MUNSOFT
municipal financial software

Change Note to the Agreement

entered by and between

MUNSOFT PROPRIETARY LIMITED

(Registration number: 2001/024674/07)

Physical address: Building 6
Cambridge Office Park
05 Bauhinia Street
Highveld
Centurion
Gauteng
0157
Email address: legal@munsoft.co.za

(herein represented by N Rerani, duly authorised)

(hereinafter referred to as "Munsoft")

AND

RICHMOND LOCAL MUNICIPALITY

(Demarcation code: KZN227)

Physical address: 57 Shepstone Street
Richmond
KwaZulu Natal
3780
Email address: mm@richmond.gov.za

(hereinafter referred to as the "Client")

(herein represented by B Mswane, duly authorised)

(collectively referred to as the "Parties" and "Party" referring to either one of them)

Content

1. Background

1.1 Munsoft and the Client entered into an agreement for an integrated financial management and internal control system on 25 May 2020 for the period 01 July 2020 until 30 June 2021 ("the Agreement"). The Agreement was subsequently extended for a period of 36 months for the period to 30 June 2024

1.2 The Parties now wish to amend/extend the Agreement as detailed in this Change Note.

2. Change Note terms

2.1 Any capitalised terms not defined in this Change Note will have the same meaning as capitalised terms in the Agreement.

2.2 This Change Note is not a novation and/or replacement of the Agreement and the remainder of the terms and conditions of the Agreement will remain unaltered and of full force and effect, except as amended by the terms and conditions of this Change Note. Should there be any conflict between this Change Note and the Agreement, then the terms and conditions of this Change Note will prevail.

2.3 The Client enters into this Change Note in accordance with the supply chain legislation governing local government procurement, which includes compliance with all its internal procedures.

3. Amendment of the Agreement

3.1 The Parties agree to amend the Agreement by replacing "Annexure A" as contained in Change Note 1 with Annexure A as contained in this Change Note, thereby activating Service Schedule A1, Service Schedule I and upgrading existing Service Schedule R (as detailed in this Change Note) to the Agreement.

3.2 The Parties agree to extend the Agreement for a period of 36 months up to and including the 30th of June 2027.

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4. Replacement Annexure A – Summary of Cost Schedule

The Annexure A – Summary Cost Schedule as contained on page 3 of Change Note 1 is replaced with the following Summary Cost Schedule:

			Municipal Financial Year July 2021 to June 2022			Municipal Financial Year July 2022 to June 2023			Municipal Financial Year July 2023 to June 2024		
	Start Date	End Date	Once-off Fees	Monthly Fees	Annual Fees	Once-off Fees	Monthly Fees	Annual Fees	Once-off Fees	Monthly Fees	Annual Fees
Munsoft Service Fee	01-Jul-21	30-Jun-24		R 157,327.82			167554.1286			R 178,110.04	
Munsoft Annual Maintenance Fee	01-Jul-21	30-Jun-24			R 403,115.43			R 429,317.94			R 456,364.97
Active Schedules											
Service Schedule A: Munsoft Technical Support	01-Jul-21	30-Jun-24		Active	Active		Active	Active		Active	Active
Service Schedule E: Munsoft Standard Disaster Recovery Service	01-Jul-21	30-Jun-24		Active			Active			Active	
Service Schedule H: Statement Printing Solution	01-Jul-21	30-Jun-24									
Service Schedule J: Munsoft e-Services Solution	01-Jul-21	30-Jun-24		Active and Variable			Active and Variable			Active and Variable	
Service Schedule Q: Munsoft Academy (Online LMS Facility)	01-Jul-21	30-Jun-24			Active			Active			Active
Service Schedule R: Munsoft Reporting	01-Jul-21	30-Jun-24			Active			Active			Active
Activation of Schedules Fees for Period (Excluding VAT)			R -	R 157,327.82	R 403,115.43	R -	R 167,554.13	R 429,317.94	R -	R 178,110.04	R 456,364.97
Activation of Service Schedules											
Service Schedule A1: Munsoft Technology Refresh	01-Jul-23	30-Jun-24							R 757,904.00		
Service Schedule I: Munsoft Essential ICT Services	01-May-24	30-Jun-24							R 939,123.70		
Service Schedule R: Munsoft Reporting (Upgrade)	01-Feb-23	30-Jun-24				R 40,241.26					R 20,120.64
Activation of Service Schedule Fees for Period (Excluding VAT)			R -	R -	R -	R 40,241.26	R -	R -	R 1,697,027.70	R -	R 20,120.64
Total Fees per category for the Municipal Financial Year (Excluding VAT)			R -	R 1,887,933.84	R 403,115.43	R 40,241.26	R 2,010,649.54	R 429,317.94	R 1,697,027.70	R 2,137,320.46	R 476,485.61
Total Fees for the Municipal Financial Year (Excluding VAT)					R 2,291,049.28			R 2,480,208.74			R 4,310,833.77
Total Fees for the Contract Period (Excluding VAT)											R 9,082,091.79

