**INFORMATION SYSTEMS AND HUMAN RESOURCES**

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**MANAGEMENT SERVICES AGREEMENT**

This Information Systems and Human Resources Management Services Agreement (the “Agreement”) is effective [DATE],

**BETWEEN: [YOUR COMPANY NAME]** (the "Company"), a company organised and existing under the laws of [STATE/PROVINCE] of [COUNTRY], with its head office located at:

 [YOUR COMPLETE ADDRESS]

**AND: [SECOND PARTY NAME]** (the "Service Provider"), a company organised and existing under the laws of [STATE/PROVINCE] of [COUNTRY], with its head office located at:

 [COMPLETE ADDRESS]

WHEREAS [YOUR COMPANY NAME] is engaged in the business of [SPECIFY];

WHEREAS the Service Provider is engaged in the business of providing [DESCRIBE SERVICE] (the “Service”);

AND WHEREAS [YOUR COMPANY NAME] wishes to engage Service Provider to provide the Services;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants and agreements herein contained the parties hereto agree as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

Article 1 hereof contains the definitions of certain capitalised terms used in this Agreement.

**1.2 Generally Accepted Accounting Principles**

All accounting and financial terms used herein, unless specifically provided to the contrary, shall be interpreted and applied in accordance with Generally Accepted Accounting Principles.

**1.3 Headings and References**

The division of this Agreement into Articles, Sections, subsections and Appendices and the insertion of headings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The Article, Section, subsection and Appendix headings in this Agreement are not intended to be full or precise descriptions of the text to which they refer and such headings, and the table of contents are not to be considered part of this Agreement.

All uses of the words “hereto”, “herein”, “hereof”, “hereby” and “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section, subsection or other portion of it. Unless something in the subject matter or context is inconsistent therewith, references herein to an Article, Section, subsection or Appendix refer to the applicable Article, Section, subsection or Appendix of this Agreement.

**1.4 Extended Meanings**

Unless there be something in the subject or the context inconsistent therewith, in this Agreement, words importing the singular number only shall include the plural and *vice versa* and words importing the masculine gender shall include the feminine and neuter genders and *vice versa*.

**1.5 Appendices**

The following Appendices form part of this Agreement:

Appendix A SERVICES PROVIDED

Appendix B REMUNERATION

**1.6 Currency**

All statements of or references to dollar/Rand amounts in this Agreement are to lawful money of [COUNTRY].

**1.7 Tender**

Any tender of documents or money hereunder may be made upon the parties, or their respective counsel and money shall be tendered by official bank draught drawn upon a [COUNTRY] chartered bank, electronic wire transfer of immediately available funds or any other means agreed by the parties.

**1.8 Performance on Holidays**

If any action is required to be taken pursuant to this Agreement on or by a specified date, which is not a Business Day, then such action shall be valid if taken on or by the next succeeding Business Day.

**1.9 Calculation of Time**

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at [HOUR] a.m/p.m. ([STATE/PROVINCE] time) on the last day of the period. If, however, the last day of the period does not fall on a Business Day, the period shall terminate at [HOUR] a.m/p.m. ([STATE/PROVINCE] time) on the next Business Day.

**2. TERM**

**2.1 Term**

Subject to earlier termination as allowed in this Agreement, the initial term of this Agreement shall be for a period of [NUMBER] months commencing on the date of this Agreement, [DATE], and terminating on [DATE] (the “Initial Term”). The Initial Term shall be renewed for additional l terms, unless either Party gives to the other Party a notice of termination in writing at least [NUMBER] days prior to the end of the Initial Term or of the subsequent term in force at the time, as the case may be, at which point there shall be no further renewals.

**3. GRANTING OF RIGHTS**

**3.1 Granting of Rights**

[YOUR COMPANY NAME] hereby grants to the Service Provider any and all rights necessary to the Service Provider to perform its duties and obligations under this Agreement including, without limitation, to perform the Services.

