underlying layer as the client side.

The first layer is the presentation layer, and this layer's sole responsibility is to communicate client's request between the server and the client, and to maintain the communication channels if so required. The client's request is passed to the next layer, called the business logic layer.

The business logic layer handles all the validations, and data crunching for the application, and is the only layer that has direct access to the data layer. This layer does not have direct access to the database, the third and final layer, the data layer is the only layer to have direct access to the database.

The data layer is responsible for querying and updating the database. The query and update are done by making use of parameter SQL queries rather than SQL injection queries. Parameter queries helps to reduce the risk of user defined SQL injections.

The data layer is split into two distinct sections, the common data classes and the reporting solution to allow for clear segregation of purpose and use.

- Environment

IMIS 7 can be installed as a single installation where the Client Application, Server Application and the Database resides on one machine, or as a tiered application whereby the database is installed on a single database server, the application server on another and the clients connect to the application server. This type of installation gives IMIS 7 the capability to share a single database between several application servers, with each application server hosting its own clients.

- Security

Windows Communication Foundation is made use of, as this is a more secure option than the normal ASP.Net application.

Encryption is used to send secure information across networks and web connection to ensure the best possible way to prevent information from being hacked. Not all the information is encrypted as this increases the size of data packages and slows down communication between the client and the server. Field values such as bank details and passwords are encrypted on the client side using secure field information, and stored as encrypted fields in the database, and only decrypted when the information is required.

IMIS 7 relies on two methods to validate users, although only one is used at a time. These two is the IMIS authentication and the Domain authentication. These types can differ for each company available for a customer.

IMIS authentication is fast but lacks the ease of updating email validation information should the user's domain logon information change. This option is advised where the application server does not have access to a domain account.

Domain authentication makes use of the Windows domain to authenticate users. This tends to be a bit slower than the IMIS authentication, but updates the user's mail account information, and is the preferred method should a customer make use of a Domain in conjunction with Microsoft Exchange as email server.

- **Role Management**

IMIS Role management provides an Organogram-like structure to define an organisations position. Access to system objects is then given to the role rather than to the user. Users are only linked to the role and have no access or privileges. The only exclusion to this is for Administrators and System Administrators to provide access to the system when other roles will have no access.

- **3rd Party Integration**

IMIS 7 provides functionality for 3rd party developers to build their own .Net user control (XAML) and create menu objects to make these types of development available to users. Access to these controls are given to roles and make use of the same security to populate the custom menu for a user.

Using the provided IMIS 7 class structure will allow third party developers to execute custom controls using the same communication foundation as the rest of IMIS 7, thereby allowing for client server development for these controls.

The following items are excluded from the solution offering unless clearly stipulated to be included in the proposal:

- Hosting Fees if applicable;
- Travel and Accommodation installation;
- 3rd party Software;
- Hardware;
- GIS Data Cleaning;
- Data Migration from other 3rd Party Service Providers;
- Data Loggers.
- Deeds Data acquisition;
- Asset Operation and Management Plans;
- Yearly increases
- All Venue fees & Refreshments for training; and

IMIS Licenses

The IMIS License is a software license that is based on the number of simultaneous users accessing the program. The number of concurrent licenses included as part of this schedule is defined in the table below, per category. Additional licenses can be procured separately as a separate service addendum.

Nr	Municipal Category	Concurrent User Count
1.	Category A	300
2.	Category B1	200
3.	Category B2	70
4.	Category B3	20
5.	Category B4	10
6.	Category C1	20
7.	Category C2	20

IMIS Installation includes among other things the following Tasks:

- Setup IMIS Server(s);
- Setup Remote Connectivity;
- Setup Cloud Hosting if applicable;
- Installation of IMIS;
- Install Clients;
- Train client IT staff;
- Training System Administration;
- Progress Reports; and
- Client sign off on all Installations.

Inception, Base data Preparation, Process Setup and training includes among other things the following main Tasks:

- Inception Meetings;
- Compile Project Charter and Project Plan;
- Source File Plan and Organogram;
- Compile user list and Locate System Users within Organogram;
- Build File Plan;
- Build Organogram;
- Import/Capture User List;
- Set basic user rights and Link users to active directory and email server;
- Compile Training Schedule;
- Project Administration and Logistics;
- Confirm, onsite actions and availability of client support;
- Locate additional email accounts to be added to user accounts;

- Source any current Reports, SOP or Workflows for modules;
- Submit Project Plan for Approval;
- Submit Training Schedule for Client Approval;
- Compile detailed workflow (Flow diagrams with short description of each action);
- Compile possible questions register regarding workflows;
- Schedule and conduct sessions for review workflows;
- Discuss changes required with client liaison and TGIS development;
- Relay resolution regarding workflow changes to Development Team;
- Compile methodology and ways of connectivity; and
- Progress Reports.

Support and Maintenance includes the following services:

- Quarterly onsite visits;
- Discussion and planning of refresher Training;
- Discussion and planning of new user Training;
- Monitor and report on the usage of the Software and the Software system;
- Install and commission System Updates and/or Modifications (if applicable);
- Conduct needs assessment and provide assistance with Software system planning;
- Attend to the Licensee's reasonable requests regarding the Software; and
- Telephonic and Email Support.

The following Costs are not included:

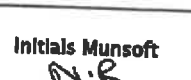
- Hosting Fees;
- Travel and Accommodation;
- 3rd party Software;
- Hardware not clearly listed;
- All Data Cleaning (eg. Cadastral);
- Data Migration from other 3rd Party Service Providers;
- Deeds Data Acquisition;
- Compilation of Asset Operation and Management Plans;
- Yearly increases; and
- All Venue & Refreshment fees.

Schedule E – Munsoft Standard Disaster Recovery Service

Munsoft can provide a disaster recovery solution ("hereinafter referred to as "Munsoft Standard Disaster Recovery Solution") which allows selected Client data to be stored and protected off-site and, in case of a failure, to be recovered onto a designated disaster recovery server located at a designated disaster recovery facility.

1. The Munsoft Standard Disaster Recovery Solution includes the following:
 - a. Initial set up of Client backup solution with mission critical users, securities and passwords, as well as a complete set of Client data as a starting point.
 - b. Automatic daily alignment of the selected system data over the Munsoft/Telkom managed network to the designated disaster recovery site.
 - c. The Client will be responsible to select the data to be backed-up and formally approve such data on the Backup Selection List.
 - d. Retention period:
 - i. Current and previous month with 10 years of month-ends/roll-ups for the Munsoft Financial Management System.
 - ii. Current and previous month with a further 10 months of month-ends/roll-ups for the Payroll (Payday or VIP) and TGIS (if being used).
 - e. In case of a restore of Client data, the restore will be based on the last successful daily backup.
 - f. The Client can run on the Munsoft Standard Disaster Recovery Solution for no longer than 30 calendar days. Should it exceed the 30 days, Munsoft reserves the right to charge the Client a fee equal to 0.1% of the Annual Service Fee for every calendar day more than the initial 30 calendar days.
 - g. Restore-testing will be executed quarterly. Additional restore tests are charged at 2.5% of the Annual License Fee.
 - h. Access to the Munsoft Standard Disaster Recovery Solution Infrastructure is restricted to persons expressly authorised by the Client only.
 - i. The Munsoft Standard Disaster Recovery Solution makes use of the Munsoft supplied connectivity solution and the consistency of the backups are subject to the reliability of this connectivity.
 - j. The Munsoft Standard Disaster Recovery Solution provides disaster recovery services for the following Licensed Programs only:
 - i. Munsoft Financial System;
 - ii. Payroll (VIP).
 - iii. Disaster Recovery for IMIS (if being used) is included in the Munsoft Standard Disaster Recovery Solution but is limited to off-site storage of selected TGIS data only.
2. Should the Client wish to expand its disaster recovery protection to include other systems or Client data not listed above, the Client may procure the Munsoft Extended Disaster Recovery Solution described below.
3. Additional Munsoft Responsibilities for the Munsoft Standard Disaster Recovery Solution:
 - a. Daily checks and management of the back-up platform, reporting on successes and failures and providing a support desk to assist with queries.

