# Lampiran B

**AGREEMENT BETWEEN**

# THE GOVERNMENT OF SARAWAK

**AND**

# ABC

(Company No: xxx)

Page 1/36

**TABLE OF CONTENTS**

**PART A – GENERAL**

1. DEFINITIONS AND INTERPRETATION 7-9
   1. Definitions
   2. Interpretation
   3. Entire Agreement
2. APPOINTMENT 9
3. CONTRACT PERIOD 10
   1. Contract Period
   2. Extension of Contract Period

# PART B – SCOPE OF SERVICES

1. SCOPE OF SERVICES 10
   1. Scope

# PART C – IMPLEMENTATION

1. IMPLEMENTATION OF SERVICES 11
   1. Collection of Payment
   2. Failure to upload from ABC’s Channel to host computer
2. SERVICE CHARGES CHARGEABLE 12
3. REMITTANCE OF PAYMENT COLLECTION 12-13
4. SERVICE LEVEL 13
5. UNDER OR OVER PAYMENT BY ABC 13-14
6. REPORTS 14
7. AUDITING 14
8. DISPUTED TRANSACTIONS AND

NON-COMPLIANCE WITH SERVICE LEVEL 14-16

# PART D – OBLIGATIONS OF THE PARTIES

1. [OBLIGATIONS OF ABC 1](#_TOC_250005)6
   1. [Standard of Care and Skill](#_TOC_250004)
2. [OBLIGATIONS OF THE GOVERNMENT 16-1](#_TOC_250003)7
3. [REPRESENTATIONS AND WARRANTIES 17-](#_TOC_250002)18

[PART E – INDEMNITY](#_TOC_250001)

1. [INDEMNITY 18-](#_TOC_250000)19
   1. Indemnity against Infringement
   2. Notice of Claim or Demand
   3. ABC’s Obligations
2. OTHER INDEMNITY 19-20
   1. Other Indemnity by ABC
   2. Liability Upon Expiry or Earlier Termination
   3. Notification
3. TERMINATION

Termination by the Government 20-22

* 1. Default by ABC
  2. General Default
  3. Consequences of Termination by the Government

Termination by ABC 22-23

* 1. Default by the Government
  2. Consequences of Termination by ABC
  3. Termination on National or Sarawak’s Interest
  4. Termination on Corruption
  5. Mutual Termination

1. *FORCE MAJEURE* 23-25
   1. Event of *Force Majeure*
   2. Event of *Force Majeure* Affecting ABC
   3. Event of *Force Majeure* Affecting the Government
   4. Termination by *Force Majeure*
   5. Determination of Event of *Force Majeure*
   6. Effect of Termination
   7. Continuing Obligations

# PART F – DISPUTE RESOLUTION

1. DISPUTE RESOLUTION COMMITTEE 25-26
   1. Composition of the Dispute Resolution Committee
   2. Independent Expert
   3. Amicable Settlement
   4. Non-settlement

# PART G – MISCELLANEOUS PROVISIONS

1. CONFIDENTIALITY 26-27
   1. Confidentiality of Agreement
   2. Non-Disclosure
   3. Exceptions
   4. Survival
2. NOTICES 27-28
3. NO AGENCY AND NO PARTNERSHIP 28

23.1 No Agency

23.2 No Partnership

1. AMENDMENT 28
2. WAIVER 29
3. SEVERABILITY 29
4. APPLICABLE LAWS 29
5. COMPLIANCE WITH APPLICABLE LAWS 29
6. ASSIGNMENT 29
7. BINDING EFFECT 29
8. COSTS AND STAMP DUTY 30
9. TIME 30

# SCHEDULES

SCHEDULE A SERVICE CHARGES CHARGEABLE 31

SCHEDULE B SERVICE LEVEL TERM 32-34

SCHEDULE C REPORTS 35

SCHEDULE D PAYMENT STEPS AND PROCESSES 36

**THIS AGREEMENT** is made on this ……… day of 20xx

# BETWEEN

The **GOVERNMENT OF SARAWAK**, who for the purpose of this Agreement is represented by (Ministry or Department) having its address at ……………………………………………………………………………………………...…… (hereinafter referred to as “**the Government**”) of the one part;

# AND

**ABC (COMPANY NO.xx)** a company duly incorporated in Malaysia under the Companies Act 2016 [Act 777] and having its registered office **at …………………………………………………………………………………………………..….** (hereinafter referred to as “ABC”) of the other part. (hereinafter collectively referred to as the “**Parties**” and individually referred to as “**Party**”).

# WHEREAS —

1. ABC has been granted an approval by the State Financial Secretary to be the collection agent and ABC has the system and infrastructure in place to collect payments on behalf of the Government from the users/customers of the Government’s services/products;
2. For the purpose of facilitating the collection of dues and/or payments under any Bill (as hereinafter defined) issued by the Government to the public, the Government is desirous to appoint and ABC has agreed to accept such appointment to provide the Services (as hereinafter defined); and
3. Pursuant to the above, the Parties hereto are desirous of entering into this Agreement to set forth the entire understanding between them with respect to, inter alia, their rights and obligations upon the terms and conditions hereinafter set forth.