* The escalation rate used in this Annexure A is linked to the inflation rate and may vary due to the inflation rate being used in calculating the escalation not being available at the date of preparation of this Annexure A.

The schedules selected by the Client are those reflecting “Active” or a that have a Rand value under applicable municipal financial year.
All fees quoted are exclusive of Value Added Tax and Travel costs.

5. Service Schedule A1: Technology Refresh

5.1 Description of Service:

5.1.1 Hardware Upgrade
5.1.2 Software Upgrade
5.1.3 Configuration and Installation
5.1.4 Warranty Extension
5.1.5 Cashiers Printer8082

5.2 Operating system upgrade

5.2.1 The current OS will be upgraded from RHEL7 to RHEL8.
5.2.2 RHEL8 will improve the security of the FMS as it supports Open SSL 1.1.1 TLS 1.3 cryptographic standard.
5.2.3 Munsoft will conduct a free health check on all virtual and in warranty servers and will require Munsoft to access the server.

5.3 Database upgrade

5.3.1 Munsoft is currently running on Oracle version 12, this version has reached End of life.
5.3.2 The database management system will be upgraded to Oracle version 19c this will enable;

5.3.2.1 Automatic Indexing.
5.3.2.2 SQL Diagnostics and Repair Enhancements.
5.3.2.3 Big Data and Performance Enhancements.
5.3.2.4 Real-Time Statistics.

5.4 Development framework upgrade

5.4.1 The development framework will be upgraded, the new version will unlock some key functionality on the development side;

5.4.1.1 Enterprise management of configuration deployments using a new Dashboard
5.4.1.2 Live Health Check status of all active deployments
5.4.1.3 Web Client
5.4.1.4 Separation of settings and operations

5.5 Additional functionality on the Munsoft Municipal BI Dashboard

5.5.1 A browser-based financial reporting application accommodating:
5.5.2 Graphical Representation of Ratios as stipulated in MFMA Circular No. 71.
5.5.3 Cash flow reporting.
5.5.4 Financial position reporting.
5.5.5 Financial performance reporting.
5.5.6 Access control, managed by the appointed administrator.

5.6 Additional functionality on the Munsoft Consumer Portal - An online portal application allowing for:

5.6.1 User-friendly registration, with secure access control.
5.6.2 For owners, tenants can be granted guest access to the account to view statements, payments, and meter readings on the accounts linked.
5.6.3 View, reprint and/or resent of current and historic statements.
5.6.4 Graphical Representation of water and electricity consumption.
5.6.5 Meter reading information, averaged vs actual.
5.6.6 Quick access to payment history.
5.6.7 Consumer ticket system where tickets and feedback can be logged and tracked.

5.7 User menu structure

5.7.1 More logical hierarchy menu structure aligned with the business processes within local government.
5.7.2 Improved menu navigation for better user experience on Munsoft financial system.

5.8 Improved user interface

5.8.1 Emphasis is placed on the usability of the product with a fresh look and feel.

5.9 Foundation for bank integration with major banks

5.9.1 Bank integration promotes simplified bank reconciliation as well as establishing direct EFT payment processes.

5.10 Terms and Conditions:

5.10.1 Operating system, database and development framework have reached end of life (EoL).

5.10.2 Each Municipality has 12 months to upgrade before the current license reaches EoL latest 30 June 2023 and stops working on old version.