Initials Client


Initials Munsoft


- b. Monitoring and management of backups daily and logging and escalation of any failures.
 - c. Monitoring infrastructure upon which the Munsoft Standard Disaster Recovery Solution relies and reporting any issues that could impede the delivery of the Munsoft Standard Disaster Recovery Solution.
 - d. Providing a monthly summary of backups and exceptions report.
 - e. Providing daily reporting on backup failures and proposed resolutions.
 - f. Performing a full restore of the Client's data regularly onto a disaster back-up server.
 - g. Regular comparison of live data to recovered data to ensure data integrity.
 - h. In case of a disaster, provide the Client with access to recovered data via the Munsoft network or internet.
4. Client Responsibilities for the Munsoft Standard Disaster Recovery Solution:
- a. Client must provide a list of designated persons (including ID number, cell number, email address land line) whom may initiate disaster recovery and inform Munsoft of any changes to the list.
 - b. Upon disaster recovery request or scheduled quarterly restore tests, the data must be verified and signed off by the designated contact at the Client.
 - c. Onsite assistance during a disaster recovery event or infrastructure failure will be required from Client IT personnel and the designated contact at client.
 - d. If Client has opted to not install the Munsoft MPLS link it is the responsibility of the Client to provide sufficient internet breakout for the transfer of data to the disaster recovery facility.
 - e. Should follow any reasonable disaster recovery process that may be requested by Munsoft.

Initials Client
[Signature]

Initials Munsoft
M.R.

Schedule F – Electronic Meter Reading Solution

Munsoft can offer an electronic Meter Reading System which allows meter readers to capture meter readings into a rugged handheld device. Readings are then instantly transmitted to the Munsoft PM website where the administrator then has a visual view of the meter readers progress for the reading cycle. Other features include:

- Meter readers can take a photo of a meter and its reading, or of problems like tampered meters, illegal connections or locked gates to serve as photographic evidence.
 - A new meter with its address and reading can be entered on to the system.
 - Meters that have been changed in the field but were never changed in the data can be altered.
 - The device warns the meter reader if a reading is not within the expected value and forces him to check again. This helps eradicate incorrect readings.
 - GPS coordinates are taken on each reading and plotted on a map so that the administrator can see if the reader is in fact at the correct address.
 - The Munsoft Electronic Meter Reading Solution (hereinafter referred to as "PeterMeter") offers meter reading management functionality
1. The following additional hardware is required to make use of the PeterMeter:
 - a. Rugged Handheld Device, charging unit and spare battery.
 - b. 3G connection for the Client user is advised and air time and starter pack charges will be for the Clients 'account. OR
 - c. The customer can opt for data sim cards to be included in the device at an additional cost per device per month.
 2. The Rugged Handheld Devices if included in fee quoted for this service will appear in Annexure A, alternatively it should be added as an additional Supporting Service if required.

Initials Client


Initials Munsoft
N.R.

Schedule G – Munsoft Extended Disaster Recovery Service

Munsoft can provide extended disaster recovery services to include backups on selected fileserver data, additional sub systems and email infrastructure.

1. The following Extended Disaster Recovery Services has been negotiated between the parties.

EXTENDED DR TYPE	SERVICES INCLUDED
Server Infrastructure	NONE
Email Infrastructure	NONE
Other	NONE

Note: Any additional licenses and/or storage required must be negotiated by the parties and is subject to additional fees.

2. The following service specific terms and conditions apply

a) Specific definitions

Capitalised terms that appear in this section that are not defined below are defined in the Master Service Level Agreement and will bear the same meaning as defined in the Master Service Level Agreement.

"Backup" a copy of a file or directory on a separate storage device/server;

"Backup Selection List" means the list of files selected by the Client to be backed up. Only the files that form part of this list will be backed up;

"Encryption Key" means a security measure that turns data into an unreadable cipher through complex algorithms;

"Network" means any TCP/IP network, whether owned or rented by Munsoft;

"PKI" means Public Key Infrastructure;

"Recovery Point Objective" is the maximum acceptable amount of data loss measured in time. It is the age of the files or data in backup storage required to resume normal operations if a computer system or network failure occurs;

"Software" means the proprietary software that enables the designated service provider to automatically filter, select, and copy data from remote computers to a secure location;

"WAN" means Wide Area Network.

b) The Munsoft Extended Disaster Recovery fileserver backups include the following:

Intelligent file selection;

Continuous/Automatic backup scheduler and data transfer to offsite data centre(s);

Encrypted transfer of backup data;

Encrypted storage of data at a selected service provider;

PKI and Secure ID;

Open File Management/Exchange Agent/SQL Agent;

Centralised administration;

Initials Client


Initials Munsoft


Version control;
Backup server management (including testing during certain intervals);
Support desk;
Reporting services in terms of backup failures or problems identified.

c) Third party service providers

Munsoft makes use of selected third-party service providers to provide the Munsoft Extended Disaster Recovery filesaver backups.

Any reference to Munsoft in the terms relating to the Munsoft Extended Disaster Recovery filesaver backups services will include a reference to the designated service provider contracted by Munsoft to perform the Munsoft Extended Disaster Recovery filesaver backups services.

d) Specific terms

The backed-up data maintained by Munsoft or its selected service provider is only a copy of the original data. The Client agrees that the provision of the Munsoft Extended Disaster Recovery filesaver backups services is no waiver of the Client's obligation to maintain and preserve the original data.

The storage period for the Client data to be backed up will be as per the Client's written instructions and subject to the applicable fees for selected periods.

The Encryption Key allocated to each user is unique and it is the sole responsibility of the Client to protect it. Munsoft cannot be held liable for the loss of any Encryption Key that may result in the non-recovery of backed-up data.

Backup period of Client data: Current and previous month.

Retention period: Current and previous month with a further 10 months of month-ends/roll-ups.

Recover Point Objective: Last successful daily backup.

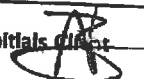
Munsoft will be responsible for the 1st synchronising of the Client selected data, any further synchronising will be for the Client's cost if the necessity for such a function is deemed to be through no fault of Munsoft.

e) Munsoft responsibilities

Munsoft will, at the Client's request, restore any data included in the Backup Selection List.

Munsoft will execute the first synchronising of the Client's selected data for storage at the Location, or any other agreed location, on date agreed between the Parties.

Munsoft will provide secure data transmissions between the Client and its designated service provider.

Initials Client


Initials Munsoft


Munsoft will immediately notify the Client upon it becoming aware of any situation or circumstance which may render it unable to provide the Munsoft Extended Disaster Recovery fileserver backups services.

