

# **Customer Agreement**

This CUSTOMER AGREEMENT (the "Agreement") is entered into between <u>City of Rapid City</u> with a place of business at 300 Sixth Street, Rapid City, South Dakota 57701 ("Customer"), and West Publishing Corporation doing business as Elite, a Thomson Reuters business ("Elite"), this \_\_\_\_\_\_ day of \_\_\_\_\_\_, 2012 (the "Effective Date"). The attached Addenda and Exhibits are incorporated into this Agreement as if fully set forth herein.

# 1. Software License

- 1.1. Grant. Upon the payment of the license fees set forth herein, Elite grants Customer a non-exclusive, non-transferable, limited license to use, and to allow its partners, shareholders, members and employees to use, the software listed in Exhibit A hereto, in object code only (the "Licensed Software" or "Software") for the number of "Seats" or "Timekeepers" identified in Exhibit A. In the event Customer elects to license Westlaw Legal Calendaring Rules ("WLCR") from Elite hereunder, Elite further grants to Customer a non-exclusive, non-transferable, limited license to use, and to allow its partners, shareholders, members and employees to use, on a year-to-year basis (a "WLCR Annual Subscription") beginning on Installation (as defined in Section 7.1 of the Statement of Work), WLCR set forth in Exhibit A, contingent upon the payment of the Annual Subscription Fee set forth in Exhibit A. The Licensed Software and WLCR, if licensed hereunder, are hereinafter collectively referred to as the "Software." Any Software User Manuals, modifications or alterations to the Software or other related materials provided hereunder shall be deemed incorporated into the Software for the purposes of the provisions of this Agreement regarding license, restrictions on use, confidentiality and infringement indemnification. A "Seat" is defined as an active log-in to the Software. A "Timekeeper" shall mean any person whose time is entered into the database accessed by the Software and who enters time of at least ten (10) hours per month. Access to the Software may be made from any workstation connected to the network, including remote workstations, and Customer may have more than one copy to allow flexible use from different workstations.
- 1.2. Copying. Customer may make copies of the Software for backup purposes only. Each copy made by Customer must include the copyright/proprietary rights notice(s) embedded in and affixed to the Software.
- 1.3. Other Restrictions. Customer may not loan, lease, distribute or transfer the Software or copies thereof to third parties, nor reverse engineer, decompile, disassemble or otherwise attempt to discern the source code of the components of the Software. Customer may not use the Software, nor allow the Software to be used, to provide data management or processing services for third parties. Customer is limited to the number of logins based on the total number of Seats or Timekeepers set forth in Exhibit A. Customer may not reproduce all or any portion of the Software (except as expressly permitted in this Agreement), or modify, translate or otherwise create derivative works of the Software. Customer agrees to notify its employees and agents who may have access to the Software of the restrictions contained in this Agreement and to ensure their compliance with these restrictions.
- 2. Other Licenses. The Software may be used to access and use various West Publishing Corporation products and services, including Westlaw ("West Services"). All access to and use of such West services by means of the Software, including any charges for such access and use, will be governed by the terms of the applicable West Publishing Corporation user agreement.

3. Title. Customer hereby acknowledges and agrees that all right, title and interest in and to the Software, the Software User Manual and any other related materials, including without limitation any copies, modifications, alterations or derivative works thereof, and any existing or future copyrights, trade secrets and other proprietary rights embodied therein, are or shall be, and shall remain, vested solely in Elite, and Customer shall not hold itself out as having any ownership or other rights with respect thereto, except as specifically granted hereunder. Except as expressly permitted herein, Customer covenants and agrees that it shall make no use of the Software, the Software User Manual or any other related materials without Elite's prior written consent.

# 4. Fees and Expenses.

- **4.1** Fees payable by Customer will consist of license fees for the Licensed Software ("License Fees"), the Annual Subscription Fee for WLCR, if any, fees for Services ("Services Fees") and the Annual Maintenance Charge.
- 4.2 License Fees and Annual Subscription Fees. The License Fees and the WLCR Annual Subscription Fee, if any, for the first year are set out in Exhibit A and shall be payable in accordance with Exhibit A. Such Annual Subscription shall automatically renew for successive one year terms, unless terminated by either party by giving the other party sixty (60) days written notice prior to the end of the existing term. For subsequent terms, the Annual Subscription Fee, if any, shall be payable annually in advance. The License Fees and the Annual Subscription Fee, if any, set forth in Exhibit A were based upon the number of Seats or Timekeepers set forth in Exhibit A. If the Customer's number of Seats or Timekeepers increases above the limit set forth in Exhibit A, Customer will be required to pay additional License Fees and an increased WLCR Annual Subscription Fee, if applicable, to use the Software.
- 4.3 Services Fees. The implementation, consulting, training, conversion, enhancement and other services to be provided to Customer by Elite hereunder are set forth in Exhibit A or any applicable amendment thereto (collectively, the "Services"). Such Services shall be provided in accordance with the Services Addendum attached hereto as Exhibit B. The Services Fees are set out and shall be payable in accordance with Exhibit A or any applicable amendment thereto.
- 4.4 Maintenance Charges. Elite will provide maintenance and support services for the Licensed Software in accordance with the Maintenance Addendum set out in Exhibit C hereto ("Maintenance Services"), for the Annual Maintenance Charge. Maintenance Services for WLCR are included in the Annual Subscription Fee and shall be provided in accordance with the Maintenance Addendum. Maintenance Services for the Software shall commence upon Installation (as defined in Section 6.1 of the Statement of Work). The Annual Maintenance Charge for Maintenance Services in respect of the Licensed Software for the first year is set forth in Exhibit A and shall be payable as set forth in Exhibit A. Maintenance Services for the Licensed Software shall automatically renew for successive one year terms, unless terminated by either party by giving the other