5.10.3 When a product/software has reached EoL, there are no longer security patches and support from the manufacturer, to prevent such risks an upgrade is necessary. Latest software presents an opportunity to exploit latest innovations.

5.10.4 This is why MFMA Circular No 112 states that a municipality must have access to updated ICT hardware, software and licences that is sufficient to run the chosen financial.

5.10.5 The upgrade is mandatory as the current platform which has reached EoL presents limitations in implementing mSCOA charts as no further development will be carried out by if a Municipality server is older than 5 years and is out of warranty, the Municipality must procure new hardware as part of the upgrade to prevent drives being at maximum capacity due to data growth and performance risks.

5.10.6 Munsoft will schedule the upgrade for each Municipality starting 1 July 2022, aiming to complete the upgrade for all Municipalities latest 30 June 2023.

5.10.7 Each Municipality has until 30 July 2023 to ensure that the upgrade fee is paid in full. After the upgrade is performed, each Municipality will receive a temporal license for the latest version which will expire 30 June 2023. To ensure the license is not a temporal license, the Municipality would need to process the upgrade fee.

5.10.8 The upgrade fee is not the Annual License fee, the Annual license fee still needs to be processed in full latest 30 July 2023. Munsoft is carrying the expense on behalf of the Municipality for the upgrade for 12 months during the grace period while allowing the Municipality time to process the upgrade fee.

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6. Service Schedule I – Munsoft Essential ICT Services

6.1 A Client wishing to procure any additional Munsoft Essential ICT Services is required to indicate the required Munsoft Essential ICT Services on the Munsoft Essential ICT Services Request Form and should follow the process for procuring additional Supporting Services described in the Service Level Agreement between the Parties.

6.2 Munsoft can provide essential ICT services support that is not FMS related but rather of a technical nature and that is essential for the optimal performance of the environment (hereinafter referred to as "Munsoft Essential ICT Services"). Service Request form:

Service Summary
Schedule I: Basic

Lenovo ThinkSystem SR850 Server (V3-3 year Warranty)
Specifications
1x ThinkSystem SR850 V3 Standard 2U/4S Base with FH PCIe
1x Operating mode selection for: "Efficiency - Favoring Performance Mode
1x Intel Xeon Gold 6416H 18C 165W 2.2GHz Processor
1x ThinkSystem 64GB TruDDR5 4800MHz (2Rx4) 10x4 RDIMM
1x Select Storage devices - no configured RAID required
1x ThinkSystem RAID 9350-16i 4GB Flash PCIe 12Gb Adapter
10x ThinkSystem 2.5" 2.4TB 10K SAS 12Gb Hot Swap 512e HDD v2
2x ThinkSystem SR850 V3/SR860 V3 8x 2.5" SAS/SATA Backplane
1x ThinkSystem Broadcom 57504 10/25GbE SFP28 4-Port OCP Ethernet Adapter
4x SFP+ SR Transceiver
1x ThinkSystem RAID 940-8e 4GB Flash PCIe Gen4 12Gb Adapter
1x ThinkSystem SR850 V3 x8/x16/x16 PCIe G4 Riser 1/3 FHFL
2x ThinkSystem 1800W 230V Titanium Hot-Swap Gen2 Power Supply
2x 2.8m, 13A/100-250V, C13 to C14 Jumper Cord
1x ThinkSystem SR850 V3 Slide Rail
4x Lenovo 5m LC-LC OM3 MMF Cable
1x Enable IPMI-over-LAN
1x ThinkSystem SR850 V3/SR860 V3 System Board
1x ThinkSystem SR850 V3 Root of Trust Module
1x High voltage (200V+)
1x ThinkSystem SR860 V3/SR850 V3/SR850 V2 Intrusion Cable Kit
1x ThinkSystem SR850 V3 System Documentation
2x ThinkSystem SR850 V3/SR860 V3 BP Power Cable 1
2x ThinkSystem SR850 V3/SR860 V3 Cable1 for x350i Controllers
1x ThinkSystem SR850 V3 Cables for Gen4/Gen5 FH Riser 2 (Dovetail R3)
2x ThinkSystem SR850 V3 Cables for Gen4 HH Riser 1 (Marz G4 Ra)
1x ThinkSystem SR850 V3 Cables for Gen4/Gen5 HH Riser 1 (Marz G5 Ra)
1x N+N Redundancy With Over-Subscription
1x ThinkSystem SR850 V3 Front CPUs 1U Air Baffle 1
1x ThinkSystem SR850 V3 Rear CPUs 1U Air Baffle 2
1x ThinkSystem SR850 V3 Agency Labels
2x ThinkSystem 2U MS 24x2.5" SATA/SAS HDD Type Label1
1x ThinkSystem SR850 V3/SR860 V3 FH PCIe Rear Riser Bracket Filler
1x ThinkSystem SR850 V3/SR860 V3 HH PCIe Rear Riser Bracket Filler
1x ThinkSystem 8x1 2.5" HDD Filler

