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DAC SYSTEMS 2011 SERVICE CATALOGUE

VERSION 1.0

This catalogue is valid until 28 February 2012

This service catalogue is subject to Dac Systems standard business terms



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1 Purpose of this Service Catalogue

The purpose of this Service Catalogue is to define the levels of Service that can be expected from Dac systems, and to clearly define responsibilities within the process.

2 Duration of Catalogue

This catalogue is valid until 28 February 2012

3 Service Provided

The following services are provided in response to the submission of service requests for support by the client to Dac Systems.

3.1 Functional Support

This would pertain to the:

- (a) Telephonic support of the client's super user to help solve a first line support call; and
- (b) Guiding the super user to identify the cause of the error.

3.2 Technical Support related to bugs

This would pertain to bugs related to the application software or to the custom developed software and data import packages which have come about through the relevant system updates.

3.3 Corrective Maintenance

- (a) Corrective maintenance is performed when errors are discovered in systems that are operational. The nature of such problems normally makes the request a high priority and must be handled as such.
- (b) This type of error is associated with business rules and data integrity. Alternately, errors may be introduced through the processing of new data combinations which have not been previously identified through testing or the processing of the transaction is incorrect due to system configuration issues
- (c) Corrective maintenance would not be as a result of the changes in the application that have been requested by the client. The changes to the existing system requested by the client would be handled as a service request and would then be resolved upon signoff of the service request.
- (d) Software updates, configuration changes and/or patches would be applied to the system once the software updates and patches have been tested on a development system equal to that of the production system.

3.4 Preventative Maintenance

For applications considered critical by the client, and when corrective maintenance activities are low. Work could be conducted up to a level of effort identified by the client, to analyze and take steps to prevent potential problems. This would include the relevant updates to the application software and the environments upon which they function.

3.5 Adaptive Maintenance

Adaptive maintenance is performed when a user requests a change to the way that the systems work that does not change the functionality of the systems; including the AX application, database, import applications and operating system upgrades.

3.6 Management of Axapta user roles

The management of user profiles and roles in Axapta. This includes the following:

- (a) setup of new roles
- (b) assigning roles to users
- (c) changing a user's roles
- (d) removing roles from a User.

3.7 Report Writing

Dac Systems will assist with report writing, dashboards and Business Intelligence (BI).

3.8 Infrastructure / Server management

Dac Systems will apply all relevant operating system software patches and updates on the server(s). Future server additions may be included in the server management and will be evaluated on the merit of including them in the management per server. The patches and updates would be applied once they have been tested and found to have not had any impact on the operational availability of the development system.

3.9 Training

- (a) Each month, dedicated training of new users or refresher and advanced training of existing functionality can be initiated. Training will include all necessary documentation, training tests and the marking thereof as well as the preparation of specific training based on user requirements.
- (b) Training request must be submitted at least 30 days prior to the date the training is required.
- (c) All travel and accommodation will be applied as is documented in the travelling section.

Note: *In the event of a major upgrade or a new development, training costs will be built into the costing of the major development and upgrade. Training materials for these developments and upgrades will be drafted accordingly against the project being implemented at the time.*

3.10 Assistance with Application Environment

- (a) Dac Systems will provide consulting services around using, maintaining and supporting the application environments, including application development tools, application server and database software.
- (b) A development environment for the client system will be setup at the Dac Systems head office, which will be used for the following:
 - (i) Development of code due to maintenance requests
 - (ii) Testing of all system changes
 - (iii) Testing of relevant server operating system software patches and updates.

3.11 Modifications to Baseline documentation

This includes any updates to the baseline specifications and design documentation as a result of changes to existing functionality due to maintenance requests.

3.12 Knowledge Management

Dac Systems will establish a knowledge base with regards to the calls logged at the helpdesk and will be made available to the client. This information will assist in the resolution of problems and the provision of ongoing support.

3.13 Enhancement Development

- (a) Enhancement development is performed when changes in functionality on an operational application or module are requested via a service request. This is often caused by a change in the organization's work environment or work.
- (b) Smaller enhancements can be handled within the retained capacity, but larger enhancements will be quoted for separately should additional support hours be required to execute the request. A lead-up time of 2 weeks may be required per service enhancement request not dealt with in terms of the retained capacity.
- (c) An approved service request which include cost and schedule must be submitted for all enhancement development.
- (d) It is recommended that future enhancements be tabled as soon as possible to conduct the necessary planning for application or module updates. All future initiatives need to be mutually

prioritized by the client and Dac Systems.