**4. SERVICES**

**4.1 Duties of Service Provider**

Service Provider agrees to use its reasonable commercial efforts to:

4.1.1 provide to [YOUR COMPANY NAME] the services described in Appendix A (the “Services”) as they are currently being provided by [YOUR COMPANY NAME]’s personnel and in accordance with industry practices; and

* + 1. act honestly, in good faith and in the best interests of [YOUR COMPANY NAME] and shall exercise the degree of diligence and responsibility that a Person having Service Provider’s expertise and knowledge of the affairs of [YOUR COMPANY NAME] would reasonably be expected to exercise in comparable circumstances.

Every [NUMBER] days, the parties shall meet to discuss the scope and nature of the Services being rendered under this Agreement and the allocation of costs and expenses therefor between the parties. The parties shall make a good faith effort to resolve any discrepancies or disputes *in re*spect of the foregoing and shall record in writing any modification they agree upon and shall modify Appendices A & B to reflect any such modification that modifies the terms and conditions set forth in such Appendices. In the event that the parties cannot resolve any such discrepancies or disputes, the existing and then current terms and conditions set forth in this Agreement shall remain in full force and effect.

**4.2 Access to Facility Site**

[YOUR COMPANY NAME] shall provide Service Provider and Service Provider’s subcontractors, and their respective agents, mandataries, representatives and employees with full unconditional access to the portion of the Premises in which [YOUR COMPANY NAME] operates its business at all times and without prior notice, for the purpose of conducting the Services, it being understood that such subcontractors, agents, mandataries, representatives and employees shall comply with all safety measures required by law and all reasonable safety measures that are currently in force at [YOUR COMPANY NAME], which may be changed by [YOUR COMPANY NAME] from time to time with Service Provider‘s prior written consent, which consent may not be withheld unreasonably.

**5. REMUNERATION**

**5.1 Remuneration**

5.1.1 As consideration for the Services to be performed by Service Provider under this Agreement, [YOUR COMPANY NAME] shall pay to Service Provider, in accordance with subsection 5.1.1 to subsection 5.1.5, an amount representing all reasonable costs and expenses, incurred by Service Provider in the performance of the Services under this Agreement as set out in Appendix B (the “Remuneration”). All payments made pursuant to this Agreement shall be made in [CURRENCY], without affecting compensation, and [YOUR COMPANY NAME] shall, in addition to such sums, pay to Service Provider an amount equal to all applicable taxes, fees and charges *in re*spect of any such payment to be made under this Agreement for remittance by Service Provider to the appropriate tax authorities.

5.1.2 Service Provider shall provide to [YOUR COMPANY NAME] on a monthly basis, within [NUMBER] days of the end of each month, a statement detailing all reasonable costs and expenses relating to such Services with all necessary supporting documentation (the “Expense Report”).

5.1.3 Service Provider shall provide to [YOUR COMPANY NAME] on a monthly basis, within [NUMBER] days of the end of each month, an invoice relating to the Remuneration for the Services provided by Service Provider during such month (the “Remuneration Invoice”) and any Remuneration not so invoiced, relating to Services rendered prior to the termination of this Agreement, shall be invoiced to [YOUR COMPANY NAME] within [NUMBER] days of the Date of Termination. Service Provider’s Remuneration Invoices shall be *prima facie* evidence of the Remuneration for the Services provided by Service Provider unless proven in error.

5.1.4 Payment by [YOUR COMPANY NAME] of the Remuneration for the Services provided by Service Provider shall be made to Service Provider at Service Provider’s Principal Office or in any other location designed by Service Provider. Payment of the full Remuneration for the Services provided by Service Provider during a month shall be made within [NUMBER] days following receipt of Service Provider’s Remuneration Invoice for the such month.

5.1.5 Any Remuneration Invoice or other statement which is not paid by the maturity date thereof by [YOUR COMPANY NAME] shall bear interest from the due date until the date of payment, at a rate equal to the Prime Rate plus [PERCENTAGE %] percent ([PERCENTAGE %]), which interest shall be payable together with such unpaid amounts upon the demand of Service Provider.