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party thirty (30) days written notice prior to the end of the existing term. For subsequent terms the Annual Maintenance Charge shall be payable annually in advance.

- 4.5 Taxes. Elite fees are exclusive of sales, use, ad valorem, personal property and other taxes, which are the sole responsibility of Customer.
- **4.6 Expenses.** Subject to any limitations set forth in the Software and Fees Schedule, all reimbursable costs consisting of but not limited to reasonable travel, accommodation and related incidental expenses incurred in providing the Services are the responsibility of Customer and shall be payable within forty-five (45) days of receipt of invoice from Elite.
- 4.7 Invoices and Payment. All invoices are due upon receipt. In the event that Customer in good faith disputes all or any portion of any invoice that Elite submits to Customer, Customer may withhold such amount but in such case shall notify Elite in writing of the amount disputed and its reason for disputing such amount within 15 days of receipt of an invoice and shall immediately pay any amount which is undisputed. Elite may withhold and or delay delivery of Software or services if Customer fails to comply with this Section 4.7.

# Invoices are to be sent to: Contact Pauline Sumption, Finance Officer Email pauline.sumption@rcgov.org Phone 605-394-4143 Alternate Contact Mary Floto, Assistant Finance Officer Email mary.floto@rcgov.org Phone 605-394-4143 SecureLink is to be sent to: Contact Tracy Davis Email accountspayable@rcgov.org

# 5. Confidential Information.

5.1 Elite acknowledges in the course of providing services at Customer's site(s) that Elite may have access to Customer's client list, information belonging to or pertaining to Customer's clients, Customer's billing information and practices and financial records that constitute Customer's confidential information ("Customer Confidential Information"). Elite will take reasonable steps to ensure that the Customer Confidential Information is not used or disclosed except as expressly permitted by this Agreement. Elite will not permit any third party access to, in any manner, the Customer Confidential Information, except as provided in this Agreement. Customer Confidential Information shall not include information that consists of ideas, concepts, know-how or techniques relating to the enhancement, customization, Installation or implementation of the Software.

- **5.2** Customer acknowledges and agrees that the Software constitutes a valuable proprietary product of Elite and that the Software, together with the terms of this Agreement, shall be referred to as the "Elite Confidential Information." Customer will take reasonable steps to ensure that the Elite Confidential Information is not used or disclosed except as expressly permitted by this Agreement. Customer will not permit any third party access to, in any manner, the Elite Confidential Information, except as provided in this Agreement.
- 5.3 The Parties agree and understand that this Agreement is a public record, and is subject to disclosure under South Dakota Codified Law (SDCL) Ch. 1-27. The Agreement itself, along with any records, reports or information obtained or exchanged under this Agreement shall be available to the public except under a showing satisfactory to the Customer that the records, reports or information, or particular portion thereof, contain proprietary or trade secret information; provided however, that without a further showing being required, Customer hereby acknowledges and agrees that Elite's Software and Software User Manual and any other documentation relating to the Software contain proprietary and trade secret information, are Elite's Confidential Information and subject to the provisions of Section 5.1 above and shall not be available to the public. Provided such record, report or information, or particular portion thereof is Elite's Software, Software User Manual or other documentation relating to the Software or is exempted from disclosure by the provisions of SDCL Ch. 1-27, the Customer shall treat the same as confidential in accordance with SDCL Ch. 1-27; except that the record, report or information may be disclosed to officers, employees or authorized representatives of the Customer concerned with carrying out the operations of the Customer, or when required by applicable state and/or federal law(s).