1x MCHP SuperCap ASCM-35F with Filler
1x ThinkSystem SR850 V3 Cables for Gen4/Gen5 HH Riser 2 (Marz G5 R2, Rb, & Rc)
1x ThinkSystem SR850 V3 Service Label
4x ThinkSystem MCC CPU Clip
6x ThinkSystem SR850 V3 Dual Rotor System Fan
6x ThinkSystem 1x1 2.5" HDD Filler
4x ThinkSystem SR850 V3/SR650 V3 Standard Heatsink w/ Heatpipes
1x OCP Filler
1x ThinkSystem OCP NIC Label 1-4
1x ThinkSystem SR850 V3 Branding Label
1x ThinkSystem SR850 V3 WW Packaging
1x ThinkSystem SR850 V3 CFFv4 Power Backplane
1x ThinkSystem 1800W Ti Power rating Label WW
1x ThinkSystem RAID 930/940 SuperCap
1x ThinkSystem SR850 V3/SR860 V3 RAID Card Supercap Cable
1x Notice for Advanced Format 512e Hard Disk Drives
1x Configuration ID 01
1x Configuration Instruction
1x ThinkSystem RAID 9350-16i 4GB Flash PCIe 12Gb Adapter Placement
1x Controller 01
1x Configuration ID 01
1x Premier Essential - 3Year 24x7 4Hr Resp + YDYD SR850 V3
1x XClarity Pro, Per Endpoint w/3 Year SW S&S
1x Lenovo XClarity Pro, Per Managed Endpoint w/3 Year SW S&S

☒ **Backup Infrastructure**

- ☐ Redstor (Onsite)
- ☐ Redstor (Cloud Only)
- ☐ Redstor (Onsite + Cloud)
- ☐ Veeam (Onsite)
- ☒ Veeam (Cloud Only)
- ☐ Veeam (Onsite + Cloud)

☒ **Network Environment Support**

- ☒ Switching Maintenance (Core, Distribution- and Access switches)
- ☐ Internal Wi-Fi (Point-to-Point, Access Points, Wireless Controller)
- ☐ Site-to-Site VPN (Non-MPLS)
- ☐ Internet Connectivity (Non-Munsoft Supplied)

☒ **Security Environment Support**

- ☒ Anti-Virus
- ☒ Firewall Maintenance
- ☒ Managed Switching

☐ **E-Mail Infrastructure**

- ☐ On-premises Microsoft Exchange
- ☐ Hosted Exchange (Office 356)
- ☐ Unified Email Management (Other)
- ☐ Hosted Exchange (Non-Office 365)
- ☒ Unified Email Management (Mimecast)*

**Scope dependent on active UEM bundle.*

☒ **Software / Application License Renewal(s)**

- ☐ Microsoft
- ☒ Eset
- ☒ Firewall
- ☒ Veeam
- ☒ Mimecast
- ☐ Helpdesk
- ☒ VMWare
- ☐ AD Auditing

☒ **Service Delivery Management**

- Monthly Onsite Meeting
- Monthly Service Reporting
- Operational Risk Reporting
- Point of Escalation

☐ Municipal Purchased Hardware & Software

- ☐ Installation and Setup of municipal purchased hardware (i.e., Biometric access Server, Network Monitoring Server, Domain Controller Server, Exchange Server, Anti-virus Server, Print Servers, and CCTV Servers)
- ☐ Support and monitoring of municipal purchased hardware ((i.e. Biometric access Server, Network Monitoring Server, Domain Controller Server, Exchange Server, Anti-virus Server, Print Servers and CCTV Servers)

