

HAL AND HIL PROJECT AGREEMENT

This Project Agreement ("Agreement") is entered into on (the "Effective Date"), by and between:

SPINE BUSINESS SYSTEMS LTD, with its principal place of business at AZTECH BUILDING (hereinafter referred to as the "Client"), **ARNOLD MBOGO** of ID number **35186931**, **DAVID KIHARA** of ID number **33288274** and **ROBERT MWENJA** of ID number **35198317** (hereinafter referred to as the "Contractor"). (Collectively referred to as the "Parties").

WHEREAS, the Client wishes to engage the services of the Contractor for a specific project (the "Project"), and the Contractor agrees to provide said services under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. PROJECT SCOPE

1.1 Description of the Project:

Spine was awarded the job to develop and implement software solution to Hanspaul Industries and Hanspaul Automech whose business registration is in Tanzania.

1.2 Objective of the project

The objective of the Project Software is to develop a robust and efficient software system for managing Hanspaul Industries and Hanspaul Automech processes.

1.3 Deliverables

- ✓ The Contractor will deliver the following key deliverables as part of the Software Project:
- ✓ Detailed software requirements specification document.
- ✓ System architecture and design documentation.
- ✓ Fully functional software system, including Accounts, HR, Procurement and Operational.
- ✓ User documentation and training materials.
- ✓ Testing and quality assurance reports.
- ✓ System deployment

1.4 Specific Requirements:

- ✓ The software system must meet the following specific requirements:
- ✓ Compatibility with [List compatibility requirements, such as operating systems and hardware].
- ✓ Integration with existing corrugation machinery and equipment.
- ✓ User-friendly interface for operators and administrators.
- ✓ Real-time monitoring and reporting capabilities.
- ✓ Secure data storage and access controls.
- ✓ Compliance with industry standards and regulations

1.5 Project Timeline

The project will begin on Monday 18th, September, 2023 running all the way to Monday 18th, December 2023. Contract duration will be strictly three (3) months.

1.6 Project Budget:

This budget will include fare and food during project development and implementation

Name	No of Months	Amount (Per Month)	Total (Kes)
Duncan Osur (Project Manager)	3	60,000	180,000
David Kihara (System Developer)	3	45,000	135,000
Arnold Mbogo (System Developer)	3	45,000	135,000
Robert Mwenja (System Developer)	3	45,000	135,000
Rent	3	8,500	25,000
Contabo Host (1 year) @ 62\$ per month	12	9,000	108,000
Total			718,000

2. RESPONSIBILITIES

2.1 Client's Responsibilities:

- ✓ Provide access to necessary infrastructure, equipment, and data for software development and testing.
- ✓ Collaborate with the Contractor in defining detailed software requirements.
- ✓ Review and approve project milestones and deliverables in a timely manner.
- ✓ Provide feedback and testing resources as needed.

2.2 Contractor's Responsibilities:

- ✓ Develop the software system according to the agreed-upon specifications.

- ✓ Conduct thorough testing and quality assurance to ensure the software meets the requirements.
- ✓ Provide training to Client's personnel on how to use the software effectively.
- ✓ Deliver all project milestones and deliverables within the specified timeline.

3. TERMS OF PAYMENT

3.1 Payment Amount

The Client agrees to pay the Contractor Five Hundred and Eighty-Five Thousand (585,000) for the services rendered under this Agreement.

3.2 Payment Schedule:

Payment shall be made in accordance with the following schedule:

50% Down payment the remaining 50% on project completion

4. INTELLECTUAL PROPERTY

4.1 Ownership

All intellectual property rights related to these software systems, including source code, documentation, and design, shall be owned by the Client upon full payment.

5. CONFIDENTIALITY

5.1 Confidential Information

The Parties agree to keep all project-related information and data confidential, as outlined in a separate Non-Disclosure Agreement.

6. TERMINATION

6.1 Termination

Either Party may terminate this Agreement if the contractor fails to deliver the project within the specified period or if the Client fails to pay the said amount in time. The Contractor will be required to refund the money in full if he fails to deliver. The Client will be required to pay a fine of not less than 1,000,000 if she fails to pay the contractor after completion of the job.

7. MISCELLANEOUS

7.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Kenya

7.2 Entire Agreement

This Agreement represents the entire understanding between the Parties and supersedes all prior agreements and understandings, whether oral or written.

7.3 Financing

Financing of the project can be done by any of the directors as well as Loan from the bank as form of a loan with an interest of 10% which will be refunded back once the payment has been received in full.

7.3 Revenue Sharing

The revenue will be shared as follows

Name	% share
Lewis Murimi	47%
Duncan Osur	47%
Mabigwa Holdings	14%

IN WITNESS WHEREOF, the Parties hereto have executed this Project Agreement as of the Effective Date.....

Client Representative

Duncan Osur	Sign	Date
Lewis Murimi	Sign	Date

Contractors

Arnold Mbogo	Sign	Date
David Kihara	Sign	Date
Robert Mwenje	Sign	Date