# 6. WARRANTIES, REMEDIES AND LIMITATION OF LIABILITY.

- **6.1** Warranty. Elite warrants that for the period ending ninety (90) days after Live Operation (the "Warranty Period") the Licensed Software will substantially conform to the Software User Manual. "Live Operation" shall mean the first date when Customer commences production use of any of the Licensed Software in accordance with the Statement of Work. Elite does not warrant the results produced by WLCR. It is Customer's responsibility to check the results of WLCR date calculations against the actual court rules.
- **6.2** Elite will not be responsible to the extent that the Licensed Software fails to perform as warranted due to one or more of the following (collectively the "Excluded Items"): (1) the malfunction of software not provided by Elite, (2) the malfunction of hardware, (3) Customer's negligence or fault, (4) Customer's failure to follow the instructions set forth in the Software User Manual, (5) material changes in the operating environment not authorized by Elite, (6) modifications to or changes in the Software not made or suggested by Elite or (7) Customer's failure to implement and maintain a proper and adequate backup and recovery system for the Elite database or user files. If Elite discovers that a failure is caused by one or more Excluded Items, Elite reserves the right to charge Customer for its work in investigating such failure. At Customer's request and at a fee to be agreed upon, Elite will thereafter assist Customer in resolving such failure. It is Customer's responsibility to develop and implement a proper and adequate backup and recovery system.

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THE LIMITED WARRANTIES IN SECTIONS 6.1 AND 7.1, AND IN SECTION 3 OF THE SERVICES ADDENDUM, ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES. ELITE MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED. ANY IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY EXCLUDED. Elite does not warrant the level of performance of the Software.

- **6.3 Remedies.** Customer shall have the following remedies:
- **6.3.1 Termination for Breach.** In the event that Elite materially breaches any of its obligations under this Agreement prior to or during the Warranty Period, including breach of a warranty or warranties provided herein, Customer may terminate this Agreement as provided in this Section 6.3.1. No termination shall occur unless Elite has been given written notice of the breach and fails to cure the breach, or to submit, to Customer's reasonable satisfaction, a plan for cure, within thirty days of receipt of notice. Upon such termination, Elite shall provide a refund as provided in Section 6.3.2.
- **6.3.2 Refund Upon Termination**. Upon termination by Customer pursuant to this Section 6.3, Elite will refund to Customer all License Fees, the Annual Subscription Fee, if any, and the pro rata portion of any prepaid Annual Maintenance Charges received by Elite as of the date of termination upon return of the Software. IN NO EVENT SHALL CUSTOMER BE ENTITLED TO A REFUND OF ANY SERVICES FEES OR EXPENSES.
- **6.4 Exclusive Remedies**. The remedies in Sections 6.3 and 7.1 (and if attached hereto, in the Services Addendum and/or the Maintenance Addendum) are Customer's exclusive remedies and are in lieu of all other legal or equitable remedies and all liabilities or obligations on the part of Elite for damages (except for bodily injury) arising out of, relating to, or in connection with this Agreement, including, but not limited to, the licensing, delivery, Installation, use or performance of the Software or the integration of the Software with other software or hardware.
- 6.5 Limitation of Liability. In no event shall Elite's, or its officers', employees', suppliers', directors', parent's, affiliates' or subsidiaries, liability to Customer arising out of or related to this Agreement, or the licensing, delivery, use or performance of the Software or services provided under this Agreement or any breach of this Agreement, whether based on an action or claim in contract or tort, including negligence, strict liability or warranty, except liability for bodily injury: (i) from the Effective Date through the end of the Warranty Period, exceed the License Fees, Annual Subscription Fee, if any, and the pro rata portion of any prepaid Annual Maintenance Charges received by Elite hereunder; (ii) after the Warranty Period, exceed the sum of the Annual Subscription Fee, if any, and the Annual Maintenance Charge for the year in which the claim arises; and (iii) under any amendment to this Agreement, exceed the amount payable by Customer pursuant to such amendment. In no event will Elite be liable for any lost profits or other damages, including indirect, incidental, exemplary, special or consequential damages arising out of this Agreement or the use of the Software licensed hereunder, even if Elite has been advised of the possibility of such damages.

#### Indemnification.

- 7.1 Infringement Claims. Elite represents and warrants that it has sufficient right and interest to grant the rights herein. At its sole expense, Elite shall defend, indemnify and hold Customer harmless from copyright, trade secret and U.S. patent infringement claims based upon the Licensed Software in the form delivered by Elite, including paying any judgment, attorney fees, costs and expenses associated with such claim.
- **7.2** Without limiting its obligations under Section 7.1, in the event a claim of infringement or misappropriation is made against Elite or Customer with respect to the Licensed Software, Elite, for the purpose of settling such claim, may, at its option, in respect of such allegedly infringing Licensed Software:
  - (i) substitute fully equivalent non-infringing software; or
  - (ii) modify the Licensed Software so that it no longer infringes but remains functionally equivalent.
- If, as a result of such claim, Customer or Elite is permanently enjoined from using the Licensed Software by a final, non-appealable decree from a court of competent jurisdiction, Elite will take one or both of the actions set forth in (i) and (ii) above or will obtain for Customer at Elite's expense the right to continue to use the Licensed Software. If none of these options can be accomplished in a reasonable time or are not commercially reasonable, Elite will refund to Customer the License Fee paid following sixty (60) days written request from Customer and return of the Licensed Software.
- 7.3 Elite's obligation to indemnify Customer pursuant to this Section 7 is contingent upon Elite being given prompt notice and control of, and detailed information with regard to, any such claim, suit or proceeding. Customer shall have the right to participate at its own cost in the defense of any such claim or action through legal counsel of its choosing. Customer shall not settle any such claim or action without Elite's prior written consent.
- **7.4** This Section 7 contains the entire warranty by Elite and the exclusive remedies of Customer with regard to any claimed infringement arising out of or based upon the Licensed Software used by Customer.
- Term and Termination. This Agreement will continue in effect until terminated as provided herein. Termination of Maintenance Services shall not automatically terminate this Agreement. Elite may terminate this Agreement upon giving thirty (30) days written notice of termination to Customer if Customer commits a material breach of this Agreement and fails to cure such breach during the notice period. Customer may terminate this Agreement for cause only as provided in Section 6 above. Upon termination of this Agreement for any reason, the license granted to Customer and all other rights granted to Customer under this Agreement shall immediately cease and Customer shall immediately return to Elite, or certify the destruction of, all copies of the Software and related Software User Manuals in Customer's possession. Customer may terminate the license to WLCR, if any, by giving written notice prior to the end of the then current Annual Subscription term, and upon such termination, Customer shall immediately return to Elite, or certify the destruction of, all copies of WLCR and related manuals and documentation in Customer's possession.

