

CONTRACT FOR PROVIDING MODULARFOUR SOLUTIONS “Finance-Product” MANAGEMENT SOLUTION

CONTRACT NUMBER: FP/NFL/10/03/0001

DATE: 17th March 2010

THIS CONTRACT made and entered into at Colombo on this 17th day of March, Two Thousand and ten by and between **NEXT FINANCE LIMITED** a Company duly incorporated under the laws of Sri Lanka and having its registered office at “No. 02, Deal Place, Colombo 03 (hereinafter referred to as “**NEXT FINANCE LIMITED**” which term shall where the context so requires mean and include the said Next Finance Limited, successors and assigns) of the One Part, and **MODULARFOUR 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 “**MODULARFOUR SOLUTIONS**” which term shall where the context so requires mean and include the said MODULARFOUR SOLUTIONS (Private) Limited, its successors and permitted assigns) of the Other Part

WHEREAS MODULARFOUR SOLUTIONS is carrying on the business of developing and supplying of computer based software

AND WHEREAS at the request of Next Finance Limited, ModularFour Solutions has agreed to implement “Leasing, HP, Loans, Fix deposit, Pawn Brokering & General ledger Management Products” (hereinafter referred to as the “**FinSoft - SOLUTION**”).

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

1. SCOPE OF AGREEMENT

- 1.1. The scope of this Agreement shall be for ModularFour Solutions to successfully implement "ModularFour Solutions FinSoft Software Solution" for Next Finance Limited more fully described herein, as per the terms and conditions herein stipulated.
- 1.2. The modules to be implemented hereunder shall be as per Annex 1 hereto.

2. PRICES

- 2.1. The prices of Software Solution (including implementation charges) to be implemented shall be as per the fallows hereto.

Pricing Summary

Phase 1

Cost of the Leasing Management Software Module	Rs. 800,000.00
Cost of the HP- Management Software Module	Rs. 500,000.00
Cost of the Loan - Management Software Module	Rs. 800,000.00
Total cost of software solution- Phase 1	Rs. 2,100,000.00

Phase 2

Cost of the Deposit Management Software Module	Rs. 700,000.00
Cost of the Pawn Management Software Module	Rs. 500,000.00
Cost of the General Ledger Software Module	Rs. 850,000.00
Total cost of software solution- Phase 2	Rs. 2,050,000.00
Sub Total for the Solution	Rs. 4,150,000.00
20% Special Discount for Next Finance	Rs. (830,000.00)
Total Value for the Solution	Rs. 3,320,000.00

**** Unlimited user license will be provided for each module.**

- 2.2. The prices shall be held firm without variation throughout the duration of this Agreement subject however to Clause 2.4 herein.
- 2.3. Applicable Government taxes shall be payable by **Next Finance Limited**.
- 2.4. 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 day.
- 2.5. All minor enhancements shall be done free of charge.
- 2.6. Project Implementation plan (AnextureI) for the FinSoft Solution shall be provided by ModularFour Solutions after details GAP analysis.
- 2.7. Technical Architecture (AnextureII) of the FinSoft Solution shall be carryout through the FinSoft Lifecycle.

3. PAYMENT TERMS

Payment terms

Application System Charges

50% - on confirmation of the each module GAP Analysis
50% - on Implementation each module

- 3.1. Any additional task to be carried out as stipulated in Clause 2.4 above too shall be subject to the payment terms given below.

4. DELIVERY

- 4.1. ModularFour Solutions shall deliver, install, implement and carry out the live run on each module of the FINSOFT SOLUTION immediately on completion of ModularFour Solutions project implementation track.
- 4.2. ModularFour Solutions shall complete the implementation and the installation of the FINSOFT SOLUTION as per the specifications agreed to by Next Finance Limited and ModularFour Solutions and to the entire satisfaction of Next Finance Limited so as to be totally fit for the purpose same is intended.
- 4.3. Any major enhancement shall be done within a time period to be mutually agreed upon.

5. IMPLEMENTATION / ACCEPTANCE

- 5.1. Signing off deliverables shall be done by both Parties after each acceptance milestone. There will be a Conference Room UAT and UAT prior to Live Cut Over.

6. OBLIGATIONS OF MODULARFOUR SOLUTIONS

- 6.1. ModularFour 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 Co-ordinator/Manager. There will be required technical and functional implementers in the team.
- 6.2. In the event the services performed by ModularFour Solutions personnel are not in keeping with this Agreement or are found to be unsatisfactory as per the decision of Next Finance Limited, ModularFour Solutions shall on the request of Next Finance Limited immediately replace such personnel with those who are competent in performing their tasks hereunder.
- 6.3. ModularFour Solutions shall perform the system installation and implementation in accordance with Agreement with the least disruption to other systems in operation at Next Finance Limited. If such disruption is necessitated, same shall be so notified with details in writing to Next Finance Limited well in advance.
- 6.4. Details of identity of personnel visiting Next Finance Limited hereunder shall be provided in advance to Next Finance Limited.
- 6.5. In the event ModularFour Solutions fails to successfully install and implement the FINSOFT SOLUTION or any module thereof as stipulated herein, ModularFour Solutions shall pay Next Finance Limited liquidated damages at the rate of One percent (01%) of the total contract value per month until such time the FINSOFT SOLUTION is successfully installed and implemented to the complete satisfaction of Next Finance Limited and pass the UAT.

