

SOFTWARE DEVELOPMENT CONTRACT

Contract No: [CONTRACT-2025-09-11]

DEVELOPER (SERVICE PROVIDER)

Company: AI SOLUTIONS (PTY) LTD
Registration: 2019 / 370291 / 07
Address: 7 POPLAR STREET, SE3,
VANDERBIJLPARK, 1911
Contact: RUDOLF JACOBS
Email: RUDOLF@A-I-SOLUTIONS.CO.ZA

CLIENT (SERVICE RECIPIENT)

Company: SEDGE Accelerator
Registration: 2023/855960/07
Address: KS13 RIETVLEI FARM, PORTION
28, POLOKWANE, 0699
Contact: NEWTON BALOYI
Email: NEWTON@SEDGEACCELERATOR.CO.ZA

1. SCOPE OF WORK

The Developer agrees to provide software development services limited to the items specifically listed in the agreed project specification (the "ProfitPro Governance & Project Automation Management Application Specification"), unless otherwise agreed in writing and subject to additional fees. The scope includes:

- Initial system architecture and requirements analysis as per written specifications
- Development of core functionality as outlined in the three-stage development plan
- Testing, quality assurance, and deployment per agreed specifications
- Post-deployment support as specified in written deliverables

2. PROJECT TIMELINE & MILESTONES

STAGE	DESCRIPTION	PAYMENT AMOUNT	PAYMENT TRIGGER
Stage 1	Initial Development & Architecture	R25,000.00	Deposit - Upon Contract Signing
Stage 2	Minimum Viable Product (MVP)	R25,000.00	Upon MVP Completion & Client Acceptance (may not be unreasonably withheld)
Stage 3	Post Go-Live Support & Final Delivery	R25,000.00	Upon Final Project Completion & Client Sign-off (deemed accepted if no response within 5 business days)

Total Contract Value: R75,000.00 (Seventy-Five Thousand Rand)

Timeline Adjustments: Any delay in Client providing feedback, input, or approvals will automatically extend project timelines accordingly.

3. PAYMENT TERMS

- **3.1** All payments are due and payable upon acceptance of the deliverables
- **3.2** Late payments will incur interest at 2% per month
- **3.3** Work on subsequent stages will not commence until payment for previous stage is received
- **3.4** Developer may suspend work if invoices are unpaid beyond 7 days, without liability for delays caused
- **3.5** All prices are inclusive of VAT where applicable
- **3.6** The Stage 1 deposit becomes non-refundable once work has commenced
- **3.7** Developer may withhold delivery of source code, credentials, or revoke access to deployed environments until all overdue amounts are settled
- **3.8** Client shall be responsible for reasonable costs of collection (including legal fees) arising from overdue amounts
- **3.9** Client shall not withhold, defer, or set off payment of any undisputed amounts for any reason

4. INTELLECTUAL PROPERTY; BACKGROUND IP

"Background IP" means any pre-existing or independently developed software, libraries, frameworks, templates, utilities, tools, processes, designs, documentation, and know-how owned or developed by the Developer, whether created before or outside the scope of this contract, together with any generic, non-client-specific components created during the engagement.

- **4.1** Upon full and final settlement of all amounts due under this contract, all intellectual property rights in the project-specific deliverables (excluding Background IP) shall transfer to the Client
- **4.2** The Developer retains ownership of all Background IP. Developer grants Client a perpetual, worldwide, royalty-free, non-exclusive license to use, reproduce, and modify the Background IP solely as embedded in, and solely for the purpose of operating and maintaining, the deliverables for Client's internal business purposes
- **4.3** The Developer retains the right to reuse generic, non-client-specific components, libraries, and tools developed, provided that no Client confidential information is disclosed
- **4.4** The Developer retains the right to use general methodologies, techniques, and know-how developed during the project

5. DELIVERABLES

The Developer shall deliver the following items as specified in the written project specification signed by both parties:

- Fully functional software application as per agreed written specifications
- Complete source code and technical documentation
- User manuals and deployment instructions
- 30-day post-deployment support as per agreed specifications

6. ACCEPTANCE CRITERIA

- **6.1** Client has 5 business days to review and provide feedback on each deliverable
- **6.2** Acceptance is deemed given if no written rejection is received within the review period
- **6.3** Rejection must include specific reasons and required changes
- **6.4** Revisions required by Client shall be limited to corrections where deliverables do not conform to agreed specifications, and not requests for new features or enhancements
- **6.5** Where a payment milestone is tied to Client acceptance, acceptance may not be unreasonably withheld or delayed; if no response is received within 5 (five) business days, acceptance is deemed granted and the corresponding milestone invoice becomes immediately due



7. CONFIDENTIALITY

Both parties agree to maintain confidentiality of all proprietary information disclosed during the project term and for a period of 3 years thereafter. Confidentiality shall not apply to information already known, publicly available, or independently developed.