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**9. Limitation of Claims.** Except for claims relating to the Software Fees or improper use of the Software, no claim, regardless of form, which in any way arises out of this Agreement, may be brought more than two (2) years after the basis for the claim becomes known to the party desiring to assert it.

# 10. General Provisions.

- **10.1 Effect of Agreement.** This Agreement (including the exhibits hereto) embodies the entire understanding between the parties with respect to the subject matter of this Agreement and supersedes any and all prior understandings and agreements, oral or written, relating to the subject matter. Any amendment must be in writing and signed by both parties.
- **10.2 Force Majeure.** The parties shall not be liable for any delay or failure in performing hereunder if caused by factors beyond its reasonable control, such as acts of God, acts of any government, war or other hostility, civil disorder, the elements, fire, explosion, power failure, equipment failure, industrial or labor dispute, inability to obtain necessary supplies and the like.
- **10.3 Notices.** Except as otherwise provided herein, all notices must be in writing to Elite, c/o Elite, 800 Corporate Pointe, Suite 150, Culver City, CA 90230, Attention: Contracts Administration, and to Customer at the address first set forth above.

That's perfect! Thanks a million Anna and I look forward to Friday's call.

- 10.4 Informal Resolution Procedure. The aggrieved party shall notify the other party in writing of the nature of the dispute with as much detail as possible about the deficient performance of the other party. The designated representatives of each party ("Designated Representatives") shall meet in person or by telephone within five (5) business days of the date of the written notification to reach an agreement about the nature of the deficiency and the corrective action to be taken by the respective parties. If the Designated Representatives are unable to agree on corrective action, Customer's senior partner or executive and Elite's chief operating officer shall meet in person or by telephone to facilitate an agreement for resolution.
- 10.5 General Provisions. This Agreement will be governed by and construed under the law of the state of South Dakota, U.S.A. without regard to conflicts of law provisions. This Agreement, and the rights granted to Customer by this Agreement or any duty or obligation of performance hereunder, may not be assigned, sublicensed, or otherwise transferred by Customer, either voluntarily or by operation of law, except with Elite's prior written consent or upon Customer's compliance with all of the following conditions: (i) assignment is made to a single transferee which is a law firm successor to Customer by merger, acquisition or dissolution (the "Transferee"), (ii) the License Fees and Maintenance Fees have been fully paid to Elite, (iii) Customer transfers all copies of the Software and Documentation to the Transferee or destroys any copies not transferred, including any copies embodying modifications or alterations made by Customer, (iv) Transferee agrees in writing with Elite to be bound by the terms and conditions of this Agreement, and (v) Customer gives Elite written notice of such assignment accompanied by a certificate of compliance with clauses (i) and (iii) above. Any attempt to assign or transfer in violation of this Section shall be null and void.

Should any provision of this Agreement be held to be void, invalid, unenforceable or illegal by a court, the validity and enforceability of the other provisions will not be affected thereby. Failure of any party to enforce any provision of this Agreement will not constitute or be construed as a waiver of such provision or of the right to enforce such provision. The headings and captions contained in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

- **10.6 Export.** The Software and its related Software User Manual may not be exported outside of the United States and Canada.
- 10.7 U.S. Government Restricted Rights. Use, duplication or disclosure by the Government is subject to restrictions set forth in subparagraphs (a) through (d) of the Commercial Computer-Restricted Rights clause at FAR 52.227-19 when applicable, or in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Product clause in DFARS 252.227-7013, or in subdivision (c)(1) and (c)(2) of the Commercial Computer Product Restricted Rights clause at 48 CFR 52.227-19, as applicable, and in similar clauses in the NASA FAR Supplement.
- **10.8 Survival**. Sections 4.5, 5, 6, 7, 8, 9 and 10 shall survive any termination of this Agreement.

