


SERVICE LEVEL AGREEMENT COVER PAGE

Agreement Number	S L A 2 3 N A M L M									
Parties	R-Data (Pty) Ltd, A registered company incorporated in the Republic of South Africa under registration number 1998/019111/07, hereinafter referred to as "R-Data".									
Physical Address	Office 102, Spaces Century City, No 1 Bridgeway Road, Bridgeways Precinct Century City, Cape Town "this Address acts as the domicilium citandi et executandi"									
Contact Number	021 422 2503									
Email	dbeukes@rdata.co.za / helpdesk@rdata.co.za									
Contact Person	Danie Beukes, Managing Director									
	Nama Khoi Local Municipality, A Local Government Institution established in accordance with the laws of South Africa, hereinafter referred to as the "Customer".									
Physical Address	4 Namakwa Street Springbok Northern Cape 8240 "this Address acts as the domicilium citandi et executandi"									
Contact Number	021 71 88100									
Email	henri.ncoba@gmail.com									
Contact Person	Henri Cloete, CFO									
Purpose	The purpose of the Agreement is to govern the obligations of R-Data and the Customer in connection with rendering of the Services.									
Services	<input checked="" type="checkbox"/> PROMUN License Fee; <input checked="" type="checkbox"/> PROMUN Maintenance and Support;									
Commencement Date	01 July 2023									
Term of Agreement	Ten (10) Years									
Notice Period	Six (6) Months									

Initials:

HEC
HVV

ASM

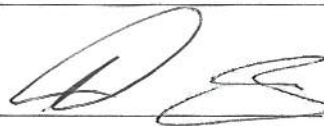


TABLE OF CONTENTS

1. INTERPRETATION.....	3
2. DEFINITIONS.....	3
3. SUBJECT MATTER.....	5
4. COMMENCEMENT, TERM AND TERMINATION.....	5
5. CONFIDENTIALITY AND NON-DISCLOSURE.....	5
6. INTELLECTUAL PROPERTY RIGHTS.....	6
7. SCOPE OF SERVICES.....	7
8. PAYMENT TERMS AND CONDITIONS.....	8
9. NON-PERFORMANCE WARRANTIES.....	9
10. EXCLUSIONS AND RESTRICTIONS.....	11
11. DISPUTE RESOLUTION.....	11
12. BREACH.....	11
13. DOMICILIUM AND NOTICES.....	12
14. FORCE MAJEURE.....	12
15. ENTIRE AGREEMENT.....	12
16. APPLICABLE LAW.....	12
17. AMENDMENTS.....	13
18. ASSIGNMENT.....	13
ANNEXURE 1 – ADDITIONAL SERVICES, SOFTWARE AND HARDWARE.....	15
1. ACCOUNTING AND PROFESSIONAL SERVICES.....	15
2. REVENUE ENHANCEMENT.....	20
3. R-Data – ICT Service Offering.....	23
4. SDC (Skills Development Centre).....	28
5. BUSINESS ANALYTICS.....	29
6. ANNEXURE 2 – FEES.....	30

Initials:

HEC
MLW

WBM



Page 2 of 31



1. INTERPRETATION

- 1.1. The headings to the clauses of the Agreement serve as references only and do not affect interpretation.
- 1.2. In this Agreement, unless the context clearly indicates otherwise, any reference to:
 - 1.2.1. the female gender includes a reference to the male gender or the neutral and vice versa;
 - 1.2.2. the singular shall include a reference to the plural and vice versa; and
 - 1.2.3. natural persons shall include created legal entities (whether incorporated or unincorporated) and vice versa.
- 1.3. Where any term is defined within the context of any particular clause in the Agreement, the term so defined shall, unless it appears clearly from the clause in question that such term has limited application to the relevant clause, bear the meaning ascribed to it for all purposes in terms of the Agreement, notwithstanding that such term has not been defined in clause 2.
- 1.4. When any number of Business Days or calendar days is prescribed in the Agreement, it shall be reckoned as inclusive of the 1st (first) and exclusive of the last Business Day or calendar day.
- 1.5. Should the day for the performance of any obligation in terms of the Agreement fall on a day which is not a Business Day, then such obligation shall be performed on the immediately following Business Day.
- 1.6. Where the term "including" is used in the Agreement, it shall be construed as meaning "including, without limitation".
- 1.7. Expressions defined in the Agreement shall bear the same meanings in any annexure to the Agreement which does not contain its own definitions.
- 1.8. Any reference in the Agreement to legislation or subordinate legislation is to such legislation or subordinate legislation at the Commencement Date of the Agreement and as amended and/or re-enacted from time to time.
- 1.9. The rule of interpretation that an Agreement shall be interpreted against the Party responsible for the drafting or preparation of the Agreement shall not apply.
- 1.10. The expiration or termination of the Agreement shall not affect such of the provisions of the Agreement which expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.

2. DEFINITIONS

In the Agreement, unless the context indicates otherwise:

- 2.1. "Agreement" shall mean this Service Level Agreement and any Annexure to this Agreement;
- 2.2. "Business Day" means any day other than a Saturday, Sunday or public holiday officially proclaimed as such in the Republic of South Africa;
- 2.3. "Business Hours" shall mean 07:30 to 16:30 on a business day;
- 2.4. "Commencement Date" shall mean the date as specified on the Cover Page of this Agreement, notwithstanding the date of signature of the Agreement;

Initials:

HEC
MLW

WJm



Page 3 of 31



- 2.5. "Customer" shall mean Nama Khoi Local Municipality;
- 2.6. "Confidential Information" means, without limitation, any technical, commercial or scientific information, knowledge, know-how, trade secrets, formulas, documents, processes, designs, drawings, technical specifications, strategy, data, computer programs, software, client/customer particulars, details of Customer's financial information, provided to RData by the Customer to be processed and other information of a sensitive, proprietary or confidential nature in whatever form;
- 2.7. "Intellectual Property Rights" means all current and future intellectual property rights of whatever nature in relation to or attaching to the Application, including, but not limited to, all vested, contingent and future patents, copyrights, data, designs, source codes, inventions, processes, know-how or techniques incorporated and / or embodied in the Application, trademarks, service marks and other rights of a similar character, whether or not the same are registered or capable of registration;
- 2.8. "License" means the non-transferable rights to use the Software granted to the Customer by R-Data in terms of this Agreement. Any rights not expressly granted in the License are reserved for R-Data.
- 2.9. "Maintenance" means any services to keep the system (source code or licensed programs) operational. This includes bug fixes, causes and consequences because of the system functionality and/or Service Provider maintenance, telephonic support and the running of the helpdesk. This excludes issues caused by actions and procedures by the officials of the Customer. It also excludes refinements required by the Customer.
- 2.10. "Party" shall mean R-Data (Pty) Ltd or the Customer;
- 2.11. "Parties" shall mean R-Data (Pty) Ltd and the Customer;
- 2.12. "Services" shall mean the Services as set out on the Cover Page of this Agreement.
- 2.13. "Support" means a request for support from the Customer where the root cause for the support is linked to an official of the Customer, in other words correcting an error of an official of the Customer or an enhancement required by the Customer. The prepaid days or hours get consumed only on instruction of the Customer. The consumption is linked to actual timesheets of the Service Provider.

Initials:

hec
MLW

WB
PM



Page 4 of 31



3. SUBJECT MATTER

- 3.1. The Subject matter of this Agreement is as follows:
- 3.1.1. Supply, installation and/or management of any components of the Software, Hardware and Services defined in this Agreement; and
 - 3.1.2. Rendering the Services as per this Agreement.
- 3.2. As at the Signature date of this Agreement, the Services, Software and/or Hardware to be supplied and/or rendered to the Customer by R-Data are set out in ANNEXURE 2, namely:
- 3.2.1. PROMUN Software Licenses;
 - 3.2.2. PROMUN maintenance and support.
- 3.3. By signing this Agreement, the Customer acknowledges the Services as indicated in ANNEXURE 1, which the Customer reserves the right to appoint R-Data to deliver the Services upon request of the Customer.
- 3.4. Should the Customer require R-Data to supply and/or render additional Services, Software and/or Hardware, the Parties shall enter into an Addendum and/or Annexure in respect of the provision of the relevant services, hardware and/or software.