**6. LIMITATION OF LIABILITY AND INDEMNITY**

**6.1 Limitation of Liability**

It is furthermore understood and agreed that in carrying out its duties and obligations hereunder, Service Provider will not be responsible for matters beyond its reasonable control or for matters involving the expenditure of funds which are not made available by [YOUR COMPANY NAME], and Service Provider shall not be held responsible for the defaults of any third parties.

Service Provider shall not be liable under this Agreement for any indirect or consequential damage other than personal injury or property damage resulting from the intentional or gross fault of Service Provider. Service Provider shall not be liable for performance of any of its obligations hereunder for so long as, and to the extent that, they are impossible or unsafe to perform as a result of an Unavoidable Delay or of the existence of any hazardous or potentially hazardous condition at or around the Premises (not being caused by Service Provider or its personnel), such as, by way of example only and not by way of limitation, (i) a future discovery that poses a safety hazard, (ii) any physical impracticability or impossibility of Service Provider’s ability to safely access, traverse upon, and make egress from all or a substantial portion of the Premises or of the portion of the Premises where [YOUR COMPANY NAME] operates its business, and (iii) any failure of the electrical infrastructure which creates or results in any hazardous or potentially hazardous condition at or around the Premises.

[THE LEGAL WARRANTIES WHICH ARE OF PUBLIC ORDER UNDER THE LAWS OF [STATE/PROVINCE] AND THE REMEDIES THEREFOR ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES FOR WHICH SERVICE PROVIDER IS LIABLE AND ARE IN LIEU OF ALL OTHER WARRANTIES (WHETHER WRITTEN OR ORAL, EXPRESSED OR IMPLIED) INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY AND WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND SERVICE PROVIDER SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR DAMAGES OF ANY KIND BASED UPON ANY CLAIM FOR BREACH OF WARRANTY, OTHER THAN AS STATED ABOVE.]

**6.2 Indemnity**

6.2.1 Subject to Section 6.1, Service Provider agrees to hold harmless and indemnify [YOUR COMPANY NAME], its employees, agents, mandataries, officers, directors and representatives and their respective administrators, successors and permitted assigns from any and all claims, actions, suits, proceedings, costs, expenses, damages, losses and liabilities whatsoever arising out of, connected with or resulting from the performance of Service Provider’s obligations under this Agreement as are due to the gross negligence or gross fault of Service Provider or of its employees, agents, mandataries, representatives or subcontractors.

6.2.2 [YOUR COMPANY NAME] agrees to hold harmless and indemnify Service Provider, its licensees, employees, agents, mandataries, officers, directors and representatives and their respective administrators, successors and permitted assigns from any and all claims, actions, suits, proceedings, costs, expenses, damages, losses, and liabilities whatsoever arising out of, connected with or resulting from the performance of Service Provider’s obligations under this Agreement, save and except for such costs, expenses, damages and losses as are due to the gross negligence or gross fault of Service Provider or of its employees, agents, mandataries, representatives or subcontractors.

6.2.3 [YOUR COMPANY NAME] agrees to hold harmless and indemnify Service Provider, its licensees, employees, agents, mandataries, officers, directors and representatives and their respective administrators, successors and permitted assigns from any and all claims, actions, suits, proceedings, costs, expenses, damages, losses, and liabilities whatsoever arising out of, connected with or resulting from the performance of [YOUR COMPANY NAME]’s obligations under this Agreement or the actions of [YOUR COMPANY NAME]’s employees, agents, mandataries, representatives or subcontractors on the Premises.

6.2.4 Each Party agrees to hold harmless and indemnify the other Party from any and all costs, expenses, damages, losses or liabilities, including reasonable attorneys’ fees, that may be sustained by reason of the failure of such Party or of its employees, agents, mandataries, representatives or subcontractors to comply with or conform to any statutes, laws, legislation, ordinances, rules, regulations, codes, permits, licenses, specifications, standards and official interpretations.