8. TERMINATION

- **8.1** Either party may terminate with 14 days written notice
- **8.2** Upon termination, Client pays for work completed to date
- **8.3** Developer may terminate immediately for non-payment and Client shall pay 50% of remaining contract value as cancellation fee
- **8.4** If Client terminates for convenience, Client shall pay not only for work completed but also 50% of the remaining contract value as a cancellation fee
- **8.5** Intellectual property transfer occurs only upon full payment

9. LIMITATION OF LIABILITY

To the maximum extent permitted by law, Developer's total aggregate liability arising out of or related to this agreement shall not exceed the lesser of (i) the fees actually paid by Client to Developer under this agreement in the twelve (12) months immediately preceding the event giving rise to liability, or (ii) R75,000.00. In no event shall either party be liable for any indirect, incidental, special, consequential, or punitive damages, or for any loss of data, profits, revenue, goodwill, or business opportunities, whether arising in contract, tort (including negligence), or otherwise, even if advised of the possibility of such damages.

10. GOVERNING LAW

This agreement shall be governed by and construed in accordance with the laws of the Republic of South Africa.

11. CHANGE REQUESTS

Any scope additions or modifications beyond the agreed deliverables outlined in this contract must be quoted separately and require written approval before implementation. Change requests may impact project timelines and costs and will be subject to additional pricing.

- Client submits a written change request describing the change
- Developer provides an impact assessment (scope, timeline, fees)
- Work under a change request will not commence until the impact is accepted in writing
- Only approved change requests modify scope, timeline, or fees; discussions or estimates alone do not

12. WARRANTIES

The Developer provides a 12 month warranty period from final delivery for deviations related to the agreed specifications. This warranty covers only defects in functionality as outlined in the approved requirements. The Developer does not guarantee fitness for purpose beyond the explicitly agreed specifications and deliverables. All warranties are void if the software is modified by parties other than the Developer. The warranty period commences upon deployment to production or delivery/handover of the final deliverables, whichever occurs first.

Except for the foregoing limited warranty, the deliverables are provided "as is." To the maximum extent permitted by law, the Developer disclaims all other warranties, whether express, implied, statutory, or otherwise, including any implied warranties of merchantability, fitness for a particular purpose, non-infringement, and any warranties that the deliverables will be error-free or uninterrupted.

13. FORCE MAJEURE

Neither party shall be liable for delays or failures in performance resulting from events beyond reasonable control, including but not limited to: power outages, internet service disruptions, strikes, natural disasters, government actions, pandemics, or other external events. Project timelines will be adjusted accordingly upon written notice. The affected party must notify the other party within 48 hours of such events.

14. SUPPORT & MAINTENANCE

Post-deployment support and maintenance services are governed by the separate ProfitPro Hosting & Maintenance SLA, which includes:

- Monthly hosting and monitoring services (R750/month)
- 2 hours standby support per month (R500/month)
- Additional support hours as needed (R500-R750/hour based on timing)
- 99.9% uptime guarantee with 4-hour response time during business hours

Additional hours are billed per the SLA. Timesheets/activity logs are provided monthly and are deemed accepted unless Client disputes specific entries in writing within 5 (five) business days of receipt.

This SLA is available separately and must be signed upon project completion for ongoing support services.

15. ENTIRE AGREEMENT

This contract constitutes the entire agreement between the parties and supersedes all prior negotiations, representations, or agreements.

16. CLIENT RESPONSIBILITIES

- Provide timely access to information, stakeholders, credentials, and content necessary to perform the Services
- Review and respond to deliverables, questions, and approvals within the stated acceptance periods
- Ensure all materials, data, and content supplied by Client are lawful, accurate, and do not infringe third-party rights
- Maintain security of Client-managed systems and credentials; Developer is not liable for breaches arising from Client negligence

17. THIRD-PARTY SERVICES & LICENSES

- Client is responsible for all third-party fees (hosting, domains, APIs, SaaS) unless otherwise agreed in writing
- Developer is not liable for outages, price changes, feature changes, or failures of third-party services
- Any required commercial licenses shall be procured by Client unless explicitly stated otherwise

18. OPEN-SOURCE SOFTWARE

The solution may include open-source components governed by their respective licenses. Client agrees to comply with applicable license obligations. Open-source components are provided "as is" without warranties; Developer's warranties do not extend to such components.



19. PUBLICITY & PORTFOLIO

Developer may list Client's name and non-confidential project descriptions in portfolios and credentials. Use of Client trademarks or logos shall be subject to Client's prior consent, not to be unreasonably withheld. Client may opt out of portfolio mentions at any time by written notice; such opt-out does not affect Developer's right to reference non-confidential factual statements about the engagement.