Munsoft will notify the Client if any Software upgrades become available which should enhance or improve the Munsoft Extended Disaster Recovery fileserver backups services.

f) Client responsibilities

The Client is responsible to maintain and save the original data being filtered, selected and copied to the data servers.

The Client will be responsible to select the data to be backed-up and indicate such data on the Backup Selection List.

The Client will be responsible to select the data to be backed-up and indicate such data on the Backup Selection List.

The Client will ensure that data to be backed-up is available in the selected folders as determined during the initial synchronisation.

The Client is responsible to back-up the selected data immediately on receipt of notification from Munsoft that data has not been backed-up for a period of between 2 to 4 days.

The Client is responsible to maintain its own internal policies governing backups.

The Client is responsible to maintain and keep the password it was given safe.

The maintenance of the Backup Selection List remains the responsibility of the Client. The Client must notify Munsoft when any additions or changes to current Backup Selection List is made.

The Client will not take any action, or fail to take any required action, which directly or indirectly:

- Damages the Network and/or the Software or any part thereof;
- Limits or prevents Munsoft from providing the Munsoft Extended Disaster Recovery fileserver backups services in a professional manner;
- Constitutes an abuse or malicious misuse of the Network and/or the Software or any products provided by the service provider.

The Client will immediately inform Munsoft in writing of any defects or alleged defects in the Software and/or Munsoft Extended Disaster Recovery fileserver backups services as soon as such defects come to the attention of Client.

The Client is responsible for all data costs incurred due to daily backups using metered connectivity.

The Client is responsible for maintaining a feasible WAN solution for daily backups as per Munsoft's recommendation.

g) Exclusions

The following will fall outside the scope of the Extended Disaster Recovery filesaver backup services:
Services which may be required due to the malfunction of any nature whatsoever, in the System and/or at the Location, including but not limited to power failures, switching off the System in error and faulty wiring;

Services which may be required due to the use, operation or utilisation in any manner of the System (or any part thereof) by the Client outside the scope of this Agreement, the Licensed Material and or any other instructions of Munsoft to the Client in terms of this Agreement;

Maintenance, support or attending to faults or errors of any software, accessories, attachments, hardware, machines, systems or any other device and/or the user operation that is not supplied by Munsoft to the Client.

Munsoft will not be liable for any loss, expense, damage, claim or liability of any nature whatsoever suffered by the Client and/or any third party and does not warrant the functionality of the Software and/or the Munsoft Extended Disaster Recovery filesaver backups services nor accepts responsibility for any failure and/or fault in the Software and/or the Munsoft Extended Disaster Recovery filesaver backups services for any of the out of scope services listed above.

h) Suspension of performance

Munsoft will be relieved of the obligation to perform the Munsoft Extended Disaster Recovery filesaver backups services, and will in addition not be liable for any loss, liability, damages or expenses of whatsoever nature and howsoever arising where Munsoft's failure, delay or inability to perform any of Munsoft Extended Disaster Recovery filesaver backups services are due to:

The Client's failure to perform or delay in performing its obligations in terms of the Munsoft Extended Disaster Recovery filesaver backups services; or

Circumstances that constitute a Force Majeure Event;

All telecommunications infrastructure and/or communication line faults that is not within the direct control of Munsoft;

Power failure or power interruption at the Location and/or of the System, unless otherwise agreed in writing by the Parties;

Failure or delay by the Client to report faults/problems to Munsoft;

The Client making unauthorised changes to the System or any portion thereof;

The failure of any hardware, software program, application/s or any other computer system (or any component thereof) of any third party on whom the Client relies (whether directly or indirectly) to use the System or on which Munsoft relies to provide the Munsoft Extended Disaster Recovery filesaver backups services; or

The use by the Client of the System and/or Software other than in accordance with the terms set out in this Agreement, the Licensed Materials and/or Munsoft's direction from time to time.

Munsoft reserves the right to suspend all Munsoft Extended Disaster Recovery files server backups services to the Client if any of the above occurs until such time that the Client remedies the situation and if Munsoft incurs any expense in remedying the effects of any of the acts or omissions referred to above, the Client will reimburse Munsoft on demand the amount necessary to cover such expense.

Munsoft will not be obliged to provide the Munsoft Extended Disaster Recovery files server backups services to the Client if the Client is not using the version, enhancement or upgrade of the Software specified by Munsoft from time to time. Munsoft may, in its sole discretion, agree to support any such preceding version of the Software for a period to be agreed upon between the Parties.

3. Munsoft Extended Disaster Recovery for Email Management Solution

a) Specific definitions

Capitalised terms that appear in this section that are not defined below are defined in the Master Service Level Agreement and will bear the same meaning as defined in the Master Service Level Agreement.

"Application" means the software and other material provided by Munsoft, which may include third party open source software, used to access, configure and provide the Munsoft Extended Disaster Recovery for email services.

"Backup" a copy of a file or directory on a separate storage device/server;

"Data" means the data needed by Munsoft to configure the Application and the data provided by the Client to Munsoft in the course the Munsoft Extended Disaster Recovery for email services including all data processed during the operations;

"Ingestion" is the process of adding the historical data of the SI Customer into the Service. The fees related to this process are identified as "Ingestion Fees";

"Munsoft Extended Disaster Recover email server backups services" means the SaaS-based, unified, enterprise email management service for archiving, discovery, continuity, security and policy provided by Munsoft by means of infrastructure including application software, networks, computing and storage;

"Open Relay" means an email server configured to receive email from an unknown or unauthorised third party and forward the email to one or more recipients who are not users of that email system.

b) The Munsoft Extended Disaster Recovery email server include the following:

▪ Email Continuity

Emergency mail server facility, accessible via webmail for system administrators and users. Munsoft Extended Disaster Recover email server backups services for Outlook provides Outlook users the ability to continue to use Outlook, whilst messages are directed through Munsoft in DR scenarios.

Full read, reply, attachment, and forwarding features via webmail.

Manual online rerouting of queued items in the event of a local outage to a remote disaster recovery site.

Instant access for each user to all archived messages (depending on retention period), without having to utilise other backup/archiving software.

▪ **Message Archiving**

Policy based retention of both internal and external emails in a secure message archive for records retention, forensic discovery, compliance, information management, end user access and knowledge sharing.

Data stored in multi-redundant, geographically diverse data storage grids. E-Discovery and compliance.

Full audit trails of all search and access to archived data.

Ability to switch on/off content viewing rights for administrators.

Audit log of all system access, events, policy creation and changes.

▪ **Message Security**

Real-time virus, malware and spam protection with ARMed SMTP.

Automatic spam test bypass for known good correspondents with real-time learning algorithm.

Manual Blocked and Permitted Sender policies.

Attachment management rules with inclusive (allow only) and exclusive (deny all) sets and AD group-based policy definitions.

Central attachment holding area with online review and release options.

TLS email transmission encryption policies - either optional or enforced by domain, group, or individual recipient/sender.

▪ **Data Leak Prevention**

A comprehensive data leak prevention and content examination system to secure information entering and leaving organisation.

Ability to intelligently manage data via company-specific reference dictionaries using regular expressions and/or standard text.

Detect attachments based on MD5 hash checksums.

Automatic removal of document metadata, such as track changes, document properties, macros etc., via customer specific policies.

Automatic conversion of Microsoft Word documents into PDF format Advanced MTA Functions.

