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DATE: August 25, 2010

TO: Honorable Mayor and City Councilmembers

FROM: Financial Services Department

SUBJECT: **PROFESSIONAL SERVICES AGREEMENT WITH ACTIVE NETWORK, OF BURNABY, BRITISH COLUMBIA, FOR THE PURCHASE AND MAINTENANCE OF A CENTRAL CASHIERING SOFTWARE AND HARDWARE SYSTEM; APPROVAL OF AMENDMENT 4 TO THE PROFESSIONAL SERVICES AGREEMENT WITH CPSG OF IRVINE FOR ORACLE INTEGRATION AND FISCAL YEAR END SERVICES; APPROVAL TO APPROPRIATE \$69,000 FROM THE GENERAL FUND UNASSIGNED FUND BALANCE TO FINANCIAL SERVICES DEPARTMENT PERSONNEL SERVICES FOR FISCAL YEAR END WORK**

### **SYNOPSIS**

Staff recommends that the City Council approve a Professional Services Agreement with Active Network of Burnaby, British Columbia, in an amount not to exceed \$215,000 for the purchase and maintenance of a central cashiering software and hardware system and authorize the City Manager to execute the agreement; approve Amendment 4 in an amount not to exceed \$26,000 to the professional services agreement with CPSG of Irvine for Oracle integration and year end services; approve the appropriation of \$69,000 from the General Fund unassigned fund balance to Financial Services Department personnel services for fiscal year end work.

### **BACKGROUND**

The City of Oceanside purchased and installed a centralized cashiering system, System Innovators, in 1999 in preparation for transition into the year 2000. The company, like others, has transitioned to new advanced platforms and operating software that is compatible with the City's current technological environment. In an effort to gain efficiencies, expand interfaces to other City software systems and upgrade to the current technological environment, staff issued a request for proposal (RFP) in November 2009.

The City received five responses to the RFP. The RFPs were reviewed by a staff team that included representatives from the Information Technologies Division, and Financial Services and Police Departments. All five responders were invited to and conducted a one-hour interview/demonstration of their product and services. Active Network was identified as the top candidate. The staff team performed site visits and checked references.

On February 24, 2010, City Council approved the funding of phase 4 of the Oracle EnterpriseOne financial system project. This phase included the purchase and installation of a new central cashiering system. This is the final phase of the Oracle project that will utilize and maximize the infrastructure efficiencies installed in phases I, II and III. The current staff proposal is recommending entering into an agreement with Active Network and approving an agreement with the Oracle consultant to integrate the systems.

Two memos from the Financial Services Department Director to Council have outlined an issue noted by the external City auditors during the interim audit. In an effort to comply with the interim audit notation, additional funding is being requested for temporary personnel and assistance from CPSG to automate the bank reconciliation process.

## **ANALYSIS**

Of the five vendors that responded to the RFP, Active Network was ranked by the team as the top vendor for several reasons. The company is providing a current technology that has been proven in a wide range of governmental agencies including some much larger than Oceanside such as the City of Sacramento, as well as our smaller neighbor, the City of San Clemente.

The company has adopted a software upgrade evergreen policy. The policy is designed to keep the software current without ongoing cost of paying for new software. This policy would prevent the City from being in the current situation where our existing service provider is handling their current product as “new” software, which prompted the formal bid process. Under Active Network’s evergreen policy, even upgrades to alternative platforms, which is the case with our current provider, would be covered financially under established contracts.

The company’s software product design was found to be the most user-friendly. The setup and configuration allow for different views based on the type of payments being posted. Thus, the Police Department views can be designed specifically for the type of receipts most often posted, while the City Hall stations can be designed for the typical payments posted at these locations. This not only allows for faster entry and receipting but has the added value of reducing errors.

The configuration also improves upon locating the different types of payments. Instead of searching for the correct general ledger account number (up to 16 digits in length and looks like binary code) staff can simply click on an individually designed icon labeled “transient occupancy tax”. This will also improve accuracy, and improve the receipting and entry time.

The vendor will be able to provide real-time interfaces with several of the City’s software systems that currently record revenue transactions independently of the central cashiering system. This eliminates duplication of efforts by departments and the Financial Services Department and allows departments to view payments much faster.

For example, business licensing staff posts payments to a system and subsequently submits a summarized transaction to the central cashier who enters the payments in summary into the central cashing system. With the new system the payments can be posted to the Active Network system which, in real time, reports the payment to the business license system. The payment is simply posted one time yet it is reflected in both systems when received.

The technology upgrade realized with a new system will move the City from operating in a pre-Y2K environment past a decade of technological advances to technology that is designed for the next decade. While the current system functions, it does not have the flexibility to accommodate technological advances made with phases I, II and III of the Oracle project. With a new system and ongoing upgrades, the City will have another system that is in line with the current Information Technology standards and allow for automation of the bank reconciliation for revenue. The system has the capability to accept payments online or via an interactive voice-response system for the City software systems that have interfaces to the central cashing program. Although these features would require additional funding, the City would create the opportunity for conducting business outside of today's current environment.

Approval of funding for temporary help for the bank reconciliation process will ensure that when the auditors return in September all the financial procedures have been completed.

### **FISCAL IMPACT**

Phase 4 of the Oracle project was funded by Council action on February 24, 2010, in the Financial Services Department Budget. (General Fund account number 200010101.5704). Pursuant to the staff report, \$215,000 will be allocated to the core cashing management software and equipment, \$11,000 will be set aside for the purchase of hardware and servers by the City for the cashing system as well as \$15,000 contingency for the City Costs for interfaces. The unassigned balance in account 20001010.5704 is \$241,000 which will cover the costs of the central cashing project.

Staff is also requesting appropriation of unassigned General Fund balance in the amount of \$80,000 to completed year end work. The Financial Services Department personnel services account number 200000101.5101 would receive \$69,000 and \$11,000 would be appropriated to account number 200000101.5340 for Oracle Consulting services from CPSG.

Thus, Amendment 4 of the CPSG contract would be an amount not to exceed \$26,000 with \$15,000 for the central cashing project and \$11,000 for the year end work.

### **COMMISSION OR COMMITTEE REPORT**

Does not apply.

**CITY ATTORNEY'S ANALYSIS**

The referenced documents have been reviewed by the City Attorney and approved as to form.

**RECOMMENDATION**

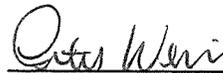
Staff recommends that the City Council approve a Professional Services Agreement with Active Network of Burnaby, British Columbia, in an amount not to exceed \$215,000 for the purchase and maintenance of a central cashiering software and hardware system and authorize the City Manager to execute the agreement; approval of Amendment 4 in an amount not to exceed \$26,000 to the professional services agreement with CPSG, of Irvine for Oracle integration and year end services; approve the appropriation of \$69,000 from the General Fund unassigned fund balance to the Financial Services Department personnel services for fiscal year end work.

PREPARED BY:



Sheri Brown  
Revenue Manager

SUBMITTED BY:



Peter A. Weiss  
City Manager

REVIEWED BY:

Michelle Skaggs-Lawrence, Deputy City Manager  
Teri Ferro, Financial Services Director  
Michael Sherwood, Chief Information Officer



Exhibit/Attachments:

1. Professional Services Agreement
2. Product and Services Agreement
3. Amendment 4 to the Professional Service Agreement with CPSG



## **Memorandum**

### **FINANCIAL SERVICES DEPARTMENT**

**TO:** Honorable Mayor and City Councilmembers

**THROUGH:** Peter Weiss, City Manager 

**FROM:** Teri Ferro,  Financial Services Director

**DATE:** June 24, 2010

**SUBJECT:** Response to Auditor Letter Regarding Bank Reconciliation

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Lance, Soll & Lunghard, LLP, the City's independent auditors, has identified the City's non-compliance in performing timely bank reconciliations of the City's general checking account. The City Treasurer and Financial Services Director share this concern, and the purpose of this memo is to explain the situation and define the corrective measures being implemented.

#### WHY IT'S IMPORTANT

The City's checking account is the centralized repository of cash, from which all daily transactions pertaining to receipts and disbursements are made. Auditors review cash as a critical component in making determinations in regard to following generally accepted accounting principles; it also represents a key area of risk due to its high susceptibility to misappropriation. Bank reconciliations should be done on both a daily and monthly basis to compare City account records to the bank's records in order to monitor and uncover any possible discrepancies and mitigate risk to the City. As a general rule, risks become increasingly more difficult to manage the longer they remain undetected.

#### WHAT'S THE PROBLEM?

The process of performing a bank reconciliation seems pretty straightforward, i.e. *Balance per Bank Records + Deposits in Transit - Outstanding Checks = Correct Cash Balance in General Ledger.*

Exhibit A shows a visual representation of the current process for just one transaction. Information reported to the bank is reported in a different manner in the General Ledger, making it extremely difficult to compare the bank data (purple box) with the General Ledger data (green box) without exhaustive manual research.

Compound this process by the *thousands* of daily transactions, multiple bank accounts, incorrect General Ledger account codes, timing differences in posting and clearing of transactions, missing records from the old bank, conversion to a new bank, and reduced staffing levels, and it is no surprise that the system is on the verge of collapsing.

### ROLE OF BANK CONVERSION

In December 2009 the City Council approved a 4-year contract with Union Bank. One of the deciding factors on selecting this firm was the scope of their implementation plan. Transitioning to a new financial institution is always disruptive and it was imperative that the process be as smooth as possible. Union Bank's proposal stated "it will be safe to estimate a complete conversion will take 45 to 60 days," which would include document preparation, technical implementation, and training of staff. The transition team commenced meetings in January, and several features (disbursement functions, remote deposit, lock box) have been implemented. Unfortunately the City has yet to receive a successful transmittal of electronic files of daily transactions from the bank. This is a critical component in going forward with the daily automated reconciliation with Union Bank.

Complicating the situation, the City only has electronic files from Bank of America through mid-February 2010. At that point in time, Bank of America changed their encryption settings without our knowledge. Since the City did not have the proper encryption key, nothing was extracted from the files, and they were deleted. Leaving us with no data, Bank of America states they are unable to recreate the files since they only store them for two days. I/T staff continues to try to obtain the missing files, but have recommended we look at backup plans to reconcile the transactions manually.

### WHAT ARE THE NEXT STEPS?

Having spent the last several weeks identifying the problem areas, staff from accounting, revenue, information services and treasury are now working on improving the entire revenue process. Numerous steps have already been implemented such as automated interface between daily bank records and the City's financial system (with available files); change in timing of bank deposits; correction of General Ledger account codes; and reassignment of daily and monthly duties to staff. The goal and priority is to have a fully functional daily and monthly bank reconciliation process in place by July 1<sup>st</sup> (i.e. Union Bank).

The remaining challenge is to "catch up" with the reconciliation process dating back to September 1, 2009 (i.e. Bank of America). It is anticipated that by the end of this week approximately 50% of the reconciliation through January will be completed. Due to the complexity and missing records, a lot of the reconciliation has been done manually and in a non-linear fashion, (i.e. not a month-by-month reconciliation, rather by "batched" function reconciliation).

In analyzing the step-by-step process needed to complete the retroactive reconciliation, it is estimated to take approximately 1350 man hours to fully reconcile all bank statements through June 30, 2010. While some of these man hours are being performed by in-house staff, there is also a need to use independent contractor support.

There is a caveat to this assumption, which is that I/T staff are able to recover missing files from Bank of America. In the event they are not successful in recovering the files, staff will need Council authorization for costs in the \$150,000 to \$200,000 range which will cover time required to reconcile each individual transaction between February and June.

OUR PRIORITY

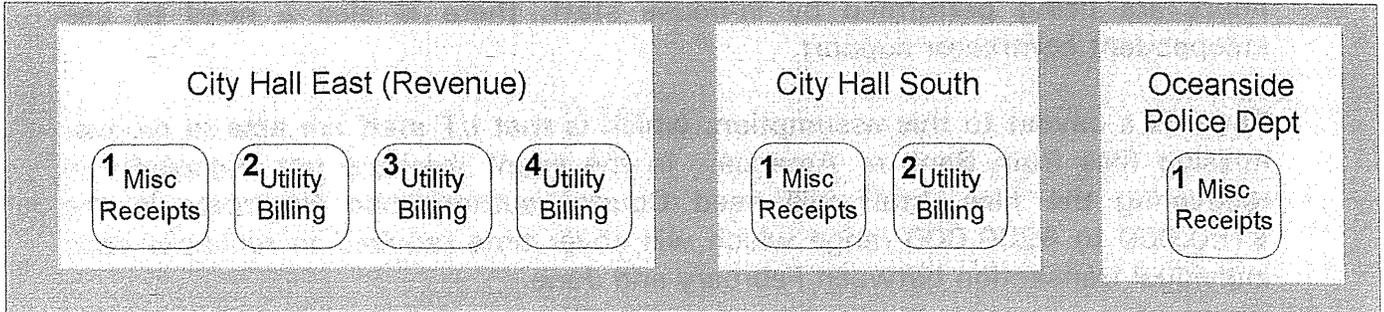
Management and staff understand the extreme importance of this project, and have allocated all available resources to completing the project before the auditors return in September. It is our goal to be in complete compliance and avoid any qualified opinions from the auditors.

I am available to answer any questions you may have.

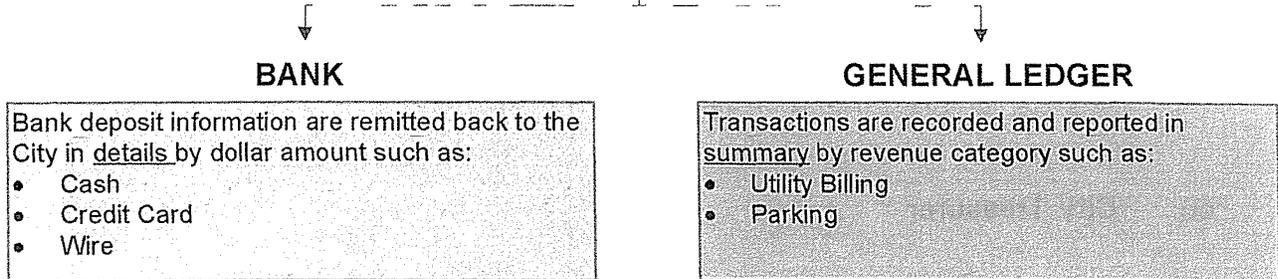
cc: City Treasurer

# REVENUE FLOW CURRENT PROCESS

## CASHIER STATIONS (Revenue Received)



### INFORMATION FLOW



### EXAMPLE

#### CASHIER

Payments received for Utilities (Total \$160)

	Transaction#1	Transaction#2	Transaction#3
Cash	\$30	\$65	\$ -
Credit Card	20	-	45
Total Payment	\$50	\$65	\$45

#### BANK

Reports the transactions as:

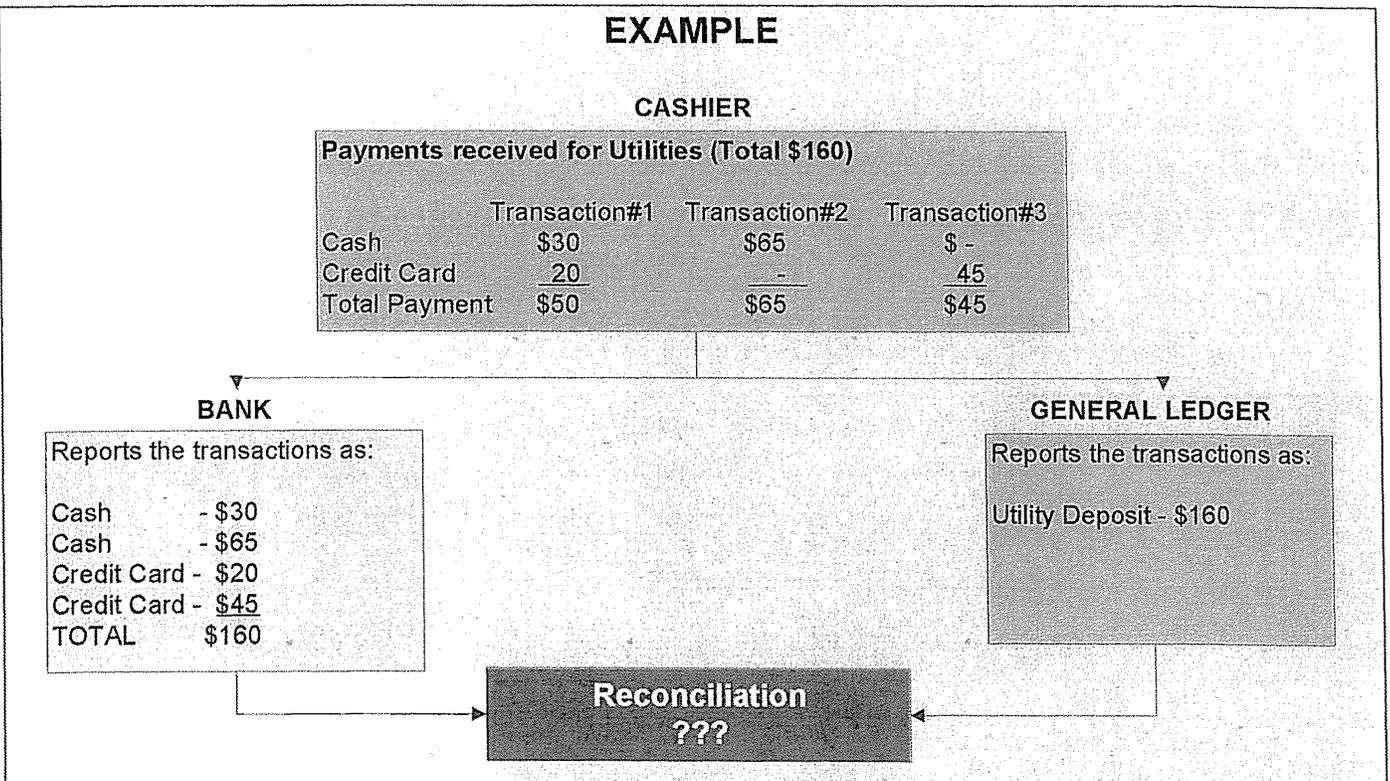
Cash	- \$30
Cash	- \$65
Credit Card	- \$20
Credit Card	- \$45
<b>TOTAL</b>	<b>\$160</b>

#### GENERAL LEDGER

Reports the transactions as:

Utility Deposit - \$160

**Reconciliation**  
???





CERTIFIED PUBLIC ACCOUNTANTS

---

- Brandon W. Burrows, CPA
- Donald L. Parker, CPA
- Michael K. Chu, CPA
- David E. Hale, CPA, CFP  
*A Professional Corporation*
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA

To the Honorable Mayor and Members of the City Council  
City of Oceanside, California

We have completed our interim review of the City of Oceanside, California's (the City), operations as part of our audit for fiscal year ended June 30, 2010. This review does not constitute a complete audit as all areas of the City were not examined; however, it does fit into a program which, when completed, will allow us to express an opinion on the City's financial statements.