3.14 New Development

New development is performed when new applications or complete rewrites of old applications or the inclusion of new application functionality are requested by the client. When a new application or module is ready to be transitioned into the existing systems, support, planning and coordination of the necessary activities between the client team and Dac Systems team will be conducted. This will be handled as a new project.

4 Services Excluded

Under the terms of this Catalogue, Dac systems will not provide the following services to the Client:

4.1 IT related services

- (a) Printing issues
- (b) Desktop support for end user Operating and Office Applications

4.2 Database and network issues

Systems and applications rely on their underlying infrastructure (both hardware and software) to provide an environment within which they can execute optimally. In instances where an application or system fails as a direct result of the failure of the underlying infrastructure (where such infrastructure is beyond the bounds of this SLA), the user will need to contact the relevant software or hardware OEM. Where possible, the help desk will assist in determining the OEM responsible.

A few examples of these underlying infrastructure issues could typically be:

- (a) Dysfunctional database management system
- (b) Server and Client Operating Systems
- (c) Underlying network security
- (d) Underlying network connectivity
- (e) Hardware Drivers

5 Service Request Document

The service request is a document that consist the following:

- (a) Who requested the service
- (b) A detail description of the request

- (c) Detail breakdown of tasks and duration thereof
- (d) Fixed cost derived from the task duration and type of resource required
- (e) Signature block for the approval of the request.

6 Change Management

- (a) Changes will be initiated for new or changed processes, practices, or policies that affect the Dac Systems support team and that require support team members to understand, learn and follow.
- (b) The client will be responsible to communicate changes to the client's end users.
- (c) No support work will be performed without a proper service request which has been logged with the client and proper documentation of the service requested has been approved.
- (d) The production readiness release documentation would document the implementation of the relevant change and the proper roll-back procedure of the change. It would include the performance of a system and database backup before any changes are effected on the system. These changes would have been done on the relevant development system to ensure the impact would be of minimal or no disruption to the business, the client, and its clients.
- (e) Any changes requested or any that need to be applied as a result of operating systems and or application software updates or patches, should be well documented and tested on the development system to determine the impact on business and on any of its partners.

7 Roles and Responsibilities

7.1 The Client roles and responsibilities

The client has the following general responsibilities under this agreement:

- (a) The client is to conduct business in a courteous and professional manner with Dac Systems
- (b) The client users, clients, and /or suppliers using the applications stated in the Statement of Work will use one of the defined methods to request support.
- (c) The client will use their own Help Desk contact to initiate Level 1 support, including logging service requests and service enhancement requests and assigning responsibility to the appropriate Level 2 the client resource.
- (d) The client will provide complete, accurate and relevant information when opening a service request.
- (e) The client will assign severity codes adhering to the correct usage of these codes as defined in this service catalogue.
- (f) Once a service request has been submitted, the client will make the appropriate resources available to work with Dac Systems support resources assigned to the support request.

- (g) The client end users may contact Dac Systems technical support resources directly as long as the request has been logged on the client service request system and an email has been sent to support@dac.co.za with a ticket number.
- (h) The client will provide all of the necessary and requested documentation, information, and knowledge capital to Dac Systems prior to the start of support of a new application.
- (i) The client is to maintain a fully operational QA environment, which mirrors the production environment, for each of the systems covered under this SLA.
- (j) The client is responsible for currency of application metadata (i.e. URLs, server info, backup schedules, etc).
- (k) The client must provide resources that will be responsible for sign off of the completed production release.

7.2 Subsistence and Travel Expenses

Dac Systems has the following general responsibilities under this agreement:

- (a) Dac Systems is to conduct business in a courteous and professional manner with the client
- (b) Dac Systems will log all information from the client required to establish contact information and to document the nature of the problem and the client's hardware/network environment (as applicable).
- (c) Dac Systems will attempt to resolve Severity 1 and Severity 2 problems over the phone or using remote connections on first call.
- (d) Dac Systems will escalate service requests internally upon approach of established resolution targets.
- (e) Dac Systems will obtain the client's approval before closing or cancelling service requests and where applicable draft the appropriate "Production Release" document.
- (f) Dac Systems will report monthly on hours used and brought forward.
- (g) Dac Systems will provide monthly statistical reports on requests open and resolved (by the 8th of each month).
- (h) Dac Systems will provide and regularly update business and system documentation (user & technical).
- (i) DAC Systems will provide the updated code with every new release delivered to the client.

7.3 Dac Systems Support Manager

- (a) The Dac Systems support manager will provide the overall direction of the activities of the support specialists, participate directly in the production of the associated deliverable, and will negotiate with the client's support manager regarding the classification of enhancements and

the scheduling of tasks.