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[SIGNATURE PAGE FOLLOWS]

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CUSTOMER HEREBY CERTIFIES THAT THE PERSON SIGNING THIS AGREEMENT ON ITS BEHALF IS AUTHORIZED TO DO SO AND THAT CUSTOMER, ACTING THROUGH SUCH PERSON OR ITS OTHER AUTHORIZED REPRESENTATIVE(S), HAS CAREFULLY READ AND AGREES WITH ALL OF THE

PROVISIONS OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE EXCLUSIVE REMEDIES AND LIMITATION OF LIABILITY PROVISIONS SET FORTH IN SECTION 6 AND THE PAYMENT PROVISIONS SET FORTH IN THE SOFTWARE AND FEES SCHEDULE ATTACHED HERETO AS EXHIBIT A.

CITY OF RAPID CITY	
Signature	
Name (please print)	
Title	
Date	
ELITE	
Signature	
Name (please print) Cary Burch	
Title President, Thomson Reuters Elite	
Date	

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# **EXHIBIT A - SOFTWARE AND FEES SCHEDULE**

# Elite Payment Terms

# Software\*:

100% due within forty-five (45) days of receipt of invoice

# **Maintenance:**

Invoiced upon Software Installation

# **Hourly Service Fees:**

Invoiced monthly as performed

Service dates that are cancelled by Customer less than 10 business days prior to its scheduled date will be invoiced to Customer at 50% of Elite's price. In addition, any non-refundable travel expenses associated with such cancellation will be charged to Customer.

Should Customer delay its Services one (1) year beyond the Effective Date, Elite reserves the right to adjust Customer's Service Fees to Elite's then current service rate.

\*License Fees are non-refundable except as expressly provided in this Agreement.

All reimbursable costs are due within forty-five (45) days of receipt of invoice from Elite.

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# EXHIBIT A – SOFTWARE AND FEES SCHEDULE (Cont'd.)

# CITY OF RAPID CITY October 22, 2012 ("Quote Date")

Pricing valid until November 30, 2012

# **SOFTWARE**

	Qty	Rate	Total	Annual Maint.
	αιy	Nate	Total	iviaiiit.
Application Software				
7 Seat License 7 Billable				
ProLaw Enterprise XII Front Office:	7	\$865	\$ 6,055	\$ 1,211
Case Management				
Conflicts				
Contact Management				
DMS Integration <sup>1</sup>				
Docketing				
Document Assembly				
Document Management				
Drag & Drop Customization				
Groupware Integration <sup>2</sup>				
Marketing				
ProLaw Reporting, powered by Microsoft SQL Reporting Services				
Records Management				
Relationship Management				
Task Management				
Time Entry				
SOFTWARE TOTAL			\$ 6,055	\$ 1,211

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# EXHIBIT A - SOFTWARE AND FEES SCHEDULE (Cont'd.)

# **FEES FOR SERVICES**

				Annual
	Hours	Rate	Total	Maint.
Implementation/Training/Consulting Services				
Front Office				
Software Installation	3	\$160.00	\$480	
Front Office Administration Training / Scoping	32	160.00	5,120	
Includes 3 days on-site and 8 hours producing				
a Scoping Summary Document				
Project Management	25	160.00	4,000	
Front Office Consulting and Screen Design	30	160.00	4,800	
Front Office Training	30	160.00	4,800	
Travel				
Estimated Travel Time (two round-trips) <sup>3</sup>	32	\$80.00	\$2,560	
SERVICES TOTAL			\$ 21,760	
TOTAL - Without Hardware and Travel Expenses			\$ 27,815	\$ 1,211
Less Incentive			(1,211)	<del>*</del> - ;-
GRAND TOTAL - Without Hardware and Travel Expenses			\$ 26,604	\$ 1,211
E. C. and Transl. Francisco. Matte Francis				
Estimated Travel Expenses Not to Exceed			\$3,600	
GRAND TOTAL - Without Hardware			\$ 30,204	\$ 1,211

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# **CORRESPONDING PROLAW ENTERPRISE SYSTEM ENDNOTES**

**All pricing is quoted in USD unless otherwise indicated.** Pricing does not include applicable taxes. Applicable taxes are the responsibility of Customer.

ProLaw XII supports Microsoft SQL Server (2008 or 2008 R2) or Microsoft SQL Server Express (2008 or 2008 R2) database software.

XP SP3 is supported with 'core integrations' including SQL, Windows Server, Exchange, Outlook, Word, and Adobe. Adobe X on XP SP3 is supported when protected mode is disabled in Adobe X. For Customers using HotDOCS, Workshare, Interwoven, or DM, XP SP3 support is scheduled for a future service pack release of the software.

# **SOFTWARE NOTES:**

Elite reserves the right to increase the Annual Maintenance after the first year quoted.