We noted the following matter, which we would like to bring to your attention:

#### **Bank Reconciliations**

As of the date of our interim review, reconciliations of the City's general checking account were reconciled through August 31, 2009. This does not constitute timely reconciliation of this account which is of critical importance for the City. We recommend that the City take immediate action to bring this reconciliation current and also establish procedures to ensure that the account is reconciled in a timely manner going forward.

The above matters have been discussed with the Finance Department. Should any questions arise about the City's operations, we will be available for discussion.

*Lance, Soll & Lunghard, LLP*

May 24, 2010

**CITY OF OCEANSIDE**  
**AMENDMENT No. 4 TO**  
**PROFESSIONAL SERVICES AGREEMENT**

**PROJECT: Central Cashiering interface to Oracle and Finance Year End Work**

THIS AMENDMENT No. 4 TO PROFESSIONAL SERVICES AGREEMENT (hereinafter "Amendment") is made and entered into this 18th day of August, 2010, by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and CPSG, Inc., (aka Partners Consulting Services), hereinafter designated as "CONSULTANT."

**RECITALS**

WHEREAS, City and Consultant are the parties to that certain Professional Services Agreement signed on August 13, 2008, hereinafter referred to as the "Agreement", wherein Consultant agreed to provide certain services to the City as set forth therein;

WHEREAS, the parties desire to amend the Agreement to provide for changes and/or modifications to the Scope of Work and the Compensation.

**AMENDMENT**

NOW, THEREFORE, as set forth herein, the parties hereto do mutually agree that the Agreement shall be amended as follows:

Scope of Work. Consultant shall provide technical and project management services to assist the City of Oceanside to create an interface between the new central cashiering program (Active Network product) and Oracle Accounts Receivable as well as Oracle General Ledger. Additionally, CPSG will provide technical and project management services to assist with the bank reconciliation processes. The scope of work also includes project management support to manage the project time line and ensure the transition deadlines are met.

1.The agreed project costs will not to exceed \$25,000.

2.The Scope of Work for this Amendment No. 4 is attached as Exhibit A and incorporated by reference. TIMING REQUIREMENTS – timing is of the essence in the performance of work under this Amendment and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the Chief Information Officer by December 31, 2010.



**Amendment No. 4, Professional Services Agreement**

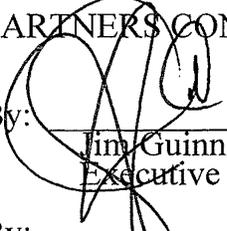
3. Except, as expressly set forth in this Amendment, the Agreement and Amendments No. 1 and 2 and 3 shall remain in full force and effect.

**SIGNATURES.** The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF the parties hereto being duly authorized on behalf of their respective entities to execute this Amendment, do hereby agree to the covenants contained in the Agreement, including this Amendment and have caused this Amendment to be executed by setting hereunto their signatures this 26th day of May, 2010.

PARTNERS CONSULTING SERVICES

CITY OF OCEANSIDE

By:  \_\_\_\_\_  
Jim Guinn, II  
Executive Vice President

By: \_\_\_\_\_  
Peter A. Weiss, City Manager

By: \_\_\_\_\_  
Name/Title  
33-0939061  
Employer ID No.

APPROVED AS TO FORM:  
 \_\_\_\_\_  
City Attorney

**NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.**

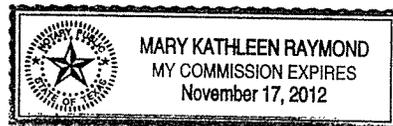
State of Texas

County of Harris

On this 6<sup>th</sup> day of August, 2010, before me, the undersigned notary public, personally appeared Jim Guinn, II known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he/she/they executed the same for the purposes therein contained.

*Mary Kathleen Raymond*

Notary Public



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# Oracle Enterprise One Central Cashiering

City of Oceanside

*August 6, 2010*

Statement of Work

partners  
CONSULTING

1122 Norfolk  
Suite 1100  
Houston, Texas 77098  
(713) 263-1400  
(888) 665-5640  
fax: (713) 263-1375

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## 1 Introduction and Scope

### 1.1 Background

This document and its attachments comprise a Statement of Work ("SOW") between Partners Consulting, Inc. ("Partners") and the City of Oceanside, California ("CoO").

The items included in this SOW are the result of the implementation of a central cashiering program and the need for assistance with bank reconciliation.

## 1.2 Scope

The following represents the enhancements included in this SOW.

Consultant shall provide technical and project management services to assist the City of Oceanside to create an interface between the new central cashiering program (Active Network product) and Oracle Accounts Receivable as well as Oracle General Ledger. Additionally, CPSG will provide technical and project management services to assist with the bank reconciliation processes. The scope of work also includes project management support to manage the project time line and ensure the transition deadlines are met.

## 2 Time Line and Financial Consideration

### 2.1 Time Line

For the purposes of planning, this SOW is expected to begin immediately and the City has articulated a goal for deployment no later than December 31, 2010.

### 2.2 Financial Consideration

The estimates below include project management time as well as the technical infrastructure management needed to effectively assist CoO with the migration and promotion of completed development objects into the production environment.

Resource	Hours	Rate	Total
Mario Alvarado	90.0	190.00	17,100.00
Project Management			
Business Analysis - FM/SCM			
Arnel Alon	50.0	150.00	7,500.00
Development			
<b>Total Labor</b>	<b>140.0</b>		<b>24,600.00</b>
<b>Budgeted Contingency</b>			<b>400.00</b>
<b>Expense Budget</b>			<b>-</b>
<b>Total Cashiering Budget</b>			<b>25,000.00</b>

### 3 Assumptions

The following outlines Partners' assumptions required to validate the estimates.

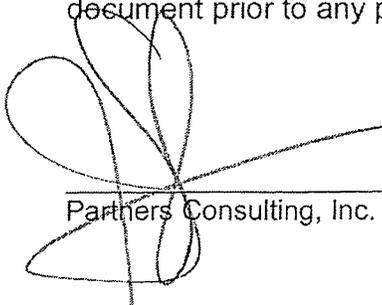
1. The Partners technical team will be able to work remotely to minimize travel expenses.
2. CoO functional subject matter experts will be made available to confirm requirements and perform testing.
3. CoO will provide to the Partners team the appropriate and necessary access and authority to perform the tasks included in these estimates
4. Partners' project management resource shall provide weekly status updates
5. CoO will provide the resource and support to promote development objects into the appropriate target environments.
6. CoO will provide all required resources for assistance with the central Cashiering application

**4 SOW Approval**

This SOW constitutes the entire agreement of the Parties and supersedes all prior or oral or written communications, proposals and representations with respect to its subject matter and prevails over any conflicting or additional terms of any quote, invoice, acknowledgment, pre-printed P.O. terms, or similar communication between the Parties during the term of the Agreement. No modification to the Agreement or this SOW shall be binding, unless in writing and signed by an authorized representative of City of Oceanside and Partners.

**4.1 Authorized Signatures Approvals**

Authorized signatures from City of Oceanside and Partners constitute agreement to this SOW by both parties. Approving parties from both companies must execute this document prior to any portion of this project being started.



Partners Consulting, Inc.

12/AUG/10  
Date

(Jim Guinn, II)

EVP. SOLUTIONS  
(Title)

City of Oceanside

Date

(Printed Name)

(Title)

## CITY OF OCEANSIDE

### PROFESSIONAL SERVICES AGREEMENT

#### **PROJECT: Central Cashiering Purchase and Maintenance Agreement**

THIS AGREEMENT, dated February, 20\_\_ for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and The Active Network, Inc., a Delaware corporation, hereinafter designated as "CONSULTANT."

#### **NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:**

1. **SCOPE OF WORK.** The project is more particularly described as follows: The consultant will deliver, install, configure, train and maintain a central cashiering software and hardware system. Consultant will provide hardware, software and maintenance as further described in detail in Attachment 1, Product and Services Agreement and more specifically as outlined in Exhibit 2 of Attachment 1. In the event of a conflict between the terms of this agreement and Attachment 1, this agreement prevails.
2. **INDEPENDENT CONTRACTOR.** CONSULTANT'S relationship to the CITY shall be that of an independent contractor. CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the City Engineer. The CONSULTANT shall not be authorized to communicate directly with, nor in any way direct the actions of, any bidder or the construction contractor for this project without the prior written authorization by the City Engineer. CONSULTANT shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONSULTANT shall report to the CITY any and all employees, agents, and consultants performing work in connection with this project, and all shall be subject to the approval of the CITY.
3. **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONSULTANT hereby certifies that the CONSULTANT is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and the CONSULTANT will comply with such provisions, and provide certification of such compliance as a part of this Agreement.

**[Central Cashiering Purchase and Maintenance Agreement]**

**4. LIABILITY INSURANCE.**

**4.1.** CONSULTANT shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONSULTANT, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

**4.2** CONSULTANT shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance  
(bodily injury and property damage)

Combined Single Limit Per Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000*

Commercial General Liability Insurance  
(bodily injury and property damage)

General limit per occurrence	\$ 1,000,000
General limit project specific aggregate	\$ 2,000,000

<u>Automobile Liability Insurance</u>	\$ 1,000,000
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\*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONSULTANT under this Agreement.

**4.3** If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONSULTANT to restore the required limits. The CONSULTANT shall also notify the CITY'S Project Manager promptly of all losses or claims over \$25,000 resulting from work performed under this contract, or any loss or claim against the CONSULTANT resulting from any of the CONSULTANT'S work.

**4.4** All insurance companies affording coverage to the CONSULTANT for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.

**[Central Cashiering Purchase and Maintenance Agreement]**

- 4.5 All insurance companies affording coverage to the CONSULTANT pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.
- 4.6 All insurance companies affording coverage shall provide thirty (30) days written notice to the CITY should the policy be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.
- 4.7 CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing a Certificate of Insurance and applicable endorsements, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement, however, CITY will not require CONSULTANT to effect changes to the Certificate of Insurance provided by CONSULTANT's carrier as long as certificate complies with this Section 4.
- 4.8 CONSULTANT shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONSULTANT to provide such a substitution and extend the policy expiration date shall be considered a default by CONSULTANT and may subject the CONSULTANT to a suspension or termination of work under the Agreement.
- 4.9 Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.
5. **PROFESSIONAL ERRORS AND OMISSIONS INSURANCE.** Throughout the duration of this Agreement and four (4) years thereafter, the CONSULTANT shall maintain professional errors and omissions insurance for work performed in connection with this Agreement in the minimum amount of One Million Dollars (\$1,000,000.00).

CONSULTANT shall provide evidence of compliance with these insurance requirements by providing a Certificate of Insurance.

6. **CONSULTANT'S INDEMNIFICATION OF CITY.** CONSULTANT shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the CONSULTANT, or its

**[Central Cashiering Purchase and Maintenance Agreement]**

employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONSULTANT'S indemnification obligation is conditioned upon CONSULTANT being provided the opportunity to control the defense of any claim, suit or action for which CITY seeks indemnification and shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against the CITY, its officers, agents, or employees whether the same proceed to judgment or not. CITY shall provide assistance and at its option participate in defending against such claims or lawsuits, whether at its expense. CONSULTANT shall not settle any claim without the CITY's consent.

CONSULTANT'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONSULTANT other than as provided in this Agreement.

7. **COMPENSATION.** CONSULTANT'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of \$215,000.

No work shall be performed by CONSULTANT in excess of the total contract price without prior written approval of the City Engineer. CONSULTANT shall obtain approval by the Financial Services Department Director prior to performing any work, which results in incidental expenses to CITY.

8. **TIMING REQUIREMENTS.** Time is of the essence in the performance of work under this Agreement and the timing requirements shall be strictly adhered to unless otherwise modified in writing. All work shall be completed in every detail to the satisfaction of the Financial Services Department Director within six months of initiating the project.
9. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONSULTANT concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.
10. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

The CONSULTANT shall be responsible for complying with all applicable local, state, and federal laws whether or not said laws are expressly stated or referred to herein.



State of California,  
County of San Diego

Subscribed and sworn to (or affirmed) before me on this 02  
day of Aug, 2010, by Scott E. Mendel,  
proved to me on the basis of satisfactory evidence to be the  
person(s) who appeared before me.



Signature M. McFeely



CUSTOMER INFORMATION			
ORGANIZATION FULL LEGAL NAME:	The City of Oceanside	ADDRESS:	300 N. Coast Highway Oceanside, CA 92054
CONTACT NAME:	Sheri Brown	TELEPHONE:	(760) 435-3887
EMAIL:	SBrown@ci.oceanside.ca.us	FAX:	

OVERVIEW OF AGREEMENT		
This document (the "Agreement") consists of this cover page, the General Terms, and the following Schedules and Exhibits (check all applicable Schedules)		
NA	Schedule A:	Hosted Software
X	Schedule B:	Licensed Software; Support and Maintenance
X	Schedule C:	Third Party Products (Hardware)
X	Exhibit 1:	Pricing Form (Software, Services, Hardware, Maintenance)
X	Exhibit 2:	Statement of Work and Payment Schedule
X	Exhibit 3:	Support and Maintenance Handbook
X	Exhibit 4:	Hardware Requirements

**NOTE:** If customer is tax exempt, certificate must be provided along with signed contract.

In consideration of the mutual promises and covenants contained in this Agreement, Customer and TAN hereby agree to be bound by this Agreement. By signing below, Customer acknowledges and confirms that it has read the General Terms and all attached Schedules and understands that each forms an integral part of this Agreement.

CUSTOMER	THE ACTIVE NETWORK, INC. ("TAN")
Signature: _____	Signature: <u>Scott Mendel</u>
Name: _____	Name: <u>Scott Mendel</u>
Title: _____	Title: <u>CEO</u>
Date: _____	Date: <u>08/02/2010</u>

## GENERAL TERMS

### GENERAL TERMS: TERMS APPLICABLE TO ALL PRODUCTS AND SERVICES

#### 1. INTERPRETATION

1.1 **Definitions.** For the purposes of interpreting this Agreement, the following terms will have the following meanings:

(a) “**Agreement**” means this Products and Services Agreement, inclusive of all Schedules.

(b) “**Concurrent Use**” means use at the same moment in time to access a given server computer (of any kind) owned or controlled by Customer.

(c) “**Customer**” or “**City**” means the legal entity other than TAN entering this Agreement.

(d) “**Database Server**” means the single server computer upon which the Enterprise Database is resident.