- (b) Act as a point of contact for all application issues (bugs and enhancements).
- (c) His or her duties will include the following services as part of the administration/ project management fee:
 - (i) Ensuring service targets are met (coordinating all activities to ensure all tasks are performed in a consistent manner and on schedule).
 - (ii) Ensuring all work is performed according to the agreed-upon work methods and standards that are in effect within Dac systems and the client.
 - (iii) Ensuring support specialists have all required tools to perform their function.
 - (iv) Performing resource management and scheduling, including provision of overall direction of the activities of the support specialists.
 - (v) Creating and implementing a standard training program for all support resources.
 - (vi) Liaising with other Dac Systems groups.
 - (vii) Assessing the workload for each service request and assigning work to the team member having the appropriate technical knowledge.
 - (viii) Minutes of the service level meetings to be compiled by Dac Systems and distributed to the client.
- (d) The following billable service activities will be accounted for against the retained captivity and additional hours as:
 - (i) Acting as point of escalation for issues beyond usual scope (e.g. attending emergency meetings on application outages, coordination between groups for implementing cross-application solutions, etc).
 - (ii) Participating directly in the production of the associated deliverables.
 - (iii) Liaising with client managers (negotiating with client's support managers regarding the classification of enhancements and the scheduling of tasks, and coordinating the presentation of deliverables to the client's support manager).

7.4 Dac Systems Support Consultant

Dac Systems support consultants work as a dynamic team to provide ongoing application maintenance and support services. Their duties include:

- (a) Conducting all root-cause analysis and bug fix isolation and resolution activities, and associated documentation for the individual tasks, as assigned by Dac Systems support manager.
- (b) Estimating the work effort related to service request and enhancements.
- (c) Identifying all tasks associated with each service request and deriving estimates of the completion of each task.
- (d) Responsibility for responding to and updating service requests.

- (e) Conducting coding and testing to resolve application problems.
- (f) Participating in the acceptance testing and implementation activities.
- (g) Providing knowledge transfer to backup support specialist on regular basis.
- (h) Preparing monthly status reports.

8 Related Processes and Procedures

8.1. Call logging process

- (a) The client will log a service request, for any of the services covered under this SLA using either of the following mechanisms.
 - (i) Logging a call on the client internal Help Desk
 - (ii) Email to support@Dac.co.za for all support, Enter “the client System” and applicable “client Internal Help Desk ticket number” in the subject line.
- (b) The client shall endeavour to provide Dac Systems with an accurate problem description regardless of the logging mechanism employed.
- (c) The client ticket number will be utilized as a reference in all further correspondence around the service request.
- (d) The following information is to be supplied by the client when a service call is logged to ensure that the call can be attended to effectively:
 - (i) A full description of the problem that is being experienced. Where possible a screenshot must be provided.
 - (ii) The severity of the call (1, 2 or 3). In the event that a severity is logged, an indication is to be given on when the request is to be completed.
 - (iii) The responsible super user that is being affected.

8.2 Service request resolution process

- (a) The client user will report the problem to the relevant super user for assistance.
- (b) In the event that the client super user is unable to solve the problem, the super user shall log the request through the existing the client internal Help Desk and receive the client ticket number.
- (c) The client internal help desk shall contact the Dac help desk and log a service request as mentioned above. The Dac help desk will act as a point of contact for all application issues (bugs and enhancements).
- (d) The responsible Dac Systems support resource will pick up the service request by constantly monitoring the Dac help desk and the support@dac.co.za email address for relevant requests.
- (e) The responsible Dac Systems support resource will allocate the appropriate consultants,

developers or technical resources to resolve the service request.

- (f) Straightforward requests may be resolved immediately by telephone or by return email, potentially using remote connectivity to assist the process.
- (g) More complex requests are referred to a senior consultant for assessment, who will either phone or mail the client support team or the affected super user to clarify the nature of the problem. The senior consultant will provide an estimate (work and schedule) to the client, for the work and may then allocate the service request to the appropriate Dac Systems team members for resolution.
- (h) Should the estimate exceed pre-agreed limits or the available remaining retained capacity, the client shall be required to formally authorize Dac Systems to proceed with such a request before any work will be undertaken, with the exception of Severity 1 requests, on which work will commence forthwith.
- (i) Once a call has been resolved in the QA environment, the client technical resource will present the affected the client user with a “Production Release” document. By signing this document, the client agrees to that the problem has been successfully resolved in the QA environment and that they are comfortable that the fix can be deployed to the production environment.
- (j) Upon receiving the signed off “Production Release” the client Technical resource, with the appropriate support from the Dac Systems technical resource, will implement the fix in production.
- (k) Upon successful implementation, the client technical resource will close the call on the client service system.