☐ Policies and procedures

- ☐ Creation of required policies and procedures
- ☐ Implementation of policies
- ☐ Monitoring of policies
- ☐ Review of policies
- ☐ Reporting of implementation and monitoring to management

☐ Auditor Support

- ☐ Communication of ICT audit findings (Follow-up of outstanding audit findings, Address audit findings raised in the previous year's management reports, Address audit findings raised in the previous year's audit reports)
- ☐ Assist during Audit Process (Assist the ICT department during the audit process through engaging with the AGSA during meetings, audit information gathering, queries raised, provide management responses on formal audit queries raised through communication of audit findings, provide management responses on findings raised in the management report)
- ☐ Provide responses and feedback to management on issues raised during audit committee meetings, raised by the audit committee.

☒ Basic	**Standard Deliverables** Support Monitoring and Reporting Patching and Updates
	Add-ons ☐ Implementation ☐ License Management ☐ Advisory ☐ Change Management ☐ Upgrades
☐ Premium	**Standard Deliverables** Support Monitoring and Reporting Patching and Updates Upgrades
	Add-ons ☐ Implementation ☐ License Management ☐ Advisory ☐ Change Management

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Implementation	IT implementation refers to the process of introducing new or updated technology solutions, systems, or software into an organization's existing infrastructure. The goal of IT implementation is to enable organizations to improve their operational efficiency, streamline processes, and enhance their ability to deliver products and services to customers. IT implementation involves a range of activities, including planning, testing, configuring, and deploying technology solutions. The process typically begins with a thorough analysis of the organization's existing systems, infrastructure, and processes to identify opportunities for improvement.
Support	The primary goal of IT support is to ensure that technology systems are functioning effectively and efficiently, minimizing downtime and interruptions to business operations. IT support teams may work onsite or remotely and may be internal to the organization or provided by external service providers.
License Management	IT license management typically involves the following activities: **License tracking**: keeping track of license agreements, including the number of licenses purchased, their expiration dates, and any renewal requirements. **License deployment:** managing the distribution and installation of software licenses across an organization's network. **License optimization:** ensuring that licenses are used efficiently, including identifying unused licenses and reallocating them to users who need them. **License compliance**: monitoring license usage to ensure compliance with licensing agreements and identifying any potential compliance issues. **License reporting**: generating reports on license usage, including license inventory reports, usage reports, and compliance reports.
Monitoring and Reporting	IT monitoring and reporting refers to the process of collecting and analyzing data from an organization's IT systems and infrastructure to ensure that they are functioning effectively and efficiently. The goal of IT monitoring and reporting is to provide IT teams with the information they need to identify and resolve issues quickly, minimize downtime, and optimize system performance. IT monitoring involves the continuous collection and analysis of data from IT systems and infrastructure, including servers, networks, applications, and databases. This data can include performance metrics such as CPU usage, network bandwidth, and application response time, as well as error logs, security alerts, and other system events.

Change Management	IT change management is the process of managing changes to an organization's IT systems and infrastructure in a controlled and systematic way. The goal of IT change management is to ensure that changes to IT systems are implemented in a way that minimizes disruption to business operations, maintains system stability and security, and reduces the risk of errors or failures. Effective IT change management typically involves the following steps: **Change request:** a request is made to change a component of the IT system or infrastructure, such as software, hardware, or network configuration. **Assessment:** the change request is assessed to determine its impact on the IT system and infrastructure, as well as its potential risks and benefits. **Approval:** the change request is approved or rejected based on the assessment and its potential impact on the IT system and infrastructure. **Implementation:** the change is implemented in a controlled and systematic way, with appropriate testing and validation to ensure that it is working as intended. **Monitoring:** the change is monitored to ensure that it is working as intended and that there are no unexpected consequences or issues. **Review:** the change is reviewed to assess its effectiveness and identify any areas for improvement in the change management process.

