SOFTWARE DEVELOPMENT AGREEMENT

THIS AGREEMENT (***“Agreement”***) is entered into on 27th January 2020, between Lockminds Company Ltd ***(“Developer”***), with its principal place of business located at House Number KAW/MMJ/619, Skuli Street, Goba Road (after Massana Hospital), Dar es Salaam and Orbit Securities Company Limited (***“Client”***), with its principal place of business located at 4th Floor, Golden Jubilee Tower, City Centre (either a ***“Party”*** and together the ***“Parties”*** and shall come into effect on the latter of the Parties’ signature (the ***“Effective Date”***).

**WHEREAS,** Developer is engaged in the business of software development,

**WHEREAS,** Client wishes to utilize the services of Developer in connection with the development of Orbit Online Investment Management System identified as Orbit Securities Company Limited (the “Client”).

**WHEREFORE,** Developer and Client agree as follows:

1. **Scope of Services**

Developer will perform the services described in Exhibit A (the “Orbit Securities Company Limited Online Investment Management System User Requirements”), in order to develop and implement the Software according to specifications and completion time set forth therein. Client will cooperate with Developer whenever there is any reasonable request for information and data necessary for completion of the Work. Developer shall cooperate with Client to secure approval of the system by the Capital Markets and Securities Authority (CMSA).

1. **Termination**

Unless terminated as provided herein, this Agreement shall commence on the Effective Date and will extend to and terminate upon completion of Developer’s work. Client may terminate this agreement without cause upon thirty (30) days written notice.

1. **Consideration and Mode of Payment**

Client will pay Developer for the work a sum of TZS 15,000,000 (Shillings Fifteen Million Only) for the whole project (Orbit Securities Company Limited Online Investment Management System) rendered by Developer during the term of this agreement. Developer shall invoice Client according to the way they have agreed on how to deliver this project.

The client shall pay to Developer, against Developer’s Invoices, **50%** of the agreed fees as an initial work payment for the developer to start the work. Then the client will pay **40%** of the remained amount after completion projects as described below and approval by CMSA.

|  |  |  |  |
| --- | --- | --- | --- |
| **Day** | **Description** | **No. of Days** | **TZS** |
| 3rd Feb – 22nd Feb. 20 | Basic Structure, Flow and Layout Design | 20 Days |  |
| 24th Feb – 14th Mar 20 | Database Development and Tables Relationship | 22 Days |
| 16th Mar -4th Apr 20 | Full Integration and Report Functionalities | 21 Days |
| 6th Apr – 25th Apr 20 | Users’ Manual and other documentation | 21 Days |
|  | **Total** 100% of contract value |  | **15,000,000** |

Upon successful completion of user acceptance testing (UAT), training of Client’s in-house users, and the project is handed over to the Client (Orbit Securities Company Limited)**,** the remaining and final **10%** of fees shall be paid.

The System development shall commence immediately after payment of the first installment by Client, and the whole work completed within **Three (3) Months,** counting from the date of payment of the first installment.

1. **Ownership of Intellectual Property**

To the extent that Developer has received payment of compensation as provided in this Agreement, Developer hereby assigns to Client all rights to use the software internally and possess the source codes rights. Developer shall facilitate establishment of basic trouble shooting capacity by assigned Client’s staff.

1. **Confidentiality**

All information relating to Client that is known to be confidential or proprietary, or which is clearly marked as such, will be held in confidence by Developer and will not be disclosed or used by Developer except to the extent that such disclosure or use is reasonably necessary to the performance of Developer’s Work. All information relating to Developer that is known to be confidential or proprietary, or which is clearly marked as such, will be held in confidence by Client and will not be disclosed or used by Client except to the extent that such disclosure or use is reasonably necessary to the performance of Client’s duties and obligations under this Agreement. The obligations of confidentiality will extend for a period of one month after the termination of this Agreement, but will not apply with respect to information that is independently developed by the parties, lawfully becomes a part of the public domain, or of which the parties gained knowledge or possession free of any confidentiality obligation.