NOTE: *Please note that some service requests may be cancelled at any stage in the process, in consultation with or at the request of the client. Any work already done towards resolving the case will still be accounted for as part of the retained capacity or additional hours.*

9 Utilisation of support hours

- (a) Should you be unable to utilise the entire support contract value for any given month, you may roll the unused portion (to maximum of 40% of the monthly contract value) over to the following month as credit.
- (b) Any credit accumulated may endure for a maximum of three months.
- (c) The monthly value of the support contract may be supplemented with accumulated credit to a maximum of 140% of the monthly value.
- (d) The cost of support activities will be dependent of the level of resource required and their corresponding hourly rates as depicted in the matrix in Annexure A.
- (e) Any additional hours worked, which exceed the monthly value (or a maximum of 140% thereof in the case of accumulated credit), will be billed monthly in arrears as per the approved

maintenance request at the standard resource rate.

- (f) Support funds will be unrecoverable in the following circumstances:
- (i) If less than 60% support value was used in any given month, the difference between the actual value used and 60% cannot be accumulated as credit and will thus be unrecoverable.
 - (ii) Accumulated credit which was not utilised within the 3 month period; and
 - (iii) Should a support contract not be renewed, any accumulated credit will be unrecoverable at the end of the contract period.

Example.

A support package for a year with a monthly value of R 50 000 was procured and the customer opted not to renew after 12 months.

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Monthly Support Fee	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50 000	50000	50 000
Actual Support Cost	32 000	46 400	69 900	52 800	26 700	70 000	48 700	50 000	50 000	48 200	53200	41 600
Accumulated Credit	18 000	21 600	1 700		20 000		1 300	1 300	1 300	1 800		
Unrecoverable Support					3 300					1 300		8 400
Additional Support Cost(Extra Invoice)				1 100							1 400	

- The rollover funds of Month1 to Month 3 were used in Month 3 and in Month 4.
- The customer paid additional support cost in Month 4, and 11.
- The Customer lost Support funds in month 5, 10 and 12.

Annexure A Pricing Matrix

A.1. Fixed Base Price

- (a) This covers the helpdesk infrastructure (telephonic, email & web) as well as the helpdesk and management resources required in order to meet the defined response times.
- (b) The fixed base price for the service agreement is detailed in the table below:

No of end users to be supported ⁽¹⁾	Mon – Fri 8:00 – 17:00 (9hrs)	Mon – Fri 6:30 – 18:30 (12hrs)	Mon – Sat 8:00 – 17:00 (9hrs)	Mon – Sun 8:00 – 17:00 (9hrs)	Mon – Sun 24 X 7
1 – 25	R 8 160.00	R 12 864.00	R 13 936.00	R 18 848.00	R 27 280.00
26 - 50	R 9 840.00	R 17 952.00	R 18 488.00	R 26 704.00	R 42 440.00
51 - 75	R 12 576.00	R 23 078.40	R 23 721.60	R 34 348.80	R 54 768.00
76 - 100	R 17 232.00	R 32 044.80	R 32 795.20	R 47 753.60	R 76 696.00
101 - 150	R 21 888.00	R 41 011.20	R 41 868.80	R 61 158.40	R 98 624.00
150+	To Be Negotiated				

NOTE:

(1)The number of end users to be supported is the sum of the end users per system for all the systems to be supported.

A.2. Fixed Support Hours Pricing

This cost must be added to the compulsory base price.

This cost is handled as a retainer payable monthly which can be used by the client for maintenance requests up to the value for the following:

- (a) Functional support
- (b) Technical Support Related to Bugs
- (c) Corrective Maintenance
- (d) Preventative Maintenance
- (e) Adaptive Maintenance
- (f) Management of Axapta user roles
- (g) Report Writing
- (h) Infrastructure/Server management
- (i) Training
- (j) Assistance with Application Environment
- (k) Modifications to Baseline documentation
- (l) Knowledge Management
- (m) Enhancement Development

(n) New Development

Support Hours	40	80	120	160	200+
% Discount	1.25	2.5 %	5 %	7.5%	10 %

Annexure B Levels of Support

Level 1	Requests for this support are logged on the client helpdesk portal. This represents general support. If this level of support cannot resolve the problem, the Support Request is passed to Dac Systems' Level 2 support
Level 2	This support is provided by Dac Systems consulting and/or technical.