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Upgrades	IT upgrade management refers to the process of upgrading an organization's IT systems and infrastructure to newer versions or technologies. The goal of IT upgrade management is to improve the functionality, performance, and security of IT systems, while minimizing disruption to business operations. Effective IT upgrade management typically involves the following steps: **Needs assessment:** identifying the need for an IT upgrade based on factors such as system performance, security vulnerabilities, or compatibility issues with newer technologies. **Planning:** developing a detailed plan for the upgrade, including timelines, resource requirements, and potential risks and challenges. **Testing:** testing the new system or technology in a controlled environment to ensure that it is compatible with existing systems and applications, and that it performs as expected. **Implementation:** deploying the new system or technology in a controlled and systematic way, with appropriate testing and validation to ensure that it is working as intended. **Training:** providing training to IT personnel and end-users on the new system or technology, to ensure that they can use it effectively and efficiently. **Monitoring:** monitoring the new system or technology to ensure that it is working as intended, and that any issues or bugs are identified and resolved quickly. **Review:** reviewing the IT upgrade to assess its effectiveness and identify any areas for improvement in the upgrade management process.

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Patching and Updates	IT patch management is the process of identifying, testing, and deploying software patches and updates to an organization's IT systems and infrastructure. The goal of patch management is to ensure that software is up-to-date and secure, reducing the risk of cyber attacks, data breaches, and other security threats. Effective IT patch management typically involves the following steps: **Patch identification:** identifying which software components and systems require updates and patches, including operating systems, applications, and firmware. **Patch testing:** testing patches and updates in a controlled environment to ensure that they do not cause any adverse effects on the IT systems and infrastructure. **Patch deployment:** deploying patches and updates to IT systems and infrastructure, using automated tools to ensure that all systems are updated in a timely and consistent manner. **Patch verification:** verifying that patches and updates have been successfully installed and that systems are functioning as intended. **Patch monitoring:** monitoring systems and infrastructure to ensure that any issues related to patches and updates are identified and resolved quickly.

Advisory	IT advisory services refer to professional consulting services that assist organizations in identifying, evaluating, and implementing technology solutions to improve business operations, increase efficiency, and reduce costs. IT advisory services cover a wide range of topics, including digital transformation, cybersecurity, data analytics, and IT strategy. IT advisory services typically involve the following activities: Needs assessment: understanding the organization's business goals, IT systems, and processes to identify areas for improvement and opportunities for technology solutions. Strategy development: developing a customized IT strategy that aligns with the organization's business objectives, budgets, and timelines. Solution evaluation: evaluating technology solutions that can address the organization's needs, and recommending the most appropriate solutions. Implementation support: providing support for the implementation of technology solutions, including project management, change management, and training. Risk assessment: conducting risk assessments to identify potential risks and vulnerabilities in IT systems, and recommending appropriate cybersecurity measures. Performance optimization: evaluating IT systems and processes to identify opportunities for optimization, automation, and cost reduction.

8. Service Schedule R: Munsoft Reporting Upgrade

8.1 Description of schedule

Financial and other reporting forms an integral part of the Municipality and the services offered under this schedule allows for the automation of production for the National Treasury Returns and Budget Formats, Annual Financial Statements and Management Reporting.

8.2 Deliverables

#	NAME	DESCRIPTION	SELECTED (YES / NO)	NUMBER OF LICENSES
1.	National Treasury Returns & Budget Formats Template	This is used to generate Schedules A, B, C, D, E & F.	No	N/A
2.	GRAP Template for Municipalities	This is used to prepare GRAP compliant Annual Financial Statements.	Yes	N/A
3.	GRAP Consolidation Template for Municipalities	This is used to prepare GRAP compliant consolidated Annual Financial Statements (only applicable if consolidation is required between the Municipality and the Municipal Entity).	No	N/A
4.	mSCOA Template (MBRR)	This is used to generate Specimen Annual Financial Statements (only applicable if the Municipality is required to report on Specimen Annual Financial Statements).	Yes	N/A
5.	Baseline Software License	This is compulsory if (2) or (3) has been selected.	N/A	4

8.3 Schedule specific terms and conditions

8.3.1 The services set out in this schedule are delivered by Munsoft and an independent proprietor on whose behalf Munsoft acts as an agent. Any Services procured in terms of this schedule will, in addition to the terms of the Agreement, be subject to the specific proprietor's standard terms. These terms will be made available upon request.

