



MODULAR4 SOLUTIONS (Pvt) Ltd

APPLICATION SOFTWARE MAINTENANCE CONTRACT

CONTRACT NUMBER PW/PMB/16/12/000001 **DATE:** 12th November 2016

APPLICATION SOFTWARE : M4 "PAWN" Brokering System

NAME OF CUSTOMER : PEOPLE'S MERCHANT FINANCE PLC.
ADDRESS OF CUSTOMER :

DATE OF INSTALLATION : 06th December 2010
PERIOD OF CONTRACT : 01/Nov/2016 – 31/Oct/2017

1. FINANCIAL CONSIDERATION

Initial Cost Rs. 684,000.00
Enhancements

1) Change of Interest Calculation. (Proposal No. M4PO12000006)	19,000.00
2) Introduce New Field and Report. (Proposal No. M4PO12000008)	49,550.40
3) Introduce Gold Loan Product (Proposal No M4PO15000010)	371,250.00
4) Change of Minimum Interest Amount (Proposal No M4PO16000012)	49,500.00
Enhancement Total	489,050.40

Sub Total Rs. 1,173,300.40
Software maintenance Charge (15%) Rs. 175,957.56 + VAT

2. PAYMENT TERMS

2.1. 100% on Signing

2.2. Rates for the chargeable jobs please refer the annex II.

Modular4 solution (Pvt) Ltd., (Hereinafter referred to as MODULAR4) agrees to provide software maintenance and related services for the Application software mentioned herein to the PEOPLE'S MERCHANT FINANCE PLC and PEOPLE'S MERCHANT FINANCE PLC agrees to accept same on the terms and conditions mentioned hereinafter.

MODULAR4 undertakes to attend to all software errors within 24 hours of such intimation by PEOPLE'S MERCHANT FINANCE PLC. However all services and rectifications of any errors in the software occurred due to hardware failures, power failures/fluctuations and mishandling of the software by employees of PEOPLE'S MERCHANT FINANCE PLC will be done on a separate basis and will be charged separately.



3. TERMS AND CONDITION:

- 3.1. By signing this software maintenance agreement PEOPLE'S MERCHANT FINANCE PLC shall have the right to ask for any maintenance service inclusive of error corrections.
- 3.2. MODULAR4 shall guarantee that the software covered under this agreement shall be error free. If any malfunctioning or failure occurs due to program or design errors, MODULAR4 will attend to such problem and correct them free of charge. However this guarantee does not cover any errors malfunctions occurred due to hardware failures, power failures/fluctuations and mishandling of the software by employees of PEOPLE'S MERCHANT FINANCE PLC
- 3.3. MODULAR4 shall provide modification to the existing report and screen changes free of charge provided that there are no changes to process logics or alteration to the schemas of the system which is defined as collection of list of files, Input Data Fields and calculated Fields in the database, List of source documents, screens and output reports.
- 3.4. If the service request demands include changes to process logics or new additions as defined above, MODULAR4 shall attend to same on a fee to be mutually agreed upon.
- 3.5. Any addition to the schema of the system which is will be treated as modifications for which the charges should be mutually agreed upon by MODULAR4 and PEOPLE'S MERCHANT FINANCE PLC based on the programming hours.
- 3.6. PEOPLE'S MERCHANT FINANCE PLC shall request MODULAR4 to attend the services in a formal manner via E-mails; on receipt of the request the MODULAR4 officer shall submit an estimate of cost only for chargeable jobs before attending the job.
- 3.7. The content of Annex I of this contract document specifically describes the services covered..
- 3.8. The items 3.3, 3.4, 3.5 and 3.6 MODULAR4 shall be done at the request of PEOPLE'S MERCHANT PLC and shall be done only once the terms are agreed upon.
- 3.9. MODULAR4 will provide consulting services by telephone communications and at the site where the problem arises.
- 3.10. This agreement is effective for a period of one year from the date hereof and shall be renewed for a further period on mutually agreed terms and conditions.
- 3.11. PEOPLE'S MERCHANT FINANCE PLC shall pay the stipulated charges provided in this agreement as consideration for the services to be provided by MODULAR4 at the time of signing this agreement inclusive of VAT
- 3.12. Travelling expenses and cost of software personal on hourly basis will be added to service charges, for systems installed outside Colombo municipal limits.
- 3.13. PEOPLE'S MERCHANT FINANCE PLC agrees that MODULAR4 will not be held liable for loss or profits or for claims against PEOPLE'S MERCHANT FINANCE PLC by third party, unless the loss or profit or claim is directly due to any fault negligent or inferior maintenance of the system.
- 3.14. MODULAR4 shall be entitled to refrain from performing any of its obligations under this contract, if any amount due to MODULAR4 by PEOPLE'S MERCHANT FINANCE PLC according to terms of this contract shall remain due. PEOPLE'S MERCHANT FINANCE PLC bound to pay the due amount with in thirty (30) days of period.