**7. TERMINATION**

**7.1 Unavoidable Delay**

In the event that either Party is prevented from performance on a given date by an event constituting an Unavoidable Delay, the date for performance shall be delayed by a period of time equal to the period of Unavoidable Delay. The Party who has been so affected shall notify the other Party as soon as practicable after becoming aware of an event constituting an Unavoidable Delay, shall do everything possible to resume performance, and shall, from time to time, notify the other Party of the expected duration of the period of Unavoidable Delay. Upon receipt of such notice by the other Party, all obligations under this Agreement shall be immediately suspended (except for [YOUR COMPANY NAME]’s payment obligations with respect to Services rendered prior thereto). If the period of non-performance exceeds [NUMBER] calendar days from the receipt of notice regarding an event constituting an Unavoidable Delay, the Party whose ability to perform has not been so affected may terminate this Agreement by giving written notice to the other Party, it being understood that under such circumstances where the Party who has been so affected is Service Provider, [YOUR COMPANY NAME] shall arrange for the Services to be provided in any other manner in conformity with the law, the Lease and without disturbing or adversely affecting the activities or Business of Service Provider.

**7.2 Termination by Either Party**

Either Party will have the right to terminate forthwith this Agreement upon written notice to the other Party if:

7.2.1 the other Party takes any action *in re*spect of liquidation or winding up, or make an assignment for the benefit of creditors, or make any proposal under Bankruptcy and Insolvency laws of [COUNTRY] or any comparable statute of any applicable jurisdiction, or if a bankruptcy petition is filed or presented by the other Party *in re*spect of its properties or assets, or a judgement  or order is entered by any court of competent jurisdiction approving any such petition or a petition seeking the reorganisation, arrangement or composition of or *in re*spect to the other Party or its debts or obligations, or if a custodian or receiver or receiver and manager or any other official with similar powers be appointed for the other Party or a substantial portion of its properties or assets and such appointment is not dismissed or discharged within [NUMBER] days thereof;

7.2.2 a bankruptcy or similar petition with respect to the bankruptcy, or other enforced liquidation of, the other Party is presented or filed against it unless the same is dismissed or discharged within [NUMBER] days, during which grace period execution thereunder is effectively stayed; or

7.2.3 the other Party fails to perform or otherwise breaches any of its obligations hereunder in any material respect and such failure to perform or breach continues for a period of [NUMBER] days after the receipt of notice from the other Party of its intent to terminate and the reasons therefor. If such failure to perform or breach is cured by the Party receiving the notice within the curative period provided herein, then such notice will be of no further force or effect, and this Agreement will continue uninterrupted.

**7.3 Other Termination by Service Provider or by [YOUR COMPANY NAME]**

7.3.1 Service Provider will have the right to terminate this Agreement on a date specified by Service Provider on not less than [NUMBER] days prior written notice to [YOUR COMPANY NAME] if Control of [YOUR COMPANY NAME] is acquired by any Person which is or thereafter becomes, directly or indirectly, a significant competitor of Service Provider or any Affiliate of either of such companys in the business of [SPECIFY].

7.3.2 [YOUR COMPANY NAME] will have the right to terminate this Agreement on a date specified by [YOUR COMPANY NAME] on not less than [NUMBER] days prior written notice to Service Provider if Control of Service Provider is acquired by any Person which is or thereafter becomes, directly or indirectly, a significant competitor of [YOUR COMPANY NAME] or any Affiliate of [YOUR COMPANY NAME] in the business of providing [SPECIFY].

**7.4 Continuing Obligation to Pay**

Any termination of this Agreement shall not relieve [YOUR COMPANY NAME] of its obligation to pay Service Provider for any Services rendered and interest accrued prior thereto as well as any interest accruing after such termination in accordance with Section 5.1.5. Immediately upon termination, there shall be a final “true up” accounting. [YOUR COMPANY NAME] shall pay Service Provider, within [NUMBER] calendar days of such Date of Termination, any and all invoiced amounts for Services rendered prior to the Date of Termination which are unpaid and any and all accrued interest pursuant to Section 5.1.5.

**7.5 Return of Property**

Upon termination of this Agreement by either party, each party shall promptly return to the other all data, materials and other properties of the other held by it.