4. COMMENCEMENT, TERM AND TERMINATION

- 4.1. This Agreement shall commence on the date as recorded on the Cover Page of this Agreement and endure for the Term of Agreement as recorded on the Cover Page, unless terminated in accordance with clause 4.2.
- 4.2. This Agreement may be terminated by either Party, on written notice of such termination to the other Party and in accordance with the Notice Period as recorded on the Cover Page of this Agreement.
- 4.3. Unless otherwise terminated, the Parties shall have the option to renew this Agreement on mutual written agreement for a further twelve (12) month period.

5. CONFIDENTIALITY AND NON-DISCLOSURE

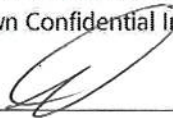
- 5.1. Neither Party shall use or divulge to any person or office, any Confidential Information disclosed to it by the other Party in connection with the performance of this Agreement, in any form or manner whatsoever, other than appropriate representatives, officials or employees of the Parties to which proposals or reports must be submitted in connection with the subject matter of this Agreement.
- 5.2. Neither Party shall purport to do anything or assist any other person in doing anything which may or could impair, prejudice or interfere with the Parties' vested rights, title and interest in and pertaining to the Confidential Information.
- 5.3. The Parties undertake to obtain confidentiality undertakings from their associated entity(ies), subsidiary(ies), holding company(ies), employees, officers, agents, directors, Councillors, representatives, associates, advisors and consultants who have a reasonable "need to know" and will come into contact with any Confidential Information, on the same terms as contained in this Agreement.
- 5.4. The standard of care for protecting such Confidential Information, imposed on the Party receiving such information, will be that degree or standard of care the receiving Party uses to prevent disclosure, publication or dissemination of its own Confidential Information.

Initials:

HEC

MLW

WBP



Page 5 of 31



- 5.5. The provisions of this clause are not applicable to:
- 5.5.1. information which is or becomes lawfully known or available to the receiving Party from a source other than the disclosing Party, or which is or becomes in the public domain, and without breach of this Agreement by the recipient;
 - 5.5.2. information developed independently by the receiving Party without use of or reference to confidential information disclosed to it in connection with this Agreement or the contemplated transaction;
 - 5.5.3. Nothing contained in this clause shall restrict either Party from disclosing any portion of such information on a restricted basis pursuant to or in compliance with a judicial or lawful injunction, or court order, but only to the extent of such order;
 - 5.5.4. Each undertaking and acknowledgement made or given by the Parties in respect of the Confidential Information is separate from each other and is made separately in respect of each proprietary right of the disclosing Party, and is severable from every other such undertaking and acknowledgement, and is in no manner limited or restricted by reference to or inference from any other separate undertaking and acknowledgement.
- 5.6. The obligations of non-disclosure and non-use of Confidential Information imposed in the preceding paragraphs shall survive termination of this Agreement.

6. INTELLECTUAL PROPERTY RIGHTS

- 6.1. The Customer acknowledges that the Software or any part thereof, and/or module of same, and/or any enhancement thereto, and/or any customization and/or upgrade thereto that may be deployed, is the property of the R-Data and nothing in this Agreement shall constitute the transfer of any Intellectual Property Rights to the Customer. The Customer shall only use the Software and/or any enhancement thereto, under the terms and conditions of this Agreement.
- 6.2. The Customer acknowledges that any and all of the trademarks, trade names, copyrights, patents and all other intellectual property and intellectual property rights used and/or embodied in and/or existing in connection with the Software and/or resulting there from, and/or which may come about due to any update of the Software, as well as any documentation, will be and shall solely remain the property of R-Data. The Customer will not during, and/or at any time after the expiry and/or termination of this License in any way question or dispute the ownership and right of R-Data.
- 6.3. The Customer acknowledges that R-Data, as part of its User-Group methodology and regular customer interactions, from time to time, invites its customers or users of the Software to submit requests or information concerning new and/or improved functionality needed in respect of the Software, which the R-Data may incorporate and generally provide to other customers. The Customer grants R-Data, a non-exclusive, perpetual, irrevocably, royalty-free License to use, modify, display, transfer, License, sub-License, distribute in any manner, and otherwise commercially exploit the information in any way and/or on any medium currently available, presently or in the future.
- 6.4. The Customer shall not, directly or indirectly, for the duration of the Agreement or at any time thereafter:
- 6.4.1. claim ownership of the Intellectual Property Rights of R-Data;

Initials:

HCC
MLW

WB



Page 6 of 31



- 6.4.2. use the Intellectual Property or any confusingly similar trademark or other intellectual or industrial property in any manner not expressly authorised in writing by R-Data;
- 6.4.3. submit any application to register the Intellectual Property or any other trademark or service mark, copyright, design right or invention of R-Data, without R-Data's prior written consent.

6.5. This Clause shall survive termination of this Agreement.

7. SCOPE OF SERVICES

7.1. GRANT OF LICENSE

- 7.1.1. R-Data hereby grants to the Customer a non-exclusive, non-transferable License for the full or entire duration of this Agreement to use the Software for its own use at the Customer premises on the terms and conditions set out in this Agreement.
- 7.1.2. The Customer shall receive a single copy of the Licensed Program. The Licensed Program will be provided in object code form.
- 7.1.3. It is recorded that the Customer has no proprietary right in the Software or any part thereof and/or any of the enhancements, fixes and changes or parts thereof, irrespective of the origin of the said enhancements, fixes and/or changes. It is further recorded that all documentation related to the Software provided to the Customer by R-Data will remain the property of R-Data.
- 7.1.4. If this Agreement is terminated, for whatever reason, R-Data will no longer support the Software after the termination date, and the Customer will no longer use the Software, unless a specific written arrangement is made and agreed to between the Parties.
- 7.1.5. The License and use of the Software by the Customer shall be subject to the payment of the annual License fees payable in terms of this Agreement.
- 7.1.6. Any number of Microsoft, Unix, or Linux servers at sites designated by the Customer may be utilised, provided the number of concurrent users does not exceed the licensed number of concurrent users as recorded on ANNEXURE 2.
- 7.1.7. The Customer may not resell, lease or rent out, loan or otherwise distribute the Software, nor may the Customer sell the License, or transfer the License to anyone, including the Software, copies of the Software and/or the documentation of the Software.
- 7.1.8. The Customer may not copy or change any database structure, nor may the database structures be made known to any third party without the written consent of the R-Data.

7.2. MAINTENANCE AND SUPPORT

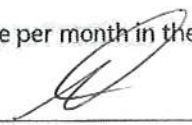
Should the Customer elect to include maintenance and support services at the monthly fee as set out on ANNEXURE 2, R-Data shall provide the following services:

- 7.2.1. **Scheduled enhancements/upgrades made to the Licensed Programs by R-Data with a target of two upgrades to the Licensed Programs per annum.**
- 7.2.2. Helpdesk call logging and telephonic support to counsel and advise the Customer on the use of the Licensed Programs. (Office Hours) to a maximum usage per month as specified in the table below.
- 7.2.3. On-line modem support to the maximum usage per month in the table below.

Initials:

dec

B M



MLW

Page 7 of 31



- 7.2.4. Support Services on a monthly basis to the maximum usage per month in the table below. Travel and Accommodation will be charged for on-site support services.
- 7.2.5. Year End Support per annum as per the table below.
- 7.2.6. Should on-site Year End Support be required then Travel and Accommodation charges will be levied.
- 7.2.7. On-site implementation of new releases to the maximum as per the table below. Travel and Accommodation will be levied.
- 7.2.8. On-site Annual retraining service to the maximum usage per month in the table below. Travel and Accommodation charges will be levied.
- 7.2.9. The maximum limits set out in the table below will be reconciled every 6 months. In the event that the maximum limits are exceeded, the charges will be levied on a "time and materials" basis at the standard service rates in force at that time.