Elite will install and support the Licensed Software in configured hardware/software environments, including but not limited to those maintained by Managed Hosting Service Providers ("MHSP"), pursuant to specifications mutually agreed upon by Elite and the Customer. Elite will support functionality within the Licensed Software. MHSP responsibilities shall include, but not limited to, its own and any related MHSP hardware and software environment(s), configuration and troubleshooting of MHSP hardware, MHSP performance, MHSP availability and connectivity issues, and any Licensed Software issues arising from MHSP and/or applicable MHSP entities.

- 1 The ProLaw System includes integration with OpenText eDOCS DM, iManage WorkSite and DeskSite.
- 2 The ProLaw System proposed includes Outlook integration. ProLaw Enterprise and Exchange can be run on the same server, if properly sized.

# **SERVICES NOTES**, which are incorporated herein as part of this Agreement:

This price quote is based on a single implementation. Multiple implementation phases are available for an additional charge.

The number of hours quoted is based upon similar sized customers and the software modules proposed. Additional hours may be required and charged to Customer depending upon the final implementation of the system.

Unless otherwise stated, the training services proposed are for on-site at Customer's facility, with a maximum of 8 people per class. Costs for training classes and consulting/customization services are based on an 8-hour day. This can either be "Train-the-Trainer" or "End User" training. Travel costs quoted in Exhibit A include and enumerate the amount Elite agrees not to exceed in billing Customer for travel and related expenses. Once all travel under this Agreement is complete, Elite shall provide Customer an itemized invoice with receipts or copies thereof attached for all travel and related expenses, and Customer shall pay the lesser of actual costs incurred or the amount not to exceed enumerated herein on Exhibit A, whichever is less. Customer shall remit payment for the same within forty-five (45) days of invoice.

Costs for services are based on an 8-hour day. Normal business hours (Monday-Friday, excluding holidays) for services provided are between 8:30am and 5:30pm at the location where the Elite employees providing the services are located at the time of the provision of such Services. After hours Services are available from Elite for an additional fee.

Elite will install and support its software in properly configured hardware/software environments that meet ProLaw's minimum specifications, including those maintained by Managed Hosting Service Providers (MHSP). Elite will support functionality within the ProLaw application, and the MHSP is responsible for issues outside of the ProLaw application, such as the MHSP's hardware and software environments or ProLaw application issues that are caused by them. Examples of things MHSP is responsible for include, but are not limited to, configuration and troubleshooting of hardware, performance, availability and connectivity issues.

3 The hours quoted include estimated travel time which will be billed by Elite. Customer will only be billed for actual travel time incurred, not to exceed 8 hours per one-way travel segment.

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# CORRESPONDING PROLAW ENTERPRISE SYSTEM ENDNOTES (Cont'd.)

#### **SOFTWARE ACCESS NOTES:**

Gatekeeper (SecureLink VSN (Virtual Support Network)) (hereinafter "Gatekeeper"), which is developed and supported by SecureLink, Inc. ("SecureLink"), is Elite's exclusive method for connecting to Customer (for the provision of any services, including Maintenance Services), except as otherwise provided below.

Gatekeeper is provided to Customer by SecureLink under license. SecureLink is solely responsible for Gatekeeper. Elite MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO GATEKEEPER. ANY IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY EXCLUDED.

Should Customer opt not to install Gatekeeper, Customer will pay an additional annual fee equal to fifteen percent (15%) of its Annual Maintenance Charge to cover Elite's costs of connection by a method other than Gatekeeper. If Elite is unable to use Gatekeeper due to circumstances beyond its control, or if the Customer has installed but is unable to use Gatekeeper due to circumstances beyond its control, Elite will connect to Customer's Elite Software using WebEx or a similar tool at no charge to Customer.

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# Recommended Server Configuration CITY OF RAPID CITY October 22, 2012 ("Quote Date")

# ProLaw XII Enterprise Monolithic Database/Application Server Configuration

Drive capacity and overall volume size for RAID sets will depend on individual customer storage space requirements and anticipated growth. The minimum recommended free space for basic installation is 50-75GB.

Component	Minimum Requirements
Processors	Modern Dual Core (or better) Processor
Memory	4 GB
Hard Disk	20GB
Removable	
Storage	CD-ROM Drive
Video	XGA (1024 x 768)
Network Interface	Gigabit Ethernet (1000 Mbit)
Operating Systems	Microsoft SQL Server 2008 SP2/ 2008 R2 Workgroup or Standard (Express in certain situations)
Software	Microsoft SQL Server 2008 SP1/ 2008 R2 Workgroup or Standard (Express in certain situations)
Remote Access	Required for Implementation and Support
Options	Any of:
	Redundant fans
	Any one of:
	Surge Suppressor
	Uninterruptible Power Supply
	Any one of:
	Customer selected tape drive
	Any one of:
	Customer selected backup software

The above listed guidelines are based upon similar sized customers. Additional hardware (i.e., processors, RAM, disk, etc.) may be needed depending upon the number of concurrent users, the mix of users, and the amount of redundancy required on the system.