- 6.6. ModularFour Solutions shall train relevant personnel of **Next Finance Limited** as to the satisfaction to enable them to carry out successful operations of the delivered system. ModularFour Solutions shall provide necessary training facilities on:
- i) Systems administration training
 - ii) End User Training
 - iii) Troubleshooting Training

User training will be done at site during implementation.

7. OBLIGATIONS OF **Next Finance Limited**

- 7.1. **Next Finance Limited** shall allow personnel of ModularFour Solutions necessary access to **Next Finance Limited** with prior permission from **Next Finance Limited** to carry out their tasks hereunder.
- 7.2. **Next Finance Limited** shall provide the necessary hardware to install and implement the FINSOFT SOLUTION.
- 7.3. **Next Finance Limited** shall administer and maintain all hardware supplied by **Next Finance Limited** including the server, OS installations, OS patches, upgrades, installation of SQL and related service packs and IIS and related components utilized to run the FINSOFT SOLUTION, and install virus scanners.
- 7.4. **Next Finance Limited** 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.
- 7.5. **Next Finance Limited** shall assign competent, project leader and required functional/technical teams for the FINSOFT SOLUTION implementation.
- 7.6. **Next Finance Limited** shall assign competent, computer literate personnel to operate/administer the FINSOFT SOLUTION.
- 7.7. **Next Finance Limited** shall not infringe any intellectual property rights pertaining to the FINSOFT SOLUTION.
- 7.8. **Next Finance Limited** to provide transport, food and lodging for the ModularFour Solutions personnel visiting sites outside colombo city limits. ModularFour Solutions will charge **Next Finance Limited** transport costs, food and lodging if **Next Finance Limited** is unable to provide the same.

8. WARRANTY

- 8.1. ModularFour Solutions warrants that the system delivered shall be in conformity with the functions described in the specifications. To this ModularFour Solutions shall undertake to rectify or replace, without any charge to **Next Finance Limited** 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 three (03) months from the date of the Acceptance Certificate.

9. MAINTENANCE

- 9.1. On expiration of the warranty period **Next Finance Limited** may enter into a service agreement with ModularFour Solutions for the maintenance of the software. Such annual software maintenance charges shall be as per the ModularFour Solutions support plans which are basic, standard and premium. However Standard Support Plan is 15% from Software Cost excluding Implementation per annum.
- 9.2. During such annual maintenance ModularFour Solutions shall maintain the software applicable to the FINSOFT 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 **Next Finance Limited**.
- 9.3. During such annual maintenance ModularFour Solutions shall rectify all software related faults, defects and malfunctions free of charge.
- 9.4. On receiving a complaint from **Next Finance Limited** ModularFour 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. TERMINATION

- 10.1. 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.

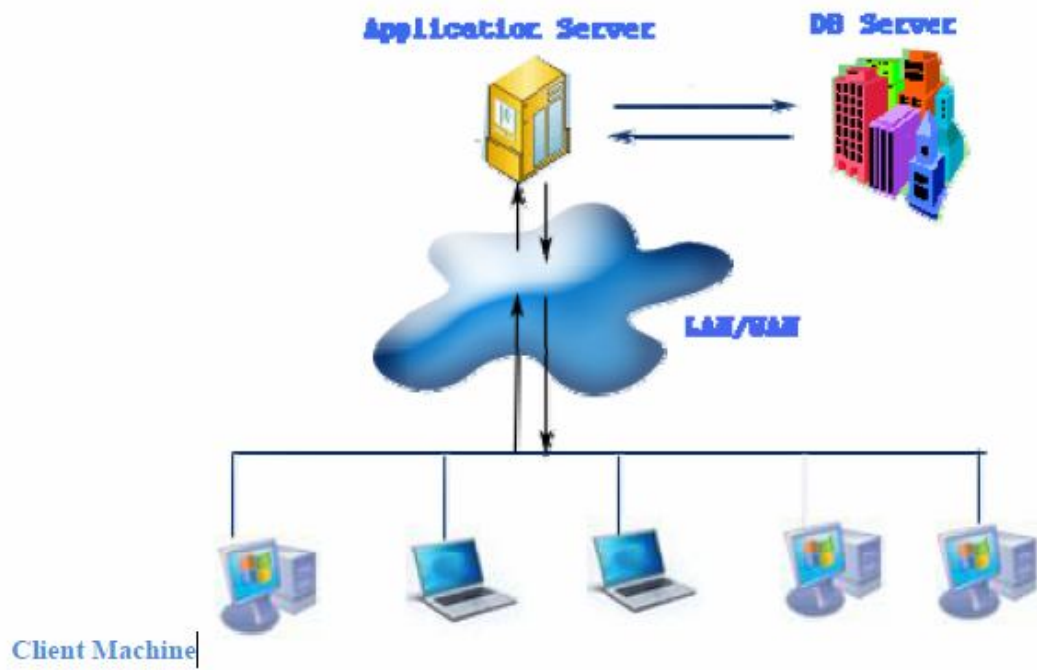
11. NOTICE

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 ModularFour Solutions (Pvt.) Limited and **Next Finance Limited** 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.

Annexure I

Annexure II



AUTHORISED SIGNATORIES:

NEXT FINANCE LIMITED

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Name :

Designation :

Date :

Witness (1) :

Name :

Date :

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Name:.....

Designation :.....

Date :

ModularFour Solutions (Private) Limited

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Name :.....

Designation :

Date :

Witness (1) :

Name :

Date :

.....

Name:.....

Designation :

Date :