8.3.2 Any training and consulting services are specifically excluded from this schedule as the scope of work needs to be negotiated between Munsoft and the Municipality and is subject to the acceptance of a Change Note in terms of the Agreement or a purchase order from the Municipality.

8.3.3 Any consulting services are specifically excluded from this schedule as the scope of work needs to be negotiated between Munsoft and the Municipality and is subject to the acceptance of a Change Note in terms of the Agreement or a purchase order from the Municipality.

8.3.4 Any additional software licenses required are subject to the acceptance of a Change Note in terms of the Agreement or a purchase order from the Municipality.

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9. Extended Period Annexure A – Summary of Cost Schedule

The Annexure A – Summary Cost Schedule for the Extended Period:

			Municipal Financial Year July 2024 to June 2025			Municipal Financial Year July 2025 to June 2026			Municipal Financial Year July 2026 to June 2027		
	Start Date	End Date	Once-off Fees	Monthly Fees	Annual Fees	Once-off Fees	Monthly Fees	Annual Fees	Once-off Fees	Monthly Fees	Annual Fees
Munsoft Service Fee	01-Jul-24	30-Jun-27		R 178,110.04			R 189,330.97			R 201,258.82	
Munsoft Annual Maintenance Fee	01-Jul-24	30-Jun-27			R 516,893.70			R 549,458.00			R 584,073.86
Active Schedules											
Service Schedule A: Munsoft Technical Support	01-Jul-24	30-Jun-27		Active	Active		Active	Active		Active	Active
Service Schedule E: Munsoft Standard Disaster Recovery Service	01-Jul-24	30-Jun-27		Active			Active			Active	
Service Schedule H: Statement Printing Solution	01-Jul-24	30-Jun-27		Variable			Variable			Variable	
Service Schedule I: Munsoft Essential ICT Services	01-Jul-24	30-Jun-27			Active			Active			Active
Service Schedule J: Munsoft e-Services Solution	01-Jul-24	30-Jun-27		Active and Variable			Active and Variable			Active and Variable	
Service Schedule Q: Munsoft Academy (Online LMS Facility)	01-Jul-24	30-Jun-27			Active			Active			Active
Service Schedule R: Munsoft Reporting	01-Jul-24	30-Jun-27			Active			Active			Active
Activation of Schedules Fees for Period (Excluding VAT)			R -	R 178,110.04	R 516,893.70	R -	R 189,330.97	R 549,458.00	R -	R 201,258.82	R 584,073.86
Activation of Service Schedules											
None											
Activation of Service Schedule Fees for Period (Excluding VAT)			R -	R -	R -	R -	R -	R -	R -	R -	R -
Total Fees per category for the Municipal Financial Year (Excluding VAT)			R -	R 2,137,320.46	R 516,893.70	R -	R 2,271,971.65	R 549,458.00	R -	R 2,415,105.87	R 584,073.86
Total Fees for the Municipal Financial Year (Excluding VAT)					R 2,654,214.17			R 2,821,429.66			R 2,999,179.73
Total Fees for the Contract Period (Excluding VAT)											R 8,474,823.55

* The escalation rate used in this Annexure A is linked to the inflation rate and may vary due to the inflation rate being used in calculating the escalation not being available at the date of preparation of this Annexure A.

The schedules selected by the Client are those reflecting "Active" or a that have a Rand value under applicable municipal financial year.
All fees quoted are exclusive of Value Added Tax and Travel costs.

10. Signature

SIGNED at______________________ (place) on this day ______________________ (date).

For and on behalf of **MUNSOFT PROPRIETARY LIMITED**

Signature ____

Name ____

Capacity ____

Who warrants that he/she is authorised to do so.

Witness ____

SIGNED at______________________ (place) on this day ______________________ (date).

For and on behalf of the **CLIENT**

Signature ____

Name Bhekani E. Mswane

Capacity Municipal Manager

Who warrants that he/she is authorised to do so.

Should any person other than the accounting officer sign above, a copy of the relevant delegation of authority must be attached.

Witness ____

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