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# **ProLaw XII Enterprise Client - Normal User**

Normal Users are typical ProLaw System users who input and perform simple lookups of data, but do not run sophisticated reports or perform more intensive accounting for financial activities.

Component	Minimum Requirements
Processors	Modern Intel Processor
Memory	4 GB (System Max if 32-bit)
Hard Disk	5 GB free (local disk)
Removable Storage	N/A
Video	Minimum SVGA (1024 x 768)
Network Interface	Fast Ethernet (100 Mbit or higher)
Interaction Devices	Mouse and Keyboard
Operating Systems	Any one of: Windows 7 Professional/Ultimate Windows Vista SP2 Business/Ultimate
Options	Document Storage (if used):
	Access to a common read/write network share (delete rights optional)
	Application Integration with one or more of:
	Microsoft Word
	Outlook

# **ProLaw XII Enterprise Client - Power User**

Power Users, in addition to performing tasks a Normal User may undertake, may run sophisticated reports or perform more intensive accounting for financial activities, such as month end reports, reconciliations and/or billing runs.

Component	Minimum Requirements
Processors	Modern Intel Dual Core (or better) Processor
Memory	4 GB
Hard Disk	5 GB free (local disk)
Removable Storage	N/A
Video	Minimum SVGA (1024 x 768)
Network Interface	Fast Ethernet (100 Mbit or higher)
Interaction Devices	Mouse and Keyboard
Operating Systems	Any one of: Windows 7 Professional/Ultimate Windows Vista SP2 Business/Ultimate
Options	Document Storage (if used): Access to a common read/write network share (delete rights optional) Application Integration with one or more of: Microsoft Word Outlook

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#### EXHIBIT B - SERVICES ADDENDUM

# 1. Scope of Services Addendum.

This Services Addendum ("Services Addendum") is part of the Customer Agreement between the parties ("Agreement") which is incorporated as if fully set forth herein. This Services Addendum shall apply to all services that are provided by Elite to Customer during the term of the Agreement including implementation, consulting, training, conversion and any other services provided by Elite to Customer, other than Maintenance Services. Capitalized terms not otherwise defined shall have the meanings set forth in the Agreement.

#### Services.

- 2.1 Statements of Work. Any services to be provided by Elite to Customer shall be set forth in a separate Statement of Work executed by the parties that will describe the work to be performed. Elite has no obligation to provide services (other than Maintenance Services), except as specifically set forth in a Statement of Work executed by the parties.
- 2.2 Customer Obligations. When Elite performs any services at Customer's facility, Customer shall be responsible for providing a safe and appropriate work space and access to all terminals, materials and related resources that may be reasonably required by Elite for timely performance of its obligations under this Services Addendum. Customer shall provide to Elite in a timely manner any information, assistance, review, feedback or approvals that are the responsibility of Customer.
- 2.3 Independent Contractor. Elite is an independent contractor of the Customer. This Agreement does not create an employment relationship between the Customer and Elite or Elite's

agents or employees. Nothing contained in this Agreement is intended to create a partnership or joint venture between Elite and the Customer. No agent of Elite shall be the agent of the Customer, and Elite covenants that it will not take any action in the name of, or by holding itself out as the agent of, the Customer.

#### Warranties and Remedies.

Elite warrants that it will provide the services set forth in any Statement of Work hereunder consistent with industry standards and in accordance with such Statement of Work, including any specifications contained in such Statement of Work. Customer's sole remedy for Elite's material breach of its obligations under a Statement of Work will be to have Elite reperform the defective services so that they conform to the warranties provided herein. If Elite is unable after a reasonable time to provide conforming services, and the services relate to the initial implementation of the Licensed Software, Customer may terminate the Agreement pursuant to Section 6.3 thereof if such defective services cause the Licensed Software to fail to conform to the warranties provided in the Agreement.

#### 4. General Provisions.

- **4.1 Non-solicitation of Employees.** Customer will not induce any employee of Elite to terminate his or her employment relationship with Elite. In addition, Customer agrees that it will not knowingly employ or offer employment to any employee of Elite who has performed any services related to the Agreement within one year of the provision of such services.
- **4.2 Survival.** Section 4 of this Services Addendum shall survive any termination of this Services Addendum.

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# EXHIBIT B (CONT'D.) STATEMENT OF WORK

This Statement of Work is part of the Services Addendum between Elite and Customer ("Services Addendum").

#### 1. Definitions.

As used in this Statement of Work, the following terms shall have the meanings set forth below. Capitalized terms not otherwise defined shall have the meanings set forth in the Services Addendum or the Agreement.

"Final Conversion" shall mean completion of the conversion of Customer's data as provided in the Project Plan.

"Project Plan" shall mean the written plan, approved in writing by the parties, that includes the project charter, scope statement and project schedule that sets forth the scope, schedule and responsibilities of Elite and Customer for implementation of the Software, including Software Installation, and any data conversion, training or other services to be provided.