**8. ARBITRATION**

**Binding Arbitration**

In the event of any dispute or difference arising between the parties in connection with this Agreement, the parties shall use their best efforts to settle the dispute amicably and by mutual agreement. If the parties are unable to resolve the dispute by mutual agreement, any party may notify the other party that it wishes to commence arbitration proceedings under the provisions of this Agreement.

Any arbitration shall be settled by arbitration in accordance with the Arbitration Rules of [OFFICIAL ARBITRATION BODY OF STATE/PROVINCE].

The parties grant a special and irrevocable power of attorney to the [ARBITRATION BODY], so that upon a written request of any one of them the [ARBITRATION BODY] may appoint an arbitrator from among the members of the arbitration body. A decision and an award of the arbitrator will be final. The parties expressly waive all legal recourse *in re*spect of a decision of the arbitrator. The arbitrator is specially empowered to resolve all matters related with his competence and/or jurisdiction.

The parties submit to the jurisdiction of any court having competent jurisdiction with respect to the enforcement of any arbitration award.

Each party hereby irrevocably consents to any legal action or proceedings against it or any of its property with respect to this Agreement being brought to arbitration according to this clause, and by execution and delivery of this Agreement, each Party hereby submits to and accepts with regard to any such action or proceeding for itself and *in re*spect of its property, irrevocably waives, to the fullest extent it may effectively do so, the defence of an inconvenient forum to the maintenance of such action or proceedings.

**9. GENERAL**

**9.1 Time of the Essence**

Time shall be of the essence of this Agreement.

**9.2 Expenses**

Each of the parties hereto shall pay its respective legal and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant hereto and any other costs and expenses whatsoever and howsoever incurred.

**9.3 Benefit of the Agreement**

This Agreement shall enure to the benefit of and be binding upon each Party and their respective heirs, executors, administrators, successors and permitted assigns.

**9.4 Entire Agreement**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the Parties with respect thereto. There are no other representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement.

**9.5 Amendments and Waiver**

No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by both parties and no waiver of any breach of any term or provision of this Agreement shall be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided, shall be limited to the specific breach waived. No failure on the part of either Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of any such right or the exercise of any other right.

**9.6 Assignment**

This Agreement and all rights, duties and obligations arising hereunder may not be assigned by either Party without the prior written consent of the other Party, save and except that (i) either Party may assign this Agreement for collateral security purposes to said Party’s lender(s) providing financing for the operation of its undertaking and (ii) parties may assign this Agreement to a purchaser in connection with the sale of all or substantially all of parties’s business; any such exceptional assignment shall not relieve the assigning Party of any of its liabilities hereunder. In the event of the sale of all or substantially all of the assets of a Party or a change in the Control of a Party, the other Party shall have the right to terminate this Agreement upon [NUMBER] days prior written notice to the Selling Party. The Selling Party shall be liable for and shall reimburse to the other Party all reasonable break-up costs incurred by the other Party due to the early termination of this Agreement.

**9.7 Notices**

Any demand, notice or other communication to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery, by registered mail or by electronic means of communication addressed to the recipient as follows:

9.7.1 **if to [YOUR COMPANY NAME]:**

[YOUR COMPANY NAME]

[YOUR COMPLETE ADDRESS]

Attention: [INDIVIDUAL NAME]

Fax: [YOUR FAX NUMBER]

9.7.2 **if to Service Provider:**

[COMPANY NAME]

[COMPLETE ADDRESS]

Attention: [INDIVIDUAL NAME]

Fax: [FAX NUMBER]

or to such other address, individual or electronic communication number as may be designated by notice given by either Party to the other. Any demand, notice or other communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the third Business Day following the deposit thereof in the mail and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day. If the Party giving any demand, notice or other communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such demand, notice or other communication shall not be mailed but shall be given by personal delivery or by electronic communication.

**9.8 Relationship of the Parties**

Nothing in this Agreement shall be construed as to create or shall constitute a joint venture, agency or partnership relationship between the parties. The duties to be performed and the obligations assumed by Service Provider under this Agreement shall be performed and assumed by it as an independent contractor and not as an agent or in any other way as representative of [YOUR COMPANY NAME], except to the extent that Service Provider is authorised or required by this Agreement to incur obligations on behalf of [YOUR COMPANY NAME] for the purpose of performing the Services.