Now, therefore, in consideration of these promises and the mutual covenants and agreement herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:-

# NOW IT IS HEREBY AGREED as follows:

**PART A GENERAL**

# DEFINITIONS AND INTERPRETATION

* 1. **Definitions**

In this Agreement the following words and expression shall have the following meaning unless the context otherwise requires:

|  |  |
| --- | --- |
| “Bill” | means any form of notice, including but not limited to any invoices, summons, penalties or assessments, issued by the Government to the public, wherein monies are due and/or payable to the Government; |
| “Business Day” | means a day (other than Sunday, Saturday or public holidays), on which banks, licensed to carry on banking business under the provisions of the Financial Services Act 2013, are open for business in their respective locations in Malaysia. In States where the banks are closed for business on days other than Saturdays and Sundays and/or public holidays ‘Business Day’ shall be construed and interpreted accordingly; |
| “Channel” | means the Outlets and Online; |
| “Service Charges” | means the amount chargeable by ABC to the Government or the public at the mutually agreed rate as stipulated under Clause 6; |
| “File Transfer Protocol” | means the database and/or transfer mode which has been setup on ABC’s server, containing daily data and report of payments made to and/or collected by ABC for and on behalf of the Government; |
| “Outlets” | means all forms of counters including kiosks under ABC, which may be reviewed from time to time; |

|  |  |
| --- | --- |
| “Payment Collection” | means payment made by the public in respect of the Bill and accepted and collected by ABC for and on behalf of the Government through its Channel in cash or any other mode of payment that may be agreed by both Parties from time to time and subject to the terms and conditions of this Agreement; |
| “Online” | means transaction via internet portal or mobile application; and |
| “Services” | means the services provided by ABC for and on behalf of the Government in collecting the payment from the public through the Channel. |

# Interpretation

* + 1. The recitals, schedules hereto and any documents therein referred to shall be taken, read and construed as an essential and integral part of this Agreement provided however that in the event of any conflict or inconsistency between the various documents forming this Agreement, the following order of precedence shall apply:
       1. the clauses; and
       2. the schedules
    2. Reference to Recitals, Clauses and Schedules are to be construed as reference to recitals, clauses and schedules of this Agreement, unless otherwise provided herein;
    3. All references to provisions of statutes include such provisions as amended, modified or re-enacted;
    4. References to section, subsection, Clause, exhibit, appendix or schedule are references to section, subsection, Clause, exhibit, appendix or schedule to this Agreement;
    5. The words “law” and “laws” mean in any present or future law and any constitution, decree, judgement, legislation, order, ordinance, statutes, treaty, directive, by-law, rule or regulation as amended from time to time;
    6. Words applicable to natural persons shall also apply to any body of person, companies, corporation, firm or partnership incorporated or unincorporated;
    7. The expression ‘this agreement’ or any similar expression shall compromise the Recitals, Clauses and Schedule of this Agreement and include any supplemental written agreement thereto as may be executed and be in force from time to time or any time;
    8. Words importing any gender shall include any other gender;
    9. Words importing the singular number shall include the plural number and vice versa including the definitions referred to in Clause 1.1 thereof;
    10. The headings and subheadings to the clauses of this Agreement are for convenience of reference only and shall not affect the interpretation and construction thereof;
    11. Where any word or expression is defined in this agreement, the definition shall extend to all grammatical variations and cognate expressions of the word or expression so defined;
    12. Any technical term not specifically defined in this Agreement shall be construed in accordance with the usage or definition commonly accepted by those in that profession in Malaysia;
    13. Any reference to “normal business hours” in relation to the Government shall mean the hours between 8.00 am to 5.00 pm from Monday to Friday; and
    14. Any reference to “writing” or cognate expression, including any communication effected by telex, cable, facsimile, transmission, electronic mail or other comparable means.

# Entire Agreement

This Agreement contains the entire understanding between the Parties with respect to the subject matter hereof and supersedes all prior agreements or understandings, inducements or conditions, express or implied and oral or written.

# APPOINTMENT

The Government hereby appoints ABC for the purposes of providing the Services and ABC hereby accepts such appointment and undertakes to provide the Services subject to the terms and conditions of this Agreement.

# CONTRACT PERIOD

* 1. **Contract Period**

This Agreement shall be valid for a period of … ( … ) year(s) (hereinafter referred to as “**the Contract Period**”) commencing from …………………………..…

(herein after referred to as the “**Effective Date**”) to ……………………………….

(herein after referred to as the “**Contract Expiry Date**”).

# Extension of Contract Period

ABC may apply to the Government in writing for an extension of the Contract Period not less than three (3) months prior to the Contract Expiry Date if it intends to extend the Contract Period. The Government shall have the absolute discretion whether or not to consider such application. If such application is considered, the Parties may, as soon as reasonably practicable after the receipt of such application by the Government, negotiate the terms and conditions as such extension not later than one (1) month prior to the Contract Expiry Date. If the Parties fail to reach an agreement, this Agreement shall automatically expire on the Contract Expiry Date.

**PART B SCOPE OF SERVICES**

# SCOPE OF SERVICES

# Scope

ABC shall provide the Services to the Government in the following manner:-

* + 1. allows the public to make payment in the manner described in Clause 5 of this Agreement;
    2. undertake that all payments made by the public to the Government are credited into the accounts of the Government in accordance with Clause 7 of this Agreement;
    3. undertake that all payments made by the public are secured; and
    4. undertake that the service levels as described in Schedule B are complied with at all times during the Contract Period.

**PART C IMPLEMENTATION**

# IMPLEMENTATION OF SERVICES

# ABC agrees to implement the Services in the following manner:-

# Collection of Payment

* + 1. Any payment for the Bill can be made to and/or collected by ABC for and on behalf of the Government either over the Outlets or through Online (payment steps and processes as set out in “Schedule D” herein).
    2. (a) For payments of the Bill over the Outlets, a receipt in a form/format to be mutually agreed by both Parties shall be returned forthwith to the person who made such payment.

(b) For payments of the Bill through Online, a virtual receipt with transaction reference number will be generated therefrom for the person who made such payment.

5.1.3. At the end of each Business Day, the data containing information of the payment will be uploaded by ABC and processed at ABC’s host system. Daily data and report as per Schedule C will be available at the File Transfer Protocol (FTP) server for the Government by 8.00 am on the following Business Day. The data will be kept in the FTP server for one (1) month after which period such data will be transferred to ABC’s archive. In the event the Government is not able to download such data through internet, both Parties shall agree on the manner as how such data shall be furnished to the Government.

5.1.4 If both Parties agree for payment update to be done online in lieu of FTP, the ABC’s system shall integrate with the Government’s system through a web service to update the payment in real time.

# Failure to upload from ABC’s Channel to host computer

In the event ABC fails to transmit the data in accordance with Clause 5.1.3 and Clause 5.1.4, ABC shall furnish to the Government the processed data in respect of the transactions carried out on the said transaction day not later than the next Business Day after the said transaction day.

# SERVICE CHARGES CHARGEABLE

* 1. In consideration of ABC providing the Services in accordance with this Agreement, the Parties agree that the service charges payable to ABC shall be in the following manner:
     1. The Government shall pay service charges to ABC for the Services in accordance with the charges described in Schedule A. The payment for service charges is subject to an arrangement between the Government and ABC.

and/or

* + 1. ABC shall charge and collect the service charges from the public or from their account, as the case may be, for the Services, in accordance with the charges described in Schedule A.
  1. ABC may issue invoice (**Note: Parties to**

**agree on the time period**) to the Government in which the claimed amount of the service charges is to be stated in detail. The Government shall make payment within fourteen (14) days from the date of receipt of completed invoice and other supporting documents.

# REMITTANCE OF PAYMENT COLLECTION

* 1. All Payment Collections shall be remitted to the Government in the following manner:-
     1. In respect of the transactions carried out by ABC, it shall, on the next Business Day, ascertain the following base on the summary report generated by its internal system:-
        1. the total Payment Collection; and
        2. the service charges chargeable in accordance with Clause 6.1(a).

7.1.2 ABC shall remit the total Payment Collection and shall not deduct any service charges due to the Government to the bank account as advised by the Government within T+1 Business Days. For the purpose of this Clause, T shall mean “transaction day”.

PROVIDED THAT notwithstanding the above, all outstanding amounts due to the Government (if any) pursuant to the reconciliation and closing of the accounts for each particular month, shall be paid to the Government no later than the last Business Day of the following month.

7.1.3 ABC shall furnish to the Government by 2.00 pm via e-mail on the following Business Day the acknowledgment form issued by bank and summary report prepared by ABC in respect of the remittance made in accordance with Clause 7.1.2. In the event of system down, the said documents shall be sent to the Government by any other medium to be mutually agreed by both Parties.

* 1. In the event ABC fails to remit the total Payment Collection in accordance with Clause 7.1 of this Agreement, ABC shall pay compensation to the Government for such failure if it is caused or contributed to by any act or omission or negligence on the part of ABC, its employees, agents or servants. The amount of compensation to be paid for each day of delay or any part thereof shall be based on the amount to be remitted multiplied by the penalty rate at 3% or as determined by the State Financial Secretary from time to time and the number of days delayed divided by 365 days as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Amount to be remitted | x | Penalty Rate (3%) | x | No of days delayed |
|  |  | 365 |  |  |

* 1. Payment of the compensation shall be made within fourteen (14) days from the receipt of notice issued by the Government demanding such payment.

# SERVICE LEVEL

* 1. In the event ABC fails to provide the Services in accordance with Schedule B, ABC shall pay to the Government damages stipulated in Schedule B for such failure if it is caused or contributed to by any act or omission or negligence on the part of ABC, its employees, agents or servants.
  2. Notwithstanding any other provisions in this Agreement, the Parties hereby agree that for purposes of imposition of damages under Clause 8, the State Accountant General shall make such demand on behalf of the Government. ABC shall make such payment to the State Accountant General within fourteen (14) Business Days from date of receipt of such demand. For the avoidance of doubt, the Parties hereby agree that the Government shall not make any claims whatsoever under this Clause.

# UNDER OR OVER PAYMENT BY ABC

In the event of any discrepancy between the amount collected and the receipts pertaining to the collection, the Government shall immediately inform ABC in writing in respect thereof whereupon the State Accountant General shall inspect the relevant records and the receipts in ABC's Channels to verify the discrepancy. ABC and the Government shall undertake to refund each other deficit or surplus (whichever is applicable) of monies paid within fourteen (14) Business Days from the date both Parties have verified the discrepancy (if any).

# REPORTS

* 1. ABC shall provide, without any charge to the Government, the following reports in the following manner:
     1. transaction reports by 8.00am on the following Business Day, in the form, format and method for reporting as agreed between the Parties in Schedule C; and
     2. the Service Availability Reports, to be make available at the File Transfer Protocol server or online for the Government, by the first week of the following month, in respect of the details of the matters described in paragraph 1, 2 and 3 of Schedule B for each month.

# AUDITING

* 1. ABC agrees that the authorized representatives of the Government including auditors shall have access to the system and data in respect of the Services for audit purposes provided always that prior written notice within reasonable time shall first be given to ABC by the Government before the conduct of the audit and further that the audit conducted shall be at the Government’s sole cost and expense.
  2. ABC shall maintain an adequate audit trail within the system and the Government including auditors shall have access to the audit trail.
  3. ABC shall not modify or amend the audit trail log and shall maintain the audit trail for seven (7) years.

# DISPUTED TRANSACTIONS AND NON-COMPLIANCE WITH SERVICE LEVEL

* 1. For purposes of providing efficient and friendly Services, ABC shall take all reasonable and necessary steps to provide avenues and channels at the Outlets and Online to enable the public to make and Government and/or ABC to receive any complaints, suggestion or grouses in respect of the Services.
  2. Upon receipt of any complaint from the public, ABC shall notify the Government within one (1) Business Day from the receipt thereof. ABC shall thereafter investigate such complaint or any complaint received by the Government. If ABC requires the necessary information from the Government in relation to the fraudulent transaction, the Government shall upon such request provide ABC with the necessary information. ABC shall submit to the Government a report detailing the investigation carried out and the findings of such investigation within fourteen (14) Business Days from the date ABC notified the Government of such complaint or within fourteen (14) Business Days from the date ABC receives the necessary information from the Government on such complaint (whichever is applicable).
  3. In the event the Government is satisfied —
     1. that the complaint made relate to a fraudulent transaction in respect of the Bill and the Payment Collection:-

1. the Government shall refund the Payment Collection to the appropriate person; and
2. ABC shall refund to the Government the service charges within fourteen (14) Business Days from the receipt by ABC of such demand from the Government, if any, in respect of the refund.

For the purpose of this Clause “fraudulent transaction” shall include dispute which relate to the genuineness or duplication of a transaction completed in respect of a Bill; or

* + 1. that the complaint made is in respect of failure by ABC to comply with the service level described in Schedule B, then the Government shall be entitled to demand from ABC damages stipulated in Schedule B and ABC shall pay to the Government such damages within fourteen (14) Business Days from the date of receipt by ABC of a notice demanding such damages from the Government PROVIDED that payment of such compensation shall not prejudice the Government’s right under this Agreement or under any other law.
  1. For the avoidance of doubt, any payment to be made by ABC to the Government under this Agreement shall not be set-off against any payment due to ABC from the Government.

# Fraud

* + 1. Assistance in investigation

The Government shall, upon request of ABC, provide to ABC within fourteen (14) Business Days from the date of request, the following information in relation to any investigation arising out of a suspected fraudulent transaction:-

1. transaction date;
2. time;
3. mode of authorization; and
4. description of services.
   * 1. No liability

ABC acknowledges that the assistance provided by the Government shall not be construed in any way as an admission of liability on the part of the Government and the Government shall not be held liable in any way for any loss or damage suffered by ABC resulting from the fraudulent transaction.

# PART D OBLIGATIONS OF THE PARTIES

# OBLIGATIONS OF ABC

# Standard of care and skill

ABC shall provide the Services and perform its obligations under this Agreement —

* + 1. by exercising professional judgement, practice requisite skill and using qualified and experienced personnel;
    2. with due care, diligence and efficiency;
    3. in accordance with sound principles and best practices in the communication, management and information technology industry;
    4. in such manner as shall always safeguard and protect the Government’s interests and with all necessary and proper steps taken to prevent abuse or uneconomical or inefficient use of facilities or resource made available to ABC; and
    5. in accordance with the provisions of this Agreement.

# OBLIGATIONS OF THE GOVERNMENT

* 1. Subject to Clause 5.1.3 the Government shall download the said data and the data summary report from the ABC’s FTP server.
  2. The Government shall upload the FTP server and update the Public’s account on the same day it receives the data using its resources.
  3. Subject to Clause 5.1.4, the Government shall inform ABC immediately if the data is not available.

# REPRESENTATIONS AND WARRANTIES

* 1. ABC hereby represents and warrants to the Government that:-

1. it is a company validly existing under the laws of Malaysia;
2. it has the corporate power to enter into and perform its obligations under this Agreement and to carry out the transactions and business as contemplated under this Agreement;
3. it has taken all necessary corporate actions to authorize the entry into and performance of this Agreement and to carry out the transactions contemplated under this Agreement;
4. As at the execution date of this Agreement, neither the execution nor performance by it of this Agreement nor any transactions contemplated by this Agreement shall violate in any respect of any provision of:-
   1. its Memorandum and Articles of Associations; or
   2. any other document or agreement, which is binding upon it or its assets
5. no litigation, arbitration, tax claim, dispute or administrative proceeding is presently current or pending or, to its knowledge, threatened, which is likely to have a material adverse effect upon it or its ability to perform its financial or other obligations under this Agreement;
6. this Agreement constitutes a legal, valid and binding obligation and is enforceable in accordance with its terms and conditions;
7. it has obtained the necessary license, authorization, approvals and certifications in providing the Services and the fulfillment of its obligations under this Agreement;
8. the Services shall be provided in conformity with the standards generally observed in the industry for similar Services; and
9. the execution of this Agreement and the performance of its obligations under this Agreement will not cause a breach by ABC of any duty arising in law or equity;

AND ABC acknowledges that the Government has entered into this Agreement in reliance on its representations and warranties as aforesaid.

* 1. **Continuing Representation**

ABC further represents and warrants to the Government that the representations and warranties set out in Clause 15.1 shall remain true and correct and shall survive and continue to have full force aand effect until completion of this Agreement.

**PART E**

**INDEMNITY**

# INDEMNITY

# Indemnity against infringement

# ABC shall, at its own cost and expense, fully indemnify the Government against all claims, demands, liabilities and costs incurred by the Government if the Services, or any part thereof, infringes the copyright, trade secrets, patent and trademarks and other intellectual property rights of any third party provided that such infringement:-

* + - 1. is not caused by the acts of the Government other than the normal use of the Services; or
      2. relates to any hardware and software procured by ABC for the purposes of this Agreement.

# Notice of Claim or Demand

* + 1. The Government shall give notice to the ABC of any such claim or demand that is made against the Government and ABC in such event shall defend any such claim or demand and make settlement thereof at its own expense in order to settle or oppose it.

# ABC’s Obligations

* + 1. If at any time an allegation of infringement of a third party’s rights is made, or if in ABC’s opinion is likely to be made, in respect of any part used for the purpose of the Services, ABC shall at its own costs and expenses:-

1. obtain for the Government the right to continue using such part; or
2. modify or replace the part (without detracting from the functionality specified under or pursuant to this Agreement and without affecting the performance of the Services) so as to avoid infringement and in consequence thereof, provide the relevant training for usage of such modification or replacement (if necessary), and
3. the Government agrees that it shall use its best endeavour to provide to ABC all reasonable assistance (other than financial assistance) required to exercise such options.

16.3.2. Notwithstanding the foregoing, the Government shall not incur any liability if ABC fails to obtain such right and fail to modify or replace the infringing part.

* 1. In no event shall either Party be liable for consequential, incidental, indirect, special or punitive loss, damage or expenses (including but not limited to business interruption, lost business, lost profits or lost savings) even if it has been advised of their possible existence.

# OTHER INDEMNITY

* 1. **Other Indemnity by ABC**
     1. ABC shall be liable for and shall indemnify and keep the Government fully indemnified from and against:-
        1. any demand, action, damage, expense, liability, loss, claim, suits or proceedings whatsoever arising under any law of Malaysia in respect of any accident, damage, injury or death to any person including defamation, libel and slander or in respect of injury or damage of any kind to any property real or personal by reason of the carrying out of this Agreement; or
        2. any direct damage to the Government and/or the Government’s property, to the extent that the same is occasioned by -
           1. defects in any aspect of the Services; and/or
           2. the negligent acts or omissions of ABC, its agents and their respective employees committed in the course of their respective engagements or employment and shall hold the Government harmless from and against any and all claims, actions, damages, demands, liabilities, costs and expenses, including reasonable legal fees and expenses resulting therefrom.

# Liability upon Expiry or Earlier Termination

The expiry or earlier termination of this Agreement shall not affect the liability of any Party for any of its acts or omissions during the Contract Period prior to earlier termination thereof and the aggrieved Party shall be kept indemnified and held harmless in respect of any claim arising therefrom.

# Notification

The Government shall inform ABC of any claim or proceedings or anticipated claim or proceedings against it in respect of the matters covered by this Clause as soon as practicable after it becomes aware of such claim or proceedings.

# TERMINATION Termination by the Government

* 1. **Default by ABC**

In the event ABC without reasonable cause:-

* + 1. suspends this Agreement and fails to proceed regularly and diligently with the performance of its obligations under this Agreement;
    2. fails to provide the Services in accordance with this Agreement or persistently neglects to carry out its obligations under this Agreement;
    3. defaults in performing the duties under this Agreement; or
    4. breaches any of its obligations or fails to comply with any other terms and conditions of this Agreement,

then the Government shall give notice in writing to ABC specifying the default and requiring ABC to remedy such default within thirty (30) days after the date of the notice. If ABC fails to remedy the relevant default within such period or such other period as may be determined by the Government, the Government shall have the right to terminate this Agreement at any time thereafter by giving notice to that effect.

# General Default

If at any time during the Contract Period:-

* + 1. an order is made or a resolution is passed for the winding-up of ABC, except for the purpose of reconstruction or amalgamation not involving the realization of assets in which the interest of creditors are protected;
    2. ABC goes into liquidation or a receiver is appointed over the assets of ABC or ABC makes an assignment for the benefit of or enters into an arrangement or composition with its creditors or stops payment or is unable to pay its debts; or
    3. execution is levied against a substantial portion of ABC’s assets, unless it has instituted proceedings in good faith to set aside such execution,

then the Government shall have the right to terminate this Agreement forthwith by giving notice to that effect.

# Consequences of Termination by the Government

Upon termination of this Agreement under Clause 18.1 or 18.2:-

* + 1. the rights granted to ABC under this Agreement shall terminate immediately and shall revert to the Government forthwith;
    2. ABC shall:-

1. forthwith cease all Services; and
2. submit to the Government the detailed reports of the last status of the Services rendered and any payments which has become due and owing from the Government prior to the termination, for verification and approval by the Government.
   * 1. the Government shall:-
3. be entitled to claim against ABC for all the losses and damages damages suffered (if any) as a result of the termination of this Agreement;
4. be entitled to claim against ABC for all monies due and payable under this Agreement; and
5. be entitled to appoint a third Party to perform this Agreement.

Provided that the termination shall not affect or prejudice the rights of any Party which have accrued prior to the date of termination of this Agreement and the obligations under this Agreement shall survive the termination of this Agreement in respect of any act, deed, matter or thing happening prior to such termination of this Agreement.

# Termination by ABC

* 1. **Default by the Government**

If the Government without reasonable cause fails to perform or fulfill any of its obligations which adversely affects ABC’s obligations under this Agreement, then ABC may give notice in writing to the Government specifying the default and the Government shall remedy the relevant default within thirty (30) days after receipt of such notice or such other extended period as agreed by the Parties. If the Government fails to remedy the relevant default within such period or such other extended period, ABC shall be entitled to terminate this Agreement at any time by giving notice to that effect.

# Consequences of Termination by ABC

Upon termination of this Agreement under Clause 18.4:-

1. The rights granted by the Government to ABC and the obligations in this Agreement shall terminate immediately;

(b) ABC shall :-

1. cease to carry out the Services immediately;
2. submit to the Government the detailed reports of the last status of the Services rendered and any payments which has become due and owing from the Government prior to the termination, for verification and aproval by the Government; and
3. pay to the Government not later than fourteen (14) days after the date of termination or or at any time as determined by the Government, the aggregate of all monies due and payable under this Agreement.

(c) The Government shall:-

* 1. pay ABC all monies due and payable to ABC as at the date of the termination of this Agreement which have not been paid (if any) under this Agreement; and
  2. be entitled to claim against ABC for all monies due and payable under this Agreement.

(d) For avoidance of doubt, the Parties further agree that the payment made by the Government under clause 18.5(c)(i) shall constitute as full and final settlement between the Parties.

# Termination on National or Sarawak’s Interest

Notwithstanding any provision of this Agreement, the Government may terminate this Agreement by giving not less than thirty (30) days notice to that effect to the ABC (without any obligation to give any reason thereof) if it considers that such termination is necessary for national or Sarawak’s interest, in the interest of national or Sarawak’s security or for the purposes of Government policy or public policy.

For the purposes of this Clause, what constitutes “national or Sarawak’s interest”, “interest of national or Sarawak’s security”, “Government policy” and “public policy” shall be solely made and determined by the Government and such determination shall for all intent and purposes be final and conclusive and shall not be open to any challenge whatsoever.

# Termination on Corruption

* + 1. Without prejudice to any other rights, if the Government is satisfied that ABC, its personnel or agents is or are involved in corruption or unlawful or illegal activities in relation to this Agreement or any other agreement that ABC may have with the Government, the Government shall be entitled to terminate this Agreement at any time, by giving immediate written notice to that effect to ABC.
    2. Upon such termination, the Government shall be entitled to all losses, costs, damages and expenses (including any incidental costs and expenses) incurred by the Government arising from such termination.
  1. **Mutual Termination**

This Agreement may be terminated by mutual agreement executed by both Parties with the terms and conditions to be agreed by the Parties prior to the notice of one (1) month.

# FORCE MAJEURE

* 1. **Event of Force Majeure**

Neither the Government nor ABC shall be in breach of its obligations under this Agreement if it is unable to perform or fulfill any of its obligations thereunder as a result of the occurrence of an Event of *Force Majeure*. An “Event of *Force Majeure*” shall mean an event not within the control of the Party affected, which

that Party is unable to prevent, avoid or remove and shall include:-

* + 1. war, hostilities (whether declared or not), invasion, act of foreign enemies, rebellion, revolution, insurrection, military or usurped power, civil war or act of terrorism;
    2. ionizing radiation or contamination by radioactivity from any nuclear waste, from the combustion of nuclear fuel, radioactive toxic explosive, or other hazardous properties of any explosive, nuclear assembly or nuclear component thereof;
    3. pressure waves caused by aircraft or other aerial devices traveling at sonic or supersonic speeds;
    4. natural catastrophe including but not limited to earthquakes, floods subsidence, lightning and exceptionally inclement weather;
    5. plague, epidemic, pandemic, declared outbreaks of infectious disease or any other public health crisis; and
    6. riot and disorders, criminal damage, sabotage, strike, lock out, labour unrest or other industrial disturbances (affecting the performance of this Agreement) that causes or can reasonably be expected to cause either Party to fail to comply with its obligations,

PROVIDED THAT Event of Force Majeure shall not include economic downturn, non-availability or insufficient of fund or lack of financing on the part of ABC to perform its obligations under this Agreement.

* 1. **Event of *Force Majeure* Affecting ABC**

If an Event of *Force Majeure* occurs by reasons of which ABC is unable to perform any of its obligations under this Agreement, ABC shall inform the Government as soon as reasonably practicable of the occurrence of that Event of *Force Majeure* and take all reasonable measures to mitigate any delay or interruption to the Services.

* 1. **Event of *Force Majeure* Affecting the Government**

If an Event of *Force Majeure* occurs by reason of which the Government is unable to perform any of its obligations under this Agreement, the Government shall inform ABC as soon as reasonably practicable of the occurrence of that Event of *Force Majeure* and shall take all reasonable measures to mitigate any delay or interruption to the Services.

* 1. **Termination by *Force Majeure***

If either Party considers the event of *Force Majeure* to be of such severity or to be continuing for such period of time that either Party is unable to perform any of its obligations hereunder, this Agreement may be terminated by mutual agreement.

* 1. **Determination of Event of *Force Majeure***

Neither Party shall be entitled to rely upon the provisions of Clause 19.4 above if both Parties reasonably determine that an Event of *Force Majeure* has not occurred. If either Party does not agree that an Event of *Force Majeure* has not occurred the dispute may be referred to the Dispute Resolution Committee.

**19.6.** **Effect of Termination**

(a) Where this Agreement is terminated pursuant to Clause 19.4, ABC shall comply with all instructions and directions given by the Government.

(b) Neither Party shall have any claims against each other save and except in respect of antecedent breach.

# 19.7. Continuing Obligations

For avoidance of doubt, the Parties shall continue to perform those parts of those obligations not affected, delayed or interrupted by an Event of *Force Majeure* and such obligations shall, pending the outcome of Clause 19.5 continue in full force and effect.

**PART F DISPUTE RESOLUTION**

# DISPUTE RESOLUTION COMMITTEE

* 1. **Composition of the Dispute Resolution Committee**

Any dispute between the Parties in respect of any matter under this Agreement (except in relation to the Government exercising its sole discretion under this Agreement) may be referred to a dispute resolution committee (“the Dispute Resolution Committee”) comprising:-

* + 1. the State Financial Secretary or his representative as the Chairman;
    2. two (2) representatives appointed by the Government; and
    3. two (2) representatives appointed by ABC.

# Independent Expert

The Dispute Resolution Committee may appoint an independent expert to advise it on any matter referred to it and all costs, fees and expenses of any independent expert so appointed shall be borne equally by the Parties.

# Amicable Settlement

The Dispute Resolution Committee shall determine its own procedures. The Dispute Resolution Committee shall meet and endeavor to achieve an amicable settlement between the Parties in respect of any matter referred to it.

# Non-settlement

If any matter, dispute or claim, which is referred to the Dispute Resolution Committee, cannot be mutually agreed by the Parties within thirty (30) days after the date of referral, then either Party may refer that matter, dispute or claim to court of competent jurisdiction in Malaysia.

# PART G MISCELLANEOUS PROVISIONS

1. **CONFIDENTIALITY**

# Confidentiality of Agreement

This Agreement and all matters pertaining hereto shall be considered as confidential information (hereinafter referred to as “**Confidential Information**”).

# Non-Disclosure

Except with the prior written consent of the disclosing Party and subject to Clause 21.3, the recipient Party, its personnel and agents shall not at any time:-

* + 1. communicate to any person or body or entity except those employees, agents and other suppliers on a need-to-know basis, any Confidential Information disclosed to it for the purpose of the Agreement or discovered by it in the course of the provision and performance of the Agreement;
    2. make public any information as to the recommendations, assessments and opinions formulated in the course of or as a result of the provision and performance of the Agreement; or
    3. make or cause to be made any press statement or otherwise relating to the Agreement nor publish or cause to be published any material whatsoever relating to the Agreement.

# Exceptions

The obligations in Clause 21.2 shall not apply to any Confidential Information which:-

* + 1. is in the recipient party’s possession (with full right to disclose) before receiving it from the Government;
    2. is or becomes public knowledge other than by breach of Clause 21.2;
    3. is independent or developed by the recipient Party without access to or use of the Confidential Information; or
    4. is lawfully received from a third party (with full rights to disclose).

# Survival

Clause 21 shall survive the expiry of or the earlier termination of this Agreement.

# NOTICES

**(a) Any notices, demands, invoices, permissions, claims or consent (hereinafter called "Notices") required, authorized, permitted or contemplated to be served or given hereunder shall be in writing signed by or on behalf of the Party concerned and shall be deemed to be duly given or made if delivered by hand or sent by registered post or facsimile transmission or electronic mail to the specified address or facsimile number as follows:**

# For the Government :

Address : (*Address of the Ministry or Department*)

Telephone No. : (……………………..…………………….)

Facsimile No. : (…………………………………………...)

# For ABC :

Address : (…………………….……………………..)

Telephone No. : (……………………………….…………..)

Facsimile No. : (…………………………………………...)

(b) Any change of address of the Parties as specified herein shall be duly notified to the other by giving one (1) month prior written notice. No change of address of either Party herein mentioned shall be effective or binding on either Party unless that Party has given to the other Party the actual notice of the change of address.

(c) Any such Notices shall be deemed to be sufficiently received by the addressee:

(i) if delivered personally by hand, on the date of delivery;

(ii) in the case of registered post, on the third (3rd) Business Days after posting;

* 1. in the case of facsimile transmission **or electronic mail**, on the date of successful transmission.

# NO AGENCY AND NO PARTNERSHIP

* 1. **No Agency**

ABC shall not hold itself out to be the principal or agent of the Government for any purpose and under no circumstances shall any action of ABC shall bind the Government.

# No Partnership

Nothing contained in this Agreement shall be construed as creating or be deemed to imply a partnership between the Government and ABC.

# AMENDMENT

No amendment, modifications or waiver of any provision of this Agreement shall have any legal force or effect unless made by mutual consent and made in writing by way of a supplementary agreement specifically referring to this Agreement and duly signed by each of the Parties hereto.

# WAIVER

Failure by either Party to enforce at any time, any provisions of this Agreement shall not be construed as a waiver of its right to enforce against the breach of such provision or any other provision in this Agreement or as a waiver of anything continuing, succeeding or subsequent breach of any provision or other provision of this Agreement.

# SEVERABILITY

If any provision of this Agreement or any part thereof is rendered void, illegal or unenforceable by any legislation to which it is subjected, it shall be rendered void, illegal or unenforceable to that extent and no further. Such provision which is rendered void, illegal or unenforceable shall be deemed to be restated to reflect as nearly as possible the original intentions of the Parties hereto in accordance with the applicable law and the remainder of this Agreement shall remain in full force and effect as if this Agreement had been entered into without the void, illegal or unenforceable provision.

# APPLICABLE LAWS

This Agreement shall be governed by and constructed in accordance with the laws of Malaysia and Sarawak and the Parties submit to the jurisdiction of the courts of Malaysia.

# COMPLIANCE WITH APPLICABLE LAWS

ABC shall comply with all applicable laws and with all directions, orders, requirements and instructions given to ABC by any authority competent to do so under any applicable law.

# ASSIGNMENT

This Agreement may not be assigned (by operation of law or otherwise) or otherwise transferred in whole or in part by ABC unless ABC has received prior written permission from the Government. To the extent ABC is permitted to assign this Agreement, all provisions of this Agreement shall be binding upon ABC’s successors or assigns.

# BINDING EFFECT

This Agreement shall be binding upon the Parties hereto and their personal representatives, heirs, successor’s in-title and permitted legal assigns.

# COSTS AND STAMP DUTY

All costs incidental to the preparation and completion of this Agreement and all duties payable shall be borne and paid for by ABC.

# TIME

Time wherever mentioned herein shall be of essence for the purposes of any provision of this Agreement.

**IN WITNESS WHEREOF** the Parties hereto has executed this Agreement on the day and year herein before appearing.

Signed by )

for and on behalf of )

# the GOVERNMENT OF SARAWAK )

in the presence of: )

Signed by )

for and on behalf of )

# ABC )

in the presence of: )

# SCHEDULE A

# SERVICE CHARGES CHARGEABLE

The service charges payable to ABC per successful transactions as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Mode | | Service Charges |
| 1 | Direct Debit | C2G  (Customer to Government | Not exceeding RM0.50 per transaction |
| B2G  (Business to Government) | Not exceeding RM1.00 per transaction |
| 2 | Debit Card | | Not exceeding RM0.30 + 1.2% of total amount per transaction |
| 3 | Credit Card | | Not exceeding RM0.30 + 1.2% of total amount per transaction |
| 4 | E-Wallet | | Not exceeding 0.5% of total amount per transaction |
| 5 | Cash | | Not exceeding RM1.50 per transaction |

* The service charges chargeable are due to the Government for **Revenue Collection** only
* For the avoidance of doubt, the issuance of a virtual receipt in respect of transaction conducted through Online shall be deemed to be a successful transaction.

# SCHEDULE B SERVICE LEVEL TERM

**OBJECTIVE**

The purpose of this Schedule is to set out the standard measures and performance level to be provided by the ABC in respect of the Services.

# Operating requirements

* 1. Service Availability
     1. Online

Twenty-four (24) hours, seven (7) days a week

* + 1. Outlets

As the respective business hours of the Outlets. For this purpose, ABC shall submit to the Government the business hours of its Outlets within 14 (fourteen) Business Day from the date of execution of this Agreement. ABC shall inform the Government forthwith any change in respect of the business hours of any of its Outlet.

* 1. System Availability

The monthly minimum percentage of the system availability as follows:-

* + 1. Online

The monthly minimum percentage of the system availability shall be ninety eight percent (98%) of the service availability stated in paragraph 1.1.1 provided that the duration of scheduled downtime shall be excluded from the determination of such availability.

* + 1. Outlets

The monthly minimum percentage of the system availability shall be ninety eight percent (98%) of the service availability stated in paragraph 1.1.2 provided that the duration of scheduled downtime shall be excluded from the determination of such availability.

* 1. Scheduled Downtime Management.
     1. Online

Maximum of four (4) hours per month.

* + 1. Outlets

Maximum of four (4) hours per month.

ABC shall inform the Government in writing seven (7) days prior to any scheduled downtime and shall further provide notification at the Channels of the scheduled downtime at least seven (7) consecutive days prior to such scheduled downtime.

# Problem Resolution

* 1. The public is to contact *(Telephone No. or Hotline)*, visit any of the Outlets or email to *(Email Address).*
  2. The public is to provide the following details for faster processing:-
* Name
* Contact No
* Pay to (Billing Organization)
* Bill Reference
* Account Number
* Payment Amount
* Transaction Date
* Brief Inquiry/Problem Description
  1. For purposes of addressing any complaints made by the public, clause 12 of this Agreement shall apply.

# Helpdesk

ABC shall provide a helpdesk support from 8.00 am to 5.00 pm, Monday to Friday for any problems and/or queries by the Government. Upon request of the Government, ABC shall extend the Helpdesk service hours.

# Liquidated damages

* 1. In the event that ABC fails to provide the Services –

1. in accordance with this Agreement and/or Schedule; or
2. Online and the Outlets system operations down time exceed 2 hours (except for scheduled downtime),

ABC shall pay to the Government by way of penalty the sum of RM20 per hour provided that the sum payable shall not exceed RM100 per day.

# (The space below is left blank intentionally)

**SCHEDULE C REPORTS**

# OBJECTIVE

The purpose of this Schedule is to describe in detail the reports in relation to the Services.

ABC will provide the softcopy of text file with the following file minimum information:

1. Payer Code (Agency as collection station)
2. Date (Header, Detail)
3. Transaction Count
4. Total Amount
5. Bill Reference
6. Account number
7. I/C No.
8. Name
9. Transaction Amount
10. Revenue/Non revenue code
11. Service charges amount
12. Nett amount
13. Channel;
14. such information relating to the Agreement as the Government may from time to time reasonably request.

# (The space below is left blank intentionally)

# SCHEDULE D

**PAYMENT STEPS AND PROCESSES [Refer to Annexed Flow Chart(s)]**

*- To be provided by ABC -*