



Proposal for

**PROPOSAL FOR THE DEVELOPMENT AND IMPLEMENTATION OF A LOAN  
MANAGEMENT SYSTEM**

Proposal for

**SoftKash Financial Services Limited**

## **05 July 2019**

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## **OVERVIEW**

SoftKash Financial Services Limited is motivated to modernize its operations as part of digitalization and automation agenda. As part of its expansion program, SoftKash Financial Services Limited needs to make its operations lean, efficient and highly optimized.

In order to achieve this objective, Hobbiton proposes a Loan Management System that is going to automate and digitalize every aspect of SoftKash Financial Services Limited business. The System will have the following features;

1. Customer Relationship Management
2. Quotations Module
3. Loan Management Module
4. Loan Settlements Module
5. Financial Management System
6. Business Intelligence Module

Our solution will enable the SoftKash Financial Services Limited realize their business goals by ensuring that we deliver technology that fully meets their immediate and near future requirements, is scalable and can easily integrate with other systems.

Our solution would be developed and supported locally using the best tools and methodologies out there. We are confident of our partnership and ability to deliver fully on the SoftKash Financial Services Limited Solution objectives and technical requirements based on our enviable reputation in technology and solution provision.

## **Our Objective**

In proposing for the development and implementation of the SoftKash Financial Services Limited solution, our objectives are clear and simple but we recognize they are of paramount importance for the success and benefit of SoftKash Financial Services Limited. These objectives are:

- Develop a robust Customer Relationship Management (CRM) to cater for the various clients types.
- Provide SoftKash Financial Services Limited with the ability and flexibility to issue loan quotations to their prospects and clients.
- Provide SoftKash Financial Services Limited with a robust loan management and settlement functionality.
- Develop and integrate a business intelligence solution for business KPI monitoring and tracking.

Table 1: Addressing SoftKash Financial Services Limited specific requirements:

<b>Req.</b>	<b>Requirement</b>	<b>Addressing the Requirement</b>
1.	Customer Relationship Management	Hobbiton to develop a Customer Relationship Management module handles and manages the life cycle of clients on the system.
2.	Quotations Module	Hobbiton to develop and implement a quotations module that will provide loan quotations to prospects and clients so that a client is well aware of their repayments before they even contract the loan.
3.	Loan Management Module	Hobbiton to develop the Loans Module that will be responsible for entire loans issuance, management and recoveries.
4.	Loan Settlements Module	Hobbiton to develop the Loans Settlements Module that will be responsible for loan recoveries and updating of loan balances.

<b>Req.</b>	<b>Requirement</b>	<b>Addressing the Requirement</b>
5.	Financial Management System	Hobbiton to develop the Finance Management Module that will manage the cash book and General ledger of the Loan Management System.
6.	Business Intelligence Module	Hobbiton to develop a Business Intelligence module will offer SoftKash Financial Services Limited real-time visibility of all the transactions happening on the platform and allow SoftKash Financial Services to monitor set KPIs.

## **PROJECT SCOPE**

The Project refers to the development and deployment of a Loan Management System for SoftKash Financial Services Limited.

## **CUSTOMER RELATIONSHIP MANAGEMENT (CRM)**

The Customer Relationship Management module handles and manages the life cycle of clients in the system. The CRM will have the following capabilities;

### Client Registration

1. Individual Client Creation
2. Corporate Client Creation
3. Client Management
4. Customer Service
5. Alerts and notifications

## **QUOTATIONS MODULE**

This module will be able to provide loan quotations to prospects and clients so that a client is well aware of their repayments before they even contract the loan. Below are the functionalities;

1. Create quotation
2. Edit quotation
3. Send quotations
4. Convert Quotation into an active loan.

## **LOAN MANAGEMENT AND SETTLEMENT MODULE**

This module will be responsible for entire loans issuance, management and recoveries. The module will be responsible for the following functionalities;

1. Loan Rates setup
2. Loan Duration Setups
3. Loan Insurance Setups
4. Arrangement Fees Setup
5. Collection Fees Setups
6. Duration Setups
7. Amortization Schedule Setups
8. Loan Issuance and Contractinf process
9. Loan settlement process
10. Loan records management

## **FINANCE MANAGEMENT SYSTEM**

This module manages the cash book and General ledger of the Loan Management System. Below will be the functionalities in this module;

1. Receipting
2. Banking
3. GL Account setups and mapping
4. Financial Reports

## BUSINESS INTELLIGENCE

The Business Intelligence module will offer SoftKash Financial Services Limited real-time visibility of all the transactions happening on the platform and allow SoftKash Financial Services to monitor set KPIs. This module will be able to track any defined matrices and give management the necessary insights.