**9.9 No Authority to Bind [YOUR COMPANY NAME]**

Service Provider has no authority by virtue of this Agreement to enter into contracts or agreements on behalf of [YOUR COMPANY NAME].

**9.10 Subcontractors**

Service Provider shall have the right to contract with others to secure the Services, but without in any way reducing Service Provider’s obligations hereunder.

**9.11 Confidentiality**

Except to the extent required by law, the parties hereto agree that no disclosure or public announcement with respect to this Agreement or the transactions herein contemplated shall be made by any Party hereto without the prior written consent of the other Party.

**9.12 Compliance with the Law**

Each Party agrees to comply with and conform to all applicable statutes, laws, legislation, ordinances, rules, regulations, codes, permits, licenses, specifications, standards and official interpretations in performance of its obligations under this Agreement.

**9.13 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of [COUNTRY].

**9.14 Attornment**

For the purpose of all legal proceedings this Agreement shall be deemed to have been performed in the [STATE/PROVINCE] of [COUNTRY] and, subject to Article 9 hereof, the courts of the [STATE/PROVINCE] of [COUNTRY] shall have jurisdiction to entertain any action arising under this Agreement. [YOUR COMPANY NAME] and Service Provider each hereby attorns to the jurisdiction of the courts of the [STATE/PROVINCE] of [COUNTRY]..

**9.15 Counterparts; Facsimile Signatures**

This Agreement may be executed in any number of counterparts. Each executed counterpart shall be conclusively deemed to be an original. All executed counterparts taken together shall constitute one agreement. A facsimile transmission of this Agreement bearing a signature on behalf of a Party hereto shall be legal and binding on such Party.

**9.16 Survival**

All terms and provisions of this Agreement which should by their nature survive the expiration or termination of the Agreement shall so survive, regardless of the method or manner in which it is terminated, until the parties mutually agree to the release of such obligations including, without limiting the generality of the foregoing, the provisions of Sections 6.2, 7.4 and 9.11 shall so survive.

**9.17 Severability**

If any term, covenant, condition or provision of this Agreement is or becomes to any extent illegal, invalid or unenforceable, such term, covenant, condition or provision shall be restricted in order to render it legal, valid and enforceable or shall be severed from the Agreement so as not to affect the legality, validity or enforceability of the remainder of this Agreement.

**9.18 Language**

The parties hereto acknowledge that they have expressly required that the present Agreement and all Appendices, documents and notices relating thereto be drafted in the English language, and therefore, in the event of any contradiction between this English version of Agreement and any translations, the English version shall prevail.

**10. GUARANTEES**

**10.1 Guarantees**

[YOUR COMPANY NAME] hereby solidarily guarantees to the Shareholders and Service Provider all of the obligations assumed by [YOUR COMPANY NAME] in this Agreement or in any of the Ancillary Agreements, and shall be solidarily liable for any and all damages and losses arising out of any breach of this Agreement or any of the Ancillary Agreement. Service provider shall be entitled to sue and claim such damages against [YOUR COMPANY NAME] pursuant to laws of [COUNTRY].

**10.2 Jurisdiction**

[YOUR COMPANY NAME] expressly submits to the arbitration set in Article 8.

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N WITNESS WHEREOF, each party to this agreement has caused it to be executed at [PLACE OF EXECUTION] on the date indicated above.

# FIRST PARTY SECOND PARTY

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title

**APPENDIX A**

**SERVICES PROVIDED**

SERVICES RENDERED BY SERVICE PROVIDER

**Management Information Systems:**

· Management and support of all existing software platforms used by [YOUR COMPANY NAME].

· Software programming to support applications development and report writing.

· Mainframe, network and PC support.

· Management of [YOUR COMPANY NAME]’s communication systems including, without limiting the generality of the foregoing, telephone systems, network and wireless equipment.