SERVICE TO BE SUPPLIED

Helpdesk telephonic support / assistance (Monthly)	18 hours
R-Data office Sundry Programming (Monthly)	20 hours
Monthly Support Services	16 hours /month
BA Monthly Support Services	8 hours / month
Asset Tracking Support Services	8 hours / month
Travelling	Excluded
Accommodation	Excluded

7.3. TRAINING AND USERGROUP

- 7.3.1. R-Data shall provide training in the navigation, use and functionality of the Software to designated employees of the Customer. The scope and duration of training, cost and venue thereof, and the number of employees to be designated for such training shall be agreed upon between the Parties in writing.
- 7.3.2. If the Customer decides not to or omits to nominate a sufficient number of employees or none at all for the training, R-Data cannot guarantee the proper utilization and/or functioning of the Software. R-Data will also not be able to assist any employee of the Customer on the Call Centre without the specific employee of the Customer requiring assistance, having undergone the necessary training provided by R-Data.
- 7.3.3. As a licensee and user of the Software, the Customer shall be entitled to join and become an active member of the User-Group. The User-Group is intended as a vehicle and platform for knowledge and experience sharing, and cross learning between all users of the Software. National and/or Regional User-Group meetings, seminars and workshops shall be held annually at the discretion of R-Data and at various locations and territories.
- 7.3.4. Schedules, venue details, maximum number of delegates allowed to join the User Group, programmes, agenda and minutes of all User-Group meetings shall be distributed to all relevant User-Group members.

8. PAYMENT TERMS AND CONDITIONS

- 8.1. The fees payable by the Customer to the R-Data in respect of the relevant Services and License Fees, are set out in ANNEXURE 2. All such prices, fees and charges are exclusive of:

Initials:

KEC
MLW

WBN

[Signature]

[Signature]

- 8.1.1. VAT which shall be charged to the Customer in addition, at the rate and in the manner for the time being prescribed by law;
- 8.1.2. any other taxes and duties which are levied or charged by any revenue authority (including the South African Revenue Services) all of which shall be for the account of the Customer. Should the Customer be obliged to deduct any withholding taxes from any prices, fees or charges due to the R-Data, then:
- 8.1.2.1. R-Data shall gross up the amount payable by the Customer such that after deduction of the withholding tax, R-Data receives the full price, fee or charge specified for the relevant Software and Services.
- 8.2. The Customer undertakes and warrants that it shall make due and timely payment of such withholding taxes due by it to the appropriate revenue or other government authority whilst the R-Data undertakes to refund the Customer for such withholding taxes if the R-Data is reimbursed such taxes pursuant to a tax treaty.
- 8.3. Payment of invoices generated by the R-Data will be payable within 30 days from date of invoice.
- 8.4. The fees and all other charges and payments shall escalate annually from the first day of July, the higher of 10% or CPI.
- 8.5. Interest, monthly in arrears, at the prevailing prime interest rate plus 4 (four) percent, shall be levied on accounts owing by the Customer for any period longer than 30 (thirty) days.
- 8.6. Any failure by the Customer to make any payment on due date shall entitle the R-Data, inter alia, to refuse to execute any of the Services and/or delivery and execution of any Software with the Customer, to immediately suspend the provision of any and/or all Software and Services until such time as all arrears have been paid in full, including any interest due. The R-Data shall further be entitled to require the Customer to make payments in advance thereafter for any further Goods to be delivered and/or Services to be performed.
- 8.7. The Customer shall pay all undisputed prices, fees and charges when they become payable and shall not withhold payment under any circumstances. In the event the Customer disputes a portion of an invoice, the Customer shall pay the undisputed invoices and provide the R-Data with details on the disputed amount/invoice within 5 (five) Work Days from date of invoice. The R-Data reserves the right to credit and re-invoice undisputed amounts which will become payable.
- 8.8. In the event that the Customer disputes part/whole of an invoice, the Parties shall thereafter resolve the dispute within 5 (five) Business Days, failing which, either Party may refer a dispute in terms of clause 11.

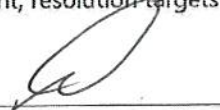
9. NON-PERFORMANCE WARRANTIES

- 9.1. It is noted that non-performance in terms of this Agreement does not entitle the Customer to discontinue payment for support services.
- 9.2. Data corruption as a result of: -
- Server Malfunction
 - Data imbalances due to the user error, for example, executing scheduled update procedures more than once is not measured as part of the performance warranty.
- 9.3. Should the communication link be unavailable, then resolution of the problem may require an on-site visit in terms of clause 9.2 above, and in this event, resolution targets will be affected

Initials:

REL
MLW

WBN



Page 9 of 31



by the travel time. The given delay will be taken into consideration in determining the Response and Resolution Times indicated below.

- 9.4. The program maintenance targets listed below are measured and list monetary penalties that can be deducted from the fees after clear measurement of non-conformance to the Program Maintenance targets set out hereunder.
- 9.5. In the event of program non-conformance, R-Data undertakes to provide the Customer with a substantive response in accordance with the provisions as set out hereunder.
- 9.6. If a call is logged prior to the completion of a working day, deemed to be from 07h30 to 16h30, the measurement of response and resolution targets shall be adjusted according to these times.
- 9.7. Should a temporary bypass be affected which results in the ability of the System to operate in such a way that it does not materially affect the Customer's business, this shall be deemed to be a resolution in terms of this clause, provided that a permanent fix is affected within 5 (five) days of the problem being logged.
- 9.8. Performance for any Severity Level will be measured as the average over all Incidents reported in that Severity Level for the service period in question e.g. Three Severity 1 incidents with one unsatisfactory and two satisfactory will be considered satisfactory overall, but three Severity 1 incidents with two unsatisfactory and one satisfactory will be considered unsatisfactory overall.
- 9.9. The average will be calculated by scoring satisfactory as 1 and unsatisfactory as 0. In examples above, the first has a total score of 2 with an average of 0.66, while the second has a total score of 1 with an average of 0.33.
- 9.10. Any average score of 0.5 or less will be considered unsatisfactory overall and will be liable for the above penalties.
- 9.11. It is recorded that when a call is logged, the severity level must be agreed by both parties.
- 9.12. In the event of the Customer failing to sign off a requested program change / support issue within 2 days of delivery, then the program change / support issue will be deemed to be complete.
- 9.13. In the event of a program change / request having a date dependency, then the date for delivery of the program change / request must be accepted by both the Customer and R-Data.
- 9.14. Program Maintenance Targets

Severity Levels	Response Times	Problem Resolution	Penalties	
			Non-Performance	
Severity 1	0 – 2 Hours	0 – 16 Hours	Non-Performance	1/12 of Annual Maintenance Fee
Severity 2	0 – 6 Hours	3 Days	Non-Performance	1/24 of Annual Maintenance Fee
Severity 3	6 – 12 Hours	5 Days	Non-Performance	1/36 of Annual Maintenance Fee
Severity 4	No Guarantee	No Guarantee	No Penalty	

Initials:

KEL
MLW

WBM



Page 10 of 31



10. EXCLUSIONS AND RESTRICTIONS

- 10.1. Server maintenance remains the responsibility of the Customer.
- 10.2. The implementation and running of correct procedures remains the responsibility of the Customer.
- 10.3. The audit control of all transactions remains the responsibility of the Customer.
- 10.4. It is the responsibility of the Customer to test any programs which have been changed by R-Data at the Customer's request. Should this testing not take place then any time to resolve the problem will not fall under the determination of the Response and Resolution Time.

11. DISPUTE RESOLUTION

- 11.1. Should any dispute of whatsoever nature arise between the parties out of or pursuant to this Agreement, or should a deadlock occur, either party shall be entitled, by written notice to the other party, to refer the dispute to a committee comprising 2 (two) members appointed by each party who will resolve the dispute within 14 (fourteen) days of receipt of the referral.
- 11.2. If the committee is unable to resolve the dispute, the committee shall refer the dispute to arbitration to be resolved in accordance with the Rules of the Arbitration Foundation of Southern Africa (AFSA) or its successors in title by an arbitrator or arbitrators appointed by AFSA. The arbitration referred to in this clause shall be held in English in Cape Town, South Africa, in accordance with AFSA Rules and Regulations, with a view to it being completed within 21 (twenty-one) days of it being referred to arbitration. The parties hereto agree that any decision made by the arbitrators in accordance with the provisions of this clause shall be final and binding on the parties and may be made an order of court of competent jurisdiction.
- 11.3. Nothing herein contained shall be deemed to prevent or prohibit a party to the arbitration from applying to the appropriate court for urgent relief.