1. **Warranty and Disclaimer**

Developer warrants the Clients Work will be performed in a workmanlike manner and in conformity with generally prevailing industry standards. This warranty is exclusive and is in lieu of all other warranties, whether express or implied, including any warranties of merchantability or fitness for a particular purpose and any oral or written representations, proposals or statements made on or prior to the effective date of this agreement.

1. **Limitation of Liability**

Neither party to this agreement shall be liable to the other party for any special, indirect, incidental or consequential damages (including damages for loss of business, profits. Data or any other loss) incurred or suffered by the other arising as a result of or related to the performance of developer’s work, whether in contract, tort or otherwise, even if it has been advised of the possibility of such loss or damages.

1. **Relation of Parties**

The performance by Developer of its duties and obligations under this Agreement will be that of an independent contractor, and nothing in this agreement will create or imply an agency relationship between Developer and Client.

1. **Applicable Law:**

This Agreement shall be governed by and construed in accordance with the laws of the United Republic of Tanzania, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

1. **Arbitration and Mediation**

Except as described in Clause 2 hereof, if any dispute arises under the terms of this Agreement, the parties agree to select a mutually agreeable neutral third party to help them mediate it. If the mediation is unsuccessful, the parties agree that the dispute shall be decided by binding arbitration under the rules issued by the Tanzania Arbitration Association. The decision of the arbitrator shall be final. Costs and fees (other than attorney’s fees) associated with the mediation or arbitration shall be shared equally by the parties. Each party shall be responsible for its attorneys’ fees associated with arbitration.

1. **Miscellaneous**

This Agreement shall be construed pursuant to the laws of the United Republic of Tanzania, excluding any choice of law rules. This Agreement may not be modified or amended except by written notice, which is signed by authorized representatives of each of the parties. A party’s failure to exercise, or delay in exercising any rights hereunder will not be deemed to be a waiver of such right.If any provision of this Agreement is held invalid or otherwise unenforceable, the enforceability of the remaining provisions of this Agreement will not be impaired thereby.

1. **Maintenance**

If some parts of the software are found to be faulty or not working properly after the handover, maintenance of the software shall be undertaken now and then for free. Developer shall be responsible for performing software support and maintenance, as may be requested by Client

These free changes will be the ones documented earlier before the software development.

For new features to be added, Client and Developer will discuss the price on those new features. If it will require a programmer to work on the task, there will be a need to pay TZS 100,000 per day for the programmer.

Website Software training will be done for free to the users.

System management will be done for free for the users.

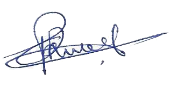
In case of extra training for new members or after delivering the work, Developer shall support Client for a period of twelve (12) months, subject to Client providing transportation to Developer’s Staff coming to train or to troubleshoot a problem at Client’s Office.

**IN WITNESS WHEREOF,** the parties have executed this Agreement effective the date first stated above.

**DEVELOPER: CLIENT:**

Lockminds Co. Ltd Orbit Securities Co. Ltd

Business name Business name

By:  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature Signature

**Name:** Placidius Rwechungura **Name:** Gerase Mugisha Kamugisha

**Title:** Founder and CEO **Title:** CHIEF EXECUTIVE

**Telephone:** +255 783 843 833 **Telephone:** +255 22 213 4313

**Email:** placidius@lockminds.com **E-mail address:** gerase.kamugisha@orbit.co.tz

Lawyers Attestation

Name and Signature:

*ANNEX*

SOFTWARE DEVELOPMENT AGREEMENT

**ORBIT ONLINE INVESTMENT MANAGEMENT SYSTEM**

***Hoya!***

1. **INTRODUCTION**

Thank you for giving us the opportunity to submit a proposal for the design and development of the Online Investment Management System for Orbit Securities. Working together, I believe we can create a dynamic system that is simple to navigate and has a professional, yet welcoming design.