(e) “**Effective Date**” means the last date set forth on page one of this Agreement.

(f) “**Enterprise Database**” means the MSDE, MS SQL Server, or Oracle database files containing customer data and that are accessed by the Licensed Software.

(g) “**Hosted Software**” means computer code and programs, in executable code form only, including related data files, rules, parameters and documentation, which have been created or licensed by TAN and are identified in the Pricing Form as licensed (or sublicensed) to Customer by TAN in connection with this Agreement, and which reside on TAN’s servers and are accessible by Customer’s staff or Users via the Internet.

(h) “**Internet Client**” means a remote device capable of using the Internet to access selected Licensed Software on the Internet Server or the Enterprise Database on the Database Server via the Internet Server.

(i) “**Internet Server**” means a single server computer used by Customer which enables access to the Licensed Software by individuals using an Intranet or the Internet, having a minimum configuration as set out in hardware specifications previously described to Customer as applicable to the Licensed Software to be installed and used upon it.

(j) “**IVR Server**” means a single server computer used by Customer for voice-recognition and telephone-based, rather than computer-based, access to the Enterprise Database by Customer’s clients, having a minimum configuration as set out in hardware specifications previously described to Customer as applicable to the Licensed Software to be installed and used upon it.

(k) “**Licensed Software**” means computer code and programs, in executable code form only, including related data files, rules, parameters and documentation, which have been created or licensed by TAN and are identified in the Pricing Form as licensed (or sublicensed) to Customer by TAN in connection with this Agreement, and/or which are in the future provided to

Customer by TAN under any circumstances unless provided under a separate licensing agreement.

(l) “**Maintenance**” means the provision of error investigation and repair services as set out in sections 22 through 25, Maintenance Exhibit 3, and the provision of new Versions and Releases in respect of the Licensed Software all as more particularly set out in the Support and Maintenance Handbook.

(m) “**Module**” means a single module element of Licensed Software listed in the Pricing Form.

(n) “**Online Services**” means services, such as Internet registration, that are enabled by Hosted Software and available to the public via the Internet.

(o) “**Other Services**” means Services other than Pre-Agreed Services acquired by Customer under this Agreement or any further Professional Services as provided in an agreed Statement of Work, purchase order, or pricing form.

(p) “**Payment Server**” means a single server computer used by Customer to process electronic payments from its clients, having a minimum configuration as set out in hardware specifications previously described to Customer as applicable to the Licensed Software to be installed and used upon it.

(q) “**Pre-Agreed Services**” means Services which are expressly listed in the Pricing Form as being acquired hereunder by Customer.

(r) “**Pricing Form**” means the itemized pricing form attached as Exhibit 1 to the Agreement listing the products and services provided by TAN to the Customer under this Agreement

(s) “**Products**” means all Licensed Software, Hosted Software, Third Party products, and other products (including documentation) provided to Customer by or on behalf of TAN.

(t) “**Professional Services**” means any and all types of services which TAN provides, to Customer and/or to other customers of TAN, in the course of TAN’s business, including but not limited to services relating to the installation, implementation, optimization, administration, training and troubleshooting of computers, computer software including the Licensed Software, computer networks, databases, internet-related equipment and applications, but expressly excludes Support and Maintenance. Professional Services that are not included as part of the Pre-Agreed Services, as defined above, shall be as set forth in any applicable and mutually agreed statement(s) of work (each a “Statement of Work”). Each such Statement of Work shall, upon mutual agreement by the parties, become part of and incorporated by reference into this Agreement.

(u) “**Related Third Party Documentation**” means any end specifications, manuals, instructions, and other materials, and any copies of any of the foregoing, in any medium, related to the Third Party Products and supplied by TAN to Customer with the Third Party Products.

## GENERAL TERMS

(v) “**Release**” means any release, update, patch, set of revisions, or bug/permanent fix or temporary bypass solution released by TAN to its customers generally during the term of this Agreement, which provides enhancements and/or error corrections to the then-current Version or Release, and where a new Version has been released and no new Release has been released since the release of that Version, that Version will also constitute a Release for the purpose of determining whether Support or Maintenance is available with respect to that Version. New Releases will be denoted by an increase to the version number to the right of the decimal point such as from Release 1.1 to Release 1.2.

(w) “**Services**” means all Professional Services, Support and Maintenance, Online Services, and other services provided to Customer by or on behalf of TAN.

(x) “**Services Table**” means the table of Pre-Agreed services, together with associated costs, shown in the Pricing Form.

(y) “**Software**” means the Licensed Software and the Hosted Software as defined elsewhere in this section.

(z) “**Support**” means the ongoing telephone, email, web-based and dial-in support and problem resolution to assist Customer in the use of the Licensed Software, the Hosted Software, and other services and products of TAN as set out in the Support and Maintenance Handbook.

(aa) “**Support and Maintenance Handbook**” means the documents published by TAN setting out the applicable service levels, processes, restrictions, and other particulars of Support and Maintenance provided in respect of the Software and Other Services and Products of TAN, as amended from time to time upon notice to Customer.

(bb) “**Support and Maintenance Start Date**” means, for implementations performed by TAN, the first day of implementation of the Licensed Software or 90 days following the delivery of the Licensed Software, whichever occurs first, and upon delivery of the Licensed Software for implementations being performed by the customer or a 3<sup>rd</sup> party vendor.

(cc) “**System Utilities**” includes the following: Accounting Processes, Central Login, Log File, Copy Database, Maintain Database, MSDE Tool, Oracle Setup Utility, Query Tool, System Maintenance, Upgrade Database and View Components.

(dd) “**TAN**” means The Active Network as referenced on the first page of this Agreement.

(ee) “**Third Party Products**” means those hardware, firmware and/or software products, provided to TAN by third parties, listed in the Pricing Form, together with all user manuals and other documents accompanying the delivery of the Third Party Products, provided that the Third Party Products shall not include software developed by TAN.

(ff) “**Third Party Products Support**” means assistance to isolate the source of problems and/or to troubleshoot difficulties resulting from sources other than TAN products or services, such as general network support (for example network access,

printing, backup & restoration); PC hardware trouble shooting; PC setup, configuration and optimization; network operating system configuration and functionality; basic Microsoft Corporation “Windows” functionality (for example, using File Manager or Explorer), modem configuration & setup; data corruption due to lack of disk space; and loss of supervisor or other password, all as further set out in the Support and Maintenance Handbook.

(gg) “**User**” means a person who accesses and uses any of the Products in any manner whatsoever.

(hh) “**Version**” means a version of the Licensed Software providing a particular functionality, while a new Version of the Licensed Software will provide new/additional functionality and/or improvements to a previous Version. New Versions will be denoted by a change to the version number to the left of the decimal point such as from Version 1.0 to Version 2.0.

(ii) “**Workstation**” means a computer attached to a local or wide-area network (including an Intranet), which accesses the Licensed Software or Enterprise Database.

1.2 **Headings.** The headings contained in this Agreement are inserted for convenience and do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

## 2. CHARGES AND PAYMENTS

2.1 **Taxes and Other Charges.** Customer will pay all shipping & handling costs and, unless exempted by law and unless a valid tax exemption certificate has been provided to TAN prior to invoicing, all applicable sales, use, withholding and excise taxes, and any other assessments against Customer in the nature of taxes, duties or charges however designated on the Services and Products or their license or use, on or resulting from this Agreement, exclusive of taxes based on the net income of TAN. Sales and any other applicable taxes, duties, or any other charges in the nature of taxes and duties are not included unless specifically identified as line items in the Pricing Form.

2.2 **Currency.** Unless otherwise indicated in the Pricing Form, all prices are in the currency of the country in which the Customer is located.

2.3 **Delivery.** Delivery for the Products supplied by TAN under this Agreement will be deemed to have occurred F.O.B. origin, which in the case of Licensed Software and/or Hosted Software will typically be in the form of an email from TAN providing a FTP (i.e. file transfer protocol) downloadable link.

2.4 **Invoices/Payment.** TAN will provide invoices to Customer for all amounts owing by Customer hereunder. Such invoices are to be provided as indicated in the attached Schedules or Pricing Form, and subsequently due within 30 days from the date of invoice.

## 3. CUSTOMER INFORMATION; CONFIDENTIALITY

3.1 **Customer Information.** In order to assist TAN in the successful provision or services and products to Customer,

## GENERAL TERMS

Customer shall provide to TAN all information relating to Customer's organization, technology platforms, systems configurations, and business processes and otherwise relating to Customer as is reasonably requested by TAN from time to time.

### 3.2 Confidential Information.

(a) In the performance of or otherwise in connection with this Agreement, one party ("Disclosing Party") may disclose to the other party ("Receiving Party") certain Confidential Information of the Disclosing Party. "Confidential Information" means any information of either party, which is not generally known to the public, whether of a technical, business or other nature (including, but not necessarily limited to: trade secrets, know how, computer program source codes, and information relating to the customers, business plans, promotional and marketing activities, finances and other business affairs of such party); provided that the same is conspicuously marked or otherwise identified as confidential or proprietary information prior to, upon or promptly after receipt by the other party; and provided further that the any software or software application server source code provided by TAN or its licensors shall be deemed to constitute Confidential Information without further designation by TAN. The Receiving Party will treat such Confidential Information as confidential and proprietary of the Disclosing Party and will use such Confidential Information solely for the purposes for which it is provided by the Disclosing Party and will not disclose such Confidential Information to any third party (other than a third party under contract whereby that third party has agreed in writing to keep the Confidential Information confidential).

(b) Exclusions. The obligations under this paragraph will not apply to any: (i) use or disclosure of any information pursuant to the exercise of the Receiving Party's rights under this Agreement; (ii) information that is now or later becomes publicly available through no fault of the Receiving Party; (iii) information that is obtained by the Receiving Party from a third party authorized to make such disclosure (other than in connection with this Agreement) without any obligation of secrecy or confidentiality; (iv) information that is independently developed by the Receiving Party (e.g., without reference to any Confidential Information); (v) any disclosure required by applicable law (e.g., pursuant to applicable securities laws or legal process including California Public Records Act, Government Code Section 6250 et seq.), provided that the Receiving Party will use reasonable efforts to give advance notice to and cooperate with the Disclosing Party in connection with any such disclosure; and (vi) any disclosure with the consent of the Disclosing Party.

## 4. WARRANTY

4.1 **Limited Warranty of Software.** TAN warrants that when utilized by Customer in a manner authorized hereunder, the Software will conform to the functional specifications set out in the user documentation accompanying the Software for ninety (90) days from delivery of the Software ("Warranty Period"). Delivery shall be deemed to have occurred upon "go live" as defined in Milestone #7 of the Statement of Work. TAN's sole

obligation and liability hereunder with respect to any failure to so perform will be to use reasonable efforts to remedy any non-conformity which is reported to TAN in writing by Customer within that Warranty Period. In the event TAN is unable to remedy such non-conformity within a reasonable time using reasonable efforts, a) in respect to the Licensed Software TAN may refund to Customer the license fee pertaining to the Licensed Software, subject to Customer's return of the Licensed Software, and this Agreement will be automatically terminated, or b) in respect to Hosted Software TAN may refund to Customer the fees paid by the Customer to TAN for Services provided to implement the Hosted Software, and this Agreement will be automatically terminated. All warranty service will be performed at service locations designated by TAN. This Limited Warranty is void if failure of the Software has resulted from accident, abuse or misapplication. Any replacement Software will be warranted for the remainder of the original warranty period or 30 days, whichever is longer.

## 5. EXCLUSION OF WARRANTIES AND LIMITATION OF LIABILITY

**5.1 SPECIFIC EXCLUSION OF OTHER WARRANTIES.** THE EXPRESS WARRANTIES SET OUT IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, AND THERE ARE NO OTHER WARRANTIES, REPRESENTATIONS, CONDITIONS, OR GUARANTEES OF ANY KIND WHATSOEVER APPLICABLE, EITHER EXPRESS OR IMPLIED BY LAW (IN CONTRACT OR TORT OR OTHERWISE) OR CUSTOM, INCLUDING, BUT NOT LIMITED TO THOSE REGARDING MERCHANTABILITY, FITNESS FOR PURPOSE, DURABILITY, CORRESPONDENCE TO SAMPLE, TITLE, DESIGN, CONDITION, OR QUALITY. WITHOUT LIMITING THE ABOVE, TAN DOES NOT WARRANT THAT ANY PRODUCTS OR SERVICES PROVIDED HEREUNDER WILL MEET THE REQUIREMENTS OF CUSTOMER OR THAT THE OPERATION OF PRODUCTS PROVIDED HEREUNDER WILL BE FREE FROM INTERRUPTION OR ERRORS.

**5.2 RESTRICTIONS ON WARRANTY.** TAN HAS NO OBLIGATION TO REPAIR OR REPLACE PRODUCTS DAMAGED BY ACCIDENT OR OTHER EXTERNAL CAUSE OR THROUGH THE FAULT OR NEGLIGENCE OF ANY PARTY OTHER THAN TAN.

**5.3 NO INDIRECT DAMAGES.** WITHOUT LIMITING THE GENERALITY OF SECTIONS 5.1 AND 5.4, IN NO EVENT WILL TAN BE LIABLE TO CUSTOMER OR TO ANY OTHER PARTY FOR INDIRECT DAMAGES OR LOSSES (IN CONTRACT OR TORT OR OTHERWISE), INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOST PROFITS, LOST SAVINGS, LOST DATA, LOSS OF USE OF INFORMATION OR SERVICES, OR INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES.

**5.4 LIMITS ON LIABILITY.** IF, FOR ANY REASON, TAN BECOMES LIABLE TO CUSTOMER OR ANY OTHER PARTY FOR DIRECT OR ANY OTHER DAMAGES FOR

## GENERAL TERMS

ANY CAUSE WHATSOEVER, AND REGARDLESS OF THE FORM OF ACTION (IN CONTRACT OR TORT OR OTHERWISE), THEN:

(a) THE AGGREGATE LIABILITY OF TAN TO CUSTOMER AND ALL OTHER PARTIES IN CONNECTION WITH THE PRODUCTS AND THE SERVICES WILL BE LIMITED TO AN AMOUNT EQUAL TO TWICE THE AMOUNT PAID TO TAN HEREUNDER, DURING THE TWO YEARS PRECEDING THE LAST INCIDENT GIVING RISE TO THE LIABILITY; AND

(b) IN ANY CASE CUSTOMER MAY NOT BRING OR INITIATE ANY ACTION OR PROCEEDING AGAINST TAN ARISING OUT OF THIS AGREEMENT OR RELATING TO ANY PRODUCTS OR SERVICES PROVIDED HEREUNDER MORE THAN TWO YEARS AFTER THE RELEVANT CAUSE OF ACTION HAS ARISEN.

**5.5 SEPARATE ENFORCEABILITY.** SECTIONS 5.1 THROUGH 5.4 ARE TO BE CONSTRUED AS SEPARATE PROVISIONS AND WILL EACH BE INDIVIDUALLY ENFORCEABLE.

### 6. RESTRICTIONS

**6.1 U.S. GOVERNMENT RESTRICTED RIGHTS.** The Products are provided with restricted rights. Use, duplication, or disclosure by the U.S. Government is subject to restrictions as set forth in subparagraph (c) (1)(ii) of The Rights in Technical Data and Computer Software clause at DFARS 252.227-7013, or subparagraphs (c) (1) and (2) of the Commercial Computer Software - Restricted Rights at 48 CFR 52.227-19, as applicable. The Manufacturer is The Active Network, Inc., 10182 Telesis Court, San Diego, California, United States, 92121.

**6.2 Export Restrictions.** The Products may include encryption software or other encryption technologies that may be controlled for import, export, or purposes under the laws and regulations of the countries and/or territories in which the Products are used (“**Applicable Law**”). Customer may not export, re-export, or assist or facilitate in any manner the export or re-export of, any portion of the Products, as determined by Applicable Law under which the Customer operates: (i) to any country on Canada’s Area Control List; (ii) to any country subject to UN Security Council embargo or action; (iii) contrary to Canada’s Export Control List Item 5505; (iv) to countries subject to U.S. economic sanctions and embargoes; and (v) to persons or entities prohibited from receiving U.S. exports or U.S.-origin items. Customer hereby represents and covenants that: (i) to the best of Customer’s knowledge Customer is eligible to receive the Products under Applicable Law; (ii) Customer will import, export, or re-export the Products to, or use the Products in, any country or territory only in accordance with Applicable Law; and (iii) Customer will ensure that Customer’s Users use the Products in accordance with the foregoing restrictions.

**6.3 Third Party Software and Open Source Components.** The Software may contain open source components or other third party software of which the use, modification, and

distribution is governed by license terms (including limitations of liability) set out in the applicable documentation (paper or electronic) or read me files.