### Our Approach

In order to achieve the objectives, we propose the following approach:

Req.	Approach	Consideration
1.	Commercial Terms	Agree and finalize
2.	System Scoping	Agree final scope
3.	Requirements Analysis	Undertake and complete business requirements analysis
4.	Implementation and customization*	Implement products (minimise customisation for support and upgrades).  Hobbiton uses the Agile Project Management Methodology.
5.	Testing (System)	
6.	User Acceptance	
7.	Commission / Go Live	



## **Key Milestones**

The following milestones are key to project success

1. Signoff of Business and Technical Process flows
2. Documentation of APIs / Integrations / Interfaces
3. Documentation and Sign-off of Business and Technical Requirements
4. Test Cases - System Integration Testing
5. Test Cases - User Acceptance Testing
6. Promotions - Investor awareness training and promotional campaigns
7. Launch / Marketing / Testing

## **Project Assumptions**

1. Project stakeholders motivated and available
2. Timeliness agreed to
3. Budget and resources agreed to
4. Approval for project infrastructure other than being tender already in place.

## **HOBBITON INVESTMENT MANAGEMENT OVERVIEW**

Hobbiton Investment Management is a Zambian owned dynamic Fintech Company with a strong focus on digital savings, investments, lending and payment aggregation. Hobbiton developed a mobile based digital platform called Patumba which houses an end to end social security stack from an investment fund, an Education Plan, A Retirement Plan, Fixed Term Deposits and Lending. Hobbiton Investment is regulated and licenced by the Securities and Exchange Commission (SEC) to offer capital markets products and services. Hobbiton has partnered with MTN Mobile Money, Airtel Money and Zamtel Kwacha to deliver its products and services. Our addressable market is mostly the unbanked which is approximately 8 Million of the Zambian population.

### **THE COMPANY**

Founded in 2017, Hobbiton Investment Management Limited has the ability to tap into an experienced team of Fund Managers, Investment Advisors, Finance experts and Technologies to ensure growth and stability of all assets under its care. Hobbiton Investment Management has registered a Unit Trust Fund called Hobbiton Unit Trust Fund which is a Collective Investment Scheme where people invest by buying Units in the fund and get a return on their investments. The Hobbiton Unit Trust Fund is regulated by the Securities and Exchange Commission (SEC).

### **VISION**

To be a world class provider of technology driven financial services.

### **MISSION**

To exceed people's financial security and access needs through technology

## **PRODUCT AND SERVICES**

### **Patumba Investment Product**

Patumba investment service is a mobile based mass market digital savings/investment product that allows anyone with an active Mobile Money account to invest as low as a K1 into Patumba for a minimum investment period of 91 Days and a maximum of 5 Years. Patumba is Zambia's first and only Unit Trust Fund on Mobile Money, The Patumba platform allows deposits, withdraws, online statements, balance enquiry transaction around the clock. Patumba also has a full-fledged embedded unit's calculation algorithm to manage units' issuance and redemptions. Patumba investment service available on USSD and with MTN Mobile Money.

### **Patumba Education Plan**

The Patumba Education Plan enables any parent or guardian to save/invest for their children's education via Mobile Money. This accords any parent an easy and convenient way to make savings for the education of their children/dependants. The available plans are 2 years, 3 years, 5 years, 8 years, 8 years, and 10 years, 12 years, 15 years and 18 years. Parents can have more than one plan and can add upto 5 children on a single plan. The Patumba Education Plan product allows deposits, withdraws, online statements, balance enquiry transaction around the clock.

### **Patumba Retirement Plan**

The Patumba Retirement plan will enable any Mobile Money subscriber to make personal retirement contributions into the Patumba Retirement Account via the mobile money. The Patumba Retirement Plan is a specially designed savings plan for you to make provisions for your retirement and is characterized by Individuals can save for retirement, they don't have to belong to a Group pension scheme or be in formal employment Flexible contributions –Individuals can contribute any amount at any time. Normal Retirement age is 60 years but for Patumba Retirement Plan you can access your fund at age 50 years.

The Patumba Retirement Plan product allows deposits, withdraws, online statements, balance enquiry transaction around the clock.

### **Patumba Fixed Term Deposits**

The Patumba Fixed Term Product enables any Mobile Money subscriber earn a predefined interest rate on any amount they deposit for a pre-defined period of time whenever they make a deposit into the Patumba Fixed Term Deposit product. The minimum amount for this product is 5000 and available investment tenors are 30 Days, 60 Days, 90 Days, 180 Days, 273 Days and 365 Days. Maturities are processed automatically and sent to the client's mobile money account.

### **Patumba Lending**

Patumba offers mobile based short term loans through Mobile Money. Loans range from 30 days to 90 Days. These loans are offered to whoever has saved on any of the Patumba savings and investment products. The loans are secured by the borrower's savings.