Annexure C Severity Codes and Service Levels

C.1. Characteristics

The following characteristics are used to identify the impact and to rate the severity of a problem:

- (a) Business and financial exposure
- (b) Work outage caused by the problem
- (c) Number of client's users affected
- (d) Availability and inconvenience of alternative workaround
- (e) Acceptable target resolution time

C.2. Determination of severity code and service level

- (a) It is the goal of Dac Systems to meet, and even exceed when possible, the levels of service in terms of Target Turnaround and Resolution times.
- (b) **Response time** is the time from when the DAC Systems Support Resource receives the request from the client helpdesk until the first technical contact with the client, either to clarify the problem description or to attempt resolution via telephone or remote connectivity.
- (c) **Resolution time** is the time from the DAC Systems Support Resource receives the request from the client helpdesk until the client confirms that it has been resolved. Any delays by the client in making this call shall not accrue to the measured resolution time.
- (d) It is not necessary (nor is it likely) to have a perfect match of each characteristic to categorize a service request at a particular severity level. A given problem must be judged against each of the characteristics to make an overall assessment of which severity level best describes the service request.
- (e) The client determines the initial severity rating for the service request which may be downgraded by Dac Systems in consultation/negotiation with the client, typically from Severity 1 to Severity 2 should a reasonable workaround be found, or from Severity 2 to Severity 3 if the criteria above do not indicate Severity 2. It may also be upgraded by the client from Severity 3 to Severity 2 based on factors like elapsed time, approaching month-end etc.

C.3. Target Response Times

Severity	Description	Target Response ² Time ¹	Time ¹ to Action
1	Critical impact business critical problem, with no suitable workaround, or other urgent/high	2 hours	Within 24 hours

	priority service request		
2	Medium to high impact problem or other urgent/high priority service request, possible with a suitable workaround	4 hours	Within 48 hours
3	Low to medium impact problem, business can continue without this for some time.	24 hours	Scheduled between client and Dac Systems based on relative priority & available capacity

Please note:

1. Calls are logged during the support hours as determined by the clients' selected support contract from Annexure A.1.(b). and target service levels are measured within these support hours.
2. Response time is acknowledging the call and responding to the client that the call has been allocated to the support person responsible for the dealing with the client's request.
3. If possible an estimated target time to resolve the service request will be supplied with the response.

C.4. Guideline for classifying service requests

Severity 1 (Critical)	Severity 2 (Medium to High)	Severity 3 (Low to Medium)
Business and Financial Exposure		
The issue creates a serious business and financial exposure	The issue creates a serious business and financial exposure	The issue creates a low business and financial exposure
Work Outage		
The issue causes the clients to be unable to work or perform some significant portion of their job.	The issue causes the clients to be unable to work or perform some significant portion of their job.	The issue causes the clients to be unable to work or perform some small portion of their job, but they are still able to complete most other tasks. May also include questions and request for information.
Number of Clients Affected		
The issue affects all or a large number of clients	The issue affects a medium number of clients.	The issue affects a small number of clients.

Workaround (This bullet carries the heaviest weighting of the characteristics for Severity 1 and 2)		
There is no acceptable workaround to the problem (i.e. the job cannot be performed in any other manner).	There is an acceptable workaround to the problem (i.e. the job can be performed in any other way).	There may or may not be an acceptable workaround to the problem.

Annexure D Resource Roles

Role	Rate Category
Senior Project Manager	D5
Senior Technical Manager	D4
Project Manager	D3
Technical Manager	D2
Junior Project Manager	D1
Senior Business Analyst	D5
Business Analyst	D4
Senior Systems Architect	D5
Systems Architect	D4
Senior Analyst Programmer	D5
Analyst Programmer	D4
Senior Programmer	D3
Programmer	D2
Junior Programmer	D1
Senior DBA	D3
DBA	D2
Junior DBA	D1
Senior BI Consultant	D5
BI Consultant	D4
Senior Report Writer	D3
Report Writer	D2
Junior Report Writer	D1
Senior Infrastructure Architect	D5
Infrastructure Architect	D4
Senior Network Administrator	D3
Network Administrator	D2
Junior Network Administrator	D1
Senior ERP Consultant	D6
ERP Consultant	D4
Junior ERP Consultant	D2
Specialist Trainer	D4
Senior Trainer	D3
Trainer	D2
Junior Trainer	D1
Specialist Software Tester	D4
Senior Software Tester	D3
Software Tester	D2
Junior Software Tester	D1