### 7. TERMINATION

**7.1 Termination.** This Agreement will terminate:

(a) at the option of either party if the other party materially defaults in the performance or observance of any of its obligations hereunder and fails to remedy the default within 30 days after receiving written notice thereof; and

(b) without limiting (a), at the option of TAN if Customer breaches section 2 of this Agreement, provided that the right of termination will be in addition to all other rights and remedies available to the parties for breach or default by the other.

**7.2 Suspension of Obligations.** If either party should materially default in the performance or observance of any of its obligations hereunder, then, in addition to all other rights and remedies available to the non-defaulting party, the non-defaulting party may suspend performance and observance of any or all its obligations under this Agreement, without liability, until the other party’s default is remedied, provided however that this section will not permit Customer to suspend its obligation to make any payments due for Products or Services that are unrelated to any default alleged against TAN.

**7.3 Return of Materials.** In the event of termination of this Agreement for any reason whatsoever, Customer will immediately (i) return to TAN all physical copies of Products delivered by TAN to Customer or otherwise in Customer’s possession or control, or (ii) if expressly permitted by TAN, destroy all physical copies of the Products not returned to TAN and delete all electronic copies of the Products from its systems and certify in writing to TAN that such actions have all been completed.

### 8. AUDIT AND MONITORING RIGHTS

**8.1** TAN may, upon a minimum of 72 hours written notice to Customer and subject to any reasonable security requirements by Customer, attend upon Customer’s premises and verify that the Products are being used only as permitted hereby. Such inspections shall be limited to a maximum of twice per calendar year, and will be performed only during Customer’s regular business hours and conducted in a manner as to minimize, to the extent reasonable, interference with Customer’s business. Further, TAN may, using automatic means which do not interfere with the use of the Products by Customer or Users other than as described in this provision, monitor at any time usage of the Products by Customer and or its Users including through monitoring of the number of copies of any particular Module(s) in Concurrent Use.

### 9. INTELLECTUAL PROPERTY RIGHTS

**9.1 Warranty of Title.** TAN warrants that it has all rights necessary to make the grant of license herein by having all right, title, and interest in and to the Products (other than Third Party Products) or as licensee of all such rights from the owner thereof.

## GENERAL TERMS

9.2 **Intellectual Property.** TAN and its licensors shall retain all right, title, and interest in and to the Products and the results of the Services and to all software, trademarks, service marks, logos, and trade names and other worldwide proprietary rights related thereto (“**Intellectual Property**”). Customer shall use the Intellectual Property only as provided by TAN, and shall not alter the Intellectual Property in any way, or act or permit action in any way that would impair TAN’s or its licensors’ rights in its Intellectual Property. Customer acknowledges that its use of the Intellectual Property shall not create in Customer or any other person any right, title, or interest in or to such Intellectual Property. Any goodwill accruing from the use of the Intellectual Property shall inure solely to the benefit of TAN or its licensors, as applicable.

9.3 **Restrictions.** Customer will not any time whether before or after the termination of this Agreement:

- (a) reverse engineer, disassemble, or decompile any Products or prepare derivative works thereof;
- (b) copy, transfer, display, or use the Products except as expressly authorized in this Agreement or in the applicable documentation;
- (c) disclose, furnish, or make accessible to anyone any confidential information received from TAN or make any use thereof other than as expressly permitted under this Agreement, which confidential information is deemed to include the source and executable code of the Software and all related documentation;
- (d) contest or do or aid others in contesting or doing anything which impairs the validity of any proprietary or intellectual property rights, title, or interest of TAN in and to any Products; or
- (e) obliterate, alter, or remove any proprietary or intellectual property notices from the Products in physical or electronic forms.

## 10. INDEMNIFICATION

Intentionally deleted.

## 11. GENERAL

11.1 **Entire Agreement.** Intentionally deleted.

11.2 **Force Majeure.** Dates or times by which either party is required to perform under this Agreement, excepting the payment of any fees or charges due hereunder, will be postponed automatically to the extent that any party is prevented from meeting them by causes beyond its reasonable control, provided such party promptly notifies the other thereof and makes reasonable efforts to perform.

11.3 **Notices.** All notices and requests in connection with this Agreement will be given to the respective parties in writing and will be deemed given as of the first business day of the notified party following the day the notice is faxed or sent via overnight

courier, providing a hard copy acknowledgment of such successful faxed notice transmission or evidence of such couriering, as applicable, is retained. Notice may also be deposited in the mails, postage pre-paid, certified or registered, return receipt requested, and addressed to the parties as indicated on the face of this Agreement or such other address of which the party gives notice in accordance herewith, and receipt of any such notice will be deemed to be effective as of the third business day following such deposit.

11.4 **Governing Law.** This Agreement and performance hereunder will be governed by the laws of the jurisdiction in which the Customer is located as indicated on the face of this Agreement, except that (i) in the case of Louisiana, the laws of California will apply, and (ii) in the case of Québec, the laws of Ontario will apply.

11.5 **Attorney Fees.** In any action or suit to enforce any right or remedy under this Agreement or to interpret any provision of this Agreement, the prevailing party shall be entitled to recover its costs, including reasonable attorneys' fees.

11.6 **Non-Assignability.** Neither party may assign its rights or obligations arising out of this Agreement without the other party’s prior written consent, except that TAN may assign this Agreement in connection with any sale or security interest involving all or substantially all of its assets or any other transaction in which more than fifty percent of its voting securities are transferred.

11.7 **Term and Survival.** The term of this Agreement shall commence on the Effective Date set out on the cover page hereof and shall continue as set forth in Sections 18.1 or 25.1, as applicable, or until terminated in accordance with Section 7. Sections 1.1, 5, 7.3, 9.2, 9.3, 10, 11, 29.1, and 29.2 of this Agreement, along with all unpaid payment obligations, will survive termination and expiration of this Agreement.

11.8 **No Authority to Bind.** Neither party shall incur any obligations for or in the name of the other party, or have the authority to bind or obligate the other party. Neither party shall make, issue or authorize any statements (whether oral or written) in contravention of the foregoing.

11.9 **Counterparts.** This Agreement may be executed in separate counterparts and delivered by facsimile or such other electronic means as are available to the Parties. Such counterparts taken together shall constitute one and the same original document.

11.10 **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this Agreement and such provisions shall remain in full force and effect.

11.11 **Cooperative Procurement.** Upon consent by TAN, this Agreement may be used for permitted cooperative procurement by any public or municipal body, entity, agency or institution. If so authorized, and in order to forego a related entity RFP or similar competitive bidding process, the Agreement may be extended to such other entities indicated

## GENERAL TERMS

above for the procurement of similar products and/or services provided to Customer herein and at fees in accordance with the Agreement unless separately negotiated between such other entities and TAN. Further related entities participating in a cooperative procurement process shall place their own orders directly with TAN and will fully and independently administer their use of the Agreement to include such contractual as those entities and TAN deem appropriate without direct administration from the original Customer.

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### SCHEDULE A: TERMS APPLICABLE ONLY TO HOSTED SOFTWARE

#### 12. HOSTED SOFTWARE

12.1 TAN will provide Customer with access to hosted versions of the products identified in the Pricing Form and associated Online Services, and TAN hereby grants to Customer a limited, non-exclusive, non-transferable license to use the Hosted Software in accordance with the applicable documentation.

#### 13. SUPPORT FOR HOSTED SOFTWARE

13.1 TAN will, during all periods in respect of which Customer has subscribed for Hosted Software, provide Support to Customer (and, where applicable, directly to users of Customer's own services and products who access the Hosted Software) in accordance with applicable sections of the Support and Maintenance Handbook.

#### 14. LICENSE AND BRANDING

14.1 TAN hereby grants to Customer a limited, non-exclusive, non-transferable license to display, reproduce, distribute, and transmit in digital form TAN's name and logo in connection with promotion of the Online Services only in the manner approved of by TAN during the term of this Agreement. Customer hereby grants to TAN a limited non-transferable license to use, display, reproduce, distribute, adapt and transmit in digital or printed form information provided by Customer relating to its organization, including its name, trademarks, service marks and logo, in connection with the implementation and promotion of the Online Services; provided, however, that such use shall be as necessary to TAN's performance under this Agreement. Customer will make reasonable efforts to encourage adoption of the Online Services, including displaying TAN's name and logo or "Powered by TAN" logo, in the form supplied by TAN from time to time and in a manner approved by TAN, acting reasonably, in any medium used by Customer to promote its programs or services to prospective participants.

#### 15. INFORMATION SECURITY AND PRIVACY FOR HOSTED SOFTWARE

15.1 TAN will collect information, including names, addresses, gender, phone numbers, email addresses, birth dates, financial information (for payment purposes) and other such information from individuals using the Online Services as is reasonably required to provide the Services. TAN will store such information on a secure remote server using reasonable

safeguards in accordance with TAN's published online privacy policies and in compliance with all applicable laws, codes of practice, and other legal obligations associated with the collection, use, and disclosure of personal information. Customer may access this information by downloading it from TAN's servers using a Customer assigned private password and "login" identifier. Upon request TAN will make such information available to Customer via e-mail, fax or airmail. Customer will be responsible for protecting the privacy and security of any information that Customer retrieves from TAN's servers and shall prevent any unauthorized or illegal use or dissemination of such information and shall be solely responsible for ensuring compliance with any applicable data and privacy protection laws, codes of practice, and other legal obligations associated with the collection, use, and disclosure of personal information by Customer, including such disclosure to TAN as is necessary for TAN to provide the Services and Products to Customer. Customer and/or its clients shall exclusively own the personal data collected by TAN in connection with the Hosted Software; provided, however, TAN is granted a royalty-free, perpetual, non-exclusive right and license to use, reproduce, distribute and adapt the collected data as is necessary for TAN to perform its obligations under this Agreement, including for purposes of communicating with Customer or Customer's clients as necessary, fulfilling requests for products and services requested from Customer or Customer's clients, providing customized content and advertising provided in connection with the Hosted Software, conducting internal TAN research intended to improve the products and services provided by TAN and its affiliates, and to provide anonymous and aggregated reporting of non-individual data for internal and external clients of Customer or TAN. Any use of such data will conform with applicable laws related to personal privacy and best practices around permissive marketing, such as use of "opt-in" and/or "opt-out" notifications and rights.

#### 16. FEES FOR HOSTED SOFTWARE

##### 16.1 Transaction fees.

(a) Customer shall pay to TAN the Hosted Software service fees ("**Service Charge(s)**") as set out in the Pricing Form

(b) In cases where TAN's banking or financial partners or similar service providers impose changes in processing costs payable by TAN, TAN reserves the right to modify Service Charges. TAN shall notify Customer at least ninety (90) days in advance of any such changes. Customer agrees to such changes unless Customer provides TAN with written objection to such charges within thirty (30) days from the date such change is implemented. In the event Customer notifies TAN of its objection to the changes as noted above, Customer's sole remedy shall be to immediately terminate the Agreement as applied to the Hosted Software, subject to payment of any fees due prior to such notice of termination.

(c) TAN will be responsible for collecting all payments processed through the Online Services and all Service Charges assessed by TAN. All payments are Customer's exclusive property and will be sent to Customer twice a month (or as

## GENERAL TERMS

otherwise indicated in the Pricing Form) while Service Charges shall be retained by TAN.

(d) If Customer enters transactions at fee amounts less than those actually charged to Customer's Users, thus reducing or avoiding applicable Service Charges, such action shall constitute a material breach of this Agreement.

(e) TAN shall not be responsible for processing or making any refunds. All refunds for payments processed will be assessed a \$.10 fee charged by TAN to Customer. TAN may set off against user fees collected by TAN to the amount of any credit card charge backs and associated fees applicable to user transactions and to reimburse itself for any overdue fees owed to TAN by Customer. To the extent that such funds are not available for set off, Customer shall promptly reimburse TAN for any deficiency.

### 16.2 Subscription fees.

Customer shall pay to TAN the Hosted Software subscription fees ("**Subscription Fees**") set out in the Pricing Form and for the term of this Agreement established in Section 18 below. Customer will be invoiced for their first year Subscription Fees upon the first live operational use of the Hosted Software ("Go-Live Date"), with subsequent annual Subscription Fees being invoiced upon each anniversary of Go-Live Date. Payment will be made Net 30 days from invoice date.

### 17. EXCLUSIVITY FOR HOSTED SOFTWARE

TAN will, during all periods for which Customer has subscribed for Hosted Software, be the sole and exclusive provider to Customer of the Hosted Software and Online Services, or any products or services substantially similar thereto, for the part of Customer's organization utilizing the Hosted Software and Online Services.

### 18. TERM FOR HOSTED SOFTWARE

18.1 Unless otherwise provided in the Pricing Form, TAN shall provide to Customer, and Customer shall purchase from TAN, the Hosted Software commencing on the Effective Date of this Agreement, and remaining in full force for a period of three (3) years from the Go-Live Date of the Hosted Software (the "**Initial Term**"), with automatic renewals for three (3) year terms (each a "**Renewal Term**") thereafter until either party gives written notice to terminate the Hosted Software no less than twelve (12) months prior to the end of the Initial Term or Renewal Term, as applicable.

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## SCHEDULE B: TERMS APPLICABLE ONLY TO LICENSED SOFTWARE AND ASSOCIATED SUPPORT AND MAINTENANCE SERVICES

### 19. ACCESS TO SYSTEM AND OTHER CUSTOMER OBLIGATIONS

19.1 **Access.** Customer will provide, at no cost to TAN:

(a) subject to the security requirements of Customer, 24 hour access to Customer's system via either an always-available

telephone circuit or an always available internet connection to enable TAN or its designated representative to perform any of the obligations placed upon TAN by this Agreement; and

(b) subject to the security requirements of Customer, remote dial up/internet access methods approved by TAN to allow TAN to remotely diagnose and correct errors in the Licensed Software and provide other Services.

**19.2 Customer Obligations.** Without limiting any of Customer's other obligations under this Agreement, Customer will:

(a) use its best efforts to upgrade to any new Release or Version of the Licensed Software as soon as possible after becoming aware of its availability;

(b) ensure that at all times at least one current staff person of Customer has been fully trained on the Licensed Software; and

(c) designate by written notice a single site and single person as the point of contact for telephone or other contact, which site and/or person Customer may change upon 14 days prior notice to TAN.

### 20. GRANT OF LICENSES AND LIMITATIONS THEREON

20.1 TAN hereby grants to Customer a non-exclusive and non-transferable right and license, subject to this Agreement, to install and/or use the Licensed Software, in the manner and for the term stated in the Pricing Form (Exhibit 1) and TAN provided and related written user documentation as follows:

(a) **Workstation-Based Modules.** In respect of each Workstation-based core Module and each Workstation-based add-on Module, Customer may install and use each Module on Workstations to access the Enterprise Database on the Database Server, provided that the number of copies of any particular Module in use does not exceed the number of licenses granted to Customer therefore as set out in the Pricing Form.

(b) **Server-based Add-on Modules.** Customer may install and use each server-based Module on as many Workstations as is desired by Customer, and Customer may use and permit use of such Modules by its clients, all without limit to the number of Users or transactions which simultaneously use any such Module, provided however that:

(i) in respect of each TeleReg & Voice Server Module, Customer may install one copy of each Module on one IVR Server, provided that the number of copies of any particular Module in use does not exceed the number of licenses granted to Customer therefore as set out in the Pricing Form, and all such Modules together may be in Concurrent Use not to exceed the number of licenses granted to Customer for TeleReg Lines Modules as set out in the Pricing Form; and

(ii) in respect of each Payment Server Module, such Modules may be in Concurrent Use not to exceed the

## GENERAL TERMS

number of licenses granted to Customer for Point of Sale Modules as set out in the Pricing Form.

(c) **Server-based On-line (Internet) Modules.** In respect of each Server-based On-line (Internet) Module, Customer may:

- (i) install one copy of each Module on one Internet server, provided that the number of copies of the Module in use does not exceed the number of licenses granted to Customer therefore as set out in the Pricing Form; and
- (ii) subject to 20(d), permit Users to access and use such Modules to access the Database Server via Internet Clients connecting via a licensed Internet Server, and all such Modules together may be in Concurrent Use not to exceed the number of licenses granted to Customer for Online Client Access Modules as set out in the Pricing Form multiplied by twenty-five (25).

(d) **Cumulative Workstation-based Modules.** In respect of each Cumulative Workstation-based Module, Customer may:

- (i) install one copy of each Module on a single Workstation for each license granted to Customer therefore as set out in the Pricing Form; and
- (ii) permit Users using such licensed Workstation(s) to use such Module(s) provided, for greater certainty, that the Modules may be in Concurrent Use not to exceed the number of licenses granted to Customer therefore as set out in the Pricing Form.