12. BREACH

- 12.1. Should either party ("defaulting party"):
 - 12.1.1. breach any essential provision of this Agreement (irrespective of the materiality of such breach or provision) and fail to remedy such breach within 7 (seven) days after receiving written notice requiring such remedy from the other party; or
 - 12.1.2. be wound-up, liquidated, deregistered or placed under judicial management, in any such event whether provisionally or finally and whether voluntarily or compulsorily, or pass a resolution providing for any such event; or
 - 12.1.3. have any application or other proceedings brought against or in respect of it in terms of which it is sought to be deregistered, wound-up, liquidated or placed under judicial management, in any such event whether provisionally or finally; or
 - 12.1.4. be deemed to be unable to pay its debts in terms of the Companies Act No 61 of 1973; or
 - 12.1.5. compromise or attempt to compromise with, or defer or attempt to defer payment of debts owing by it to, its creditors generally; or
 - 12.1.6. alienate or encumber the whole or a major portion of its assets, then the other party shall be entitled, without prejudice to its other rights in law including the right to claim damages, to cancel this Agreement or to claim immediate specific performance of all of the defaulting party's obligations, whether or not otherwise then due for performance;

Initials:

HEC
MLW

P
WGM

Page 11 of 31

- 12.2. then the other party shall be entitled, without prejudice to its other rights in law including the right to claim damages, to cancel this Agreement or to claim immediate specific performance of all of the defaulting party's obligations, whether or not otherwise then due for performance.

13. DOMICILIUM AND NOTICES

- 13.1. The parties hereto choose domicilia citandi et executandi for all purposes of and in connection with this Agreement as set out in the Cover Page.
- 13.2. All notices, demands, communication or payments intended for either party shall be made or given at the other Party's domicilium for the time being.
- 13.3. Either Party hereto shall be entitled to change its domicilium from time to time, provided that any new domicilium selected by it shall be an address other than a box number in the Republic of South Africa, and any such change shall only be effective upon receipt of the notice in writing by the other party of such change.
- 13.4. A notice sent by one party to the other party shall be deemed to be received:
- 13.4.1. on the same day, if delivered by hand;
 - 13.4.2. on the same day, if sent by fax;
 - 13.4.3. on the same day, if sent by email;
 - 13.4.4. on the seventh (7th) day after posting, if sent by pre-paid registered mail.

14. FORCE MAJEURE

- 14.1. Neither Party shall be liable for any failure to fulfil its obligations under this Agreement if such failure is caused by any circumstances beyond its reasonable control, including flood, fire, earthquake, war, tempest, hurricane, government restrictions or acts of God.
- 14.2. Either Party has the option to terminate the Agreement if force majeure continues for 30 (thirty) calendar days or longer.
- 14.3. The Party affected by a force majeure event shall notify the other Party within 7 (seven) calendar days from the date of occurrence or expected occurrence.
- 14.4. The affected Party shall use its best endeavours to mitigate the effects of the force majeure event in the shortest time practicable, and shall not refrain from performing its obligations, which can be performed in terms of this Agreement.

15. ENTIRE AGREEMENT

- 15.1. The Agreement, including all annexures, constitute the entire agreement between the Parties with respect to the subject matter hereof and supersedes and renders null and void any and all prior or contemporaneous oral or written Agreements, representations, understandings, warranties or communications, including but not limited to all prior Agreements dealing with the exchange of confidential and proprietary information between the Parties.

16. APPLICABLE LAW

- 16.1. The Agreement will be governed by and construed in accordance with the law of the Republic of South Africa and the Parties hereby consent and submit to the non-exclusive jurisdiction of the High Court of South Africa, Western Cape Local Division.

Initials:

REC
MLW

WJW



Page 12 of 31



17. AMENDMENTS

17.1. No Addition to, variation or consensual cancellation of this Agreement shall be of any force or effect unless in writing and signed by or on behalf of both parties.

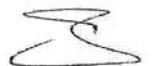
18. ASSIGNMENT

18.1. R-Data may cede, assign, delegate or in any other way alienate or dispose of its rights and obligations under this Agreement with or without the prior consent of the Customer. Any consent or approval required by the R-Data in terms of this Agreement will not be unreasonably withheld.

Initials:


HEC
MLW


BAM



SIGNED AT SPRINGSBOK ON THE 30TH DAY OF AUGUST 2023

AS WITNESSES:

1. 

2. 

For: **Nama Khoi Local Municipality**

(Sign)



who warrants that he/she is duly authorised hereto

Print Name: JAW IZAK SWARTZ

Capacity: MUNICIPAL MANAGER

SIGNED AT Cape Town ON THE 30th DAY OF August 2023

AS WITNESSES:

1. 

2. 

For: **R-Data (Pty) Ltd**

(Sign)


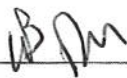


who warrants that he/she is duly authorised hereto

Print Name: Danie Benkes

Capacity: Managing Director

Initials: DEC
MLW



ANNEXURE 1 – ADDITIONAL SERVICES, SOFTWARE AND HARDWARE

1. ACCOUNTING AND PROFESSIONAL SERVICES

MICROmega Accounting and Professional Services [MAPS] is a public sector driven service provider that aims to render transparent, innovative and developmental professional services to assist Municipalities to improve their accountability, reporting, improves their readiness for the financial year-end procedures and ultimately their audit outcomes. MAPS have its own accredited training facility for SAIPA (South African Institute of Professional Accountants) and SAICA (South African Institute Chartered Accountants) trainee accountants. R-Data shall appoint MAPS as a sub-contractor to render the below mentioned accounting and professional services to the Customer.

The Customer is aware of and undertakes to comply with the requirements of Municipal Regulations on Chart of Accounts (mSCOA). The Customer undertakes to provide R-Data with all supporting documentation as prescribed in Section 6 (Minimum Business Process Requirements) of the said regulations as and when required to implement the Software. R-Data will endeavour to ensure that at all-times the Software complies with Section 7 (Minimum Systems Requirements) of the said regulations. R-Data provides the Extended Support Services listed below as to enable the Customer to comply with Section 6 of the said regulations.

PROMUN is developed to meet the requirements and deliver the outcome of the 15 business processes as foreseen by National Treasury. To ensure the effective functioning of *PROMUN* it is dependent on inputs from the municipality. MAPS have the capacity, expertise and knowledge to assist municipalities with these inputs and outcomes:

1.1. Corporate Governance

- Implementation of internal control measures, risk management and compilation of risks register, financial risk management and compliance to legislation;
- preparing corrective measures to address issues raised by internal and external audit, establish;
- implement and manage a performance management system;
- implement reporting mechanisms to enhance accountability;
- compilation of new and amendments to existing Standard Operating Procedures, policies and By-Laws, etc.

1.2. Municipal Budgeting, Planning and Financial Modelling

- Assist with strategy formulation, integrated development planning, prioritisation, revenue generation and resource allocation;
- as well as long term forecasting and modelling of key financial dimensions such as the statement of financial position, cash flow forecasting, funding compliance, asset management and basic service delivery, etc.

Initials:

HEC

APM



Page 15 of 31

MKW



1.3. Financial Accounting

- Includes a host of policies, processes and procedures in order to operationalise the effective and efficient recording and accounting of daily financial transactions as well as month and year end closure procedures and transactions;
- meeting prescription of norms and standards such as the Standards of Generally Recognised Accounting Practices (GRAP);
- accounting for VAT and other SARS requirements;
- operationalise daily business processes and procedures that incorporate at the very least regular reconciliations;
- correct and accurate allocation and classification of transactions based on the SCOA classification framework;
- implementation of processes and procedures that give rise to monthly performance represented by among others, the Statement of Financial Performance, Capital and Grant Performance, Statement of Financial Position, movement in net assets and cash flow in the Section 71 in-year reporting formats and mid-year (Section 72) reports;
- compilation of Annual Financial Statements and Audit File;
- assisting with external audit (submission of information, replying to exemptions raised, reply to Audit Management Report and Audit Report)

1.4. Costing and Reporting

- Assisting with implementation of costing / management accounting;
- forward looking planning and budget processes by applying forecasting and prediction models;
- determining full cost of tariff services in order to achieve cost reflective tariffs and reporting thereon;
- measuring performance of services based on financial and non-financial information.

1.5. Project Accounting

- Implementing procedures to provide project management capabilities.