Munsoft acts as the Message Transfer Agent (MTA) for transferring messages between customers' internal mail server(s) and external mail server(s).

Full online queue management with manual retry, bounce, filtered views and extended spool options.

Intelligent sender based email delivery thread allocation to ensure maximum message throughput.

Advanced inbound traffic splitting for customers with multiple sites and mail servers: automatic selection of message delivery route by OU, group, domain and network availability.

Resilient inbound and outbound message routing with network triangulation, load-balanced and failover route options.

Envelope rewriting rules by domain and address.

Customisable system and user notification messages.

- **Email Branding and Disclaimers**

Active stationery manager for legal notice, footer, signature and corporate branding management.

Personalised footer insertion with dynamic mail merge from active directory-based end user metadata.

Marketing campaign tools for discrete placement of corporate imagery, URLs and text into everyday outgoing emails.

Marketing click action tracking tools for campaign measurement.

- **Munsoft Extended Disaster Recover email server backups services for Exchange.**

Windows service installed on premise, consisting of task-specific extensions which perform multiple actions, such as scheduling, logging, status reporting etc.

Munsoft-side view of each user's mailbox metadata (folders).

Message stubbing of body and/or attachments to reduce Exchange Store size.

Options configurable via the admin console, allowing administrators to select service options and schedule execution times.

Time-based wilful message destruction by users via admin managed folders placed in each user account.

c) Third party service providers

Munsoft makes use of selected third-party service providers to provide the Munsoft Extended Disaster Recovery for email.

Any reference to Munsoft in the terms relating to the Munsoft Extended Disaster Recovery for email services will include a reference to the designated service provider contracted by Munsoft to perform the Munsoft Extended Disaster Recovery for email services.

d) Specific terms

Data provided by the Client to Munsoft is the property of the Client, and the Client retains all intellectual property rights therein. The Client grants Munsoft a license to use the Data to the extent necessary for the performance of the Munsoft Extended Disaster Recover email server backups services and, for the duration of the Munsoft Extended Disaster Recover email server backups services, to keep an archival copy subject to the provisions of the Protection of Personal Information Act.

The Client must notify Munsoft immediately if it becomes aware of any unauthorised access to or use of the Munsoft Extended Disaster Recover email server backups services by any person.

The Client permits Munsoft to check the use of the Munsoft Extended Disaster Recover email server backups services by the Client to ensure compliance with this Agreement and to assess and ensure the quality of the Munsoft Extended Disaster Recover email server backups services. The Client agrees that it may be necessary for Munsoft to access the Data to respond to any technical problems and/or queries, and to ensure the proper working of its systems, all such access will be logged by the Munsoft Extended Disaster Recover email server backups services. If the Client requests Munsoft to access individual emails, it is the Client's responsibility to ensure that both the Client and Munsoft are permitted to do so. The Client will hold Munsoft harmless from all claims relating to such access.

Munsoft will have a perpetual, royalty-free, irrevocable, world-wide license to use and incorporate into the Munsoft Extended Disaster Recover email server backups services any suggestions, ideas, modification requests, feedback or other recommendations related to the Munsoft Extended Disaster Recover email server backups services.

The Client will be responsible for the initial configuration of the Munsoft Extended Disaster Recover email server backups services and will be responsible for checking the initial configuration to ensure it meets its requirements. Munsoft will provide technical support during the configuration process.

If the Client requested Data Ingestion services, such services will start at a mutually agreed time. Munsoft will work with the Client to ensure the successful ingestion of Client's legacy Data. The Client will provide Munsoft with a Data Ingestion service sign-off, or a comprehensive list of anomalies within 15 days of notification of completion of the Data Ingestion services by Munsoft. If no notification of sign-off or list of anomalies is received by Munsoft within this time then the legacy Data ingested will be deemed as unconditionally accepted by the Client, be made available to the permitted users of the services and be considered as Data under this Agreement.

Munsoft reserves the right at any time during the supply of the Munsoft Extended Disaster Recover email server backups services to test whether the Client's email systems function as an Open Relay.

Initials Client


Initials Munsoft


If at any time the Client's email systems are found to function as an Open Relay, then Munsoft reserves the right to suspend all or part of the Munsoft Extended Disaster Recover email server backups services immediately until the problem has been resolved.

If at any time continued provision of the Munsoft Extended Disaster Recover email server backups services would compromise the security of the Munsoft Extended Disaster Recover email server backups services due, without limitation, to hacking attempts, denial of service attacks, mail bombs or other malicious activities either directed at or originating from the Client's domains or systems, Munsoft may suspend the Munsoft Extended Disaster Recover email server backups services. In such an event, Munsoft will promptly inform the Client and will work with the Client to resolve such issues and re-instate the Munsoft Extended Disaster Recover email server backups services.

Unless otherwise agreed, upon termination of the Munsoft Extended Disaster Recover email server backups services for any reason whatsoever, Munsoft will have no further obligation to make the Munsoft Extended Disaster Recover email server backups services available, without limitation, may reverse any configurations made to its systems and/or any DNS/name servers under its control that were implemented to provide the Munsoft Extended Disaster Recover email server backups services. It will be Client's responsibility to ensure that the requisite changes are made to any DNS/name servers not under Munsoft's control and to inform its ISP of the need to reroute inbound email.

All configuration information and policy settings are fully visible via the account administration system and should any changes need to be made, these can be made either directly by Client or by Munsoft on the Client's behalf following a request from an authorised representative of the Client.

e) Munsoft responsibilities

Munsoft undertakes to:

provide the Munsoft Extended Disaster Recover email server backups services to the Client in accordance with the Agreement;

grant or procure a right for the Client and its permitted users to access and use the Application as a part of the Munsoft Extended Disaster Recover email server backups services only, and

provide ongoing maintenance, upgrades and enhancements to the Munsoft Extended Disaster Recover email server backups services; and

to use all commercially reasonable efforts to prevent unauthorised access to, or use of, the Munsoft Extended Disaster Recover email server backups services, and notify the Client promptly of any such unauthorised use which may affect the Client.

f) Client responsibilities

The Client undertakes to:

Initials Client


Initials Munsoft


timely deliver any Data required by Munsoft to provide the Munsoft Extended Disaster Recover email server backups services and the networks and computer systems to enable access to the Munsoft Extended Disaster Recover email server backups services;

promote and represent the Munsoft Extended Disaster Recover email server backups services in a professional manner and ensure that its employees are fully trained, and remain up-to-date with the Munsoft Extended Disaster Recover email server backups services;

not to license, sublicense, sell, resell, rent, lease, transfer, distribute, time share or otherwise commercially exploit or make the Munsoft Extended Disaster Recover email server backups services available to any third party as a part of a service bureau arrangement or otherwise unless specifically licensed hereunder to do so;

remain responsible to Munsoft for its activities and for the accuracy, integrity, legality, reliability, and appropriateness of all Data;

use all commercially reasonable efforts to prevent unauthorised access to, or use of, the Munsoft Extended Disaster Recover email server backups services, and notify Munsoft promptly of any such unauthorised use;

to comply with all applicable laws in using the Munsoft Extended Disaster Recover email server backups services, wherever such use occurs, and not use, or require Munsoft to use, any Data obtained via the Munsoft Extended Disaster Recover email server backups services for any unlawful purpose.