(e) Customer hereby acknowledges that the mechanism utilized by the Licensed Software to control the number of Users or Online Client Access which can simultaneously access and use Server-based On-line (Internet) Modules is based upon the number of Users who have at any time logged into Customer's computer network using their passwords, such that any User so logged into such network in a manner that would automatically enable the User to access and use such Modules will reduce by one the number of Users able to simultaneously access those Modules, regardless of whether or not such User is in fact accessing or using any such Module. Customer hereby waives any claim, and releases TAN from any such claim and from any losses or damages Customer suffers in relation thereto, in connection with the inability of Users to simultaneously access such Modules where such inability is the result of inactive logged-in Users absorbing available login access.

**20.2 Additional Copies.** Customer will not make any copies of the Licensed Software except as necessary for the installation permitted hereby and except for:

- (a) copies of each Module licensed hereunder for training and testing purposes, and
- (b) for backup purposes, provided that all electronic copies made include screen displays of TAN's proprietary or intellectual property notices as recorded on the original copy provided by

TAN and Customer affixes a label to each disk, reel, or other housing for the medium on which each physical copy is recorded setting out the same proprietary and intellectual property notices as appear on the unit of Licensed Software from which the copy is made in the same manner as those notices appear on that original copy.

### 21. LICENSED SOFTWARE FEES

21.1 In respect of each Module, Customer shall pay to TAN all applicable Licensed Software fees listed in the Pricing Form upon delivery (as defined in Section 2.3) of the Licensed Software.

### 22. MAINTENANCE SERVICES

22.1 TAN will develop new Releases and new Versions of Licensed Software in accordance with the procedures and other particulars set out in the Support and Maintenance Handbook attached as [Exhibit 3](#).

22.2 Provided that Customer continues to subscribe for Support and Maintenance in respect of a particular Licensed Software Product, TAN will provide to Customer, either in physical form by mail or courier or in electronic form via the Internet, new Releases and Versions (and appropriate documentation) for such Licensed Software Products on a when-and-if-available basis.

### 23. EXCLUDED SUPPLIES AND SERVICES

Without limitation, the following supplies and services are excluded from Support and Maintenance:

- (a) Services which are required to remedy problems that stem from changes to or defects in system configuration upon which the Licensed Software was initially installed;
- (b) Services which are required to remedy problems which do not stem from any defect in Licensed Software;
- (c) Services which are required to remedy problems caused by lack of training of Customer's personnel or improper treatment or use of the Licensed Software;
- (d) Full report customization service;
- (e) Any and all hardware support, maintenance or troubleshooting issues, except as described in section 28.1 regardless of the source of such hardware.

### 24. FEES FOR SUPPORT AND MAINTENANCE

24.1 Support and Maintenance services begin for all Licensed Software listed in the Pricing Form on the Support and Maintenance Start Date. The cost for Support and Maintenance services is payable annually in advance and is due in its entirety thirty (30) days from date of TAN's delivered invoice. Customer may elect to specify a preferred alternate Support Renewal Date by so notifying TAN in writing. If an alternate preferred Support Renewal Date is specified, the cost of Support and Maintenance will be prorated from the anniversary of the Support and Maintenance Start Date to the specified Support Renewal Date. Thereafter, the Support and Maintenance fee is payable in advance on every annual anniversary of the Support and

**GENERAL TERMS**

Maintenance Start Date or, if there is a Support Renewal Date, every anniversary of the Support Renewal Date (the applicable anniversary being the “**Support Renewal Date**”). TAN will provide invoices to Customer for all such amounts, such invoices due on the later of (a) the Support and Maintenance Start Date or applicable Support Renewal Date, as applicable, and (b) 30 days from the date of the invoice.

24.2 For the first year of this Agreement commencing with the Effective Date, Support and Maintenance pricing shall be equal to twenty-five percent (25%) of the gross software license fees. Support and Maintenance pricing for all successive years shall be equal to twenty-five percent (25%) of the gross software license pricing charged by TAN for equivalent software as of the date of each such renewal year, provided, however, that any increase in TAN’s annual Support and Maintenance pricing for any renewal year shall not exceed 5% of the renewal fees charged in the prior year. Any additional software licensed to Customer by TAN will increase the total gross software license fees upon which Maintenance and Support pricing is based. TAN will provide invoices to Customer for renewal fees up to 60 days prior to expiration of each term.

24.3 The Support and Maintenance fees identified in the Pricing Form are applicable only upon the date of entry into this Agreement, and are subject to change thereafter in accordance with this Agreement’s terms.

24.4 In consideration of the Support and Maintenance provided hereunder, Customer agrees to pay TAN the fees described in the Pricing Form, as modified explicitly pursuant to this Agreement. In the event Customer requires Support and Maintenance for additional Licensed Software, Customer agrees to pay TAN the additional Support and Maintenance fees applicable based upon the fees then in effect, prorated from the date of agreement to acquire such services to the Support Renewal Date.

24.5 Unless the Pricing Form indicates otherwise, the fees charged hereunder are applicable to Support and Maintenance of Licensed Software used with respect to only a single database of Customer data. If Customer, after entering this Agreement, places in service one or more additional databases to be used in relation to the Licensed Software, then for each such additional database, an additional 25% of all gross Licensed Software fees due, exclusive of such extra database fees, will be payable hereunder for Support and Maintenance. Customer will notify TAN as soon as reasonably possible of the installation or use of any such additional database(s).

24.6 TAN may terminate and suspend performance of all Support and Maintenance if Customer fails to pay any past due TAN invoice within 30 days of written notice of such failure, in the event of any other material breach by Customer which remains uncured 30 days after notice thereof or if any of the Licensed Software ceases to be subject of a valid Software License Agreement.

24.7 If at any time after Customer has initially licensed any of the Licensed Software from TAN, Customer’s right to receive Support and Maintenance, or comparable services, from TAN

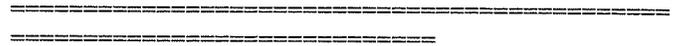
under this Agreement or a comparable agreement has lapsed for any reason whatsoever, voluntarily or otherwise, and Customer wishes to receive Support and Maintenance from TAN, Customer will pay to TAN, prior to re-instatement of Support and Maintenance services:

(a) a reinstatement fee equal to the greater of 50% of the current annual support fee or the sum of the unpaid support fees that would have been payable hereunder had this Agreement been in force during the time in which Support and Maintenance rights had so lapsed to the date of reinstatement, and

(b) at least one additional year of Support and Maintenance from the date of reinstatement.

**25. TERM FOR SUPPORT AND MAINTENANCE**

25.1 **Term.** TAN shall provide to Customer, and Customer shall purchase from TAN, Support and Maintenance for a period commencing on the Support and Maintenance Start Date and, subject to termination as provided herein, continuing until the following Support Renewal Date or anniversary of the Support and Maintenance Start Date, with automatic renewals for one (1) year terms thereafter until either party gives written notice to terminate Support and the Maintenance no less than ninety (90) days prior to the end of the then-current term, provided however that the fees payable in respect of the Services and the Products may be revised by TAN in accordance with this Agreement.



**SCHEDULE C: TERMS APPLICABLE ONLY TO THIRD PARTY PRODUCTS AND SERVICES**

**26. PURCHASE AND SALE; DELIVERY**

26.1 **Purchase Commitment and Price.** TAN hereby agrees to sell to Customer, and Customer hereby agrees to purchase from TAN, the Third Party Products listed in the Pricing Form in the volumes and at the prices described therein.

26.2 **Delivery.** TAN will ship all or any part of the Third Party Products to Customer as soon as reasonably practicable (or, if the below-described purchase order documentation does not seek immediate shipping, at the time TAN considers reasonable in order to meet the desired delivery date described) after receipt by TAN of a purchase order from Customer specifying the particular Third Party Products sought, the number of such Third Party Products sought, the price payable therefore, and the desired date and location of delivery thereof. Any such purchase order must, at a minimum, reference quantity, description and price.

26.3 **Changes by Customer to Delivery Schedule.** Following delivery by Customer of any purchase order documentation described in section 26.2, no changes by Customer to the shipment schedule described therein will be permitted unless TAN is notified thereof in writing at least ninety (90) days in advance of the delivery date sought in such purchase order documentation.

## GENERAL TERMS

**26.4 Acceptance of Purchase Orders.** Purchase orders delivered by Customer to TAN in respect of Third Party Products are not binding upon TAN until accepted by TAN in writing. In any case, despite any indication to the contrary contained in any such purchase order documentation, no terms or conditions on purchase order documentation issued by Customer, other than the information required by TAN as set forth expressly in this Agreement, will be binding upon TAN, nor will any such terms or conditions modify or supplement this Agreement in any way, notwithstanding the fact that TAN may accept or otherwise approve such purchase orders. TAN reserves the right to refuse any such purchase order for any reason not contrary to this Agreement, including without limitation pricing differences as described in section 27.2.

**26.5 Additional Third Party Products.** Customer may purchase Third Party Products in addition to those listed in the Pricing Form by issuing additional purchase order documentation as described herein, provided that the supply (or non-supply) of such additional Third Party Products will be subject to this Agreement as though such additional Third Party Products had been included in the Pricing Form on the date of execution of Pricing Form subject to the following:

(a) the price for such additional Third Party Products is subject to agreement between the parties each in their own absolute discretion, and

(b) TAN shall have the right to discontinue delivery of such additional Third Party Products upon at least ninety (90) days written notice to Customer without any liability to Customer whatsoever for such discontinuance.

## 27. CHARGES AND PAYMENTS

**27.1 Prices.** The pricing applicable to Third Party Products is as set out in the Pricing Form in the form finally agreed to by the Parties.

**27.2 Pricing Variability.** Customer acknowledges that:

(a) the prices described in Pricing Form are applicable for six (6) months after the date of execution hereof, and such prices are based upon Customer taking delivery of the full number of any particular Third Party Product listed in Pricing Form in a single shipment; and

(b) Customer hereby agrees that after the expiry of such initial six-month period or, in case of Customer seeking, in a particular shipment, delivery of less than all of the Third Party Products of a particular type listed Pricing Form, the actual prices may be higher. Prior to shipment of any Third Party Products that would be subject to pricing that differs from that described in the Pricing Form, TAN will notify Customer of any such different pricing and Customer will accept such different pricing, as mutually agreed between Customer and TAN, in writing.

## 28. SUPPORT FOR THIRD PARTY PRODUCTS

**28.1** For the purpose of isolating support issues and responsibility in respect of Third Party Products and their interaction with any Products, TAN will provide initial first-tier

support, to a maximum of fifteen (15) minutes per support inquiry, for Third Party Products, as further specified in the Support and Maintenance Handbook.

## 29. PROPRIETARY RIGHTS

**29.1 Third Party Proprietary Rights and Indemnity by Customer.** Customer acknowledges that any Third Party Products supplied by TAN hereunder are supplied by TAN as a reseller thereof and that the Third Party Products are subject to the intellectual property rights of the various third party developers and/or manufacturers thereof, as applicable, including without limitation copyright, trade secret, trademark, and patent rights. Customer will maintain in confidence and not use or disclose any and all confidential business or technical information connected with any Third Party Product except as specifically permitted by a party having legal control of such rights, and Customer will defend or settle any claim made or any suit or proceeding brought against TAN insofar as such claim, suit, or proceeding is based on an allegation that any Third Party Product provided to Customer hereunder has been installed, used, or otherwise treated by Customer or any client or customer of Customer in violation of the proprietary rights of any third party or on an allegation that Customer or any client or customer of Customer has disclosed or used any confidential business or technical information connected with any Third Party Product, provided that TAN will notify Customer in writing promptly after the claim, suit, or proceeding is known to TAN and will give Customer such information and assistance as is reasonable in the circumstances. Customer will have sole authority to defend or settle any such claim at Customer's expense. Customer will indemnify and hold TAN harmless from and against any and all such claims and will pay all damages and costs finally agreed to be paid in settlement of such claim, suit or proceeding.

**29.2 Third Party Products which are Software.** Customer acknowledges that the possession, installation and use of all Third Party Products which are software shall be governed by the terms of the software license(s) of the persons other than TAN who possess the rights to control such possession, installation and use.

## 30. WARRANTY

**30.1 Warranty.** TAN warrants to Customer that TAN has the right to deliver the Third Party Products subject to any documentation accompanying such Third Party Products at the time of delivery and/or any licensing mechanisms, physical, electronic or otherwise, included in any Third Party Products that are software.

**30.2 Warranties Provided by Third Party Suppliers.** Third Party Products are warranted by the manufacturers thereof in accordance with the warranty statements accompanying delivery of the Third Party Products, and Customer agrees that Customer will rely solely on such Third Party Product warranties and Customer shall make no claim against TAN on account of any warranty, express or implied, which may apply to any Third Party Product.

**GENERAL TERMS**

**GENERAL TERMS**

**EXHIBIT 1**

The Active Network  
10182 Telesis Court, 1st floor  
San Diego, CA, 92121, United States

# Pricing Form

Quote#: 5724 - 1  
Date: 06/03/2010  
Expires: 08/03/2010

**Customer:**  
City of Oceanside

**Address:**  
300 N. Coast Highway  
Oceanside, CA 92054  
US

**Bill To:**  
Attn: Sheri Brown  
City of Oceanside  
300 N. Coast Highway  
Oceanside, CA 92054  
US

**Ship To:**  
Attn: Sheri Brown  
City of Oceanside  
300 N. Coast Highway  
Oceanside, CA 92054  
US

**Sales Representative:** Mike Biros

**Payment Terms:** 30 Net

Line	Product	Units	Qty	Unit Price Selling (USD)	Total Price Selling (USD)
1.0	71286 Payment Manager - Reports Inquiry (5 pack)	Ea	1	5,000.00	5,000.00
1.0.1	71286M Payment Manager - Maintenance & Support - Reports Inquiry (5 pack) Duration 1 Yr	Yr	1	1,250.00	1,250.00
2.0	71270 Payment Manager - General Ledger Link	Ea	1	0.00	0.00
2.0.1	71270M Payment Manager - Maintenance & Support - General Ledger Link Duration 1 Yr	Yr	1	750.00	750.00
3.0	71269 Payment Manager - Department Connector <ul style="list-style-type: none"> <li>• Accounts Receivable (Oracle)</li> <li>• Permits (CRW)</li> <li>• Utility Billing (H T E)</li> <li>• Ambulance (Ortivus)</li> <li>• Parking (Duncan)</li> <li>• Business License (Progressive)</li> </ul>	Ea	6	0.00	0.00
3.0.1	71269M Payment Manager - Maintenance & Support - Department Connector Duration 1 Yr	Yr	6	2,500.00	15,000.00
4.0	71284 Payment Manager - POS Plus	Ea	6	0.00	0.00
4.0.1	71284M	Yr	6	625.00	3,750.00

**GENERAL TERMS**

Payment Manager - Maintenance & Support - POS Plus

**Duration** 1 Yr

<b>5.0</b>	<b>71265</b>	<b>Ea</b>	<b>1</b>	<b>2,000.00</b>	<b>2,000.00</b>
	Payment Manager - Report Customization (Crystal Reports and Xcelcius)				
<b>5.0.1</b>	<b>71265M</b>	<b>Yr</b>	<b>1</b>	<b>500.00</b>	<b>500.00</b>
	Payment Manager - Maintenance & Support - Report Customization (Crystal Reports and Xcelcius)				
	<b>Duration</b>	1	Yr		
<b>6.0</b>	<b>71258</b>	<b>Hr</b>	<b>168</b>	<b>180.00</b>	<b>30,240.00</b>
	Payment Manager - Implementation Services				
<b>7.0</b>	<b>71258</b>	<b>Hr</b>	<b>112</b>	<b>180.00</b>	<b>20,160.00</b>
	Payment Manager – Project Management Services				
<b>8.0</b>	<b>71258</b>	<b>Hr</b>	<b>32</b>	<b>180.00</b>	<b>5,760.00</b>
	Payment Manager – Business Process Review Services				
<b>9.0</b>	<b>71222</b>	<b>Ea</b>	<b>6</b>	<b>840.00</b>	<b>5,040.00</b>
	Payment Manager - Epson TM-H6000iii impact-thermal receipt printer (USB)				
<b>10.0</b>	<b>71230</b>	<b>Ea</b>	<b>3</b>	<b>27.00</b>	<b>81.00</b>
	Payment Manager - Epson Ribbon, Black, 10 Ribbons-Case				
<b>11.0</b>	<b>71282</b>	<b>Ea</b>	<b>1</b>	<b>0.00</b>	<b>0.00</b>
	Payment Manager - Payment Processing Engine - Enterprise				
<b>11.0.1</b>	<b>71282M</b>	<b>Yr</b>	<b>1</b>	<b>2,500.00</b>	<b>2,500.00</b>
	Payment Manager - Maintenance & Support - Payment Processing Engine - Enterprise				
	<b>Duration</b>	1	Yr		
<b>12.0</b>	<b>71194</b>	<b>Ea</b>	<b>7</b>	<b>273.00</b>	<b>1,911.00</b>
	Payment Manager - APG Series 4000 USB Cash Drawer (cable included)				
<b>13.0</b>	<b>71229</b>	<b>Ea</b>	<b>3</b>	<b>85.00</b>	<b>255.00</b>
	Payment Manager - Epson Receipt Thermal Paper, 3 1/8 in x 273 in, 50/Box				
<b>14.0</b>	<b>71264</b>	<b>Day</b>	<b>14</b>	<b>500.00</b>	<b>7,000.00</b>
	Payment Manager – Airfare and expenses				
<b>15.0</b>	<b>71258</b>	<b>Hr</b>	<b>480</b>	<b>132.00</b>	<b>63,360.00</b>
	Payment Manager – Integration Services				
<b>16.0</b>	<b>71258</b>	<b>Hr</b>	<b>64</b>	<b>180.00</b>	<b>11,520.00</b>
	Payment Manager – Training Services				