1.6. Treasury and Cash Management

- Investing activities that include the acquisition, disposal and management of tangible assets, including land, buildings, plant and machinery, motor vehicles, furniture and equipment, computer hardware, software and communication networks;
- Also included are acquisition, disposal and management of intangible assets such as research and development expenditure, patents and trademarks, scientific and technical know-how, intellectual property rights such as copyrights and licences;
- Assistance in introducing accounting policies for depreciation, impairment, revaluation, asset retirement;
- Financing activities that deals funding - form of funds obtained from borrowing (external loans) or transfers and subsidies, finance and operating leases, related transactions such as security and guarantees granted to a lender, accounts receivables pledged to a discount house, interest charges, finance charges on leases, foreign exchange gains and losses, hedging gains and losses and commitments for capital expenditure;
- Investment activities that deals with fixed interest, long-term or short-term debt, investments or loans; secured or un-secured;

Initials:

HEC

MW





Page 16 of 31



- Implement procedures to control the purchase and sale of investments, the movement of scrip or recording of dematerialised securities and the resulting cash received and paid including income from investments;
- Cash and bank activities that deals with transactions occurring daily represented by a high volume of transactions in payments and receipts, procedures that provide for expenses and reimbursements of "accounts and floats" including regular surprise counts; cash handling procedures for unbanked receipts and money in transit;
- control over the opening of bank accounts and obtaining access to electronic banking signatures, regular reconciliations of bank accounts and timely follow-up of reconciling items by management.

1.7. Procurement Cycle – Supply Chain Management, Expenditure Management, Contract Management and Accounts Payable

- Supply chain management – establish business processes for the provision of goods and services required that integrates the management of supply, demand, acquisition, logistics and disposal by implementing a supply chain management policy in compliance with the MFMA in a fair, equitable, transparent, competitive and cost-effective way;

1.8. Expenditure Management

- establish business processes that would ensure an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds that could be monitored against the approved budget, and reasons for variances must be explained and corrective action must be implemented to keep expenditure in line with budget estimates;

1.9. Accounts Payable

- deals with any monies owed in respect of goods and services purchased that must be settled within thirty days of date of invoice or statement unless it is prescribed otherwise and the monthly reconciliation of creditors or accounts payable according to the statements received from service providers.

1.10. Material and Inventory Management

- deals with the maintenance of inventory catalogues classified according to the high-level categories provided for in the Standard Chart of Accounts, business processes that incorporate minimum, ordering; issuing and management of inventory levels; preferred suppliers linked to inventory categories; flagging of stock levels with limited movements for substantial periods; regular physical counts and reconciliation to system stock records; exception reporting and enhanced controls on stock items susceptible to misuse such as illegal stock-piling; and all sub stores to be activated on the system;

1.11. Contract Management

- entails the management of contracts through the entire Contract Life Cycle so as to maximise value for money that includes procedures for planning; contract creation; collaboration; execution; administration; and closeout, compilation of a contract register that inform and dependant on the nature of the work, the type of contract, the legal aspects and delivery timeframes and entails the activities carried out to determine whether the service provider and the client are performing adequately to meet the

Initials:

HCC

MW

BP

[Signature]

[Signature]

requirements in listed contracts that had been awarded through the procurement process and the prescriptions in the MFMA;

1.12. Vendor Management

- entails managing a supplier database in support of various strategic procurement objectives and meet requirements of Central Supplier Database.

1.13. Grant Management

- Assistance with activities, processes and procedures to register and reconcile all the grants allocated, received and spent according to the conditions in the annual Division of Revenue Act.

1.14. Full Asset Life Cycle Management including Maintenance Management

- This includes safeguarding of assets, e.g. asset tracking, numbering and locations, maintaining assets, planned and unplanned, including renewals, maintenance costing into asset replacement plans, establishing and maintaining a management, accounting; and
- information system that accounts for all assets, GRAP compliant asset valuation principles, internal controls over assets, establish and maintain a comprehensive asset register; clarifying responsibilities and accountabilities for asset management process and insurance of assets.

1.15. Real Estate and Resource Management

- Assistance with Real estate management that includes the management of land and fixtures that are both lease-in and lease-out grouped into categories base on its use e.g. residential, commercial and industrial;
- Compilation of property register inclusive of owned and leasehold properties, tenant and occupant information, lease contract administration and management, occupational health and safety requirements, insurance, etc.
- As well as other resources management among others include fleet (vehicle) management, plant and equipment, etc. including the hiring thereof.

1.16. Human Resource and Payroll Management

- Assistance with the organisational function that deals with issues related to employees such as compensation, hiring, performance management, organisational development, safety, wellness, leave management, benefits, employee motivation, communication, administration, and training in line with the prescriptions of the Labour Relations Act;
- Staff establishment, human resources development and expenditures on staff benefits according to the processes and procedures set out in the MSA and MFMA;
- Payroll management that entails the administration of the financial record of employees' salaries, wages, bonuses, net pay, and deductions within the limits of the approved budget and the prescriptions of the South African Revenue Services;
- Budgeted remuneration and benefits that are directly aligned to the approved staff establishment with provision for vacancies shown separately and all staff payments reconciled monthly;
- Productivity or performance management addressed by using the latest available technologies such as bio metrics devices

Initials:

BEC

WBM



Page 18 of 31

MLW



1.17. Land use and Building Control Management

- Deals with managing the use and development of land, include spatial; urban policy usage, and economic considerations, all processes, methods and tools used for organising, operating and supervising the urban environment;
- Planning practices, decision making processes, procedures, implementation, monitoring mechanisms, methods and tools that are all elements of an integrated system;
- Building management that incorporates all activities relating to township management such as building plan approvals, rezoning applications, illegal land usage and by-laws management.

1.18. Valuation Roll Management

- Assist with valuation rolls that forms the basis for the levying of assessment rates and all processes and procedures as governed by the Municipal Property Rates Act;
- Recording all categories of properties in the municipal boundary and maintain in a municipal register of properties including the value of land and improvements as described in the MPRA;
- Also, assist with interim valuations to ensure the roll is constantly maintained and updated;
- Business processes that ensure integration with the revenue value chain and the billing processes and procedures.

1.19. Revenue Cycle – Meter Reading, Billing, Accounts Receivable and Revenue Receipting

- Implementing efficient and effective systems of revenue management to enable the client to collect all monies due;
- review business processes to ensure an efficient and effective utility, property, real estate and sundry billing and revenue collection function;
- ensure data integrity for metered services and assessment rates to ensure the accuracy of the statement or account;
- ensure water and electricity meters are read monthly;
- ensure monthly statement of payables are distributed accurately and on-time to customers and payment facilities in terms of location of pay points and the payment options are available to the customers;
- implement processes and procedures to ensure sufficient internal control over the collection and receipting of revenue and daily reconciliation thereof.

1.20. Customer Care, Credit Control and Debt Collection

- Assist with establishment of a sound customer management system as prescribed in the MSA;
- implementation of credit control and debt collection processes, procedures and mechanisms in line with the policy as adopted by the Council as prescribed in the MSA;
- Other miscellaneous business processes that might be required not detailed in the high-level business processes above.

Initials:

Hec

WPN



MLW



1.21. On a high level our services include but is not limited to the following:

- Ad-hoc accounting work
- Asset register compilation
- Compliance assessment
- Draft of Quarterly/Mid-year financial Statements
- Preparation of annual financial statement
- **PROMUN** Support
- Predetermined objective review
- PAYE and IRP5 reconciliations and support
- National treasury and statutory reporting requirements
- Reporting and risk management
- Supply chain implementation and control
- VAT reconciliation and review
- Hands on training on any municipal and accounting related activities
- Reconciliation of creditors, debtors, cashbook, salaries, stores and various ad-hoc control accounts
- Valuation roll management including valuations and supplementary valuations

2. REVENUE ENHANCEMENT

Rdata is the leading provider of Revenue Management Services, which includes meter reading, water meters and meter boxes, prepaid solutions, credit control solutions, bureau and customer account management services and revenue enhancement and protection, Meter and Consumer Auditing and Financial Management Systems to Local Government in South Africa. We provide these services individually or collectively, depending on the needs expressed by our clients.

We are proud to boast an impressive client portfolio, which we have been servicing successfully over the past 40 years. We additionally pioneered electronic meter reading and are proud to add to our list of innovative market solutions our latest endeavour: Android phone meter reading, Auditing and Credit Control.

Inzalo Holdings Limited enhanced their service delivery and market footprint in the Local Government environment since October 2010 by incorporating Inzalo Enterprise Management System (ERP), Micro Mega Revenue Management Services, Amanzi meters and Utility Systems to ensure an end-to-end solution to Local Authorities. Acquisitions and incorporation to the Inzalo suite of services includes Freshmark (Local Markets), R-Data (EMS Desktop/PROMUN) and Utility Management Services (UMS).

