

CONTRACT FOR PROVIDING DA SOFTWARE SOLUTIONS “Personalized Cheque Printing” MANAGEMENT SOLUTION

CONTRACT NUMBER: SW/LPH/09/08/0001

DATE: 28th August 2009

- 1.1. **THIS CONTRACT** made and entered into at Colombo on this 28th day of August, Two Thousand and by and between **LAKE HOUSE PRINTERS & PUBLISHERS PLC** a Company duly incorporated under the laws of Sri Lanka and having its registered office at “No 41, W.A.D.Ramanayake Mawatha, Colombo 02 (hereinafter referred to as “**LAKE HOUSE PRINTERS & PUBLISHERS PLC** ” which term shall where the context so requires mean and include the said Lake House Printers & Publishers PLC - successors and assigns) of the One Part, and **DA SOFTWARE SOLUTIONS (PRIVATE) LIMITED** a Company duly incorporated under the laws of Sri Lanka and having its registered office at No. 76, Pagoda Road, Nugegoda, Sri Lanka (hereinafter referred to as “**DA SOFTWARE SOLUTIONS**” which term shall where the context so requires mean and include the said **DA Software Solutions (Private) Limited**, its successors and permitted assigns) of the Other Part

WHEREAS DA Software Solutions is carrying on the business of developing and supplying of computer based software

AND WHEREAS at the request of Lake House Printers & Publishers PLC, DA Software Solutions has agreed to implement “DA Software Solutions Personalized cheque Printing Management Software” (hereinafter referred to as the “**PERSONALIZED CHEQUE PRINTING SOLUTION**”).

NOW THIS AGREEMENT WITNESSETH and it is hereby agreed by and between the parties hereto as follows:

2. SCOPE OF AGREEMENT

- 2.1. The scope of this Agreement shall be for DA Software Solutions to successfully implement "DA Software Solutions Personalized Cheque Printing Software Solution" for Lake House Printers & Publishers PLC- more fully described herein, as per the terms and conditions herein stipulated
- 2.2. The delivery time period of software after the acceptance of Customer Requirement Document (CRD) and Project implementation Plan (PIP)
- 2.3. The modules to be implemented and the hereunder shall be as per Annex 1 hereto.

3. PRICES

The prices of Software Solution (including implementation charges) to be implemented shall be as follows,

Pricing Summary

Create a common platform for capture data from Tex File (BOC, NTB, MComB, ComB, PABC, ICICI, etc..)	Rs. 455,000.00
Create a Cheque Print Software Solution - design & development (BOC, NTB, MComB, ComB, PABC, ICICI, etc..)	Rs. 500,000.00
Customers to place orders online with security	Rs. 395,000.00
Special Discount for Lake house printers & Publishers	Rs. (50,000.00)
Total cost of the Solution	Rs.1,250,000.00

- 3.1. The prices shall be held firm without variation throughout the duration of this Agreement subject however to Clause 3.4 herein
- 3.2. Applicable Government taxes shall be payable by Lake House Printers & Publishers PLC. (VAT) For every payment due a VAT invoice shall be issued by the "**DA SOFTWARE SOLUTIONS**".
- 3.3. Any major enhancement to the system shall be done at a fee mutually agreed upon. A major enhancement shall be an enhancement that would require the addition of further modules or functions in the source code, or modifications to the existing modules or functions in the source code that requires more than five man hours per month.
- 3.4. All minor enhancements shall be done free of charge.

4. PAYMENT TERMS

Payment terms

Application System Charges

Online Order Place System

50% on Confirmation of the quotation	172,500.00
50% on Completion of the	172,500.00
Sub Total	345,000.00

Cheque Printing System

40% - on confirmation of the quotation
60% - on six month payment schedule

40% - on confirmation of the quotation	362,000.00
6.66 % 1 st Month Installment (28/09/2009)	60,333.00
6.66 % 2 nd Month Installment (28/10/2009)	60,333.00
6.66 % 3 rd Month Installment (28/11/2009)	60,333.00
6.66 % 4 th Month Installment (28/12/2009)	60,333.00

6.66 % 5 th Month Installment (28/01/2010)	60,333.00
6.66 % 6 th Month Installment (28/02/2010)	60,333.00
6.66 % 7 th Month Installment (28/03/2010)	60,333.00
6.66 % 8 th Month Installment (28/04/2010)	60,333.00
6.66 % 9 th Month Installment (28/05/2010)	60,333.00

Sub Total	<u>905,000.00</u>
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Grand Total	<u><u>1,250,000.00</u></u>
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- 4.1. Any additional task to be carried out as stipulated in Clause 3.4 above too shall be subject to the above payment terms.