The Client and its permitted users will not knowingly:

- send spam or otherwise duplicative or unsolicited messages in violation of applicable laws;
- send or store infringing, obscene, threatening, libellous, or otherwise unlawful or tortuous material, including material harmful to children or that violates any third party's privacy rights;
- send or store material containing software viruses, worms, Trojan horses or other harmful computer code, files, scripts, agents or programs;
- interfere with or disrupt the integrity, function or performance of the Services, Munsoft's networks or computer systems, or data contained therein; or
- gain or attempt to gain unpermitted access by any means to any Munsoft computer system, network or database.

g) Service Level Conditions

Service Levels will not apply:

during any trial periods, periods of planned maintenance or periods of suspension of Munsoft Extended Disaster Recover email server backups services by Munsoft in accordance with this Agreement;

where the Client is not using a best practice implementation policy including any or all the following:

- implementation of full recipient validation;

Initials Client


Initials Munsoft


- termination of all previous or alternate MX configurations and refusal by old MX hosts to accept emails for the domains;
 - no dangerous file types being allowed to transit;
 - blocking or holding of encrypted zip files or email components;
 - no manual exclusions in place for black, white, or grey lists; and
 - firewalls must be closed to accept email only from the Munsoft datacentres.
- to emails containing un-scannable attachments (i.e., encrypted or password protected attachments);

the implementation by the Client of excessively complex full text content policies;

to emails sent by the Client to large external distribution lists, which may be subject to serialised delivery;

a denial of service attack from a third party, or where the Client causes a denial of service attack to occur upon themselves (or anything similar thereto);

when the Client or third party is unable to access the primary or backup MX hosts due to a failing in the Internet.

h) Indemnification and suspension of performance

The Client will defend and indemnify Munsoft against all damages and losses, (including reasonable legal fees) arising from a third party claim alleging that the Client (including permitted users or any third party using the Munsoft Extended Disaster Recover email server backups services through the Client's account) uses or used the Munsoft Extended Disaster Recover email server backups services (as opposed to the Service itself) to download or share electronic media in violation of such third party's intellectual property rights in such electronic media, or has otherwise harmed a third party. Munsoft will provide the Client with prompt notice in writing of any such claim or action. The Client will have sole control of the defence and all related settlement negotiations and Munsoft will provide the assistance, information and authority necessary to perform the above. Reasonable, documented, out-of-pocket expenses incurred by Munsoft in providing such assistance will be reimbursed by the Client. Munsoft will be entitled to participate in the defence with its own counsel and at its own expense.

Munsoft will be relieved of the obligation to perform the Munsoft Extended Disaster Recovery for email services, and will in addition not be liable for any loss, liability, damages or expenses of whatsoever nature and howsoever arising where Munsoft's failure, delay or inability to perform any of Munsoft Extended Disaster Recovery for email services are due to:

- The Client's failure to perform or delay in performing its obligations in terms of the Munsoft Extended Disaster Recovery for email services; or
- Circumstances that constitute a Force Majeure Event;
- All telecommunications infrastructure and/or communication line faults that is not within the direct control of Munsoft;
- Power failure or power interruption at the Location and/or of the System, unless otherwise agreed in writing by the Parties;
- Failure or delay by the Client to report faults/problems to Munsoft;

Initials Client


Initials Munsoft
N.R.

- The Client making unauthorised changes to the Application or any portion thereof;
- The failure of any hardware, software program, application/s or any other computer system (or any component thereof) of any third party on whom the Client relies (whether directly or indirectly) to use the System or on which Munsoft relies to provide the Munsoft Extended Disaster Recovery for email services; or
- The use by the Client of the System and/or Application other than in accordance with the terms set out in this Agreement, the Licensed Materials and/or Munsoft's direction from time to time;
- The Client's failure to obtain any necessary consents and/or permissions from permitted users and third parties;
- The Client's failure to adhere to any applicable laws or regulations, including without limitation the Protection of Personal Information Act.

Munsoft reserves the right to suspend all Munsoft Extended Disaster Recovery for email services to the Client if any of the above occurs until such time that the Client remedies the situation and if Munsoft incurs any expense in remedying the effects of any of the acts or omissions referred to above, the Client will reimburse Munsoft on demand the amount necessary to cover such expense.

Munsoft will not be obliged to provide the Munsoft Extended Disaster Recovery for email services to the Client if the Client is not using the version, enhancement or upgrade of the Application specified by Munsoft from time to time. Munsoft may, in its sole discretion, agree to support any such preceding version of the Application for a period to be agreed upon between the Parties.

i) Retention of data in the event of termination

Munsoft will not be required to keep the Data for more than 30 days following termination of the Munsoft Extended Disaster Recovery for email services unless the parties agree otherwise in writing.

The Client may request the return of the Data in an agreed format. Munsoft will be entitled to charge a reasonable fee for the return of the data in such an instance.

Initials Client
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Initials Munsoft
N.R

Schedule H – Statement Printing Solution

The Services set out in this schedule are delivered by an Independent proprietor on whose behalf Munsoft acts as an agent. Any Services procured in terms of this schedule will, in addition to the terms of the Agreement, be subject to the specific proprietor's standard terms. These terms will be made available upon request.

1. Munsoft can provide Clients with a cost-effective statement printing solution.
2. The Statement Printing Solution provides the Client with the functionality to print statements for its consumers using the postal addresses appearing on the Client consumer database.
3. Proposed process of the Statement Printing Solution:
 - a. After each levy date, and dependent on volumes, the Client will email/FTP or courier a CD, with the statement data, to Munsoft, where Munsoft will laser the accounts, cut, trim, fold and seal them into one step mailers, sorted to the Client's needs, post or return them to the Client via courier.
 - b. PAMSS will be applicable and its terms and conditions will apply (This is a certificate issued by the Post Office which entitles a person to a discount per item of mail). PAMSS rates may change annually.
 - c. Delivery Times ex Hub to the Client post office vary between 1 & 2 days.
 - d. The Client will use its own transporters from the Mail house back to its offices overnight and using the BDN (PAMSS Certificate document) at the local post office to obtain the discount.
 - e. The Client will use its own meter readers for the delivery of statements.
 - f. Munsoft will sort the statements by meter book prior to delivery.
4. Printing on the statements will be one colour front and three colours reverse for advertising.
5. The standard charges for statement printing are as per quote.

Initials Client


Initials Munsoft
N.R.

Schedule I – Munsoft Essential ICT Services

Munsoft can provide essential ICT services support that is not FMS related but rather of a technical nature and that is essential for the optimal performance of the environment (hereinafter referred to as "Munsoft Essential ICT Services").

1. Schedule summary deliverables:

License Type	DESCRIPTION
Once-Off Fee	NONE
Monthly Fee	NONE
Annual Fees	NONE

2. A Client wishing to procure any additional Munsoft Essential ICT Services is required to indicate the required Munsoft Essential ICT Services on the Munsoft Essential ICT Services Request Form and should follow the process for procuring additional Supporting Services described in the Service Level Agreement between the Parties.

Initials Client


Initials Munsoft
N.R.