- 3.15. This agreement will be governed by the laws of Sri Lanka constitute the complete and exclusive statement superseding all oral or written communication and any prior agreements between the parties relating to its subject matter.
- 3.16. The terms of this agreement will prevail notwithstanding any variance with the terms of any present or future order from the PEOPLE'S MERCHANT FINANCE PLC for software support services.
- 3.17. PEOPLE'S MERCHANT FINANCE PLC agrees that the services to be provided by MODULAR4 to rectify errors that may arise as a consequence of hardware failure or misuse, inadequate hardware capacity or mishandling of the system are considered to be outside the scope of this contract. Such work shall be subject to separate fee based on the nature of the job.
- 3.18. MODULAR4 , shall not be responsible for failure to render services due to Strikes, Flood, Fire and other causes beyond its control, but would use its best endeavours to remedy the failures and ensure that full effect be given to the terms of this Agreement in the spirit in which it was agreed.
- 3.19. MODULAR4 will appoint a technically competent person at all times to overlook the operations at client site and to present at site within 24 hours, whenever a need arises.
- 3.20. The PEOPLE'S MERCHANT FINANCE PLC shall be entitled to terminate this agreement upon giving to MODULAR4 due notice of one (1) calendar month.



4. AUTHORISED SIGNATORIES:

PEOPLE'S MERCHANT FINANCE PLC

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Name :

Designation :

Date :

Witness (1) :

Name :

Date :

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Name:.....

Designation :.....

Date :

Modular4 Solutions (Private) Limited

.....

Name :.....

Designation :

Date :

Witness (1) :

Name :

Date :

.....

Name:.....

Designation :

Date :



ANNEXTURE I

General

Maintenance agreement is a guarantee to give continuous support service and to attend any day to day problems or to provide any minor modifications that the client might ask for.

1. Services Covered Under Maintenance

- 1.1. Attending any problem arising from the way the system has been design and developed and to make sure that the system will provide accurate processing and information.
- 1.2. Any changes to text descriptions of the existing screen formats and reports.
- 1.3. Attending user training which are not extra ordinary
- 1.4. Assistance in reconciliation of data.
- 1.5. Simple reports and listing of data in the existing files, which do not require complex, file handling.
- 1.6. Disaster recovery provided that the disaster is due to some failure in the software.
- 1.7. To attend requests for any service not covered under maintenance, which are chargeable at hourly rates indicated in the header section of this agreement.

2. Services Not Covered Under Maintenance

- 2.1. File / Data corruption due to Power Failures, Hardware Failures, Mishandling of the System, and not adhering to operational instructions given by MODULAR4 .
- 2.2. Data corruption problems due to improper backups.
- 2.3. New reports, Screens, Features required by client from the time to time which involve complex file handling.
- 2.4. Additional training for new recruits as an when they are recruited.
- 2.5. Extraordinary training to be conducted repeatedly for the existing user.
- 2.6. Problems due to poor or insufficient Hardware such as Disc Space, Memory, Processing Power etc.
- 2.7. Software modifications or system outputs necessary to be attended due to new requirements, methods of calculations or changes stipulated by the government or any regulating body in time to time.

**ANNEXURE II**

Version
Date: 01/01/2015

EFFECTIVE DATE : 01st JANUARY 2017

STANDARD RATES APPLICABLE FOR CHARGEABLE SOFTWARE SERVICES**HOURLY RATES (RATE PER HOUR)**

CATEGORY OF STAFF	WITH MAINTENANCE / WARRANTY (Rs.)	WITHOUT MAINTENANCE / WARRANTY (Rs.)
CONSULTANT	8,580.00	11,880.00
MANAGER	6,600.00	9,350.00
SOFTWARE DEVELOPER	3,300.00	3,960.00
MINIMUM CHARGES FOR CHARGEABLE JOBS	3,300.00	3,960.00

DAILY RATES (RATE PER DAY)

CATEGORY OF STAFF	WITH MAINTENANCE / WARRANTY (Rs.)	WITHOUT MAINTENANCE / WARRANTY (Rs.)
CONSULTANT	39,050.00	88,000.00
MANAGER	35,750.00	74,250.00
SOFTWARE DEVELOPER	19,800.00	24,300.00

Note: Daily rates shall be applicable when time exceeds five (5) hrs