**GENERAL TERMS**

17.0	71195	Ea	6	835.00	5,010.00
	Payment Manager - MagTek Excella STX Check Reader - Check 21 Platform, Front Printer, Rear Printer and MSR (Class 6.21)				
18.0	71245	Ea	1	325.00	325.00
	Payment Manager - Tender Retail License				
19.0	71272	Ea	6	600.00	3,600.00
	Payment Manager - Imaging				
19.0.1	71272M	Yr	6	150.00	900.00
	Payment Manager - Maintenance & Support - Imaging				
	Duration	1	Yr		
20.0	71204	Ea	6	350.00	2,100.00
	Payment Manager - HP ScanJet 5590				
21.0	71213	Ea	6	329.00	1,974.00
	Payment Manager - Mitek OCR license for Magtek Excella STX				
22.0	71278	Ea	16	1,000.00	16,000.00
	Payment Manager - Online Payments (per 10,000 population) - cities				
22.0.1	71278M	Yr	16	250.00	4,000.00
	Payment Manager - Maintenance & Support - Online Payments (per 10,000 population) - cities				
	Duration	1	Yr		
23.0	71267	Ea	1	0.00	0.00
	Payment Manager - Batch Processing				
23.0.1	71267M	Yr	1	1,500.00	1,500.00
	Payment Manager - Maintenance & Support - Batch Processing				
	Duration	1	Yr		

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**Subtotal**

<b>Software</b>	<b>\$26,925</b>
<b>Services</b>	<b>\$138,040</b>
<b>Hardware</b>	<b>\$16,371</b>
<b>Annual Maintenance</b>	<b>\$30,150</b>
<b>Subtotal</b>	<b>\$211,486</b>

**Tax**

COUNTY (Rate 1.5% )	\$250.46
STATE (Rate 7.25% )	\$1,210.47

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<b>Total(USD)</b>	<b>212,946.93</b>
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## GENERAL TERMS

### Additional Information

- Delivery of licensed software shall be deemed to have occurred upon "go live" as defined in Milestone #7 of the Statement of Work.
- Hardware, operating system, 3rd party software and site preparation are not included unless otherwise noted.
- The software and manuals are available for download.
- Onsite services billed in minimum 8 hour daily increments.
- All hardware sales are final. Hardware is covered by standard manufacturer's warranty. Equipment that is defective upon arrival will be replaced. RMA process will apply for items after support has indicated there are no alternatives.
- Customer must notify TAN in writing of any defective hardware within 7 days of its receipt. Any notices received after 7 days concerning defective hardware will be null and void and will not be accepted for return or replacement by TAN.

### Method of Payment

Invoice me       Purchase Order Number: \_\_\_\_\_

Credit Card  
 Visa     MasterCard     American Express

Number: \_\_\_\_\_      Expiration Date: \_\_\_\_\_

I hereby Agree to pay the above quote with the stated method.

Oceanside Parks and Recreation Department

Signature \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Effective Date \_\_\_\_\_

End of Quote

**GENERAL TERMS**

**EXHIBIT 2**

**City of Oceanside and The Active Network Inc  
Payment Manager Cashiering Project  
Statement of Work  
Version 1.0**

<b>THE CITY OF OCEANSIDE</b>	<b>THE ACTIVE NETWORK, INC.</b>
Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

<b>Document Revision History</b>			
<i>Version</i>	<i>Date</i>	<i>Changed by</i>	<i>Description of Change</i>

## GENERAL TERMS

### 1.0 INTRODUCTION

The following Statement of Work (“SOW”) describes in detail, the products and services to be delivered by The Active Network Inc. (“TAN”) under this Agreement with the City of Oceanside (“City”). TAN will provide the following services to install a replacement system to Cashier for Windows that will provide integrated cashiering functionality (Payment Manager) in designated City departments and facilities, as more fully set forth in this Statement of Work (SOW):

1. Install and configure using industry standards and practices all software included in the TAN solution specified by TAN and purchased by the City.
2. Create functional interfaces to designated City systems including Oracle (GL), Oracle (AR), CRW (permits), Safari (Recreation), Progressive (licensing), Duncan (parking ), Sungard (Utility Billing), and Ortivus (Ambulance)
3. Implement internet payments (e-commerce) for customer self service
4. Provide end-user, technical, and system administration training
5. Provide knowledge transfer to City staff

TAN will apply industry practices and reasonable effort to complete installation, configuration, testing, and training in a timeframe as mutually agreed by the City and TAN. The parties in an effort to achieve this goal will establish Critical Path Milestone dates (CPM) for the project. Final critical milestone dates and a detailed project plan will be established following the Business Process Review.

## GENERAL TERMS

### 2.0 APPROACH, TASKS AND DELIVERABLES

The project will be implemented and billed based on the following milestones:

- Milestone 1 Project Initiation, Business Process Review and Planning
- Milestone 2 Software Delivery, Installation and Configuration
- Milestone 3 Integration to Oracle Financials (GL)
- Milestone 4 Integration to Oracle Accounts Receivable (AR)
- Milestone 5 Integration to CRW (Permits)
- Milestone 6 Batch Processing, Report Printing and Payment Processing
- Milestone 7 Application Deployment and Training
- Milestone 8 Project Closure and System Acceptance for Phase I
- Milestone 9 Phase II Deployment: Integration to Safari (Recreation), Progressive (Business Licenses), Duncan (Parking Tickets), SunGard (Utility Billing), Ortivus (Ambulance Billing)
- Milestone 10 Phase III Deployment: Internet Payments

#### Notes:

Project phases will be conducted concurrently when possible.  
TAN will use industry standards to implement its solution.  
TAN and the City shall execute a Signoff Process at the successful completion of each project milestone.

#### Travel Costs:

TAN covers all services costs (ground transportation, meals, per diem, hotel, etc.) in our daily on site fee (\$300/day). Airfare is not included and will be billed on an actual cost basis. TAN has estimated the number of trips this project may require at 4 for a total services (expenses & airfare) cost of \$7,000 and used a conservative airfare figure per trip from our travel agency. Airfare will be billed after the trips throughout the project, on a monthly basis, payable 30 days after receipt of itemized invoice.

#### Hardware costs:

Hardware costs of \$16,371 are not part of the SOW. The POS hardware will be finalized as part of the BPR and will be billed as the actual hardware is delivered. This will be part of the detailed project plan.

### 2.1 PROJECT IMPLEMENTATION PLAN

The implementation process begins with planning and preparation, including team conference calls, to get the process started. TAN will set up an email distribution list of those dedicated to the project to help ensure consistent communication between all members of the TAN team and the City's migration team.

## GENERAL TERMS

### 2.2 ACTIVE IMPLEMENTATION TEAM

TAN's Implementation Services Group will use a team-based approach to work with the City Team ("City Staff") to install, configure, and train City Staff so that City Staff are able to start using its *Payment Manager*. Led by the TAN Project Manager, the TAN team for this project will include An Integration Analyst, a Technical Support Specialist and a Training Consultant. The City's Team is led by the Project Manager and is assisted by the Technical/System Support Specialist and System Administrator. This project will involve TAN software setup, loading of the City's database, and training the City staff on System functions. The roles and responsibilities are listed below.

#### 2.2.1 TAN Project Manager

As soon as the contract between the City and TAN is fully executed, TAN will designate the Project Manager & Team for this project and will provide City with all appropriate contact information. The TAN Project Manager has overall responsibility for the implementation process and master schedule, and he or she details the process and timing of the City's implementation, installation, and training. The TAN Project Manager works closely with the City Project Manager to ensure that all assigned resources (TAN and City) remain attentive to meeting the project completion. The TAN Project Manager will meet weekly, or as deemed necessary, with the City Project Manager to provide a written project status report.

**Conflict Resolution** - The TAN Project Manager will report any issues / problems that impede the progress of the project to the City Project Manager. The project managers will work closely to resolve any unresolved issues / problems. The TAN Project Manager can request in writing that the City Project Manager escalate an issue that he / she believes is outside the collective ability of the project managers to resolve and which could have an adverse impact project completion and/or cost. The City Project Manager will meet with the TAN Project Manager to assess the basis of the request and determine if the matter should be escalated to the Executive Committee. The City Project Manager will forward the issue in writing to the Executive Committee and request an executive decision as soon as possible.

The Project Manager ensures that the project stays on schedule and serves as a resource when there are questions that fall outside the purview of other team members. The Project Manager ensures a smooth transition from Sales to Implementation Services and is available to answer any questions about the project. When the project draws to a close, the Project Manager facilitates transfer of support from Implementation Services to Customer Services.

#### 2.2.2 TAN Training Consultant

TAN's Training Consultant will be assigned to work directly with the City. As the City learns how to use *Payment Manager*, this Training Consultant will be the primary representative for the TAN team. The Training Consultant provides an on-site overview of functions for each *Payment Manager* module, trains the staff in its use of the system.

## GENERAL TERMS

Additionally, the Training Consultant provides tools to expand understanding and verify knowledge of the system.

Each training day typically starts at 8:30am and runs to 12:00. (Excluding breaks) Training typically continues at 1:00pm until 5:00pm (specific hours may vary depending on customary work hours). The City is responsible for the training facility and making arrangements for the appropriate staff to be present once the City and the Training Consultant agree on the schedule.

### 2.2.3 Integration Analyst

TAN's Integration Analyst will be assigned to work directly with the City and the City's vendors. The integration Analyst's role is to assist in determining the best method of connectivity for each of the City's business applications TAN will be interfacing to. They will be responsible for creating integration documents for each application that specifics how and what data is to be transferred plus determine deliverables by each party. They will create test plans and set up the integration for testing.

## 2.3 CHANGE CONTROL

1. The objectives of change control ("Change Control") are to:
  - a. Assess the impact of scope changes on project schedules, resources, and pricing
  - b. Provide a formal vehicle for approval to proceed with any changes for this SOW
  - c. Establish the impact of all change requests
  - d. Provide a project audit record of all material changes to the original SOW
  - e. In the event that the City requests a material change in the scope of this SOW, as determined by TAN in its sole discretion ("Change"),
  - f. TAN and the City will review the Change through the following change control process.
  - g. In the event that TAN determines a change is material, TAN will complete the Change Request Form set forth in Attachment A to this SOW (the "Form") and provide the completed Form to the City.
  - h. Both TAN and the City will have to provide written approval of the Change Request detailed in the Form, including the impact of the Change on the schedule, resources, and the price of the Service, before TAN will make the Change.
  - i. In the event that the City accepts the Change Request set forth in the Form, the City will modify its P.O. or other forms for payment, if necessary and requested by TAN.
  - j. If the City does not accept the Change as set forth in the Form (including the impact on the schedule, resources, or price), the Parties will complete their obligations with respect to this Service as set forth in this SOW.
2. All changes to the Statement of Work must be approved by the City.

## GENERAL TERMS

A copy of the change request form can be found in Appendix A.

### 2.4 SIGNOFF PROCESS

The objectives/process of the Signoff Process are:

- a. Formally document the successful testing / verification of the project phases outlined in this document
- b. Provide an audit trail of each completed phase and the City personnel in acceptance of the completed phase and/or deliverable
- c. City personnel will complete the Acceptance Certificate form included in this document no later than five (5) business days after completion of a phase
- d. Initiate billing for the completed Milestone if the payment is milestone based

A copy of the acceptance certificate can be found in Appendix B.

## GENERAL TERMS

### **MILESTONE 1: PROJECT INITIATION, PLANNING AND BUSINESS PROCESS REVIEW**

#### **Description:**

This phase will entail a project kickoff meeting with key stakeholders; meetings with business users to document existing processes, advice to City staff on the best practices to deploy TAN products, finalization of City server and network infrastructure, and development of a detailed project plan.

#### **Responsibilities:**

##### *TAN:*

1. Attend the project kickoff meeting (may be remote)
2. Interview City department business representatives regarding current business and system processes as part of the Business Process Review (BPR). The BPR will be done on site.
3. Advise City staff on best practices to deploy TAN Network products
4. Create a BPR document that summarizes all information and recommendations found during the BPR session
5. Review and approve City network and server infrastructure design
6. Create a draft detailed project plan

##### *City:*

1. Schedule and coordinate staff and facilities for all meetings
2. Provide appropriate subject matter experts for all sessions
3. Provide documentation for existing processes including forms, interfaces, and invoices
4. Arrange stakeholder review and approval all documents
5. Provide City network and Server infrastructure design

#### **Deliverables:**

##### *TAN:*

1. Business Process Review Document outlining current system, processes and workflow, gap analysis and system/process recommendations
2. Detailed project plan

##### *City:*

1. Timely review and comments on all deliverables

#### **ACCEPTANCE CRITERIA**

TAN and City will mutually agree that MILESTONE 1 has been completed when all deliverables are satisfactorily complete or exchanged. The Signoff Process will be executed and a copy maintained by both parties.

Payment Milestone: Software: \$0; Services: 64 hrs @ \$180 = \$11,520

## GENERAL TERMS

### MILESTONE 2: SOFTWARE DELIVERY, INSTALLATION, AND CONFIGURATION

#### **Description:**

This phase will entail the delivery, installation and configuration of the database on the database server. It will also include the configuration and initial set up of the POS application on the Payment Manager database. This phase will entail the licensing of the POS software. The 6 cashiering workstations that have POS hardware will be “fat” clients. Additional workstations used for administrative functions such as reporting, system administration, etc. will be installed on WYSE terminals/thin client terminals

#### **Responsibilities:**

##### *TAN:*

1. Provide links to deliver all software to the City and license key for all the modules purchased.
2. Install and configure POS on the database including the license key
3. Setup and verify the development / test and production environments operate as specified
4. Provide existing documentation for all delivered software including item/user sheets
5. Conduct system administration training Provide best practices and assistance for software configuration activities
6. Training session with the desktop support group on how to install the Payment Manager application and how to configure POS hardware. TAN will provide base documentation for these activities.

##### *City:*

1. Provide the necessary server hardware including necessary operating software and database
2. City will create a process to back up the production and test databases.
3. City will provide remote access to allow TAN staff to configure and install components.
4. Department personnel to enter (POS items for sale, GL accounts, locations, terminals, users, etc.) as part of the training. This will be done on the production database and then this database will be restored in the test environment.
5. Desktop personnel to participate in a training session. Also the desktop group will create documentation on how they will install the Payment Manager application and POS hardware

#### **Deliverables**

##### *TAN:*

1. Software links and license key
2. Verify the functionality of all licensed software
3. Templates for data gathering for the set up of the POS data
4. Remote system administration and desktop support training

##### *City:*

## **GENERAL TERMS**

1. Provide necessary servers and database environment
2. A copy of the production Payment Manger database to be used for testing
3. Provide backup procedures for production and test environments
4. Final documentation for POS hardware set up
5. POS Administrator(s) for training

### **ACCEPTANCE CRITERIA**

TAN and Oceanside will mutually agree that MILESTONE 2 will be deemed completed upon verification by TAN of the licensing of the configured servers. The Signoff Process will be executed and a copy maintained by both parties.

Payment Milestone: Software: \$0; Services: 24 hrs @ \$180 = \$4,320

## GENERAL TERMS

### MILESTONE 3: INTEGRATION TO ORACLE FINANCIALS (GL)

#### **Description:**

This phase will entail the development of the Oracle financials interface, including the installation and configuration of the interface, component and system integration testing in the test environment. Upon successful completion of the testing the components will be set up in the production environment. This is for the direct entry of payments to a GL code and for the upload of a file to the GL for revenue processing.