· General technical support for management information systems activities.

**Human Resources:**

· Recruitment of both hourly and salaried personnel.

· Management of payroll and of benefits relating to employees of [YOUR COMPANY NAME].

· Training and staff development.

· Monitoring of health and safety programs.

· Record keeping.

· Industrial relations including, without limiting the generality of the foregoing, handling of issues related to the collective agreements such as grievances as well as employee performance issues.

· Communications to employees.

The human resources Services shall be provided subject to the following:

**1. Recruitment**

Recruitment and termination of employment made by Service Provider on behalf of [YOUR COMPANY NAME] shall be made in compliance with [YOUR COMPANY NAME]’s needs and timing, and no employee of [YOUR COMPANY NAME] shall be offered by Service Provider on behalf of [YOUR COMPANY NAME] conditions (including remuneration and bonus) which have not been previously approved by [YOUR COMPANY NAME].

**2. Pension Plan and Fringe Benefits**

Unless already covered by a collective agreement to which [YOUR COMPANY NAME] is a party, no employee of [YOUR COMPANY NAME] shall be offered by Service Provider on behalf of [YOUR COMPANY NAME] any pension plan or other fringe benefit without the prior approval of [YOUR COMPANY NAME].

**3. Training and Staff Development**

Training and staff development made by Service Provider on behalf of [YOUR COMPANY NAME] shall be made in compliance with [YOUR COMPANY NAME]’s needs, timing, plans and strategies.

**4. Health and Safety Programs**

Monitoring of health and safety programmes made by Service Provider on behalf of [YOUR COMPANY NAME] shall be made in compliance with [YOUR COMPANY NAME]’s needs, timing, plans and strategies.

**5. Issues Related to Collective Agreements**

[YOUR COMPANY NAME] shall discuss with [YOUR COMPANY NAME] any and all grievances, employee performance issues and other issues related to collective agreements *in re*spect of the employees of Service Provider, strategies relating thereto shall be previously approved by [YOUR COMPANY NAME] and no final decision to settle any grievance or any other issue shall be made by Service Provider without the prior approval of [YOUR COMPANY NAME].

**6. Communication to the Employees of [YOUR COMPANY NAME]**

Oral and written communications made by Service Provider to the employees of [YOUR COMPANY NAME] shall be previously approved by [YOUR COMPANY NAME].

## APPENDIX B

## REMUNERATION

**Management Information Systems**

1. The amount representing all reasonable costs and expenses, incurred by Service Provider in the performance of the Services relating to management of information systems of under this agreement are established as follows:

1.1 **Labor-Related Cost**

The costs and expenses relating to labour shall be as follows:

1.1.1 [PERCENTAGE %] of the remuneration of Service Provider’s employees in the Management Information Systems department.

In each case the individual components of the remuneration of any employee are understood to be on a full cost basis, that is salary, wages, bonuses, incentives, benefits, vacation pay, earned vacation, sick leave, overtime, if any, and any other remuneration owed by Service Provider to such employee.

**1.2 Communication**

The costs and expenses relating to communication shall be as follows:

1.2.1 certain costs such as long distance charges and cellular telephones costs will continue to be billed directly to [YOUR COMPANY NAME] by the service providers; and

1.2.2 with respect to other costs not so directly billed to [YOUR COMPANY NAME] by the service providers, wherever possible, costs that can be directly attributed directly to either of either party, will be allocated and charged accordingly. In cases where costs are incurred for both Service Provider and [YOUR COMPANY NAME] or where distinct allocation is not possible, [PERCENTAGE %] of all such costs will be allocated to [YOUR COMPANY NAME].

**1.3 Photocopiers/Fax machines**

The costs and expenses relating to photocopiers and fax machines shall be as follows:

1.3.1 [PERCENTAGE %] of the costs for equipment which is used exclusively by [YOUR COMPANY NAME]; and

1.3.2 [PERCENTAGE %] of the costs for equipment that is used by both [YOUR COMPANY NAME] and Service Provider.