5. DELIVERY

- 5.1. DA Software Solutions shall deliver, install, implement and carry out the live run on each module of the PERSONALIZED CHEQUE PRINTING SOLUTION immediately on completion of DA Software Solutions project implementation track.
- 5.2. DA Software Solutions shall complete the implementation and the installation of the PERSONALIZED CHEQUE PRINTING SOLUTION as per the specifications (CRD) agreed to by Lake House Printers & Publishers PLC. DA Software Solutions and to the entire satisfaction of Lake House Printers & Publishers PLC. So as to be totally fit for the purpose same is intended.
- 5.3. The software solution will cover all banks currently using the standard format (E.g.: Cheque no, Serial Number...etc) approved by the Central Bank of Sri Lanka. It will also cover new banks that will be open in Sri Lanka in the future using the same format.
- 5.4. Any major enhancement shall be done within a time period to be mutually agreed upon.

6. IMPLEMENTATION / ACCEPTANCE

- 6.1. Signing off deliverables shall be done by both Parties after each acceptance milestone. There will be a Conference Room User Acceptance Test (UAT) and UAT prior to Live Cut Over.

7. OBLIGATIONS OF DA SOFTWARE SOLUTIONS

- 7.1. DA Software Solutions shall assign a dedicated group of personnel for carrying out the tasks hereunder. The team shall be headed by a Senior Project Leader who shall be the Project Coordinator/Manager. There will be required technical and functional implementers in the team.
- 7.2. In the event the services performed by DA Software Solutions personnel are not in keeping with this Agreement or are found to be unsatisfactory as per the decision of Lake House Printers & Publishers PLC., DA Software Solutions shall on the request of Lake House Printers & Publishers PLC immediately replace such personnel with those who are competent in performing their tasks hereunder.

- 7.3. DA Software Solutions shall perform the system installation and implementation in accordance with Agreement with the least disruption to other systems in operation at Lake House Printers & Publishers PLC. If such disruption is necessitated, same shall be so notified with details in writing to Lake House Printers & Publishers PLC well in advance.
- 7.4. Details of identity of personnel visiting Lake House Printers & Publishers PLC. Hereunder shall be provided in advance to the Printing Manager, Security Printing Division of Lake House Printers & Publishers PLC.
- 7.5. In the event DA Software Solutions fails to successfully install and implement the PERSONALIZED CHEQUE PRINTING SOLUTION or any module thereof as stipulated herein, DA Software Solutions shall pay Lake House Printers & Publishers PLC. Liquidated damages at the rate of One percent (01%) of the total contract value per month until such time the PERSONALIZED CHEQUE PRINTING SOLUTION is successfully installed and implemented to the complete satisfaction of Lake House Printers & Publishers PLC and pass the UAT.
- 7.6. DA Software Solutions shall train relevant personnel of Lake House Printers & Publishers PLC as to the satisfaction to enable them to carry out successful operations of the delivered system. DA Software Solutions shall provide necessary training facilities on:
 - i) Systems administration training
 - ii) End User TrainingUser training will be done at site during implementation.
- 7.7. DA Software Solutions hereby warrant that any information confidential or otherwise in relation to the Security Printing Division or its products shall not disclose to any third party or institution. If it is established that such information has been given to third party by DA Software or personnel employed by them Lake House Printers & Publishers PLC shall immediately cancel this Agreement action will be filed for damages.

8. OBLIGATIONS OF LAKE HOUSE PRINTERS & PUBLISHERS PLC.

- 8.1. Lake House Printers & Publishers PLC shall allow personnel of DA Software Solutions necessary access to Lake House Printers & Publishers PLC with prior permission from Lake House Printers & Publishers PLC as specified in Clause 7.4 hereof to carry out their tasks hereunder.
- 8.2. Lake House Printers & Publishers PLC shall provide the necessary hardware to install and implement the PERSONALIZED CHEQUE PRINTING SOLUTION.
- 8.3. Lake House Printers & Publishers PLC shall administer and maintain all hardware supplied by Lake House Printers & Publishers PLC including the server, OS installations, OS patches, upgrades, installation of SQL and related service packs and

IIS and related components utilized to run the PERSONALIZED CHEQUE PRINTING SOLUTION, and install virus scanners.