#### **Responsibilities:**

##### *TAN:*

1. Working with the business users to define the elements needed for validation
2. Creation of the stored procedure required for the miscellaneous GL process to validate the GL code entered is accurate
3. Initial testing of the miscellaneous GL process
4. Creation and initial testing of the financial export file
5. Provide test script templates to the business user
6. Working with the users to teach, test and review the financial interface processes
7. Creation of the scripts to pass to the City IT team to install the stored procedures in the production Payment Manager database

##### *City:*

1. Provide a test instance of the Oracle Financials database
2. Create a dblink from the test Payment Manager database to the Oracle Financials
3. Financial staff to explain the GL structure for the Misc GL
4. A file layout for the financial export
5. POS Administrator to create the items and GL codes in the Payment Manager database for testing
6. IT resources to create the necessary views in the Oracle Financials database
7. Business user to complete the test scripts and create necessary test data
8. Business user to help with the testing of the interface once created
  - a. There can be amendments to the interface that come out of testing. TAN will allow a maximum of three iterations before any further changes are considered a change request
9. IT resource to create the completed components in the production Payment Manager database and the views in the production Oracle Financials database

#### **Deliverables:**

##### *TAN:*

1. Ensure functional integration to Oracle Financials
2. Ensure timely correction of errors or "bugs" in system functions

##### *CITY:*

1. Creation of the necessary views required
2. Filling out of the test scripts to be used

## **GENERAL TERMS**

### **ACCEPTANCE CRITERIA**

TAN and CITY will mutually agree that MILESTONE 4 will be deemed completed upon successful completion of the test scripts for the interface at which time the Signoff Process will be executed and a copy maintained by both parties.

Payment Milestone: Software = \$0;            Services = 48 hrs @ \$180 = \$8,640

## GENERAL TERMS

### MILESTONE 4: Integration to Oracle Accounts Receivable (AR)

#### **Description:**

This phase will entail the development of the Oracle AR interface, including the installation and configuration of the interface, component and system integration testing in the test environment. Upon successful completion of the testing the components will be set up in the production environment.

#### **Responsibilities:**

##### *TAN Network:*

1. Working with the business users to define the elements needed for validation
2. Working with city IT resources to determine the data to be used for processing the payments
3. Creation of the integration specification document
4. Creation of the stored procedures for searching and validation of a payment
5. Procedure to remove records from same day cancellations
6. Provide test script templates to the business user
7. Working with the users to test and review the integration
8. Creation of the scripts to pass to the city IT team to install the stored procedures in the production Payment Manager database

##### *City:*

1. Provide a test instance of the Oracle AR database
2. Create a dblink from the test Payment Manager database to the Oracle AR database
3. POS Administrator to create the items and GL codes in the Payment Manager database for testing
4. IT resources to create the necessary views in the Oracle AR database
5. Business user to complete the test scripts and create necessary test data
6. Ensure that any licensing or services required for the Oracle application are procured.
7. Determine process to post the AR payments in the Oracle application
8. Business user to help with the testing of the interface once created
  - a. There can be amendments to the interface that come out of testing. TAN will allow a maximum of three iterations before any further changes are considered a change request
9. IT resource to create the completed components in the production Payment Manager database and the views in the production Oracle AR database

#### **Deliverables:**

##### *TAN:*

1. Ensure functional integration to Oracle AR
2. Ensure timely correction of variations between system functions and system documentation
3. Ensure timely correction of errors or "bugs" in system functions

##### *City:*

## **GENERAL TERMS**

1. Creation of the necessary views required
2. Filling out of the test scripts to be used
3. Any licensing or software required for the Oracle application for the interface

## **ACCEPTANCE CRITERIA**

TAN and Oceanside will mutually agree that MILESTONE 4 will be deemed completed upon successful completion of the test scripts for the interface at which time the Signoff Process will be executed and a copy maintained by both parties.

Payment Milestone: Software = \$0; Services = 80 hrs @ \$132 = \$10,560

## GENERAL TERMS

### MILESTONE 5: INTEGRATION TO CRW (PERMITS)

#### **Description:**

This phase will entail the development of the CRW interface, including the installation and configuration of the interface, component and system integration testing in the test environment. Upon successful completion of the testing the components will be set up in the production environment.

#### **Responsibilities:**

##### *TAN:*

1. Working with the business users to define the elements needed for validation
2. Working with city IT resources to determine the data to be used for processing the payments
3. Creation of the integration specification document
4. Creation of the integration method for searching and validation of a payment
5. Procedure to remove records from same day cancellations
6. Provide test script templates to the business user
7. Working with the users to test and review the integration
8. Creation of the scripts to pass to the city IT team to install the stored procedures in the production Payment Manager database

##### *City:*

1. Provide a test instance of the CRW database
2. Create the necessary interface components that are required from CRW for the interface
3. POS Administrator to create the items and GL codes in the Payment Manager database for testing Procure any licensing and services required from CRW for the interface.
4. Business user to complete the test scripts and create necessary test data
5. Business user to help with the testing of the interface once created
  - b. There can be amendments to the interface that come out of testing. TAN will allow a maximum of three iterations before any further changes are considered a change request
6. IT resource to create the completed components in the production Payment Manager database and in CRW

#### **Deliverables:**

##### *TAN:*

1. Ensure functional integration to CRW
2. Ensure timely correction of variations between system functions and system documentation
3. Ensure timely correction of errors or "bugs" in system functions

##### *City:*

1. Creation of the necessary integration methods required
2. Filling out of the test scripts to be used

## **GENERAL TERMS**

### **ACCEPTANCE CRITERIA**

TAN and City will mutually agree that MILESTONE 5 will be deemed completed upon successful completion of the test scripts for the interface at which time the Signoff Process will be executed and a copy maintained by both parties.

Payment Milestone: Software = \$0; Services = 80 hrs @ \$132 = \$10,560

## GENERAL TERMS

### MILESTONE 6: BATCH PROCESSING, REPORTING AND PAYMENT PROCESSING

#### **Description:**

This phase entails set up of the merchant accounts for payment processing, batch processing (if needed) and the report customization

#### **Responsibilities:**

##### *TAN Network:*

1. Setting up and testing of the merchant accounts for credit/debit card processing
2. Session to review the stock Payment Manager reports and to document any customizations requested. Also to document the reporting processes that City staff will use.
3. TAN will customize up to 3 reports as needed. Any additional reports that the City determines they want customized either need to be done by the City or as a change request
4. Training session with IT staff to understand reporting structure of the Payment Manager database and how Crystal is used in it. TAN will also provide a schema and data dictionary.
5. Creation of any import specifications for the batch processing if needed
6. Training of the POS Administrator for set up of batch processing
7. Setting up of the DataBroker (middleware) product to automate the import of the batch processing if necessary
8. Training of City IT staff on how DataBroker works and is maintained

##### *City:*

1. Information on the layout and the data of any files for the batch processing
2. Merchant account information
3. IT staff that is knowledgeable in Crystal to participate in the reporting training and to customize reports that the business users identify
4. IT staff to give access to TAN team to set up and test merchant accounts
5. Business and IT team to be available for testing of the payment processing and batch processing
6. POS Administrator to set up the necessary data elements in POS
7. IT staff to provide an email group for error messages for the DataBroker processing
8. IT staff to review any batch processing specifications and provide feedback
9. IT staff to help set up in production once fully tested

#### **Deliverables:**

##### *TAN:*

1. Schema and Data Dictionary for the Payment Manager Database
2. Successful testing of the merchant accounts
3. Set up of the batch processing if needed
4. Creation of up to 3 customized Crystal Reports
5. Documentation for reporting processes at City

##### *City:*

## **GENERAL TERMS**

1. Testing of the Batch Processing
2. Creation of the remaining customized Crystal Reports if needed.

### **ACCEPTANCE CRITERIA**

TAN and City will mutually agree that MILESTONE 6 will be deemed completed upon successful testing of the Payment Server, Batch Process and the 3 reports that TAN is responsible for at which time the Signoff Process will be executed and a copy maintained by both parties.

Payment Milestone: Software = \$0;                      Services = 72 hrs @ \$180 = \$12,960

## GENERAL TERMS

### MILESTONE 7: APPLICATION DEPLOYMENT AND TRAINING

#### **Description:**

This phase entails installing all software in the production environment and final user acceptance testing, installation of end-user workstation software and hardware, training of department experts and knowledge transfer to technical staff. In this phase, the City will go live with the software at the finance department at City Hall with TAN consulting supporting the City onsite.

For this project TAN will train the cashiers and supervisors for 6 cashiering workstations at City Hall.

#### **Responsibilities:**

##### *TAN:*

1. User Acceptance Testing (UAT) templates and help running through the UAT process
  - a. TAN will participate in one UAT session. If the City decides to run additional sessions they will run these themselves and provide TAN with the results
2. Provide training agendas, cheat sheets and user syllabus
3. Training of department experts
4. Training of department supervisors and system administrators
5. Training of finance staff for audit, financial export, etc
6. TAN will be onsite for the Finance Department at City Hall 6 front counter workstations.
7. TAN consulting lead to install appropriate icons and configure on representative number of workstations and provide knowledge transfer to IT personnel regarding Workstation configuration and application deployment
8. Training of IT staff to support infrastructure
9. On-site attendance during go-live period (normal work days Monday to Friday).
10. Introduction of core staff to customer care support capabilities include telephone support, on-line support, incident reporting, tracking and escalation, report customization, query support, new release and version upgrade process

##### *City:*

1. Department subject matter experts available during deployment and to obtain training
2. Creation of the UAT documents and data required for UAT
3. Business and IT team to be available during the UAT
4. Department experts are available for the training and their availability to create any additional training documentation if desired
5. IT project team available during deployment and to obtain training
6. Ensure staff and facilities are available for training
7. Ensure production environment is working
8. Deliver and set up workstation hardware and software
9. Ensure appropriate staff are available during go-live week and for knowledge transfer

## GENERAL TERMS

### Deliverables:

#### *TAN:*

1. Successful deployment of TAN software solution
2. Training complete
3. On-site support during initial software usage

#### *CITY:*

1. Creation of the UAT Scripts
2. Log and report errors encountered

### **ACCEPTANCE CRITERIA**

TAN and CITY will mutually agree that MILESTONE 7 will be deemed completed upon successful go live of the Finance Department at which time the Signoff Process will be executed and a copy maintained by both parties.

Payment Milestone: Software = \$26,925;

Services = 96 hrs @ \$180 = \$17,280

**GENERAL TERMS**

**MILESTONE 8: PROJECT PHASE I CLOSURE AND SYSTEM ACCEPTANCE**

**Description:**

The City will coordinate a final project meeting between the City and TAN to occur within 10 business days after completion of MILESTONE 7 to review the results of all previously completed phases to assess the functional operation of the installed Payment Manager system; to determine if there are any outstanding Open Items; and to provide feedback regarding system performance.

**Responsibilities:**

*TAN:*

1. Availability of TAN Project Manager or designate to participate in final project meeting (may be remote).
2. Provide feedback, support and/or, if applicable, in response to any reported system errors

*CITY:*

1. Coordinate the availability of subject matter experts to review submitted documentation
2. Ensure availability of staff for meeting
3. Determine what days that the follow up training will occur

**Deliverable:**

*TAN:*

1. Final sign off document

*CITY:*

1. Sign off of final acceptance of Phase I

**ACCEPTANCE CRITERIA**

TAN and City will mutually agree that Milestone 8 will be deemed completed upon City's status report regarding the successful operation / performance of the installed TAN Network software system at which time the Signoff Process and a copy maintained by both parties which shall not occur later than 10 business days after the completion of MILESTONE 7.

Payment Milestone: Software = \$0; Services = 24 hrs @ \$180 = \$4,320

## GENERAL TERMS

### MILESTONE 9: PHASE II DEPLOYMENT

#### **Description:**

This phase entails integration to 5 other applications: Safari (Recreation), Progressive (Business Licenses), Duncan (Parking Tickets), SunGard (Utility Billing), Ortivus (Ambulance Billing). Integration specifications will be created for the 5 other application to be integrated to.

In the previous phase, TAN trained City users on Payment Manager. These City users will train the additional users that will have access to and utilize Payment Manager. TAN will provide remote go live support for these users.

#### **Responsibilities:**

*TAN:*

1. Create integration specifications for the 5 integration connectors
2. Creation of the integration for the 5 integration connectors following the same processes used for the previous integrations

*CITY:*

1. IT and business resources to participate in the meetings to create and approve the integration specifications
2. Business user to complete the test scripts and create necessary test data
3. Business user to help with the testing of the interfaces once created
  - a. There can be amendments to each interface that comes out of testing. TAN will allow a maximum of three iterations for each before any further changes are considered a change request
4. Deliver and set up workstation hardware and software
5. Training of department supervisors and cashiers
6. Ensure appropriate staff are available during training for knowledge transfer

#### **Deliverables:**

*TAN:*

1. Creation of the integration specifications for each of the 5 connectors
2. Creation of the integration components and resolution of any issues found.
3. Successful integration to 5 systems

*CITY:*

1. Creation of the test data and scripts for the integration components
2. Set up of the necessary POS data for each of department
3. Participation in each of the departments go live

#### **ACCEPTANCE CRITERIA**

TAN and CITY will mutually agree that MILESTONE 9 will have separate sign off processes for each of the Integration Connectors. The services will be billed monthly as they are delivered.

**GENERAL TERMS**

Software = \$0;

Integration Services = 320 hrs @ \$132 = \$42,240

Project Management Services = 16 hrs @ \$180 = \$2,880

## GENERAL TERMS

### MILESTONE 10: PHASE III DEPLOYMENT

#### **Description:**

This phase entails setting up the Payment Manager Internet component and the ability for City to have their customers take payments over the internet.

#### **Responsibilities:**

##### *TAN Network:*

1. Set up of the Payment Manager internet module
2. Training session with POS Administrator
3. Planning session with City web and IT users on how the Payment Manger internet module works and what is needed to be done by City
4. Training of IT staff to support infrastructure
5. Configuration of the internet merchant account on the TAN Payment Server

##### *CITY:*

1. Provide the necessary web server and the SSL certificate needed
2. Provide a merchant account for internet credit card processing
3. Web resource to participate in the set up and configuration as needed
4. Web resources to set up the City site to redirect the customer to the Payment Manger internet site
5. Business users and POS Administrator to participate in the configuration and testing
6. IT resources to help with the move to production

#### **Deliverables:**

##### *TAN:*

1. Successful deployment of TAN internet software module

##### *CITY:*

1. Set up of the items for sale on the internet
2. Set up of the main web site(s) to point to the Payment Manager internet site

#### **ACCEPTANCE CRITERIA**

TAN and CITY will mutually agree that MILESTONE 10 will be deemed completed upon set up of the production POS web server and a successful test of a sale at which time the Signoff Process will be executed and a copy maintained by both parties.

Payment Milestone: Software = \$0; Services = 32 hrs @ \$180 = \$5,760

**GENERAL TERMS**

**APPENDIX A – CHANGE REQUEST FORM**

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**Change Request Form**

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Change Request Number: \_\_\_\_\_ Initiated by: \_\_\_\_\_ Date: \_\_\_\_\_  
Description of Change: \_\_\_\_\_ More details attached:  Yes  No

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Impact if Change is not Incorporated: \_\_\_\_\_ More details attached: \_\_\_\_\_  Yes  No

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Alternatives: \_\_\_\_\_ More details attached: \_\_\_\_\_  Yes  No

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Proposed Change Type (Check one :)  
 Problem/Not following plan       Improvement       Change in Environment  
 Scope       Other (Explain :)

---

---

Documents and Deliverables (Check all that apply :)  
 Contract Agreement       Payment Schedule       Delivery Schedule  
 Project Plan       Quality Plan       Work Plan  
 Functional Spec       Acceptance Spec       Purchase Order  
 Solution Component:

---

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For Full Evaluation:  
Cost to Evaluate: \_\_\_\_\_ hours      Approved for Evaluation: \_\_\_\_\_  
Recommended Evaluator: \_\_\_\_\_       Notified (When?) \_\_\_\_\_  
Cost to Implement \_\_\_\_\_      Estimate prepared by: \_\_\_\_\_  
Impact Summary: (Baseline, Functional, Cost, Resource, Schedule)      More details attached:  Yes  No

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Decision:  Approved       Rejected       Deferred Until (Date :)

---

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Customer Project Manager: \_\_\_\_\_ Signed: \_\_\_\_\_

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PS Consultant: \_\_\_\_\_ Signed: \_\_\_\_\_

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Apply to Project Plan Revision: \_\_\_\_\_ Applied by: \_\_\_\_\_ Completion Date: \_\_\_\_\_  
Close Date: \_\_\_\_\_

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GENERAL TERMS

**CITY OF OCEANSIDE  
Information Technology**

**ACCEPTANCE CERTIFICATE**

Client: City of Oceanside

Project: Payment Manager Project

Initiated By:

Date:

Milestone Reference:

- Type:  Proposal  
 Plan  
 Specification  
 Form  
 Manual

Milestone

Description:

The above \_\_\_\_\_ has been reviewed by the <Dept or Agency> and fully meets the objectives expressed by the <Dept or Agency> and passes the acceptance criteria specified by <Dept or Agency> in the Statement of Work (SOW).