Based on our preliminary understanding on the last meeting at your good office, we have identified and listed below the needs and solutions that we want to address in this project.

1. **The Understanding**

“The Online Investment Management” is an online platform designed to bring fund management services remotely to individual clients’ fingertips. The platform leverages technology to classify clients into various risk profiles that determine their designated portfolios. This helps clients, both, individuals and institutions, to choose a savings and investment plan which matches their livelihood and financial position.

The platform shall be accessible worldwide, hence providing investment and savings options to Tanzanians in diaspora. Management of funds shall be under the Fund Management Team of Orbit Securities Co. Ltd.

1. **Objective**

The online investment management platform will be designed to solve the problems aforementioned by opening financial markets to all corners of the world in an affordable way while letting investors decide on their investments and savings plan without having to analyze or choose specific investment securities.

The main objective of developing the platform is to reach out to investors in remote areas with internet access. This solves three main challenges of affordability, exclusion and complexity, by increasing market access and providing well defined simple products in portfolios at minimum cost to investors.

1. **Process/Work Flow**

The platform shall involve a series of KYC questions that a registering client will have to fill in before accessing the facility and depositing funds. The questions are designed to analyze the clients’ risk tolerance and return expectations. Clients’ submission of applications triggers the platform’s tailored algorithm to categorize each client to specific classes of risk and return.

The algorithm will use these two factors collectively to suggest three portfolios that will suit each particular investor. The portfolios shall be designed by Orbit’s experienced fund management team, suitable for each class according to the class’ assigned risk profile and return expectations. The risk and return of the securities in these portfolios shall be adequately analyzed from time to time by Orbit’s Research Team, to make sure they fit their assigned classes.

Therefore, the investment process shall go as follows:

1. A client goes through the platform and answers a series of KYC questions such as their age, income level, family and dependents, level of investment knowledge, return expectations, investment objectives, etc.
2. The client submits their application along with any required relevant documents. Upon submission of the application, the platform shall classify the client to their respective risk and return expectations class and suggest three portfolios according to the information provided.
3. The client then selects their preferred portfolio. Subsequently, an account for the client shall be opened in the platform, while their information shall be added automatically to their specific class and portfolio.
4. The client shall deposit funds to a provided Bank Account, or any other provided payment means. Deposits shall be made physically or through a specific payment system.
5. Upon submission of proof of payment, the platform credits the respective client’s account with the funds deposited.
6. The funds are then discretionarily invested by the fund management team. The funds shall be part of a pool targeting a specific portfolio determined by a specific class’s risk and return expectations. The fund manager shall always seek the best return while maintaining a minimum level of risk as required by that particular class.
7. The client shall, at all times, be able to track the distribution of their funds and the returns thereof.
8. The client’s funds distribution shall be a mimic of the total portfolio investment distribution.
9. The client shall also be able to track movements and performance of the whole portfolio.
10. The client shall receive monthly reports compiling activities of the portfolio during the month, performance measurement and client’s holdings.
11. Depending on the investment plan, the client shall be able to exit from the scheme within the reasonable agreed timeframe, with accumulated profits or losses for the period, less any management fees. Management fees shall be charged as a fixed annual percentage rate of the total client’s portfolio, deductible quarterly.
12. **Institutional Setup**

The platform and fund shall be launched and managed by Orbit pursuant to its Fund Management license. Participating investors shall authorize Orbit to manage the funds in accordance with their selected investment strategies, and provide them with regular updates on the status of their portfolios.

1. **Expected Results**
2. Increased mobilization of funds from remote areas as well as Diaspora populace. The funds’ investment shall focus on domestic capital markets.
3. Increased indirect participation of ‘Wananchi’ into the Dar es Salaam Stock Exchange and the overall Tanzanian capital market.
4. Increased financial awareness of the local population, especially in rural areas. The project shall be supported by an intense awareness program.
5. Increased domestic ownership of listed equities. This shall be complemented by the increased domestic share of the daily turnover on the Exchange.