DAC Systems (Pty) Ltd - Software as a Service Agreement

This Software as a Service Agreement ("SAAS") is a legal agreement entered into between the parties, DAC Systems (Pty) Ltd, a private company duly incorporated under the laws of the Republic of South Africa, having its registered offices at PlanetDAC, 246 Jean Avenue, Centurion, 0157 ("DAC") and its Customer ("Customer").

The SAAS is accepted by the Customer and shall form the agreement between the parties.

1. INTERPRETATION AND PRELIMINARY

Unless a contrary intention clearly appears –

1.1. the following terms shall have the following meanings –

1.1.1. "charges" means the implementation charges, monthly services and / or subscription charges, usage charges and any other charges pertaining to the provision of services by DAC to the customer;

1.1.2. "Customer" means any person who has entered into an agreement with DAC for the provision of services, or who has applied to DAC for the provision of services, and is used interchangeably with the term "Subscriber";

1.1.3. "implementation" means the installation, configuration and activation of the software on the customer's Microsoft business applications' tenant or at such other location as may be specified by the customer;

1.1.4. "services" means the services, managed or otherwise, and/or software provided by DAC to the customer as agreed from time to time;

1.1.5. "software" means any computer program that is either embedded or provided as a stand-alone application, or accessed via the internet or other web browsing method;

1.2. when any number of days is prescribed in this agreement, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday;

2. LICENCE GRANTED

2.1 Rights Reserved by DAC

DAC owns all title and intellectual property rights in and to the Service. DAC reserves all rights not expressly granted to the Customer under this SAAS.

2.2 Customer's Right of Use

2.2.1 Subject to the Customer's fulfilment of the Customer's obligations under the SAAS, including, without limitation, payment of any and all applicable subscription fees, DAC hereby grants the Customer, subject to the restrictions in Clause 3 below, a personal, non-exclusive, non-transferable right to use the Service according to the terms in this SAAS.

2.3 The Customer's right to use the Service will take effect on the date of the acceptance of this SAAS by the Customer and runs until terminated in accordance with the terms in this SAAS.

2.3.1 The Customer may grant access to the Service for the number of users and / or legal entities agreed between Customer and DAC. The Customer is responsible for the administration of users and / or legal entities registered under the Customer and for the users´ and / or legal entities' use of the Service. If the number of users and / or legal entities exceed the number of users and / or legal entities comprised by the Services to the Customer, DAC is entitled to require that the Customer pays for such number of users and / or legal entities for the remainder of the contract period.

2.3.2 The Customer shall ensure that the Service is not used in a manner which could in any way harm DAC's name, reputation, or goodwill, or which violates applicable laws or regulations.

3. RESTRICTIONS

3.1 No Assignment, Selling, Sub-licensing, Rental, Leasing or Lending

The Customer may not assign, sell, sub-license, rent, lease or lend the Service.

3.2 No Copying

The Customer is not allowed to make any copies of the Service, except to the extent expressly permitted by applicable law. Similarly, the Customer may not publish, distribute or otherwise make the Service publicly available for others to copy.

3.3 Limitations on Reverse Engineering, De-compilation, and Disassembly

The Customer may integrate the Service into the Customer´s IT environment, but may otherwise not:

amend, update, improve or optimise the Service or any part thereof in any manner,

implement the Service or any part hereof in other software, platforms or solutions,

create derivative works based on the Service,

make or perform any form of reverse engineering, decompilation or disassembly of the Service, and

perform any steps directly or via 3rd parties to recreate, copy, improve, amend or optimise the Service.

3.4 Support, Upgrade, Maintenance, etc.

DAC shall not deliver technical support, assistance, maintenance and similar support relating to the Customer´s own IT environment (first level support). The Customer shall purchase such service from DAC. DAC will deliver technical support, assistance, maintenance and similar support on the SAAS solution relating to technical issues outside the Customer´s own IT environment (second and third level support).

4. PRICE AND TERMS OF PAYMENT

4.1 Pricing for charges and Payment Terms will be agreed directly between DAC and the Customer depending on the scope of the Services.

5. EXPIRY AND TERMINATION

5.1 Subscription period

5.1.1 The Customer shall be bound by this SAAS for the subscription period agreed between DAC and the Customer, and the Customer may not terminate the SAAS in this period ("Initial Period"). The Customer may upgrade the Service during the Initial Period, but may not downgrade the Service during the Initial Period.

5.1.2 Unless terminated with a written notice of at least 60 days to the expiry of the Initial Period, a Renewal Period shall automatically commence, and the Customer may not terminate the SAAS in this Renewal Period.

5.2 Breach

5.2.1 In the event that the Customer is in breach of any term, condition or provision of the SAAS or in case of the Customer's insolvency or bankruptcy, DAC may, at its discretion, terminate this SAAS or suspend or downgrade the Service without any notice.