Signing for <Dept or Agency>

Date

\_\_\_\_\_  
<Dept or Agency> Representative

\_\_\_\_\_  
Information Technology Representative/Project Manager

\_\_\_\_\_  
The Active Network Project Manager

**GENERAL TERMS**

**APPENDIX C – PAYMENT SCHEDULE**

**Milestone 1 - Project Initiation, Planning and Business Process Review**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Project Initiation , Planning, Business Process Review	Initial kick off meeting	Business Process Review Document	TAN and CITY agree on Completion of all Deliverables by Sign Off of Milestone 1 document, copy retained by both parties	64	\$180	\$11,520
	Meeting with Business Users to document existing processes, advice to CITY on best practices to deploy TAN products	Detailed Project Plan				
	Finalization of CITY Server and Network Infrastructure					
	Development of Project Plan					
<b>Total Payment Due</b>						<b>\$11,520</b>

**Milestone 2 – Software Delivery, Installation & Configuration**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Software delivery installation configuration	Delivery of all Software	Software installed configured and tested and functioning correctly	TAN and CITY agree on Completion of all Deliverables by Sign Off of Milestone 2 certificate, copy retained by both parties	24	\$180	\$4,320
	Installation of all software					
	Setup of development, Q/A and production environments					
	Configuration and initial setup of the POS application on the database server					
	System Administrator Training					
<b>Total Payment Due</b>						<b>\$4,320</b>

**Milestone 3 –Integration to Oracle Financials (GL)**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Integration Connector – Oracle Financials	Development of the ORACLE FINANCIALS interface including	Completed and approved integration document	TAN and CITY agree on Completion of all Deliverables by	48	\$180	\$8,640

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	the installation and configuration of the interface, component and system integration testing in the test/QA environment.	Completed and approved test cases ORACLE FINANCIALS integration installed and functioning correctly in test environment Sign off on Test acceptance certificate	Sign Off of Milestone 3 certificate, copy retained by both parties			
<b>Total Payment Due</b>						<b>\$8,640</b>

**Milestone 4 – Integration to Oracle Accounts Receivable (AR)**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Integration Connector – Oracle AR	Development of the Oracle interface including the installation and configuration of the interface, component and system integration testing in the test/QA environment.	Completed and approved integration document Completed and approved test cases Oracle integration installed and functioning correctly in test environment Sign off on Test acceptance certificate	TAN and CITY agree on Completion of all Deliverables by Sign Off of Milestone 4 certificate, copy retained by both parties	80	\$132	\$10,560
<b>Total Payment Due</b>						<b>\$10,560</b>

**Milestone 5 - Integration to CRW (Permits)**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Integration Connector - CRW	Development of the CRW interface including the installation and configuration of the interface, component and system integration testing in the test/QA environment.	Completed and approved integration document Completed and approved test cases CRW integration installed and functioning correctly in test environment Sign off on Test acceptance certificate	TAN and CITY agree on Completion of all Deliverables by Sign Off of Milestone 5 certificate, copy retained by both parties	80	\$132	\$10,560
<b>Total Payment Due</b>						<b>\$10,560</b>

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**Milestone 6 – Batch Processing, Reporting and Payment Processing**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Batch Processing, Reporting and Payment Processing	Setup of Merchant (Bank Accounts), Reporting Processes and creation of the Batch Processing.	Completed and approved processing document Completed and approved test cases Complete the Batch Processing, Custom reports TAN is to do and Payment Processing	TAN and CITY agree on Completion of all Deliverables by Sign Off of Milestone 6 certificate, copy retained by both parties	72	\$180	\$12,960
<b>Total Payment Due</b>						<b>\$12,960</b>

**Milestone 7 – Application Deployment and Training**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Installation of all software in the production environment, final user acceptance testing and installation of end-user workstations software and hardware and training	Deployment of Software in Production Training Dept. Supervisors, Coordinators, System Administrations and Department Trainers	Successful Deployment of all software All training complete	Upon successful execution of all UAT scripts and TAN and CITY agree on Completion of all Deliverables by Sign Off of Milestone 7 certificate, copy retained by both parties	96	\$180	\$17,280
Go Live		On-site Go Live Support				Software: \$26,925
<b>Total Payment Due</b>						<b>\$44,205</b>

**Milestone 8 – Project Phase I Closure and System Acceptance**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Final Project Meeting  Software acceptance	CITY and TAN to meet to review the results of all previously completed Milestones to determine if anything outstanding	TAN – participate in the meeting CITY – Sign off of final acceptance	Final status report from CITY regarding successful operation of the solution and TAN and CITY agree on Completion of all	24	\$180	\$4,320

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			Deliverables by Sign Off of Milestone 8 certificate, copy retained by both parties			
<b>Total Payment Due</b>						<b>\$4,320</b>

**Milestone 9 – Phase II Deployment**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Integration connectors to 5 other applications	This is the next phase of deployment to integrate to Safari (Recreation), Progressive (licensing), Duncan (parking ), Sungard (Utility Billing), and Ortivus (Ambulance)	Delivery of the updated software license  Successful testing of each of the 5 connectors	Milestone 9 will have signoffs for each of the connectors. Services will be billed as delivered.	320 16	\$132 \$180	\$42,240 \$2,880
<b>Total Payment Due</b>						<b>\$45,120</b>

**Milestone 10 – Phase III deployment Internet Payments**

Activity	Description	Deliverable	Acceptance	Hours	Hourly Rate	Cost
Deployment of Payment Manager internet module	Set up of the internet server and linking this to the CITY web site to allow for customer self service over the internet	Successful test of the production web site	Upon successful running a test transaction TAN and CITY agree on Completion of all Deliverables by Sign Off of Milestone 10 certificate, copy retained by both parties	32	\$180	\$5,760
<b>Total Payment Due</b>						<b>\$5,760</b>

**ANNUAL SUPPORT AND MAINTENANCE**

The following supplies and services are included in Support and Maintenance:

- Unlimited technical support between 6:00am and 6:00pm Pacific Time, Monday through Friday via telephone (800.663.4991), email or web portal (<http://customerportal.activenetwork.com>)
- Unlimited phone support for System Down issues on a **24 hours x 7 days a week** basis, provided that:
  - Site has remote access and Internet email capability for extended support hours
  - Support calls placed during extended support hours must be placed by an authorized contact person
  - Support calls during extended support hours are for 'system down' problems that result in a customer's inability to fulfill critical business functions (i.e. those pertaining to core functionality such as processing registrations, memberships, rentals) and that have no reasonable work-around. All other calls placed during extended support hours will be billed to the customer.
- Access to the Active Network's secure customer care web portal, discussion forums, knowledgebase and online training materials
- Regular documentation and communication
- **Support also includes, if such assistance can be provided in 15 minutes or less:**
  - Assistance troubleshooting Third Party products i.e. Crystal Reports, Citrix client
  - Assistance to isolate and/or troubleshoot difficulties resulting from sources other than Active Network products and services, such as:
    - General network/internet support i.e. network access, printing, internet access
    - PC hardware troubleshooting
    - PC setup, configuration and optimization
    - Network operating system configuration and functionality
    - Basic Microsoft Windows functionality (i.e. Windows Explorer or Internet Explorer)
    - Loss of supervisor or other password

**ANNUAL SUPPORT AND MAINTENANCE**

The following supplies and services are included in Support and Maintenance for non-hosted customers:

- New releases and versions of the software and free assistance in planning upgrades

<b>ANNUAL SUPPORT AND MAINTENANCE FOR HOSTED CUSTOMERS</b>	
<p>The following supplies and services are included in Support and Maintenance:</p> <ul style="list-style-type: none"> <li>• Installation of new software releases</li> <li>• Monitoring of connectivity and critical functionality at all times (24hr x 365 days/year) by highly skilled personnel using an extensive series of automated probes from multiple locations</li> <li>• Response to site-down/critical issues within one hour, with reasonable efforts to advise your organization of the current status and expected resolution time</li> <li>• Service agreements between The Active Network and critical vendors essential to the continuing successful operation of the hosted environment</li> <li>• Scheduled maintenance to increase performance, fix defects or update applications, with reasonable efforts to notify your organization of scheduled maintenance times and potential impacts to service</li> <li>• Urgent maintenance (done to correct network, hardware or software issues that are likely to cause significant service disruption and that require immediate action), which may temporarily degrade service or cause outages. The Active Network may undertake urgent maintenance at any time deemed necessary and shall provide status updates to your organization as soon as possible.</li> </ul>	

<b>SUPPORT ISSUE PRIORITIES AND TIMELINES</b>		
<b>TICKET RESOLUTION TARGETS</b>		
<ul style="list-style-type: none"> <li>• New support incidents are assigned one of the following levels, each with its respective standard ticket resolution target:</li> </ul>		
Call Priority Level	Description	Standard Completion Target
Priority 1	Fatal issues that result in the customer's inability to fulfill critical business functions (i.e. those pertaining to core functionality such as processing registrations, memberships, rentals) and that have no reasonable work-around	1 business day
Priority 2	Serious issues significantly impacting use of system but do not prevent core functions from being fulfilled	2 business days
Priority 3	All other issues, except those classified as D (Low); i.e. how-to questions, reporting/reconciliation issues	3 business days
Priority 4	Issues that are not time-sensitive or may be undertaken as customer service initiatives outside the scope of this Agreement	None
Guaranteed Uptime	For hosted customers	95%

<b>SERVICES NOT INCLUDED</b>
<p>The following supplies and services are excluded from Support and Maintenance:</p> <ul style="list-style-type: none"> <li>• Services which are required to remedy problems that stem from changes to or defects in system configuration upon which the software was originally installed</li> <li>• Services which are required to remedy problems which do not stem from any defect in the software</li> <li>• Services which are required to remedy problems caused by lack of training of the customers' personnel</li> <li>• Improper treatment or use of the software</li> <li>• Onsite or remote training services</li> <li>• Full report customization service</li> <li>• Database-specific services or assistance</li> </ul>

<b>RESTRICTIONS</b>
<p>The following actions will void the support and maintenance portion of the Active contract:</p> <ul style="list-style-type: none"> <li>• The use of any other application that modifies data in the database, whether created by you or otherwise</li> <li>• The use or creation of any application that competes with or replaces a module that is offered by the Active Network to work with either the application or the application's database</li> </ul>

<b>HOLIDAY HOURS (US AND CANADA)</b>		
Holiday	Open with reduced staff	Closed
New Year's Day (January 1st)		✓
Martin Luther King Day (3rd Monday in January)	✓	
President's Day (3rd Monday in February)	✓	
Good Friday (Friday before Easter)	✓	
Victoria Day (3rd Monday in May)	✓	
Memorial Day (Last Monday in May)	✓	
Canada Day (July 1st)	✓	
Independence Day (July 4th)	✓	
Civic holiday (1st Monday in August)	✓	
Labor Day (1st Monday in September)		✓

Canadian Thanksgiving/Columbus Day (2nd Monday in October)	✓	
Remembrance Day/Veteran's Day (November 11th)	✓	
US Thanksgiving (4th Thursday in November)	✓	
Day after US Thanksgiving (4th Friday in November)	✓	
Christmas Day (Dec. 25th)		✓
Boxing Day (December 26th)	✓	

## Payment Manager Cashiering Desktop Workstation

The following requirements are specific to Payment Manager Version 7.0. The cashiering workstations that will have peripherals (e.g. cash drawers, receipt printers, etc) will be “fat” clients. Additional workstations used for administrative functions such as reporting, system administration, setup, etc will be installed on WYSE terminals.

COMPONENT	MINIMUM PERFORMANCE	RECOMMENDED PERFORMANCE
Processor	Intel-compatible PC	Intel-compatible PC
Processing Speed	400 MHz	1 GHz+
Memory	512 MB	1 GB+
Free Disk Space	2.0 GB Hard Drive (minimum 700 MB available disk space)	2.0 GB Hard Drive (minimum 700 MB+ available disk space)
.NET Framework	Minimum of .NET 2.0 SP1 required. Recommend installing latest version available from Microsoft	
Operating System	Windows XP Pro, Vista (Business Edition), 2003 Server, 2008 Server (32 bit only). Windows 7 will be supported in version 7.0 SP1 scheduled for release in August 2010.	

- Version 7.0 requires Internet Explorer 6, 7, or 8. The auto-run pre-install screen will check for this requirements and provide a quick launch button to its installer.
- MDAC 2.8 is required. As this is standard with most Windows operating systems released after the original release of Windows XP, it is unlikely it will need to be installed. However, in the event you are running a supported operating system that does not have MDAC 2.8, it is available on the provided DVD.
- Workstations which are used to customize reports will require Crystal Reports 10 to be installed which requires an additional 350 MB - 600 MB of hard disk space. Crystal Reports is only required for workstations that want to customize reports. Workstations that want to preview, print, or export reports, do not need to have Crystal Reports installed.
- Minimum available disk space is for the *Payment Manager* installation only. Sufficient free hard disk space will be required after the installation to allow for the operating system page file or swap file.

**Payment Manager Database Server**

<b>COMPONENT</b>	<b>FOR 10 CONCURRENT USERS</b>	<b>FOR 25 CONCURRENT USERS</b>	<b>FOR 100 CONCURRENT USERS</b>
Processor	Intel-compatible PC	Intel-compatible PC	Intel-compatible PC
Processing Speed	600 MHz	1.5 GHz	Dual 3.0 GHZ
Memory	256 MB	1 GB	4 GB
Free Disk Space	Minimum 4.0 GB	RAID array with minimum 8.0 GB	Separate Raid Arrays or Mirrors for Data, Indexes and Transaction (or Archive) logs Minimum 50 GB
Database Platform	Microsoft SQL Server 2000 (SP3 or higher), SQL Server 2005 (SP3 or higher), SQL Server 2008		
Operating System	Dependent on the version of SQL Server being used. Please refer to SQL Server supporting documentation for recommendations on Operating systems to use.		
Backup Device	Tape or Other Backup Device		

**Important notes:**

- These are general guidelines. Recommendations of hardware requirements on the database server listed here should not supersede requirements specified by the Operating System or the Database platform being used.
- While no formal testing has been completed, many cities have successfully installed the database on virtual servers using technology such as VMware.

**Payment Server (Payment Processing Engine)**

<b>COMPONENT</b>	<b>MINIMUM PERFORMANCE</b>	<b>RECOMMENDED PERFORMANCE</b>
Processor	Intel-compatible PC	Intel-compatible PC
Processing Speed	866 MHz	1 GHZ +
Memory	256 MB RAM	1 GB+
Free Disk Space	Minimum 1 GB free disk space	Minimum 10 GB free disk space
Operating System	Windows XP Pro, 2003 Server, 2008 Server (32-bit only)	
Database Platform	SQL Server 2005, SQL Server 2008, SQL Express 2005	

**Important notes:**

- Sites should contact Active Customer Care before switching or upgrading to Payment Server.
- These are general guidelines only. Recommendations of hardware requirements on the database server listed here should not supersede requirements specified by the Operating System or the Database platform being used.

**Internet Payment Manager (Online Payments) – Server**

<b>COMPONENT</b>	<b>MINIMUM PERFORMANCE</b>	<b>RECOMMENDED PERFORMANCE</b>
Processor	Intel-compatible PC	Intel-compatible PC
Processing Speed	500 MHz Processor	3.0 GHz Processor
Memory	512 MB	1 GB
Free Disk Space	Minimum 300 MB	Minimum 300 MB
Operating System	Microsoft Windows Server 2003/2008	
IIS Version	Microsoft Internet Information Server 6.0 or 7.0	
Browser	IE. 6, 7, or 8 installed on server with Internet Tools, as well as MDAC 2.8	
.NET Framework	.NET 2.0 SP1	

**Important notes:**

- While no formal testing has been completed, Internet Payment Manager (POS Web) has been implemented with several different types of Load Balancing solutions, including Microsoft Windows Advanced Server (consult The Active Network for further information).

**Internet Payment Manager (Online Payments) – Client**

<b>WEB BROWSER SUPPORT</b>
Internet Explorer 6.0, 7.0, and 8.0 Firefox 2.0 and 3.x Safari 4.0.3 Chrome 3.0

