



South African Reserve Bank

INTEGRATED CROSS-BORDER FOREIGN EXCHANGE REPORTING SOLUTION

for The South African Reserve Bank

**Schedule 3 - Governance & Relationship
Management**

Table of Contents

| | |
|-------------------------------------------------------------------------------|-----------|
| 1.0 Relationship Management Services | 2 |
| 1.1 Relationship Management Services Objectives..... | 2 |
| 1.2 Relationship Management Services Requirements..... | 2 |
| 1.3 Day-to-Day Management..... | 2 |
| 1.3.1 Conflicts and Disputes..... | 3 |
| 1.3.2 Project Change Management..... | 4 |
| 2.0 Key Roles..... | 6 |
| 2.1 The Service Provider Programme Executive..... | 7 |
| 2.2 Programme Management..... | 7 |
| 2.3 Additional Relationship Management Functions..... | 7 |
| 2.3.1 Financial Management..... | 8 |
| 2.3.2 Contract Management..... | 8 |
| 2.3.3 Service Management..... | 8 |
| 3.0 Governance Structure..... | 8 |
| 3.1 Programme Steering Committee..... | 9 |
| 3.2 Programme Management Team..... | 9 |
| 3.3 OpCo Management Team..... | 10 |
| 3.4 SARB - Service Provider Communications..... | 10 |
| 4.0 Governance Structure – Support Services (“Run”) | 11 |
| 4.1 Steering Committee for I-CFERS Support Services..... | 11 |
| 4.2 I-CFERS Application Management Committee..... | 11 |
| 4.3 SARB - Service Provider Communications and Processes..... | 12 |
| 4.3.1 Day to Day operations..... | 12 |
| 4.3.1.1 POCs in Day to Day operations..... | 12 |
| 4.3.1.2 Operational Review of Progress..... | 12 |
| 4.3.2 Maintenance and Change Management through I-CFERS process meetings..... | 12 |
| 4.3.3 Managing Application Performance..... | 13 |
| 4.3.4 Overall Programme Management..... | 13 |
| 4.3.5 Escalation Processes..... | 13 |
| 5.0 Roles and Responsibilities..... | 14 |
| 5.1 Relationship management..... | 14 |

List of Tables

| | | |
|--------------|---------------------------------------------------------|----|
| C2S3 Table 1 | Dispute Resolution Process..... | 3 |
| C2S3 Table 2 | Change Management Process..... | 6 |
| C2S3 Table 3 | Relationship Management Roles and Responsibilities..... | 14 |

1.0 Relationship Management Services

This is RFP Schedule 3 - Governance & Relationship Management Services. This Schedule 3 defines the key management frameworks, practices and processes that shall be used to govern or manage the implementation of the project. This Schedule 3 defines the roles and responsibilities of the parties in respect of these Relationship Management Services provided as part of the Implementation and Support Services.

1.1 Relationship Management Services Objectives

The SARB recognises that Relationship Management Services are an essential component for successful contract management and ongoing SARB - Service Provider relationship satisfaction. The SARB requires a relationship with the Service Provider based on the following key ingredients, including:

- Mutual trust and respect;
- Excellent communication between parties;
- Well-defined objectives and Service Levels;
- Appropriate governance structures; and
- Well-defined roles and responsibilities.

1.2 Relationship Management Services Requirements

The Service Provider's relationship management team will work with the SARB relationship management team to achieve a number of relationship goals and objectives, including:

- Delivery of high-quality Services to support the SARB business needs as defined in RFP Schedules 1 and 2;
- Continued high customer satisfaction from all technical and operational Registered Users of Services;
- Continuous recommendation of improvements to the functionality, creation and delivery of Services - to the extent that the SARB's business objectives would be better served;
- Development of the business rationale and benefits of any proposed changes thereto and communicate these to the SARB team and other SARB stakeholders, as appropriate;
- Working within the mutually-agreed upon structure regarding processes and procedures;
- Assisting the SARB in its planning activities as required;
- Ensuring sufficient and continued communication; and
- Ensuring steady and consistent efforts to generate value to the SARB.

1.3 Day-to-Day Management

The Service Provider and the SARB will agree upon Points of Contact ("POCs") and a reporting structure covering day-to-day operations and reviews of the Service Provider's performance. These may include technical, financial, and SLRs reviews as well as the resolution of any other issues that may arise. These reporting schedules will be documented and maintained by the Service Provider in an online repository which shall at all times be accessible to the SARB's management team. A regular meeting schedule will be required for the different reporting levels established. In addition to the processes and procedures as described in the SOWs, the Service Provider must provide processes and procedures acceptable to the SARB that can be used to manage day-to-day relationship processes, which shall include procedures in respect of:

- Conflicts and Disputes;
- Contract changes;
- Change requests;
- Performance reporting (e.g., SLRs, project status, outstanding service request status); and
- Acceptance / sign-off procedure.

1.3.1 Conflicts and Disputes

1.3.1.1 Formalising a Dispute

Both parties should in all circumstances attempt to resolve any differences in opinion on matters that impact the Services in an informal manner as soon as possible. In the event that the parties cannot resolve a difference of opinion that impacts the Services within four (4) weeks of one party first approaching the other regarding such difference of opinion, the parties should consider if the nature of the disagreement can be translated into a mutually agreed Change Request, and if so develop an appropriate Change Request for appropriate consideration by more senior management, instead of raising a Dispute. In this context, a Change Request will identify the issue to be resolved and an agreed approach to potentially resolving that issue. If the difference of opinion cannot be expressed as an agreed Change Request, then either party may, after expiration of the four (4) week period or sooner if it is evident that the parties are unable to agree, raise this disagreement as a formally identified Dispute. Any significant difference of opinion that cannot be resolved within a period of four (4) weeks should in any event be formally identified as a Dispute, so that there is management awareness of such issues.

A formally identified Dispute should be documented in the Dispute Log, which will be owned and managed by the SARB. The initial documentation in respect of any Dispute should include the following details:

- Persons raising Dispute;
- Date Dispute formally initiated;
- Unique number of Dispute;
- Service to which Dispute relates (or generic dispute);
- Details of Dispute indicating the type and magnitude of the impact of the Dispute; and
- Any suggested possible approach for resolution of the Dispute.

1.3.1.2 Dispute Resolution Process

Once a Dispute has been formally raised, the following process should be followed:

C2S3 Table 1 Dispute Resolution Process

| Dispute Resolution Process | |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Step | Action |
| Formalising a Dispute | As described in 1.3.1.1 above. |
| Programme Management Team Review | The Dispute will be reviewed and if possible resolved, by the Programme Management Team. If the Dispute cannot be resolved within a period of four (4) weeks from the date on which the Dispute was referred to the Programme Management Team, or any other mutually agreed time interval, then the Dispute should be escalated to the Programme Steering Committee. |

| Dispute Resolution Process | | |
|-------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Step | | Action |
| Programme Steering Committee Review | | The Dispute shall be reviewed and if possible resolved, by the Programme Steering Committee, without reference to external arbitration. If the Dispute cannot be resolved by the Programme Steering Committee within a period of six (6) weeks from the date on which the Dispute was referred to the Programme Steering Committee, or any other mutually agreed time interval, then the Dispute should be escalated to external arbitration, as defined in the Agreement. |

Either party may escalate any dispute immediately to a higher level of review if the Dispute is deemed by such party, in its reasonable discretion, to be of sufficient gravity and urgency.

1.3.2 Project Change Management

1.3.2.1 Types of Changes

This paragraph defines the different types of Changes and details the required authorisations required in respect of any such Changes as referred to in the Agreement and the change management paragraph of the relevant SOWs.

Changes shall be classified by the parties as one of three types:

1. "Minor Change" - a change that has no significant impact in terms of cost or operations (including operations outside of the scope of this Agreement), but that may require the updating of any Schedules to the Agreement, attachments, Appendices or other documents. The financial impact of Minor Changes is considered to be covered by the Fixed Price. Minor Changes may be approved by the SARB Programme Manager, in his reasonable discretion.
2. "Service Change" - a change required to a specific Service, which may include introduction, retirement or modification of a specific Service. These changes will often have financial implications. Service Changes must be approved by the BSTD Assistant General Manager for I-CFERS. The Change procedure in respect of any Service Change is as set forth in the Agreement and this Schedule, and has been validated by the Steering Committee.
3. "Contract Change" - a change that requires alteration to the fundamental principles; relationship; method of operating, or legal requirements etc, but excluding any changes that impact on specific Services only. Contract Changes must be approved by the BSTD Head of Department and by SARB's legal counsel.

1.3.2.2 Change Requests

In the event that either party determines that a Change to the Agreement, Schedules, Attachments, Appendices or Services (introduction, amendment, or termination) is required, the following procedure will be adopted:

1. The party determining that a Change is required shall raise a Change Request.
2. Each party shall evaluate the Change Request as detailed below.
3. Within a period of two (2) weeks, or at an alternatively mutually agreed time, the parties shall convene a meeting to determine the action to be taken on the Change Request, using the appropriate review forum or committee as contemplated in Clause 1.3.2.4 below.
4. In the event that only one party believes the Change Request needs implementing, the parties will nonetheless enter into discussions or negotiations in good faith, so that an eventual agreed position can be established, including any financial adjustments that may be required.

A Change Request can be raised by either party, and shall be identified by a unique number and kept in a central and shared Change Request Log, owned and managed by the Service Provider. Change Requests will be continuously updated with their progress through the Change Management Process described here. A Change Request shall have the following initial key content:

- Person and party requesting the Change;
- Date of Change Request;
- Unique number of Change Request;
- Service to which Change Request relates (or generic request);
- Type of request (Minor Change, Service Change, or Contract Change);
- Objectives of Change Request;
- Description of Change Request, with the key rationale; and
- Suggested named persons from the Service Provider and the SARB's sides who will be responsible for the evaluation of the Change Request.

1.3.2.3 Evaluation of Change Requests

Change Requests shall undergo an evaluation by both parties, and the results of both evaluations shall be documented in a manner that includes the below mentioned elements. Both parties shall contribute to the evaluation as appropriate, and the conclusion of the evaluation shall be recorded with the original Change Request. The content of the evaluation should contain as a minimum:

- Confirmation of the type of Change (Minor Change, Service Change, or Contract Change);
- Rationale for the Change Request;
- Date of evaluation;
- Impact/Risk Analysis
- Knowledge Transfer / IP impact;
- Financial impact;
- Legal review (if required);
- Recommendation including and change activities and plan;
- Documentation requirements; and
- Suggested review team and approval level.

1.3.2.4 Change Management Process

Authorisation of Changes shall be undertaken at as low a level of seniority as possible, subject to the constraints defined herein. The intention is to make the Change process as smooth and as efficient as possible, whilst maintaining effective control on key issues.

Either party may at any time escalate the authorisation of a Change Request to the next higher level of authorisation if they have concerns about the implications of the Change Request.

After a Change Request has been raised and an initial evaluation undertaken, the Change Request will go through a series of reviews (which shall be addressed in greater detail in the Standards and Procedures Manual, escalating the Change Request up the chain of authority, as required.

At each review, either party may reasonably request that the Change Request be re-submitted for additional evaluation, if more information is needed before a decision can be made. The applicable review team, as set out in the table below, may ask that the Change Request be re-submitted to them with additional evaluation, or back down to a lower level review team, as deemed appropriate.

The parties undertake to at all times process and evaluate each Change Request in good faith and to use their best endeavours to ensure that the Change Request is dealt with as efficiently and quickly as possible.

C2S3 Table 2 Change Management Process

| Change Management Process | |
|---------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Activity | Authorisation Process |
| Initiation of Change Request and Evaluation of Change Request | No formal authorisations required but the SARB or the Service Provider should ensure the request is sensible. The persons nominated to handle the Change Request from each of the SARB and the Service Provider sides should together develop an agreed evaluation and recommendation document associated with the Change Request within thirty (30) days of the Change Request being initiated, which may include differences of opinion if differences cannot be resolved between the parties. |
| Programme Management Team | If the Change Request evaluation is deemed to meet criteria of a "Minor Change" by both parties, authorisation for the change will be made by the Programme Management Team, without reference to higher authority. If the Change Request is generic, and does not refer to a specific Service, the request will be passed to the Contract Management Meeting for authorisation. If the Change Request evaluation indicates that the financial impact of the Change exceeds the authority level for the Services Management Team, then the Change Request (after review by the Service Management Team) will in any event be escalated to the Contract Management Meeting for authorisation. |
| Contract Management Meeting Review | If the Change Request evaluation is deemed to meet the criteria of a "Service Change" by either party, authorisation for the change will be given by the BSTD Assistant General Manager for I-CFERS in its reasonable discretion. If the Change Request evaluation indicates that the financial impact of the Change exceeds the authority level for the Contract Management Meeting, then the Change Request (after review by the Contract Management Meeting) will in any event be escalated to the Programme Steering Committee for authorisation. |
| Programme Steering Committee Review | The Programme Steering Committee shall review and authorise any Change Request that has been escalated to this level, subject to the authority level of the Programme Steering Committee. |

2.0 Key Roles

The SARB and the Service Provider will each establish and maintain relationship management teams of senior IT and business professionals that will:

- Determine and protect the business interests and reputation of the SARB;
- Dedicate sufficient time and resources to make the relationship between the SARB and the Service Provider a success;
- Support the SARB strategic and tactical planning processes for in scope Services, including IT linkage to business objectives and technology standards and architectures; and
- Monitor the Service Provider's performance metrics, including contracted SLRs.

The following persons are considered to be Key Personnel:

- Service Provider Programme Executive;
- Service Provider Programme Manager;
- Service Provider Project Leads for implementation phases;
- Service Provider Leads of Functional/Process work streams;
- Service Provider Value Realisation Manager;
- Service Provider Change Manager (technical changes only);
- Service Provider Service Manager of Application Support Services; and
- Service Provider Team Lead of Application Support Services.

2.1 The Service Provider Programme Executive

The Service Provider Programme Executive shall be:

- The primary relationship manager between the Service Provider and the SARB;
- Knowledgeable about the Services and the Service Provider's and its Subcontractors' products and services;
- Experienced at running services equal in size and scope to those Services provided to the SARB in terms of the Agreement; and
- Otherwise acceptable to the SARB, in its reasonable discretion.

The Service Provider Programme Executive shall have overall responsibility for directing all of Service Provider's activities hereunder and shall be vested by the Service Provider with all necessary authority to act for and on behalf of the Service Provider in connection with all aspects of the project. Any decision by the Service Provider Programme Executive shall be binding on the Service Provider. The Service Provider Programme Executive will primarily liaise with the SARB's Programme Sponsor.

2.2 Programme Management

Each party shall designate individuals (for the SARB, the "SARB Programme Manager", and for the Service Provider, the "Service Provider Programme Manager") who shall be each party's primary point of contact for all matters relating to the I-CFERS Programme. Each Programme Manager is to take ownership of the day-to-day operational relationships between the Service Provider, service delivery team and the SARB. This involves managing and coordinating the appropriate resources for Services, to ensure optimal service delivery and ensure that all issues raised by the parties are resolved in accordance with the applicable procedures and SLRs.

The Service Provider Programme Manager shall be:

- Knowledgeable about the process area and each of the Service Provider's and its Subcontractors' (if any) products and services;
- Experienced at implementing similar systems of a size and scope equal in size and scope to those of the Services provided to the SARB in terms of the project; and
- Otherwise acceptable to the SARB, in its reasonable discretion.

2.3 Additional Relationship Management Functions

The following are additional SARB and the Service Provider relationship management functions that are essential to managing the relationship:

- Financial Management (owned by the SARB project financial controller);

- Contract Management; and
- Service Management.

2.3.1 Financial Management

The SARB and the Service Provider Financial Management function monitors and manages financial administration practices and procedures associated with the project ensuring that financial controls are in place and aligned with the project. Financial Management function activities include:

- Acting as primary contact for all billing and financial issues;
- Reviewing invoices, charges, credit notes, budget performance, identifying disparities and variances to plans and recommending corrective action; and
- Reviewing fee reductions and identifying problem areas and recommending corrective action.

2.3.2 Contract Management

The SARB and the Service Provider Contract Management function manage the contractual relationship between the SARB and the Service Provider. This function includes:

- Leading and facilitating activities relating to the Agreement, the SLRs in the SOWs from the conclusion of the Agreement until such time as the Agreement terminates in accordance with its terms; and
- Monitoring compliance with the terms and conditions of the Agreement and providing recommendations to resolve issues related to non-compliance.

The SARB Contract Manager belongs to the BSTD. The Service Provider Contract Management will work closely with the SARB Contract Manager, SARB Procurement and Legal counsel to:

- Create, negotiate and incorporate amendments into the Agreement; and
- Coordinate the contract negotiations/re negotiations to accommodate scope changes or changes to business requirements per the Contract Change Management Process.

2.3.3 Service Management

The SARB and the Service Provider Service Management function monitors and manages the performance and quality of the Services delivered by the Service Provider. This function includes:

- Monitoring, measuring and reporting on Service Levels and Milestones;
- Evaluating performance against Service Levels and Milestones and identifying when SLRs or Milestones have not been met; and
- Identifying and managing fee reductions and incentives, based on performance information.

3.0 Governance Structure

The following contract governance committees define the framework of the participants, the responsibilities and activities of those roles that are responsible for the administration of the governance processes. The governance structure will be agreed upon between the parties.

3.1 Programme Steering Committee

The Programme Steering Committee will be comprised of senior IT and business executives from the SARB and the Service Provider, who will meet to discuss high level strategic and operational issues relating to the Agreement. The Programme Steering Committee will be responsible for giving guidance to the Programme Management Team on overall direction. The Programme Steering Committee shall meet at least once every month, and shall have the following roles and responsibilities:

- Addressing relevant high level issues appropriate for a senior executive level discussion;
- Addressing problems, disputes, incidents or Changes that have been escalated to this level;
- Reviewing the SARB's satisfaction with the Key Personnel; and
- Evaluating whether the go-live of a (set of) OpCos has been successful

For each such meeting, the SARB shall prepare a suggested agenda, with active input from the Service Provider. The minutes of the Programme Steering Committee will be made by the SARB and sent to the Service Provider. The minutes will be approved or rejected within a period of ten (10) Business Days of receipt of such minutes. If no reaction has been received from the Service Provider within ten (10) Business Days the concerned Programme Steering Committee minutes will be deemed to be approved by both parties.

3.2 Programme Management Team

The Programme Management Team shall be responsible for providing input and advice concerning the overall Implementation Plan and strategic direction between the parties, including the effectiveness and value of the Services provided by the Service Provider and guidance to improve such effectiveness and value of the Services. The Programme Management Team shall be chaired by the SARB. Its members shall, at a minimum, include the Service Provider Programme Manager, and from the SARB shall, at a minimum, include the SARB Programme Executive and SARB Programme Manager. Additional Service Provider and SARB personnel may participate as needed or upon request by SARB. Such functions may include:

- the Service Provider's and the SARB's process leaders (including IT coordinators);
- the Service Provider's and the SARB's managers in respect of organisational change management / training & knowledge transfer;
- Department coordinators; and
- Personnel from SARB's PMO function, as well as relevant subject matter experts concerning contract, finance and service management from both the SARB and the Service Provider.

The Programme Management Team shall meet at least every other week or more often at the SARB's request and shall have the following role and responsibilities, in addition to any roles and responsibilities set forth in the Agreement:

- Addressing problems, disputes, incidents or Changes that have been escalated to this level;
- Addressing the status of projects and any problems or difficulties experienced by the parties in delivering the Services;
- Discussing the Service Provider's overall compliance with the SLRs;
- Reviewing all financial arrangements, including invoices submitted by the Service Provider;
- Reviewing fee reductions to be applied;
- Reviewing Project forecasts and capacity requirements; and
- Addressing such other matters as one party may bring to the other's attention.

For each such meeting, the SARB shall prepare a suggested agenda, with active input from the Service Provider. Issues that cannot be resolved by the Programme Management Team shall be resolved at the Programme Steering Committee level.

3.3 OpCo Management Team

A joint OpCo Management Team, comprised of business users and technology staff from the SARB and the Service Provider (the "OpCo Management Team"), shall be responsible for overseeing the implementation of the project, including reviewing the Service Provider's performance and addressing common operational issues. Issues that cannot be resolved by this team shall be escalated to the Programme Management Team.

The OpCo Management Team shall be chaired by the SARB. Its members shall include the BSTD Programme Executive and the Service Provider Project Manager, and relevant SARB and the Service Provider (lead) personnel involved in the implementation of specific Services/Deliverables (such as various Service Provider subject matter experts or SARB local business and IT responsible personnel). Additional temporary SARB attendees may attend the core team meeting of the OpCo Management Team at the SARB's reasonable discretion.

During the Implementation, the OpCo Management Team shall meet weekly or more often at the SARB's request, and shall have the following role and responsibilities:

- Addressing operational or delivery issues or crises arising during the period since the previous meeting, and adherence to performance targets;
- Reviewing root cause analyses of any previous issues;
- Addressing outstanding or unresolved issues;
- Reviewing progress reports;
- Planning for future Changes;
- Reviewing problems, disputes, incidents and Change Requests; and
- Addressing such other matters as one party may bring to the other's attention.

3.4 SARB - Service Provider Communications

Communications between the SARB and the Service Provider shall, wherever possible and practicable, be face to face, including video conferences. Audio conferences will be the second choice of communication medium. Where video or audio conferences are not practical, e-mail will be the fall-back communication medium, however, physical meetings should anyway take place on a regular basis. All formal meetings whether face to face or video or audio conferences shall:

- Be set with an agenda and have an identified chairperson and note taker. The agenda should have clear directions of location and/or medium to be used; date and timings of meeting; topic items to be covered and expected outcome for each topic; owners of each topic; and any pre-work to be undertaken by topic owners or attendees.
- Be documented with minutes by the note taker, and such minutes to include high-level summaries of key discussion points and future actions with timings and persons responsible for the actions. Minutes should be distributed to attendees and missing attendees and any persons with actions to be taken.
- Identify the person who shall be responsible for organising the next meeting.

4.0 Governance Structure – Support Services (“Run”)

The following contract governance committees define the framework of the participants, the responsibilities and activities of those roles that are responsible for the administration of the governance processes for the “Run” phase, when OpCos have gone live with the I-CFERS. This governance structure is indicative and will be updated to take into account the lessons learned in the Implementation.

4.1 Steering Committee for I-CFERS Support Services

This is a joint committee composed of BSTD Head of Department, Programme Executive, the I-CFERS Competency Centre Manager, Business Owner, the Service Provider Executive and SARB Programme Manager.

- This committee has the responsibility for maintaining overall alignment between SARB's sourcing relationship and business strategy, making changes as required.
- It oversees the overall business and technology relationship between the parties and is the forum for final communication and validation of progress of major improvement actions and project planning.
- It is also the final escalation level of problem resolution and issues arising from the Agreement. It is finally responsible for any modifications to the Agreement.
- The Steering Committee meets quarterly or as required by the SARB and is chaired by the I-CFERS Competency Centre Manager.

4.2 I-CFERS Application Management Committee

The I-CFERS Application Management Committee is composed of the SARB's/the Service Provider's Programme Executive, I-CFERS Competency Centre Manager, and the Service Provider Service Management technical and functional experts can be invited on an ad hoc basis. The Application Management Committee meets monthly and is chaired by the I-CFERS Competency Centre Manager.

- The I-CFERS Application Management Committee:
 - Addresses the status of the application environment and related technical initiatives and trends;
 - Addresses the general progress in application management activity and the activities of the I-CFERS Competency Centre Management in particular;
 - Prepares annually and reviews quarterly the project planning as a basis for resource planning;
 - Discusses, reviews and approves continual improvement initiatives with respect to application management
- The Application Technology Committee also:
 - Ensures that the Service Provider architecture and standards respond to the SARB business requirements, making changes as required;
 - Reviews and recommends new technologies that can provide additional value; and
 - Defines and monitors the framework needed of policies and procedures affecting the exploitation of the I-CFERS environment.
- In addition, the Application Technology Committee will discuss and validate the SARB escalation of problems to the Steering Committee for application Services.

4.3 SARB - Service Provider Communications and Processes

The SARB wishes to ensure a strong cooperation in operational activities, which is the basis for driving progress and should be able to handle most application services issues:

- Day to day operations, managed and reviewed through POCs per programme stream/activity;
- Maintenance and Change management through process meetings;
- Managing application performance through operations and change advisory board with all Subcontractors; and
- Overall programme management through central POCs and Quality Assurance ("QA") Meetings.

Governance structures beyond day to day operations are to be considered as a forum for discussing strategic, architectural, contractual and/or management framework topics. It also serves as a final escalation structure.

4.3.1 Day to Day operations

4.3.1.1 POCs in Day to Day operations

The Service Provider and the SARB will agree on direct POCs to plan, manage and effectively communicate in day to day operations. These POCs will be established with the I-CFERS Competency Centre:

- application development and implementation by key process/functional area;
- application maintenance; and
- general progress of maintenance work and functional alignment of development work.

When required, a 24-hour on-going access to all SARB and Service Provider POCs will be assured. This must allow e.g. quick operational action in case of major incidents and/or major disruption in Services attaining short term project objectives.

4.3.1.2 Operational Review of Progress

Operational reviews with the POCs will be organised through monthly, or if needed ad hoc, organised account meetings with the Information Manager of FNSD and the I-CFERS Competency Centre. The Service Provider and the SARB will agree on the meeting schedule, specific agenda and reporting schedules to be maintained at each review level meeting.

4.3.2 Maintenance and Change Management through I-CFERS process meetings

I-CFERS process meetings are responsible to review and validate day-to-day maintenance operations (incident, problems, changes, etc.) or project design issues about technical and functional activities for a module/process cluster. Each process cluster has its own process meeting. Such process meeting:

- Reviews, validates and prioritises open enhancements and other support requests;
- Defines and maintains process blueprints;

Reviews modifications and/or major blueprint enhancements requested in the projects. The process meetings are coordinated by the I-CFERS Competency Centre and consist of functional experts within the business units together with the Service Provider's module expert and helpdesk lead. Process meetings are organised bi-weekly. Disagreements at process meeting level will be escalated to the I-CFERS Application Management Committee.

4.3.3 Managing Application Performance

The Service Provider is expected to ensure application performance that will be measured against the contracted SLRs. The SARB will only become involved where changes are needed that affect the project or end-to-end Service Levels for the SARB.

4.3.4 Overall Programme Management

The Service Provider will appoint a proficient and experienced representative as a primary POC to be in charge of the parties' contractual arrangement. The programme management of the Service Provider and the management of the I-CFERS Competency Centre will meet in a weekly QA meeting to review overall Service performance and discuss upfront any issues related to:

- The day to day organisation of application maintenance services;
- Any initiatives related to QA and/or continuous improvement of the application management framework of policies, procedures, reports, tools;
- Resource management and/or provision; and
- Financial, contract or general management processes.

On a monthly basis the programme management of the Service Provider and the management of the I-CFERS Competency Centre will review in this QA meeting whether the parties' contractual requirements are met by:

- Examining the Service Levels delivered,
- Ruling on any penalties to be imposed,
- Deciding on any enhancements to the Services, and
- Generally taking any decision associated with the frame of the project.

Results of this review are reported to the SARB Application Management Committee and summarised and escalated to the I-CFERS Programme Steering Committee, if needed.

4.3.5 Escalation Processes

The Service Provider shall propose and define an escalation process in agreement with the SARB organisation of escalation levels. The SARB I-CFERS Competency Centre acts as first point of escalation within SARB. Points escalated without final resolution will be discussed in the weekly QA meeting between Programme management of the Service Provider and the management of the I-CFERS Competence Center. From this meeting further actions for resolution may be initiated or escalated. Further escalation, as described hereafter, will be:

- For general service issues directly to the Steering Committee for Application Services, upon validation by the SARB Application Management Committee.
- For application alignment and standardisation issues to the SARB Enterprise Architecture Committee.

Escalation processes will be documented and maintained by the Service Provider, as approved by the SARB, and modified and updated on an ongoing basis to reflect changes to the parties' business and operational relationship.

5.0 Roles and Responsibilities

The following table identifies the underlying roles and responsibilities associated with Relationship Management.

C2S3 Table 3 Relationship Management Roles and Responsibilities

| Service Category and Description | Service Entities | Responsibility | |
|------------------------------------|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | Service Provider | SARB |
| 5.1 Relationship management | Planning | <ul style="list-style-type: none"> • Provide Status on Projects • Review Project and Project Plan • Recommend appropriate Services and the Standards and Procedures Manual • Adhere to the SARB Policies and Standards | <ul style="list-style-type: none"> • Prepare Programme steering committee • Provide memo with conclusions (status, decisions, etc.) agreed during the Programme steering committee • Review and approve Project and Project Plan • Review and approve all recommended Services and the Standards and Procedures Manual • Document and adhere to the SARB Policies and Standards |
| | Contract Management | <ul style="list-style-type: none"> • Monitor and revise the Agreement as applicable and agreed to by the parties and review recommended modifications to the Agreement provided by the other party • Provide data required to assess fee reductions and incentives • Manage service credits and earn backs • Implement Change Requests | <ul style="list-style-type: none"> • Monitor the implementation of the terms of the Agreement, technology operations and management processes to ensure compliance with the terms and conditions of the Agreement • Monitor and revise the Agreement as applicable and agreed to by the parties and review recommended contract modifications provided by the other party • Identify and manage fee reductions and incentives, based on performance information and the terms of the Agreement • Approve Change Requests |
| | Relationship Management | <ul style="list-style-type: none"> • Provide support and commitment of the Service Provider executives to the relationship • Participate in governance committee meetings as defined in Section 3 above | <ul style="list-style-type: none"> • Provide support and commitment of SARB executives to the relationship • Provide the SARB internal business unit liaison to develop business relationships • Chair and participate in the governance committee meetings as defined in Section 3 above |
| | Financial Management | <ul style="list-style-type: none"> • Maintain an audit trail and records of all costs incurred under the Agreement | <ul style="list-style-type: none"> • Monitor and manage financial administration practices and procedures associated with the Agreement |
| | Performance Management | <ul style="list-style-type: none"> • Manage and coordinate all delivery aspects of the Services under the control of the Service Provider • Provide periodic written performance management reports to the SARB at its request on SLRs and conduct periodic scheduled and ad hoc review meetings as required • Conduct a formal review and report on root causes of service delivery issues or other relationship related matters, and document such findings per the requirements in Schedule 1 – | <ul style="list-style-type: none"> • Review and monitor the Service Provider performance against SLRs, return-on-investment metrics, performance improvement plans and industry benchmarks |

| Service Category and Description | Service Entities | Responsibility | |
|----------------------------------|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | Service Provider | SARB |
| | | Implementation SOW | |
| | Resource Management | <ul style="list-style-type: none"> • Ensure that staffing, technology and skill levels are adequate to achieve the objectives of the Agreement • Inform the SARB of any potential Key Personnel staffing changes and of any new personnel assignments planned for new projects and Services • Recommend Subcontractors for delivery of Services, if applicable • Provide the Service Provider staff turnover data when requested by the SARB | <ul style="list-style-type: none"> • Review and authorise Key Personnel changes to existing Services and personnel for new projects and Services • Define any constraints for the use of Subcontractors • Approve recommended Subcontractors in the SARB's reasonable discretion |
| | Integration Management | <ul style="list-style-type: none"> • Coordinate and participate in operational governance processes between the SARB and the Service Provider as required • Ensure coordination of activities across all individual Statements of Work. The Service Provider shall be responsible for ensuring that this integration is effective. | <ul style="list-style-type: none"> • Coordinate and participate in operational governance processes between the SARB and the Service Provider as required |
| | Customer Satisfaction Management | <ul style="list-style-type: none"> • Provide periodic written performance management reports to the SARB on SLRs and at its request conduct periodic scheduled and ad hoc review meetings as required • Conduct customer satisfaction surveys | <ul style="list-style-type: none"> • Participate in and review customer satisfaction surveys |