### **Invest your Change [Over The Counter Deposits]**

In line with its mission' To exceed people's financial security and access needs through technology". Hobbiton Investment Management has partnered with various corporates and retail outlets to extend its products and services in what we are calling the "Invest Your Change" Promotion. This will enable the clients of these partners to invest any amount of their change into the Hobbiton Unit Trust. Hobbiton Investment Management have developed a mobile system that manages client registration and receipting of investment contributions. Part of the Hobbiton initiative is to provide investment opportunities to all classes of investors in a flexible, easy and convenient manner through their mobile phones

## **Payment Aggregation**

Hobbiton has developed payment aggregation platforms for Mobile Money, airtime aggregation and savings aggregation. We have a strong track record in delivering sound mobile based technology solutions with Mobile Network Operators and beyond.

## **EXECUTION STRATEGY**

Our execution strategy incorporates proven agile based methodologies, extremely qualified personnel, and a highly responsive approach to managing deliverables. Following is a description of our project methods, including how the project will be developed, a proposed timeline of events, and reasons for why we suggest developing the project as described.

We have put together a solution that will deliver the requirements fully, and provide a long term sustainable relationship with our clients. With our local presence and expertise in financial markets solutions, we are best suited to partner and deliver SoftKash Financial Services Limited business needs.

## **RESOURCES**

Key to our success, access to SoftKash Financial Services Limited stakeholders and the following Hobbiton resources would be required.

Table 2: Required Resources

Resource	Requirement	Who (if known)	Rationale
Project Sponsor	Vision, Approval	SoftKash Financial Services Limited Senior Business Stakeholder	Limited involvement, approvals primarily
SoftKash Financial Services Limited Project Manager	Project management	SoftKash Financial Services Limited Project Manager	Manage internally (SoftKash Financial Services Limited) project.
Project Manager	Project management	Hobbiton (Chief Product Officer)	Manage the project from beginning to finish

<b>Resource</b>	<b>Requirement</b>	<b>Who (if known)</b>	<b>Rationale</b>
Engagement Manager	Engagement, negotiate, change management	Hobbiton (Head Commercial )	Liaise with SoftKash Financial Services Limited to ensure all requirements needs are catered for. Ensure delivery and manage the relationship and reporting with SoftKash Financial Services Limited management and project team
Chief Software Architect	Design, Develop and deliver the entire solution	Hobbiton (Chief Technology Officer)	Provide the design, architecture and implementation of the solution including the documentation
Software Developers	Develop and implement the solution	Hobbiton Developers	To translate the software design into a software code.
Quality Assurance	Standards and best practices	Hobbiton	To ensure standards and best practices are adhered to

## PROJECT DELIVERABLES

Table 3: Project Deliverables

Deliverable	Description
Customer Relationship Management	A Customer Relationship Management module handles and manages the life cycle of clients on the system.
Quotations Module	A Quotations module that will provide loan quotations to prospects and clients so that a client is well aware of their repayments before they even contract the loan.
Loan Management Module	A Loans Management Module that will be responsible for entire loans issuance, management and recoveries.
Loan Settlements Module	A Loans Settlements Module that will be responsible for loan recoveries and updating of loan balances.
Financial Management System	A Finance Management Module that will manage the cash book and General ledger of the Loan Management System.
Business Intelligence	A Business Intelligence module will offer SoftKash Financial Services Limited real-time visibility of all the transactions happening on the platform and allow SoftKash Financial Services to monitor set KPIs.
Commissioning Certification	Commissioning Certificate

<b>Deliverable</b>	<b>Description</b>
Documentation	<p>Project documentation including but not limited to:</p> <ul style="list-style-type: none"> <li>• Project requirements,</li> <li>• Project minutes</li> <li>• Key decisions documentation</li> <li>• Project plan</li> <li>• Project closure</li> <li>• Operating instructions / manuals</li> <li>• Training guides / documentation</li> </ul>

## **TIMELINE FOR EXECUTION**

Key project dates are outlined below. Dates are best-guess estimates and are subject to change until a contract is executed.

Table 4: Timelines

<b>Description</b>	<b>Date</b>	<b>Duration</b>
Tender Submission	June 2019	N/A
Project Start (if Successful)	TBA	0.25 Hours
Project Initiation	TBA	0.25 Hours
Customer Relationship Management	TBA	4 Weeks
Quotations Module	TBA	6 Weeks
Loan Management Module	TBA	7 Weeks
Loan Settlements Module	TBA	2 Weeks
Business Intelligence	TBA	4 Weeks
Finance Management System	TBA	6 Week
Project End	TBA	2.5 Hours