**MODULAR4 SOLUTIONS (Pvt) Ltd**

**APPLICATION SOFTWARE MAINTENANCE CONTRACT**

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| --- | --- | --- |
| **CONTRACT NUMBER** | **PW/PMB/20/01/000001** | **DATE: 1st December 2019** |
| **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/Jan/2020 – 31/Dec/2020** |  |

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| --- | --- | --- | --- | --- |
| **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 |  |
|  | 5) Change of Auction Module  (Proposal No M4PO16000006) |  | 69,750.00 |  |
|  | 6) Change of Audit  (Invoice M4INV17000008) |  | 138,600.00 |  |
|  | 7) Change of Password Security  (Invoice M4INV17000008) |  | 79,200.00 |  |
|  | 8) Include Separate Ticket for 24K Gold  (Invoice M4INV17000007) |  | 18,500.00 |  |
|  | **Enhancement Total** |  | **776,350.40** |  |
|  | **Sub Total** | **Rs.** | **1,460,350.40** |  |
|  | **Software maintenance Charge (15%)** | **Rs.** | **219,052.56** | |

1. **PAYMENT TERMS** 
   1. 100% on Signing
   2. Rates for the chargeable jobs please refer the annex II.
   3. 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.
   4. 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.
   5. MODULAR4 shall guarantee to pay a penalty in hourly rate mentioned in Standard rate sheet for the above(2.4) situation, if MODULAR4 unable to attend/present/communicate within 24 (twenty four) hours
2. **TERMS AND CONDITION:**
   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.
   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. 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.
   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.
   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.
   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.
   7. The content of Annex I of this contract document specifically describes the services covered.
   8. The items 2.3, 2.4, 2.5 and 2.6 MODULAR4 shall be done at the request of PEOPLE’S MERCHANT PLC and shall be done only once the terms are agreed upon.

MODULAR4 will provide consulting services by telephone communications and at the site where the problem arises.

* 1. 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.
  2. 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. Travelling expenses and cost of software personal on hourly basis will be added to service charges, for systems installed outside Colombo municipal limits.
  4. 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.
  5. 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.
  6. 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.
  7. 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.
  8. 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.
  9. 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.
  10. 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.
  11. The PEOPLE’S MERCHANT FINANCE PLC shall be entitled to terminate this agreement upon giving to MODULAR4 due notice of one (1) calendar month.

1. **Confidentiality**
   1. Confidential Information shall be defined as any information (whether disclosed in oral, written or electronic form) belonging or relating to a Party’s business affairs or activities and which: (i) has been marked as confidential or proprietary, (ii) has been identified orally or in writing as being of a confidential nature, or (iii) may reasonably be supposed to be confidential in the circumstances.
   2. The Parties agree to keep and maintain all Confidential Information received from the other party in the strictest of confidence, and shall use such Confidential Information only for performing its obligations under the Agreement and shall not disclose such confidential information to any third party without prior written consent of the other Party.
   3. Each of the Parties shall ensure that their respective employees and agents who are given access to confidential information received from the other Party shall be made aware of the requirements of confidentiality with respect to such information. Either Party may require the other Party to verify compliance with this clause.
   4. In the event of disclosure of Confidential Information to a third party in violation of the clauses of this section the defaulting Party may use all reasonable efforts to assist the Party supplying the Confidential Information in recovering and preventing such third party from using, disseminating and selling or otherwise disposing of such Confidential Information.
   5. The provisions of this clause shall not prevent either Party from using or disclosing any information where the recipient can satisfactorily demonstrate and document that such information;
      1. Was in its possession (with full right to disclose) prior to receiving it from the other Party or is or subsequently comes into public domain other than by the breach of the receiving Party of its obligations hereunder;
      2. Is independently developed prior to receipt or is received from a party other than the other Party hereto; or
      3. Was disclosed under compulsion of legal process issued by a court of competent jurisdiction provided however, that the Party concerned must give written notice to the other Party whose confidential information is made subject to such legal process, and offer such other Party a reasonable opportunity to contest the validity or scope of the summons.
   6. If this Agreement is terminated, each Party shall, at the other Party’s option, return or destroy all Confidential Information of the other Party.

**4. AUTHORISED SIGNATORIES:**

**PEOPLE’S MERCHANT FINANCE PLC**

.....…………………………………………… .....……………………………………………

Name : ……………………………………… Name:…...…………………………………..

Designation : ………………………………. Designation :……………………………..…

Date : 30/10/2017 Date : ………………………

Witness (1) : ………………………………………

Name : ……………………………………………..

Date : ………………………

**Modular4 Solutions (Private) Limited**

……………………………………………… ………………………………………………

Name:……………......…………………….. Name:……………......……………………..

Designation : ……………………………… Designation : ………………………………

Date : ……………………… Date : ………………………

Witness (1) : ………………………………………

Name : ……………………………………………..

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. 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.
     2. Any changes to text descriptions of the existing screen formats and reports.
     3. Attending user training which are not extra ordinary
     4. Assistance in reconciliation of data.
     5. Simple reports and listing of data in the existing files, which do not require complex, file handling.
     6. Disaster recovery provided that the disaster is due to some failure in the software.
     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** 
   * 1. File / Data corruption due to Power Failures, Hardware Failures, Mishandling of the System, and not adhering to operational instructions given by MODULAR4 .
     2. Data corruption problems due to improper backups.
     3. New reports, Screens, Features required by client from the time to time which involve complex file handling.
     4. Additional training for new recruits as an when they are recruited.
     5. Extraordinary training to be conducted repeatedly for the existing user.
     6. Problems due to poor or insufficient Hardware such as Disc Space, Memory, Processing Power etc.
   1. 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: 01/01/2020

**EFFECTIVE DATE : 01st JANUARY 2020**

**STANDARD RATES APPLICABLE FOR CHARGEABLE SOFTWARE**

**SERVICES**

**HOURLY RATES (RATE PER HOUR)**

|  |  |  |
| --- | --- | --- |
|  | **WITH** |  |
| **CATEGORY OF STAFF** | **MAINTENANCE** | **WITHOUT MAINTENANCE** |
|  | **/ WARRANTY (Rs.)** | **/ WARRANTY (Rs.)** |
| **CONSULTANT** | **10,381.80** | **14,374.80** |
| **MANAGER** | **7,986.00** | **11,313.50** |
| **SOFTWARE DEVELOPER** | **4,392.30** | **5,275.00** |
| **MINIMUM CHARGES FOR** |  |  |
| **CHARGEABLE JOBS** | **4,392.30** | **5,275.00** |

**DAILY RATES (RATE PER DAY)**

|  |  |  |
| --- | --- | --- |
|  | **WITH** |  |
| **CATEGORY OF STAFF** | **MAINTENANCE** | **WITHOUT MAINTENANCE** |
|  | **/ WARRANTY (Rs.)** | **/ WARRANTY (Rs.)** |
| **CONSULTANT** | **42,955.00** | **96,800.00** |
| **MANAGER** | **39,325.00** | **81,675.00** |
| **SOFTWARE DEVELOPER** | **26,378.00** | **35,970.00** |

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