3. Service Request form:

Service Description	Standard Monthly Infrastructure Reporting
☐	☐ Active Directory* *AD auditing software dependent. ☐ WSUS ☐ Anti-Virus ☐ Firewall / Unified Threat Management ☐ E-mail Utilisation ☐ ERP Server Infrastructure Health Status ☐ Exchange Health Status ☐ Managed Service Desk (Infrastructure) ☐ Unified Email Management (Mimecast) ☐ Unified Email Management (Other) ☐ Invoicing
☐	Pro-active Infrastructure Monitoring ☐ ERP Server Infrastructure ☐ Managed switch(s) ☐ MPLS Router ☐ Firewall(s) ☐ Servers (Non-Munsoft FMS)
☐	Virtual Server Infrastructure Services ☐ Hyper-V ☒ VMWare ESXi
☐	Backup Infrastructure ☐ Redstor (Onsite) ☐ Veeam (Onsite) ☐ Redstor (Cloud Only) ☐ Veeam (Cloud Only) ☐ Redstor (Onsite + Cloud) ☐ Veeam (Onsite + Cloud)
☐	Microsoft Server Infrastructure Roles and Features ☐ Operating System ☐ Underlying Hardware ☐ Update Services (WSUS) ☐ Routing and Remote Access (RRAS) ☐ Windows (DNS, DHCP, WINS) ☐ Directory Services (AD, Policies*, GPO) *Industry Standard Policies ☐ Web Server (IIS) ☐ File Sharing Services ☐ Print Services

☐	Network Environment Support ☐ Switching Maintenance (Core, Distribution- and Access switches) ☐ Internal Wi-Fi (Point-to-Point, Access Points, Wireless Controller) ☐ Site-to-Site VPN (Non-MPLS) ☐ Internet Connectivity (Munsoft Supplied)
☐	Security Environment Support ☐ Anti-Virus ☐ Firewall Maintenance ☐ Managed Switching
☐	E-Mail Infrastructure ☐ On-premises Microsoft Exchange ☐ Hosted Exchange (Office 365) ☐ Unified Email Management (Other) ☐ Hosted Exchange (Non-Office 365) ☐ Unified Email Management (Mimecast)* *Scope dependent on active UEM bundle.
☐	Database Infrastructure* *Excludes database administration tasks ☐ Microsoft SQL Platform ☐ MySQL Platform
☐	Software / Application License Renewal(s) ☐ Microsoft ☐ Linux ☐ Firewall ☐ Redstor ☐ Veeam One ☐ Helpdesk ☐ VMWare ☐ AD Auditing ☐ Veeam
☐	Onsite Client Helpdesk System ☐ SLA Integrated Helpdesk
☐	Service Provider Helpdesk ☐ Managed Helpdesk - o Incident Logging - o Resource Allocation - o Manned Helpdesk Support - o SLA Management ☐ Un-managed Helpdesk - Incident Logging

☐	Vendor / 3rd Party Supplier Support Coordination VMware, Veeam
☐	Service Delivery Management • Monthly Service Reporting • Operational Risk Reporting • Point of Escalation
☐	Municipal Purchased Hardware & Software ☐ Installation and Setup of municipal purchased hardware (i.e. Biometric access Server, Network Monitoring Server, Domain Controller Server, Exchange Server, Anti-virus Server, Print Servers and CCTV Servers) ☐ Support and monitoring of municipal purchased hardware ((i.e. Biometric access Server, Network Monitoring Server, Domain Controller Server, Exchange Server, Anti-virus Server, Print Servers and CCTV Servers) Policies and procedures ☐ Creation of required policies and procedures ☐ Monitoring of policies ☐ Reporting of implementation and monitoring to management ☐ Implementation of policies ☐ Review of policies
☐	Audit Committee ☐ Provide responses and feedback to management on issues raised during audit committee meetings, raised by the audit committee
☐	Auditor General ☐ Communication of ICT audit findings (Follow-up of outstanding audit findings, Address audit findings raised in the previous year's management reports, Address audit findings raised in the previous year's audit reports) ☐ Assist during Audit Process (Assist the ICT department during the audit process through engaging with the AGSA during meetings, audit information gathering, queries raised, provide management responses on formal audit queries raised through communication of audit findings, Provide management responses on findings raised in the management report)

Schedule J – Munsoft e-Services Solution

Munsoft can provide an e-Services solution that includes the following:

- a) the ability to send electronic municipal statements to Client consumers via e-mail, MMS and SMS;
 - b) the ability to send electronic notifications (such as municipal notices, cut off letters and general communication) to Client consumers;
 - c) secure messaging to Client consumers "one to one" or "one to many" (for example individuals, groups or wards);
 - d) allowing Client consumers to register and login to a dedicated self-service portal to update and view personal information from the Client and the communications sent to them by the Client. Consumers can manage multiple municipal accounts from a single profile;
 - e) the information used in the self-service portal is automatically pulled from the Munsoft Financial System and updated in a controlled and authorised manner into the Munsoft Financial System once consumers make changes;
 - f) all consumer communications are logged, tracked and can be reported on by the Client. This function can also be used for auditing purposes;
 - g) help desk to report and track incidents;
 - h) training and training material for the Client to assist in using the Munsoft e-Services Solution;
 - i) the Munsoft e-Services Solution is cloud based and is compatible with all popular web browsers;
 - j) consumers can elect how they receive communications, for example by mail, MMS or email.
1. The Munsoft e-Services Solution is only able to send communications where the Client consumer information is captured in the Munsoft Financial System.
 2. Munsoft cannot be held responsible for the accuracy of consumer details captured on the Munsoft Financial System, nor communication sent out via the Munsoft e-Services Solution.
 3. The Client remains liable for all communication charges, which charges are shown on Schedule A – Summary Cost Schedule.
 4. Munsoft can assist with the sourcing and updating of cell phone numbers, however additional fees will apply.
 5. Munsoft can also provide ad hoc electronic communication services to the Client, at an additional fee. Any such services should be negotiated between the Parties.

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Schedule K – Munsoft Performance Management and Risk

The Performance Management Services set out in this schedule are delivered by an independent proprietor on whose behalf Munsoft acts as an agent. Any Services procured in terms of this schedule will, in addition to the terms of the Agreement, be subject to the specific proprietor's standard terms. These terms will be made available upon request.

1. Overview of the Performance Assist modules

After careful consideration of the legislative and other requirements, and in consultation with our business partners and fellow technical experts, we have enhanced the Action Assist offering and introduced our Performance Assist offering, which is depicted below:

The Performance Assist Modules include:

- **IDP:** for the management and reporting of the performance requirements included in the municipality's IDP;
- **SDBIP:** for the management and reporting of the performance requirements included in the SDBIP. This includes the generation of the municipality's performance reports, the tracking of finances (with possible integration to the mSCOA compliant accounting system) and the assurance functionality;
- **Job Activity Library:** a central repository of all the required job activities per sub-function of the municipality;
- **Individual Performance:** for the management of scorecards per individual employees per financial year directly cascaded down from the SDBIP and / or Job Function Library (as required) and for the management of the individual performance evaluation and moderation processes and the calculation of the required bonuses payable (where applicable);
- **PDP:** for the management and tracking of employees' PDPs (Personal Development Plans).

The Risk Assist Module also has a link to the Strategic Planning processes of the municipality and therefor the IDP Module:

▪ **Query Assist:** assists organisations with the management and clearing of various types of queries. The identified queries are cleared by assigning specific actions to be undertaken to specific users (action owners). The tool facilitates the capturing, monitoring, maintaining and managing of queries and associated actions from a centralised point. All activity on the tool is date stamped which provides management with a detailed independent audit trail. Uses for the module include the tracking of internal and external audit queries, and the resolution of any other type of query from any internal or external source.