**1.4 Hardware/PC Support**

The costs and expenses relating to hardware and PC support shall be as follows:

1.4.1 any and all hardware purchased by Service Provider on behalf of [YOUR COMPANY NAME] will be charged back to [YOUR COMPANY NAME] by Service Provider; and

1.4.2 [PERCENTAGE %] of the costs for equipment which is used by both parties.

**1.5 Software Licenses**

The costs and expenses relating to all software licenses, operating systems and other computer programmes shall be as follows:

1.5.1 the licences are capitalised, and in future, the depreciation cost for the licences will be shared by the parties on a [PERCENTAGE %]:[PERCENTAGE %] basis. A software licence reimbursement will be paid by Service Provider to [YOUR COMPANY NAME] each month. Each month, such amount owed by Service Provider to [YOUR COMPANY NAME] will be offset against the Remuneration owed by Service Provider to [YOUR COMPANY NAME] for that month and deducted from the Remuneration Invoice relating thereto.

**1.6 Miscellaneous costs**

The costs and expenses relating to the Services not already identified hereinabove shall be as follows:

1.6.1 [PERCENTAGE %] of any other departmental costs, which are not already identified and allocated to [YOUR COMPANY NAME].

**1.7 Special Provision**

The cost allocation principle for Services relating to management of information systems shall be adjusted as follows:

* + 1. for Services relating to management of information systems, the current ratio of [PERCENTAGE %] allocated to [YOUR COMPANY NAME] is based on the current number of computer users in each of Service Provider and [YOUR COMPANY NAME] and will be adjusted if and when such number of users in either Service Provider or [YOUR COMPANY NAME] changes by more than [PERCENTAGE %].

**2. Human Resources**

The amount representing all reasonable costs and expenses, incurred by Service Provider in the performance of the Services relating to human resources under this agreement are established as follows:

**2.1 Labor-Related Cost**

The costs and expenses relating to labour shall be as follows:

2.1.1 [PERCENTAGE %] of the remuneration of Service Provider’s employees in the Human Resources department.

In each case the individual components of the remuneration of any employee are understood to be on a full cost basis, that is salary, wages, bonuses, incentives, benefits, vacation pay, earned vacation, sick leave, overtime, if any, and any other remuneration owed by Service Provider to such employee.

**2.2 Consultants fees**

The costs and expenses relating to consultants shall be as follows:

2.2.1 wherever possible, fees which can be directly attributed directly to either of Service Provider and [YOUR COMPANY NAME], will be allocated and charged accordingly. In cases where fees are incurred for both parties or where distinct allocation is not possible, [PERCENTAGE %] of all such costs will be allocated to [YOUR COMPANY NAME].

**2.3 Expenses for administration of payroll and benefits**

The costs and expenses relating to administration of payroll and benefits shall be as follows:

2.3.1 wherever possible, expenses which can be directly attributed directly to either of [COMPANY NAME] and [COMPANY NAME], will be allocated and charged accordingly. In cases where costs are incurred for both [COMPANY NAME] and [COMPANY NAME] or where distinct allocation is not possible, [PERCENTAGE %] of all costs will be allocated to [COMPANY NAME].

**2.4 Legal fees**

The costs and expenses relating to legal fees shall be as follows:

2.4.1 any and all legal costs incurred by Service Provider on behalf of [YOUR COMPANY NAME] will be charged back to [YOUR COMPANY NAME] by Service Provider; and

2.4.2 in cases where legal costs are incurred by Service Provider on behalf of both Service Provider and [YOUR COMPANY NAME] or where distinct allocation is not possible, [PERCENTAGE %] of all such costs will be allocated to [YOUR COMPANY NAME].

**2.5 Training expenses**

The costs and expenses relating to training expenses shall be as follows:

2.5.1 [PERCENTAGE %] of the costs associated with the training of [YOUR COMPANY NAME]’s employees.

**2.6 Miscellaneous costs**

The costs and expenses relating to the Services not already identified hereinabove shall be as follows:

2.6.1 [PERCENTAGE %] of any other departmental costs which are not already identified and allocated to [YOUR COMPANY NAME].