5.3 Consequences of termination

5.3.1 Upon termination of the SAAS, for whatever reason, the Customer shall discontinue any and all use of the Service immediately.

5.3.2 The Customer will at any stage after termination of the Service, on request from DAC, grant DAC administrative access to the Customers Tenant to ensure that the Service has been discontinued, and to discontinue the Service if it has not been discontinued.

6. THE CUSTOMER'S DATA

6.1 The Parties agree that the data uploaded in connection with the Service by the Customer belongs to the Customer, who accordingly may freely dispose of the data while using the Service.

6.2 The Parties agree that the Customer is solely responsible for the backup, archiving and / or safeguarding of its data used in connection with the Service.

7. CHANGES

7.1 DAC is entitled to continuously make updates and improvements on the Service. DAC is also entitled to change the composition and structure of the Service and services provided. Such updates, improvements, and changes may occur with or without notice and may affect the services provided, including information and data uploaded to or submitted by the Service.

8. INTELLECTUAL PROPERTY RIGHTS

8.1 The Service and information submitted from the Service are protected by copyright and other intellectual property rights and are owned by or are licensed to DAC. The Customer shall notify DAC of any current or potential violation of DAC's intellectual property rights or unauthorized use of the Service of which the Customer becomes aware.

8.2 This SAAS does not in any way transfer any intellectual property rights related to the Services to the Customer.

9. EXCLUSIONS AND LIMITATIONS OF LIABILITY

9.1 DAC's objective is to work with the Customer to achieve the business objectives of the Customer. If, in doing so, the Customer suffers proven damages resulting from an act or omission of a DAC director or employee, DAC would recognise this as its responsibility, up to but not exceeding the amount of fees received from the Customer for that phase of work or subscription period. The maximum aggregate liability of DAC upon any claims whatsoever, arising out of the services provided by DAC under this SAAS will in any event be absolutely

limited to the proven direct damages actually incurred by the Customer and furthermore be limited to the amount of fees relating to the Services paid by the Customer 12 months prior to the event giving rise to liability.

9.2 DAC shall not be liable for any indirect or consequential loss or damage of any kind under any circumstances including negligence (whether arising under contract, common law or otherwise) including but not limited to loss of profits, loss or corruption of data, loss of operation time or loss of contracts, whether caused by its directors, employees, agents or others for whom in law it may be liable.

10. THIRD PARTY RIGHTS

10.1 DAC is not responsible for any third-party solutions that are available and/or integrated with the Service. DAC cannot be held liable for the availability, security, functionality, accuracy, completeness, quality, or reliability of the third-party solutions including possible damages and/or loss caused by third party solutions.

10.2 DAC does not grant the Customer any license to any third-party patent or to any other intellectual property rights held by a third party. The Customer must, at the Customer's own expense, license and maintain any such licenses from third parties, and DAC cannot be held liable if a third party raises a claim for infringement of such third party's patent rights or other intellectual property rights. If the Customer does not license and maintain such third-party licenses as mentioned, and if this somehow results in a third party raising a claim against DAC, the Customer shall indemnify DAC against any such third-party claim.

11. WAIVER

Failure or neglect by DAC to enforce any of the provisions of the SAAS at any time shall not be construed nor shall be deemed to be a waiver of DAC's rights under the SAAS nor in any way affect the validity of the whole or any part of the SAAS nor prejudice DAC's rights to take subsequent action.

12. SEVERABILITY

In the event that any of the provisions of this SAAS shall be determined by any competent authority to be invalid, unlawful or unenforceable to any extent, such provision shall to that extent be severed from the remaining provisions which shall continue to be valid between the Parties fully permitted by law.

13. COMPLIANCE WITH LOCAL LAWS

The Customer shall comply at the Customer's own expense and risk with all relevant and applicable laws including, but not limited to, the Protection of Personal Information (POPI) Act.

14. CHANGE OF TERMS

DAC may modify the terms and conditions pursuant to this SAAS without any notice and it is the Customer's obligation to keep up to date on changes to the terms and conditions. Use of the Service at any stage constitutes acceptance of such terms and conditions.

15. APPLICABLE LAW

15.1 Applicable Law: This SAAS shall be governed, construed and enforced in accordance with the laws of the Republic of South Africa.

15.2 Disputes: Any dispute arising out of or relating to this SAAS shall be settled first by Arbitration, the Arbitrator jointly appointed and equally funded by the Parties. The findings of the Arbitrator is final.

15.3 Right to injunctive relief: Notwithstanding Clause 15.2 above, DAC may seek injunctive or equitable relief in any jurisdiction to enforce its intellectual property rights.