▪ **Risk Assist:** assists organisations with the management and addressing of various types of risks identified by the management team of the organisation. The identified risks are addressed by

assigning specific actions to be undertaken to specific users (action owners). The tool facilitates the capturing, monitoring, maintaining and managing of risks and associated actions from a centralised point. All activity on the tool is date stamped which provides management with a detailed independent audit trail. Multiple online Risk Registers can be managed within a single Risk Assist Module.

2. Action Assist module licensing breakdown

LICENSE DESCRIPTION	NUMBER OF LICENSES INCLUDED
Performance Assist Module	0 Active Users
Risk Assist Module	0 Active Users
Query Assist Module	0 Active Users
Subscription fee includes 1 GB of storage data. 10 GB additional storage available at R 150 per GB.	

3. Support and maintenance

Included in fee is up to 2 hours' telephonic system support in a calendar month. Planned maintenance slots every Sunday from 16h00 to 22h00 during which time user access may be restricted.

The Action Assist modules are supported by the Action Assist developers. On an on-going basis the existing modules are enhanced, or new modules are programmed. An update of these enhancements is automatically made available to all our clients on at least a weekly basis. Where possible we continuously strive to find improved ways in which our tool can integrate ("talk to") with client software solutions available.

All cost for the development and implementation of enhancements are for the cost of the client requesting such an enhancement.

- a. All other clients receive the enhancement at no cost. In this way our subscribers share best practice and only pay for an enhancement once.

Schedule L – Electronic Meter Reading Device

Munsoft can supply ultra-rugged hand-held meter reading device with the following features:

- high-brightness touchscreen
- water resistant
- dust impervious
- Integrated with u-blox GPS
- Withstand 26 drops from 1.22 meter to concrete per side
- Operating temperature of -20 °C to 55 °C

1. Included: Stylus pen, Hand strap, Rechargeable battery, AC charger, USB cable, LCD screen protector film, 1 Year carry in warranty.
2. The Munsoft Rugged Handheld Device is not included in the fee structure, unless clearly stipulated, a quote should be requested to procure devices.

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Schedule M – Data Cleansing & Enhancement Services

Munsoft can offer the Client Data Cleansing & Enhancement Services all designed to produce high-quality data measured on the following criteria:

- VALIDITY
- ACCURACY
- COMPLETENESS
- CONSISTENCY
- UNIFORMITY

1. Data Cleansing & Enhancement Services will be conducted by using various strategies including but not limited to the following:
 - a. Computer software technology
 - b. Data mapping and matching between different entities and databases
 - c. Experienced personnel
 - d. Creation of Municipal data validation rules
 - e. Social engineering
 - f. Input from municipal staff
 - g. Continuous data management
 - h. Training of municipal staff on data cleansing, enhancement and management
2. Data Cleansing & Enhancement Services can include but is not limited the following depending on the Client's requirements:
 - a. Consumer details
 - b. Electricity meter details
 - c. Water meter details
 - d. Refuse details
 - e. Erf details
 - f. Indigent details
 - g. Pensioner details
 - h. Asset details
 - i. Munsoft user details
 - j. Active directory user details
 - k. Municipal email user details
 - l. Payroll employee details
 - m. Creditors details
 - n. CSD supplier details
 - o. Municipal supplier's details
 - p. Inventory details
 - q. Vehicle details
 - r. Insurance details

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Due to the complex nature of data and data management as well as the variation of quality of data between different municipalities it is not possible to provide fixed pricing for this service unless the specific municipality's data has been assessed to establish the current state of the data. The Client also needs to provide guidance with regards to what data they would like to focus on for Munsoft to conduct the assessment

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Schedule N – Consulting Budget

Munsoft can provide mSCOA Compliance Consulting Services which include the following milestones:

- A. Milestone 1 - Adjusted Budget (ADJB)**
 - i. Capture adjusted budget on the system, in line with municipality requirements
 - ii. Generate ADJB data strings for upload on NT portal
 - iii. Evaluate and correct if any validation errors have been identified from NT portal upload
 - iv. Project Details Adjusted Budget (PRAD) data strings
 - v. Ensure the IDP (PRAD txt.) is aligned to the financial data contained in the ADJB
- B. Milestone 2 - Annual Budgets – TABB & ORGB**
 - i. Capture 2019/2020 Tabled Budget (TABB) on the system, in line with municipality requirements
 - ii. Generate TABB data strings for upload on NT portal
 - iii. Evaluate and correct if any validation errors have been identified from NT portal upload
 - iv. Project Details Tabled Budget (PRTA) data strings - Ensure the IDP (PRTA txt.) is aligned to the financial data contained in the TABB
 - v. In-depth analysis of segments that have been budgeted to ensure segment compliance
 - vi. Analysis and assistance with capturing 2019 Annual Budget (ORGB) on the system
 - vii. Generate ORGB data strings for upload on NT portal
 - viii. Evaluate and correct if any validation errors have been identified from NT portal upload
- C. Milestone 3 - Integrated Development Plan (IDP) & Service Delivery and Budget Implementation Plan (SDBIP)**
 - i. Assistance with the IDP and break down to functions and projects
 - ii. Assistance and guidance with recreating functional projects
 - iii. Assistance and guidance with setting up the organogram on the system
 - iv. Guidance with creating quarterly targets and linking to projects
 - v. Guidance with aligning monthly projections of revenue by source, operational and capital expenditure to the different functions
 - vi. Assistance with linking quarterly targets and performance indicators
 - vii. Assistance of quantifying IDP objectives and creating KPI's
 - viii. Assistance with extracting and reconciling the SDBIP to the Budget and IDP objectives

The fees associated with this Supporting Service are stipulated in Annexure A. Once the scope of work has been agreed upon, a project plan with payment milestones will be presented for agreement. Any on-site consulting bookings cancelled or re-scheduled less than 5 days prior to the original dates booked, will be charged 25% of the consulting fee along with the travel expenses incurred/booked at the time.

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Schedule O – Training Services

Munsoft can offer the Client general financial and Munsoft related training services.

- 1 These training services include, but are not limited to, the following:
- 2 Munsoft system related training.
- 3 E-learning programs
- 4 Payroll training
- 5 Caseware
- 6 SETA accredited training and skills

An updated schedule of available courses can be found on www.munsoft-academy.co.za

- 1) Training can be offered both on-site at Client premises or at any Munsoft training centre.
- 2) The exact extent of the training services must be negotiated by the Parties and will be charged for as per an approved quote.
- 3) Please note that the training bookings have to be cancelled at least 7 working days prior to the scheduled training event, or penalty fees will apply. Telephonic cancellations of bookings will not be accepted. Please e-mail your cancellation to training@munsoft.co.za.
- 4) For any non-attendance/cancellation or rescheduling within 7 days prior to the event, a 50% penalty fee per delegate will be charged up to 24 hours before the event.
- 5) For any non-attendance/cancellation or rescheduling within 24 hours prior to the event, 100% of the course fee per delegate will be charged.
- 6) Payment of all training is expected to be made in advance of the course start date.

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Schedule P – HR and Payroll

The Services set out in this schedule are delivered by an independent proprietor on whose behalf Munsoft acts as an agent. Any Services procured in terms of this schedule will, in addition to the terms of the Agreement, be subject to the specific proprietor's standard terms. These terms will be made available upon request.