- 8.4. Lake House Printers & Publishers PLC shall provide necessary backup hardware and accessories in the event of hardware failure and same shall be done within a mutually agreed time period which shall not adversely affect the implementation time frame.
- 8.5. Lake House Printers & Publishers PLC. Shall assign competent, project leader and required functional/technical teams for the PERSONALIZED CHEQUE PRINTING SOLUTION implementation.
- 8.6. Lake House Printers & Publishers PLC shall assign competent, computer literate personnel to operate/administer the PERSONALIZED CHEQUE PRINTING SOLUTION.
- 8.7. Lake House Printers & Publishers PLC shall not infringe any intellectual property rights pertaining to the PERSONALIZED CHEQUE PRINTING SOLUTION.
- 8.8. Lake House Printers & Publishers PLC. To provide transport, food and lodging for the DA Software Solutions personnel visiting sites outside Colombo city limits. DA Software Solutions will charge Lake House Printers & Publishers PLC. Transport costs, food and lodging if Lake House Printers & Publishers PLC. is unable to provide the same-

9. WARRANTY

- 9.1. DA Software Solutions warrants that the system delivered shall be in conformity with the functions described in the specifications. To this DA Software Solutions shall undertake to rectify or replace, without any charge to Lake House Printers & Publishers PLC. Any part of the system/software found to cause a deviation from the functionality described in the specifications immediately. This warranty shall be valid for a period of Six (06) months from the date of the Acceptance Certificate.

10. MAINTENANCE

- 10.1. On expiration of the warranty period Lake House Printers & Publishers PLC. may enter into a service agreement with DA Software Solutions for the maintenance of the software. Such annual software maintenance charges shall be as per the DA Software Solutions support plans which are basic, standard and premium. However Standard Support Plan is 12% from Software Cost excluding Implementation per annum.
- 10.2. During such annual maintenance DA Software Solutions shall maintain the software applicable to the PERSONALIZED CHEQUE PRINTING SOLUTION and provide free of charge consultancy, and other support services deemed necessary for the smooth functioning of the system installed, as and when required by Lake House Printers & Publishers PLC.
- 10.3. During such annual maintenance DA Software Solutions shall rectify all software related faults, defects and malfunctions free of charge.

- 10.4. On receiving a complaint from Lake House Printers & Publishers PLC DA Software Solutions shall, if unable to resolve over the phone, e-mail or remote dial-up, attend to the problem on site within four (04) hours of such complaint if within the City of Colombo.
- 10.5. Alternative Lake House Printers & Publishers PLC can OPT for any software modification charge will be quoted after a detailed system study. Due confirmation by the client the following charges will apply.
- 10.6. Modification Charges (this Charges valid for 2 years)
Rs. 1,200 – Per Man Hour
- 10.7. Rs. 8,000 - Per Man day (9:00 am to 5:00 pm this Charges valid for 2 years)
50% - on confirmation of the quotation
50% - on implementation of the modifications

11. TERMINATION

- 11.1. Either Party may terminate this Agreement if the other Party breaches any of the terms herein contained and not cured within thirty (30) days of written notice of the said breach by the non-defaulting Party to the defaulting Party, unless such time period allowed for curing of the breach is further extended by mutual agreement.

12. DISPUTE RESOLUTION

- 12.1. Any dispute or difference between DA Software Solutions (Private) Limited and Lake House Printers and Publishers PLC shall be resolved at the first instance amicably by discussion, failing which by Mediation by an Independent mediator and failing which by Arbitration except in the case of breach of clause 7.7 by DA Software Solutions whereby Lake House Printers and Publishers PLC has rights to file actions directly in appropriate court claiming damages.

13. NOTICE

Any notice or other information required or authorized by this Agreement to be given by either Party to the other may be given by hand with due acknowledgement or sent (by registered post, telex, facsimile transmission or comparable means of communication) to the other Party to the respective addresses herein mentioned, or to such other address written notice of which has been given.



IN WITNESS WHEREOF DA Software Solutions (Pvt.) Limited and Lake House Printers & Publishers Ltd. have affixed their respective Common Seals hereto and to one other of the same tenure and date as these presents on the date, month and year in the beginning hereof written.

AUTHORISED SIGNATORIES:

Lake House Printers & Publishers PLC

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Name :

Designation:

Date:

Witness (1):

Name:

Date:

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Name:

Designation:

Date:

DA Software Solutions (Private) Limited

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Name:.....

Designation:

Date:

Witness (1):

Name:

Date:

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Name:.....

Designation:

Date: