



For Immediate Release
Victoria, British Columbia
December 19, 2002
Trading Symbol: MSM (TSX Venture)

Municipal Solutions Appoints New Auditor and New Attorneys

VICTORIA—Municipal Solutions Group, Inc. (TSX: MSM), owner of a leading developer of local government business process automation software Municipal Software Corporation, today announced the appointment of new audit and legal firms.

The company is pleased to present KPMG LLP as our new corporate auditors. The resignation from the previous auditor, Robert Bishop, was received on November 13, 2002, at which point the Board conducted a search for an appropriate audit firm. KPMG distinguished themselves in many ways, especially in the areas of industry strength and reputation.

With nearly 100 professionals in Victoria, and 800 in BC, KPMG has the largest technology base in BC with over 150 clients. They have an active Software & Electronics practice group globally and focus considerable resources on enhancing their services to this segment of their client base. They also participate extensively in industry associations and provide significant input into the development of accounting policies affecting them. KPMG have also become increasingly active in Municipal Software over the last couple of years, and have had the opportunity to gain substantial knowledge of the company's evolving business model and business processes.

Derrold Norgaard, KPMG's client service partner, says "We believe that Municipal Solutions is positioned to become a leading provider of local governments and possibly the non-governmental field. Municipal Solutions is experiencing significant growth and faces new opportunities and challenges...To meet [Municipal's] objectives and goals, we will bring the experience, the knowledgeable staff, the industry knowledge and more importantly the legal, ethical and credibility qualities Municipal Solutions commands."

In addition, the company is pleased to announce that two new legal firms have been retained to provide general counsel and specific advice on securities and regulatory issues. The firm of Borden Ladner Gervais LLP provides advice and assistance on all securities and regulatory issues. With more than 640 lawyers, intellectual property agents, and other professionals working in five major cities, Borden Ladner Gervais has developed a reputation as one of Canada's most respected full-service firms. Their reputation for excellence does not stop at Canada's borders. They are recognized around the world for their fully bilingual legal, patent, and trademark services. General counsel is provided by the firm of Browne Associates who are also responsible for the maintenance of the company's corporate records. Dunstan Browne is also the company's Corporate Secretary.

Rob Bennett, President and CEO comments "We are extremely happy to be able to work with the talent provided by both Borden Ladner Gervais and KPMG. Their people are of the highest caliber, and their integrity and ethics are unquestioned in their respective fields. Their expertise and top-notch advice will ensure that we grow and structure the company in the proper fashion given the opportunities ahead!"

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About KPMG LLP

KPMG is the global network of professional services firms whose aim is to turn understanding of information, industries, and business trends into value. With more than 100,000 people worldwide, KPMG member firms provide assurance, tax and financial advisory services from more than 750 cities in 152 countries.

For more information, contact: Julie Bannerjea, Senior Manager, Media Relations, (416) 777-3243 or web site www.kpmg.ca.

About Borden Ladner Gervais LLP

Borden Ladner Gervais LLP (www.blgcanada.com) is a leading national law firm with over 640 lawyers, intellectual property agents and other professionals. As a leading full-service law firm, Borden Ladner Gervais gives its clients access to a fully integrated network of superior legal talent that delivers strategic, multi-lingual legal, patent and trade-mark services across Canada and around the world.

For more information, contact: Ana Maria Faria, Media & Public Relations, Borden Ladner Gervais LLP (416) 367-6610

About Municipal Software Corporation

Municipal Software Corporation (www.MunicipalSoftware.com) was named the worldwide gold medal winner in the Packaged Application Category of the Microsoft Certified Partner Awards. The announcement was made at Microsoft's Fusion Conference in Los Angeles on July 12, 2002.

Municipal Software Corporation provides CityView®, a fully integrated suite of software products that assist municipal administrators and managers with scalable technology solutions for increasing municipal government productivity in order to service citizens and communities more efficiently and effectively. CityView Enterprise 8.NET™ is powerful automation software that is designed specifically for local government and easily converts paper systems and business processes into a computerized system without costly and time-consuming programming. CityView Enterprise 8.NET enables E-government. It allows government to automate any business process internally and offer it over an Intranet or the Web with the click of a button. CityView Xpress is designed specifically for out-of-the-box departmental management and comes complete with ready-to-use forms and reports for a variety of municipal functions.

CityView 8.NET Enterprise incorporates Microsoft's .net technology. The incorporation of Microsoft's .net technology allows CityView to take any form and report and save it as an .ASPX page that maintains the full functionality of the desktop form and allows it to be accessed through the Web. The .net technology allows Municipal Software Corporation to provide their users with a fully functional browser interface. CityView 8.NET Enterprise also incorporates ESRI's MapObjects to allow direct links to mapping data so users can deploy maps with their Web forms and reports by using ESRI's ArcIMS. CityView 8.NET Enterprise automatically completes the entire configuration necessary to make this work.

About Municipal Solutions Group Inc.

Municipal Solutions Group Inc. (www.MunicipalSolutionsInc.com) was formed in January 2002 as the public financing arm for Municipal Software Corporation, to provide the overall strategic leadership and guidance for Municipal Software and to build comprehensive solutions for local government on a global basis.

Forward-Looking Statements

Certain statements in this news release are not historical and may constitute forward-looking statements reflecting Municipal Solutions Group Inc.'s current expectation in the local government

sector. Investors are cautioned that all forward-looking statements involve certain risks and uncertainties, including, without limitation, changes in market and competition, technological and competitive developments, cooperation and performance of strategic partners, and potential downturns in economic conditions generally. Forward-looking statements are based upon management's estimates, beliefs, and opinions on the date the statements are made. Municipal Solutions Group Inc. assumes no obligation to update forward-looking statements if circumstances of management's estimates, beliefs, or opinions should change. Additional information on these and other potential factors that could affect the Company's financial results are detailed in documents filed from time to time with the British Columbia Securities Commission. The TSX Venture Exchange (formerly CDNX) has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

If you would like to be included on our regular distribution please email us at: press@MunicipalSoftware.com or fax to (250) 475-6080.

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