1. Munsoft acts as an agent for both PayDay and VIP to provide the Payroll and HR related functionality as required in terms of the MSCOA Regulations.
2. The exact extend of the payroll services must be negotiated by the Parties and will be charged for as per Annexure A or as per each Service Addendum.

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Schedule Q – Munsoft Academy

The Munsoft Academy is a free e-learning service available to all staff members of the Client who has access to the System and can be accessed at www.munsoft-academy.co.za.

1. The material on the Munsoft Academy website and the e-learning courses contained thereon are copyrighted. No part of the material on the website or of the e-learning courses may be copied, photocopied or reproduced in any form or by any means without the written permission of Munsoft.
2. The Munsoft Academy is a hosted solution and any user will require internet connectivity to access any of the material contained on the website and/or the e-learning courses.
3. All data charges incurred because of using the Munsoft Academy will be for the account of the user.
4. Munsoft does not warrant the correctness of any of the content on the Munsoft Academy website or the e-learning courses.

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Schedule R – Munsoft reporting

The Services set out in this schedule are delivered by an Independent proprietor on whose behalf Munsoft acts as an agent. Any Services procured in terms of this schedule will, in addition to the terms of the Agreement, be subject to the specific proprietor's standard terms. These terms will be made available upon request.

1. CaseWare forms an integral part of the Munsoft System and automates the production of a full set of GRAP financial statements, National Treasury Returns and Budget Formats, and Management Reporting for municipalities.
2. Included in the Munsoft CaseWare module is the following:

LICENSE DESCRIPTION	NUMBER OF LICENSES INCLUDED
GRAP Template for Municipalities	1
National Treasury Returns & Budget Formats	1
CaseWare Working Papers (including Connector)	2
CaseWare Bizsuite Management Reporting Public Sector	1
Software Distribution Fee CaseWare	0
Smart Sync	0
Additional Licenses required are subject to an acceptance of Service Addendum in accordance with this agreement.	

3. CaseWare consulting and training is specifically excluded from this schedule as the scope of work needs to be negotiated between the parties and can be added as a separate service addendum.

Initial setup and training on the CaseWare National Treasury Returns & Budget Formats module is included in the price for up to 6 users, subject to all users being trained in one session.

Additional consulting and training are specifically excluded from this price schedule as the scope of work needs to be negotiated between the parties and can be added as a separate service addendum.

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Schedule S – Legal Compliance & mSCOA Compliance Testing

The Services set out in this schedule are delivered by an independent proprietor on whose behalf Munsoft acts as an agent. Any Services procured in terms of this schedule will, in addition to the terms of the Agreement, be subject to the specific proprietor's standard terms. These terms will be made available upon request.

The Client's compliance with and adherence to all legal requirements applicable to Local Government will be assessed. This includes assessing the submission of all legally required reports, documentation, artefacts and mSCOA requirements prescribed by various national and provincial departments as well as other state entities.

The tool includes an assessment of both manual and system processes. It therefore acts as a Gap Analysis of both existing systems as well as a Need Analysis of future systems. The output of the assignment will provide an assessment close out report and advice on how to address identified gaps and risks, which will also include the following information:

- As-Is analysis of municipal compliance with current Legislation, Regulations, Circulars, Accounting Standards and Guidelines.
- An analysis of the Munsoft system's ability to provide all the information required by Legislation, Regulations, Circulars, Accounting Standards and Guidelines (Gap Analysis)
- An analysis of additional requirements that the Munsoft system must comply with (Need Analysis)
- A final report can be used or can be supplied to the Auditor General to act as legal compliance
- The MuLCAT will guide the process in determining if the municipality complies with the mSCOA Regulation requirements

MuLCAT, our assessment tool, guides the process in determining if the municipality complies with the mSCOA Regulation requirements. Additionally, this tool not only references the mSCOA regulatory requirements but all applicable Legislation, Regulations, Circulars, Accounting Standards and Guidelines. These requirements are not only aligned to but also enhances the proposed processes from MFMA Circular 80 which if included in the system will provide compliance. Additionally, the control environment is assessed by reviewing the Policies and Delegations.

The compliance assessment includes the assessment of the system's ability to provide for the 7 segments, business process compliance, integration, reporting capability and the control environment and covers the following areas:

- Availability of seven (six prescribed and one municipal specific) mSCOA segments in General Ledger informed by business processes
- Ability to maintain mSCOA Chart Versions over multiple financial years
- An assessment of key business processes. This high-level assessment will compare your current processes to the 15 Minimum Business Processes prescribed by National Treasury and if the business process is mSCOA-ready in determining if the system in place allow for the processing of

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the segment data and the collation of this data in a portal, which NT may access to retrieve the data

- Business integrations requirements of mSCOA and Minimum requirements for an integrated software solution;
- Availability, management and production of reports (mSCOA specific and reports previously submitted)
- Policies and Delegation of Authority assessment

Description Activities include:

- Preliminary Assessment
- As-is Legal Evaluation
- System and Gap Analysis
- Needs Analysis
- Reporting (Include AG requirements)

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Schedule T - Asset verification system

Munsoft Asset Verification scanner is a handheld android barcode scanner. The asset scanner downloads the municipality's asset register from the Munsoft AVS website. Verifiers can then scan the room barcode and the device will list all assets to be verified in the room. Assets are then scanned and given a verified condition. The device will prompt the verifier when an asset is in the incorrect room and ask to update the asset's room location. Other features include creating a new room and new asset on the device. All the verifications can be imported in to the Munsoft asset module daily.

1. The following additional hardware is required to make use of the Munsoft AVS:

- a. Rugged Handheld scanner

The device must have an internet connection, either via Wi-Fi or via 3G/4G data sim card

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Schedule U – 3rd Party Systems through Munsoft

3rd Party Vendors refer to systems that are ancillary to or dependent on the IFMS system to be implemented by Munsoft. The following will apply to the inclusion of these 3rd Party Vendors to the scope of Contract:

1. The relevance to the Contract for the procurement of a system from each 3rd Party Vendor will be determined on a case by case basis, to ensure that any engagement with such 3rd Party Vendor falls within the scope of Contract.
2. Any engagement with a 3rd Party Vendor will be subject to a due diligence process by Munsoft and the Client and either Party will have the right to refrain from proceeding with the engagement of a specific 3rd Party Vendor if the outcome of its due diligence dictates such.
3. Once it is agreed to proceed with the engagement of a specific 3rd Party Vendor, the Parties will ensure that all regulatory requirements relating to the procurement process relating to the appointment of 3rd Party Vendors (specifically the requirements of the Client's Supply Chain Management Policy, the MFMA, the Municipal Supply Chain Management Regulations, section 217 of the Constitution of South Africa, the Preferential Procurement Policy Framework Act and the Promotion of Administrative Justice Act) are complied with.

Munsoft and the Client will prepare the terms and conditions for this schedule separate from this licensing agreement, to be signed and agreed upon by both parties. The agreement will govern the procurement process, below is the naming standard for adding the systems/modules to the main license agreement after completion of the defined procurement process:

Examples of Sub-schedules to Schedule U	
Sub-schedule	Sub-schedule description
Schedule U ₁	BRT System
Schedule U ₃	Traffic Management System
Schedule U ₄	Library System
Schedule U ₅	Hawkers Application System
Schedule U ₆	Real Estate for Housing stock
Schedule U ₇	Audit Management System
Schedule U _{xxx}	Other

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