2.1. Meter and Stand Audit (iAudit)

Auditing every meter and stand within the municipal boundaries. Once at the required meter or stand the auditor will collect/obtain the following information:

- Stand (erf) Number
- Indicate connection or No connection
- Location of the meter on the property
- Meter Number

Initials:

REC

MW

B



Page 20 of 31



- Meter Reading
- Visible damage to meter
- Take image of meter where required
- Register GPS Coordinates
- Register time and Date of audit

In addition to the above R-Data shall identify the following:

- Multiple meters (seemingly all functional) on single service points is technically incorrect and causes havoc on the billing side;
- Poor maintenance and vandalised meters place the integrity of consumption data in doubt and does not boost consumer confidence in respect of water services billing;
- Undetected and unattended water leaks in the system constitute a cost to the municipality without the revenue to counter the expenditure.

Upon completion of this above phase, the data will be verified and compiled in an Audit Project Report that will be supplied to the municipality, this will also give a clear indication what has to be budgeted going forward for water meter replacement/new installation as well as where there are water losses to be repaired.

RData shall after the approval of the Financial Officer and Council, update the newly acquired field data directly into PROMUN once deployed, or the information can be prepared for another financial system if so required.

It is also important to mention that during the audit we make use of local resources to assist our auditors as they move from ward to ward. This gets pre-arranged with the Councillors. The important fact is that they get exposed to the methodology and solution we use to do the audit. We include this in our "project sign off register" to show how we report this at the end of the intervention which enables the Customer to report on local investment.

2.2. Meter Reading Software (iRead)

The Meterman™ System facilitates the reading and recording of meter data by the Customer's meter readers. The system's two main function, which forms a powerful solution: iRead™ - Enabling the real-time collection of data from the field to a performance monitoring system or in cases where there is limited or no cellphone signal; the mobile devices can accommodate offline readings, mimicking a normal hand held device. Readers keep the mobile devices with them at all times as there is no need for them to collect recording devices, upload reading routes at a physical office.

Features include:

- Reading collection
- First line usage verification test
- Taking of pictures
- Reporting of reason reading cannot be taken
- Registering GPS coordinate
- Operational Notes to Office admin staff

Initials:

dec
MLW

WRM



Page 21 of 31



Meterman Web - The web application is configurable with any Financial System specifications and the required route or multiple routes, can be loaded into the system with ease. The application allows the client to monitor and manage the meter reading process effectively and efficiently, if so required.

The Web system requires a secure username and password. The server is hosted by R-Data and all data is protected by firewalls and antivirus software.

System features include:

- Dashboard views
- Route Management Console
- Data verification
- Image viewing
- Google Earth integration to view GPS coordinates
- Works Order Module
- Stock Control Module
- Performance Reports
- Reader KPI Reports
- SMS communication functionality

Meter Reading Solution (Reading Services)

R-Data will take over responsibility for the monthly reading of Water and/or Electricity meters. R-Data using the Meterman & iRead software to analyse each town and identify the number of meter readers required per town to ensure meter readings happen within the required meter cycle.

- The meter readers currently employed to be seconded to R-Data and/or R-Data to appoint a new team of meter readers on behalf of the Customer. We have found the latter more effective, but this can be discussed.
- R-Data to furnish vehicles and equipment required for the reading of the meters, where required.
- Full implementation at each area, including training of meter readers and admin staff.
- R-Data to ensure field verification indicated by Billing Department prior to final billing run.
- Delivery of monthly consumer accounts, if required.
- Supply Uniforms, caps, ID cards, safety boots, tools and safety Bibs, branded with the Customer's Logo.

2.3. Revenue Management

R-Data using the meterman system Reports, in conjunction with the Work Order module will:

- Identify problematic meters that needs replacement.
- Leaks, straight pipes, etc. will be replaced or repaired.
- Installation of water meters where connection to main line has been establish
- Monthly reports for DWS submission will be provided.
- Supply Uniforms, caps, ID cards, safety boots, tools and safety Bibs.

Initials:

HEC
MLW

WBM



Page 22 of 31



2.4. Support and Operational Management

The Meter Management can be defined as the overall management of the infrastructure and Meter reading processes and staff.

Over and above the management of the repairs and maintenance on meters installed by R-Data, actual readings through our iRead software, the following action will take place and reported on;

- Install, repair and maintain plumbing systems and components of meters we install.
- Identify required tools and special equipment.
- Select the type and size of pipe required and report accordingly.
- Locate and mark positions for connection and fixtures.
- Assemble and install valves and fittings where we install meters.
- Install, repair and maintain plumbing fixtures, appliances and trim where we install meters.
- Test pipe systems and fixtures for leaking where we install meters.
- Ensure all installations, repair and maintenance are properly sized, aligned, supported and graded.
- Ensure all installations, repair and maintenance meet environmental protection requirements.

2.5. Supply and Installing of Water Meters (Designated Hardware)

R-Data will supply and install water meters, meter boxes, pre-paid water meters/restrictors to improve Revenue stream:

- R-Data to supply the required water meter, meter box, pre-paid water solutions – proudly South African products, manufactured in South Africa.
- R-Data to install the required meter and meter boxes required to ensure accurate readings and reduce water losses.
- R-Data to supply and install pre-paid water solutions to enhance revenue collection, or restrictors for credit control purposes.
- Proudly South African products with local content.

3. R-Data – ICT Service Offering

3.1. R-DataConnect (R-Data Connectivity)

Internet Connectivity (Broadband Solutions / Best Effort Solution), basic Internet services to allow the client to be connected to the internet, not intended for Remote Support;

3.2. R-DataVRF (R-Data Enterprise Connectivity)

Enterprise connectivity that forms part of MPLS Network with dedicated support as well as a 98.3% uptime SLA. Dedicated connection without sharing last mile and or pipe on connection – 1:1 Contention ratio, this connection solution is for dedicated support, as well as for other solutions to be utilized such as Hosted PBX, DMZ Server Hosting for Disaster Recovery Purposes – either from Site to Site or from Site to Cloud.

Initials:

AEC
MLW

B
W



Page 23 of 31



- 3.3 **R-DataHPBX** (R-DataHostedPBX)
Hosted PBX services (pre-requisite will be R-DataVRF), Hosted PBX is a service where the call platform and PBX features are hosted at the service provider location. The business end users connect via IP to the provider for voice service. A hosted PBX phone system can reduce your monthly phone bill tremendously compared to a traditional phone system. As is characteristic of a hosted PBX system, the PBX is hosted offsite at the provider's facilities.
- 3.4 **R-DataDMZ** (R-Data Demilitarized Zone)
Physical Server Hosting at DataCentre for Disaster Recovery purposes (pre-requisite will be R-DataVRF), and or using a Virtual Machine within the Demilitarized Zone (DMZ) to perform tasks and functions such as Active Directory Services, etc. A DMZ or demilitarized zone (sometimes referred to as a perimeter network) is a physical or logical subnetwork that contains and exposes an organization's external-facing services to an untrusted network, usually a larger network such as the Internet. The purpose of a DMZ is to add an additional layer of security to an organization's local area network (LAN); an external network node can access only what is exposed in the DMZ, while the rest of the organization's network is firewalled. The DMZ functions as a small, isolated network positioned between the Internet and the private network and, if its design is effective, allows the organization extra time to detect and address breaches before they would further penetrate into the internal networks.
- 3.5 **R-DataOB** (R-Data Offsite Backups)
RedStor Offsite Backups; Offsite backups are primarily is used in data backup and disaster-recovery measures. The core objective behind storing and maintaining data at a backup facility is to: Secure data from malicious attacks.
- 3.6 **R-DataVA** (R-Data Virtualized Applications)
Cloudware for Application Virtualization; R-DataVA (Cloudware) enables delivery of a selected application layer from a customer's server environment to any licensed users wanting to access that application. The technology enables the delivery of these applications through direct or Internet based connections to the hosted environment, without the requirement for any locally based installation of the application. Applications, in this case, will be delivered remotely to each of the users through their connectivity medium, allowing users to interact with their environment regardless of where they reside. R-DataVA delivers only the Graphical code to display the interactive environment on their current PC infrastructure, whilst the hosting environment is managed, supported and maintained by the relevant Municipal officials.
- 3.7 **R-DataICTS** (R-Data ICT Support)
Onsite ICT Support, either on a monthly basis (like 3 Days SLA Support) or on call out basis, for normal ICT related tasks and functions, support and consultation services.
- 3.8 **R-DataWHS** (R-Data Website Hosting Services)
Development of a new Websites and the hosting of the website, including training on management of the web site and its administration tasks, however this is not only limited to new Website, but also to the existing Websites and hosting of the website;