20. NON-SOLICITATION

During the term and for 12 months thereafter, Client shall not directly solicit for employment any Developer personnel materially involved in the Services without Developer's prior written consent.

21. INDEPENDENT CONTRACTOR; SUBCONTRACTING

Developer is an independent contractor. Nothing herein creates a partnership, joint venture, or employment relationship. Developer may engage qualified subcontractors while remaining responsible for delivery.

22. ASSIGNMENT

Neither party shall assign any of their rights, duties and obligations without the prior written consent of the other party, which consent shall not be unreasonably withheld. Developer may assign to an affiliate or in connection with a merger, acquisition, or sale of assets.

23. SEVERABILITY; WAIVER; SURVIVAL

If any provision is held unenforceable, the remaining provisions remain in effect. Failure to enforce a provision is not a waiver. Provisions that by their nature should survive (including payment, IP, confidentiality, limitation of liability) shall survive termination.

24. DISPUTE RESOLUTION; COSTS OF COLLECTION

Any dispute shall first be escalated to senior representatives for good-faith negotiation. Failing resolution within 14 days, disputes shall be finally resolved by confidential arbitration in Cape Town, South Africa under AFSA rules. The arbitrator shall be nominated by the secretary of AFSA. The parties shall each be liable for 50% of the arbitration costs. The prevailing party is entitled to recover reasonable legal fees and costs.

25. TAXES & WITHHOLDING

Except as expressly stated (including VAT where applicable), Client is responsible for all applicable taxes, duties, and withholdings arising from the Services, excluding taxes based on Developer's net income.

26. DATA PROTECTION & PRIVACY

Client is the controller of any personal data processed under this agreement; Developer acts as processor and will process such data solely on documented instructions from Client. Developer will implement reasonable technical and organizational measures appropriate to the risk; however, no system is 100% secure and Developer does not warrant against breaches beyond its reasonable control. Where a personal data breach is confirmed, Developer will notify Client without undue delay and, where feasible, within 72 hours of becoming aware. A separate data processing addendum may be executed upon request.



27. EXPENSES & REIMBURSEMENTS

Client shall reimburse Developer for pre-approved, reasonable out-of-pocket expenses incurred in performing the Services (including travel, accommodation, per diem, and courier costs), invoiced at cost with supporting documentation.

28. ORDER OF PRECEDENCE

If there is any conflict among documents, the following order of precedence applies: (1) this Software Development Contract; (2) the signed Project Specification; (3) the ProfitPro Hosting & Maintenance SLA; (4) the Development Plan; (5) any other referenced documents or proposals.

29. NOTICES

Notices under this agreement must be in writing and delivered by email to the contact addresses stated above or as updated by written notice. Notices are deemed received on the next business day after sending if sent after 17:00 SAST, otherwise on the day sent.

30. REMEDIES

The remedies expressly set out in this agreement (including re-performance and bug-fixing during the warranty period) shall be the primary remedies for claims relating to the Services or deliverables. Nothing in this agreement shall limit the Client's right to pursue any other remedies available at law or in equity, subject to the limitation of liability provisions set out in this agreement.

31. ACCESS & CREDENTIALS TRANSFER

Developer retains administrator access to hosting, repositories, and deployment environments until all amounts due are paid in full. Upon full settlement, Developer will transfer or rotate credentials and provide reasonable assistance to transition control to Client.

32. NON-EXCLUSIVITY

Nothing in this agreement restricts Developer from providing general software development services to other clients, including competitors of the Client. However, Developer shall not provide the specific system, source code, or any derivative works developed for the Client under this agreement (as defined in Clause 4 - Intellectual Property) to any third party, including competitors, without the Client's prior written consent.

33. COUNTERPARTS; ELECTRONIC SIGNATURES

This agreement may be executed in counterparts and by electronic signature; each counterpart is deemed an original and all counterparts together constitute one instrument.

34. CLIENT INDEMNITY

Client shall indemnify and hold harmless Developer against third-party claims, losses, and liabilities arising from (a) Client-provided data, content, or materials; (b) Client's instructions or misuse of the deliverables; or (c) Client's breach of applicable laws or this agreement.



35. EXIT ASSISTANCE & TRANSITION SUPPORT

Handover and transition support shall be included as part of Stage 3 - Post Go-Live Support & Final Delivery. Upon termination or expiration, any additional transition or exit assistance requested by Client (including extended knowledge transfer or migration support beyond the standard handover) will be provided at the Developer's then-current rates and invoiced as additional services.



For the Developer:

Rudolf Jacobs

Authorized Signatory

Date: 29 September 2025



For the Client:

Newton Baloyi

Authorized Signatory

Date: 26 September 2025

This contract is legally binding. Please review carefully before signing.