Initials:

KEE
MLW

R
M



- 3.9 **R-DataDS** (R-Data Domain Services)
 Hosting of Domain names and DNS record Management for new and current domain name spaces, management thereof is included in the service offering;
- 3.10 **R-DataHS** (R-Data Hosted Services)
 Hosting of Applications (PROMUN) Solutions and or Servers on a dedicated Cloud platform, Shared platform are also available. Hosted Services adoption is the smarter route to follow in an every evolving IT infrastructure environment with less worries and hassle for uptime as well as backups and securing data. Consultation and good planning is a key factor and is seen as the most critical aspect of moving into Hosted Services for business systems.;
- 3.11 **R-DataHE** (R-Data Hosted Exchange)
 e-Mail services via Hosted Exchange; Hosted Exchange is a service in the telecommunications industry whereby R-Data makes a Microsoft e-mail box and space available on a server so its clients can host their e-mail services.
- 3.12 **R-DataHDR** (R-Data Hosted Disaster Recovery)
 Disaster Recovery services in the cloud (pre-requisite will be R-DataConnect / R-DataVRF). Disaster recovery (DR) is an area of security planning that aims to protect an organization from the effects of significant negative events. DR allows an organization to maintain or quickly resume mission-critical functions following a disaster.;
- 3.13 **R-DataO365** (R-Data Office 365)
 Office 365 refers to subscription plans that include access to Office applications plus other productivity services that are enabled over the Internet (cloud services). Office 365 plans for business include services such as Skype for Business web conferencing and Exchange Online hosted email for business, and additional online storage with OneDrive for Business. (pre-requisite will be R-DataVRF / R-DataConnect)

Many Office 365 plans also include the desktop version of the latest Office applications, which users can install across multiple computers and devices. The fully installed applications include: Word, Excel, PowerPoint, OneNote, Outlook, Publisher, and Access. (Publisher and Access are available on PC only.) And you can install them across multiple devices, including PCs, Macs, Android tablets, Android phones, iPad, and iPhone. When you have an active Office 365 subscription that includes the desktop version of Office, you always have the most up-to-date version of the applications.

The Office 365 plans that are online-only are a great choice for certain business needs, and they are designed to work with the latest version of Office, Office 2013, and Office 2011 for Mac. Previous versions of Office, such as Office 2010 and Office 2007, may work with Office 365 with reduced functionality. Get more details about which Office versions are supported. NOTE: This compatibility with Office does not include the Exchange Online Kiosk or Office 365 Enterprise K1 plans.

- 3.14 **R-DataITG** (R-Data IT Governance)
 IT Governance services- is defined as the processes that ensure the effective and efficient use of IT in enabling an organization to achieve its goals. For any additional information please feel free to contact us.;

Initials:

HEC
MLW





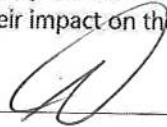


- 3.15 **R-DataNS** (R-Data Network Services)
Network Infrastructure support and Services, including Network Equipment, UPS for Server Rooms, Server Room infrastructure etc, Network Management as well as assistance to setup and configure network such a vLAN's etc;
- 3.16 **R-DataHWS** (R-Data Hardware Services)
Supply and Deliver of Server / Desktop Hardware and Peripherals (R-DataSupport will be needed for implementation);
- 3.17 **R-DataSWS** (R-Data Software Services)
Supply and Deliver of Software and Software Licenses (R-DataSupport will be needed for Installation).
- 3.18 **Service Level Targets: Definitions and Principles**
- 3.18.1 Service levels are measured using key performance indicators (KPIs).
- *Availability KPIs* measure the up-time of services.
 - *Incident response time KPIs* measure how long it takes R-Data to take action towards resolving a reported incident or service request. Where a fault or problem has been reported, the first response occurs when R-Data begins troubleshooting the problem, typically during a telephone call to the IT helpdesk.
 - *Incident resolution time KPIs* measure how long it takes to resolve a reported incident or complete a service request.
 - Availability KPIs, Availability is measured seven (7) days a week, twenty-four (24) hours a day and reported on monthly.
- 3.18.2. Incident Response and Resolution time KPI's
- These KPIs are not 100% guaranteed, but rather realistic and reasonable service level commitments. It must be understood that they cannot be met 100% of the time; a more reasonable achievement is 90% (if R-Data were required to meet KPIs 100% of the time, they would have to be set at level which would neither be desirable to the Customer, nor reflective of the service level being achieved most of the time).
 - These KPIs are normally stated in terms of working days – 08h00 to 17h00 on a regular working day, excluding weekends and public holidays. For example, an incident reported at 16h00 on a Friday should be attended to by 16h00 the following Monday if the KPI states it will be responded to within one (1) working day.
 - These KPIs are measured from the time at which the incident is first reported with the appropriate R-Data service point (typically a call logged with the ICT helpdesk) or system.
 - Resolution time KPIs are used for service requests and for incidents that are known and predictable. In other cases, where it is difficult to predict how long it will take to resolve an unknown problem, response time targets are set instead of resolution time targets.
 - In general, longer resolution times are set for activities which can be scheduled or planned in advance so that R-Data's efforts can be focused on failures and crises.
 - These KPIs are set according to priority levels. The overarching principle is to prioritise incidents on the basis of their impact on the business of the Customer.

Initials:

HEC
MUN

RDM



Page 26 of 31

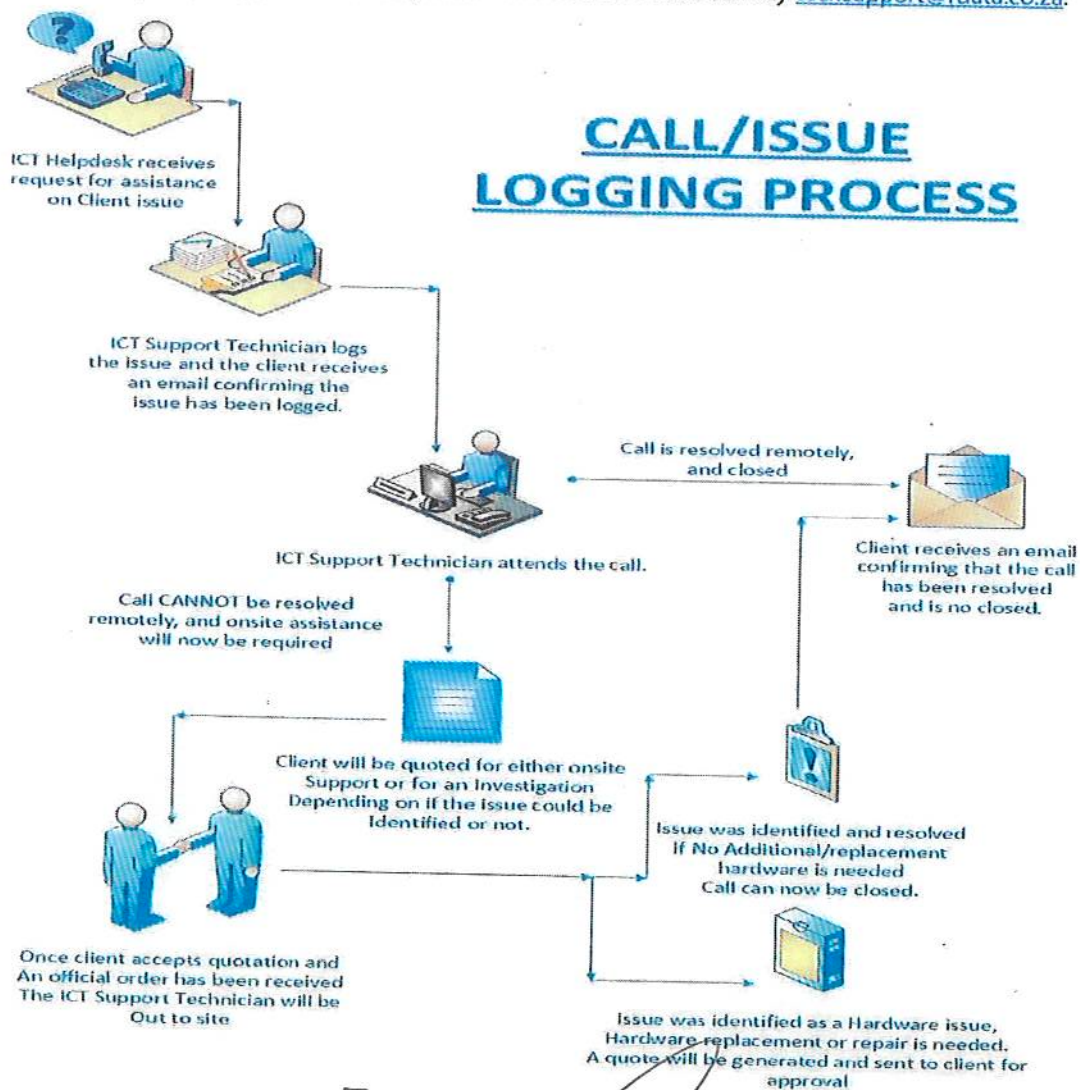


3.18.3. These priorities can be categorised as follows:

PRIORITY 1	<ul style="list-style-type: none"> – Work in the entire premises of the Customer is stopped or interrupted – A core/critical service is completely unavailable – A critical business process is stopped or interrupted for the Customer as a whole
PRIORITY 2	<ul style="list-style-type: none"> – Work in a department is stopped or interrupted – A core/critical service is partially unavailable
PRIORITY 3	<ul style="list-style-type: none"> – Work for an individual is stopped or interrupted

3.18.4. Call Logging Process

Incidents to be reported to R-Data for assistance and support, the Customer have means by to contact support either via phone – 011 218 8080 alternatively techsupport@rdata.co.za.



Initials: *hec* *WPM*
MLW

3.18.6. Fundamental Non-R-Data Responsibilities

End Users must:

- Report incidents or log service requests by logging calls with the ICT helpdesk, unless another process is specifically stated for a particular service.
- Abide by the applicable policies listed for each service
- Have the prerequisite software and hardware
- Make reasonable effort to co-operate with R-Data to resolve incidents including providing information, performing troubleshooting steps, and ensuring R-Data's physical access to space
- Where services attract a fee, provide fund and cost-centre information

Departments must:

- Appoint effective and appropriate representatives to serve on the Steering Committee
- Training on Specialised Equipment and/or Tasks
- R-Data will undertake to train employees of the Customer when and where necessary, and possibly on the resolution of specific and general issues that may arise from time to time, issues which may or may not be covered under this agreement. R-Data will endeavour to limit this to minor issues that may not affect normal operations of the Customer.

3.18.7. Approvals and Information

The person(s) stipulated in this agreement will be responsible for:

- The approval of any amendments, alterations, changes and the enforcement of this agreement,
- The issuance of any information that may be required by R-Data for the effective delivery of services in terms of this agreement,
- Any other form of assistance, within reason, that may be required for the effective delivery of services in terms of this agreement.

3.18.8. Duties of R-Data

- R-Data shall ensure that all work to be done in terms of this agreement shall be performed and/or supervised by competent and qualified personnel.

3.18.9. Customer delays

- Delays and/or interference by employees of the Customer that may result in the inadequate rendering of the services covered under this agreement will be quantified in a time and cost basis using the tariffs set out in ANNEXURE 2, and will be for the Customer's account.

4. SDC (Skills Development Centre)

- 4.1. Work Skills Plan completion or assistance;
- 4.2. Skills Gap Analysis;
- 4.3. Accredited Learnerships, Skills Programmes and Training Interventions for Municipal Staff and Unemployed Learners. (Including National Treasury Minimum Competency Learnership);
- 4.4. Non-Accredited training for Municipal Councillors, Staff and Unemployed Learners; and
- 4.5. Seta Applications for ICT suppliers of Municipalities.

Initials:

HEC
MCW

WPM



5. BUSINESS ANALYTICS

- 5.1 Municipalities are custodians of large volumes of data; and sifting through it to find meaningful data, is a challenge. We help municipalities navigate through the 'noise' to find interpretive data to inform better decision making to improve the profitability of the organisation.
- 5.2 **RDataBA** combines data, information technology, statistical analysis and computer-based models into one tool that provides decision makers with all possible scenarios to make well thought-out and researched decisions. With our analytics suite, you can see the performance of decisions under various scenarios. It has a wide range of modules: from financial management, consumer billing, supply-chain management, human resource management and customer relationship management.
- 5.3 Key Features:
- 5.3.1 **RDataBA** uses MSCOA structure, financial ratios and financial data to feed into annual reports;
 - 5.3.2 Data can be pulled directly from **PROMUN** and other sources;
 - 5.3.3 It converts available data into valuable information, which can be presented in any required format;
 - 5.3.4 Data can be drilled down to lower-level transactional and operational data;
 - 5.3.5 **RDataBA** can be hosted in the cloud or on-premise;
 - 5.3.6 **RDataBA** can be offered as a stand-alone service, or as part of the **PROMUN**
- 5.4 Benefits:
- 5.4.1 **RDataBA** directly improves operational efficiency of various municipal departments;
 - 5.4.2 It provides standardised reporting for legislative and regulatory purposes;
 - 5.4.3 It is used to understand past and present situations.

Initials:

HEC
MLW

W
P

A

Page 29 of 31

B

6. ANNEXURE 2 – FEES

No.	Concurrent Users	Description	Annual Fee 2023/2024
1	40	EMS-DESKTOP License Fees: 01/07/2023 to 30/06/2024	R 540,850.00
2	40	RDATA BA Base IT, Yellowfin, A, B and C-Schedules and Reporting Dashboards	R 240,000.00
3	4	EMS-Desktop: Asset Tracking Software License Fees: 01/07/2021 to 30/06/2022	R 25,661.00
4	40	Hosted Solution (Microsoft Azure Cloud hosting)	R 300,000.00
TOTAL ANNUAL LICENCE FEES (Excluding VAT)			R 1,106,511.00

No.	Concurrent Users	Description	Annual Fee 2023/2024
5	40	EMS-DESKTOP Maintenance 18 Hours per month = 216 Hours per annum	R 298,015.00
6	40	EMS-DESKTOP Support 16 Hours (2 Days) per month = 192 Hours per annum	R 773,105.00
7	40	RData BA Support 8 Hours per month = 96 Hours per Annum	R 132,451.00
8	4	EMS-Desktop: Asset Tracking Support 12 Hours per month = 144 Hours per Annum	R 132,451.00
9	40	Development Levy 20 Hours per month = 240 Hours per Annum	R 331,128.00
10	1	Promun 3 - Once off cost	R 597,828.00
TOTAL (Excluding VAT)			R 2,264,978.00

The cost table for the remaining 9 years is set out below with estimated annual increase of 8% per annum,

DETAILS	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	2031/2032	2032/2033
License Fee's	R1 132 690,00	R1 223 305,00	R1 321 169,00	R1 426 862,00	R1 541 011,00	R1 664 292,00	R1 797 436,00	R1 941 230,00	R2 096 529,00
Support and Maintenance	R1 789 925,00	R1 622 523,00	R1 568 554,00	R1 232 947,00	R1 320 987,00	R1 416 069,00	R1 518 759,00	R1 629 664,00	R1 749 441,00
TOTAL	R2 922 615,00	R2 845 828,00	R2 889 723,00	R2 659 809,00	R2 861 998,00	R3 080 361,00	R3 316 195,00	R3 570 894,00	R3 845 970,00

Initials:

HEC
MLW

WBM




11	Travel and Subsistence Fees	Description		Fee
				2023/2024
		Travel Rates:		
		Travel per km		R 6.15 p/km
		Accommodation:		
		Hotels per night		R 1, 440.00
		Bed and Breakfast per night		R 960.00
		Meal Allowance:		
		Breakfast per day		R 142.00
		Lunch per day		R 142.00
		Dinner per day		R 182.00
		Toll fees, Parking and Airfares		Actual
12	Disclaimer	12.1 All Fees are exclusive of Value Added Tax. 12.2 All Fees will increase annually on the anniversary of this Agreement. 12.3 All additional support shall be on a Quotation basis		

Initials:

REC

B
M