"Planning Meeting" shall mean the meeting(s) between Elite and Customer to prepare the Project Plan.

"Service Fees" shall mean the fees payable to Elite for implementation, consulting, training, conversion or other services provided under a Statement of Work pursuant to this Statement of Work.

# 2. Service Fees and Expenses.

The Services Fees are due and payable as set forth in the Software and Fees Schedule attached to the Agreement or an amendment thereto and in accordance with Section 4 of the Agreement. Expenses shall be payable in accordance with Section 4 of the Agreement.

# 3. Project Managers.

At or before the Planning Meeting, each party shall inform the other of the individual appointed to serve as its project manager ("Project Manager"). The Project Managers shall serve as the primary contact in regard to coordinating and supervising the implementation of the Software and conversion of the Customer's existing system, if any. Each party shall be responsible for ensuring that its Project Manager dedicates sufficient time to fulfill that party's respective obligation under this Statement of Work. Customer acknowledges that a change of Project Managers by Customer may result in delays in the implementation and necessitate an amendment to the Project Plan.

# 4. Project Plan and Change Requests.

**4.1** Elite and Customer shall schedule the Planning Meeting at a time or times and location to be mutually agreed for purposes of developing the Project Plan. Elite shall present a draft Project Plan for Customer review and comment within fifteen (15) days after completion of the Planning Meeting and the parties shall work to finalize and sign the Project Plan within the following seven (7) days.

The Project Plan may thereafter only be modified by a Change Order (defined below) or other written agreement signed by both parties.

4.2 Following execution of the Project Plan, Customer may submit requested changes to the Project Plan in writing to Elite. Elite shall respond to Customer's change request within twenty (20) days of receipt. Elite's response (the "Change Order") shall identify any changes to the Service Fees or expenses and any changes to the Project Plan (including any resulting delay charges) that would result from implementing the change. Customer may, in its discretion, accept the Change Order by signing the Change Order and returning it to Elite. Upon execution by Customer, the Change Order will amend the Project Plan, and, if applicable, the Software and Fees Schedule. If Customer rejects the Change Order, the Project Plan will remain unaltered.

# 5. Training.

In the event that training services are to be provided pursuant to the Software and Fees Schedule, Elite shall make available to Customer as set forth in the Software and Fees Schedule, training and support for Customer personnel designated by Customer who are skilled in professional billing and accounting and practice management systems ("Customer's Personnel") to operate the Software. Elite shall not be responsible for training replacements of Customer's Personnel who are re-assigned or whose employment with Customer is terminated except pursuant to a separate Statement of Work

# Implementation.

- 6.1 Installation of the Software. Elite and Customer shall cooperate to identify the hardware and related communications equipment necessary for Installation of the Software. Installation of all hardware and supporting software is the responsibility of Customer. Once the configuration of the hardware, including the operating system, conforms to the specifications agreed upon by Elite and Customer, Elite shall install the Software ("Installation").
- **6.2** Pre-conversion Testing of the Software. After Installation of the Software, Elite shall test the Software running on the hardware.

# 7. Conversion.

In the event that conversion services are to be provided by Elite pursuant to the Software and Fees Schedule, the following shall apply:

- **7.1 Conversion of Customer's Database.** Customer shall provide its data in an accurate form in a mutually agreed format and shall provide verification and technical assistance to the extent reasonably possible.
- **7.2 Conversion.** The general procedures for conversion shall include:
  - (a) Provision by Elite of programs necessary to convert Customer's data:

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- (b) Production of mutually agreed on hard copy reports to confirm successful conversion of Customer database; and,
- (c) Both parties manual review and balancing of preconversion hard copy reports with respect to all fields identified in the conversion planning process, including new fields and computed results that do not exist on Customer's current system.

The Project Managers shall work to determine the accuracy and completeness of the conversion based on quantifiable criteria to be mutually agreed to by Customer and Elite prior to Final Conversion

7.3 Final Conversion. Upon Customer's Project Manager certifying that the Software functions substantially in accordance with the Functional Standards, Elite and Customer shall proceed with the Final Conversion of Customer's then current database in accordance with the Project Plan. The Final Conversion shall include:

- (a) Establishment of a cutoff date after which all data shall be loaded onto the Specified Server;
- (b) Verification of pre-conversion and post-conversion data with respect to all fields identified in the conversion planning process, including new fields and computed results that do not currently exist on Customer's current system.

The Project Managers shall work to determine the accuracy and completeness of the Final Conversion based on the conversion criteria.

# 8. Live Operation.

Upon completion of the Final Conversion or the date specified in the Project Plan related to completion of Conversion efforts or related to completion of Installation if no conversion services are being performed by Elite, Customer shall begin "Live Operation".

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# **EXHIBIT C - MAINTENANCE ADDENDUM**

This Maintenance Addendum ("Maintenance Addendum") is part of the Customer Agreement between the parties ("Agreement") which is incorporated as if fully set forth herein.

# 1. Definitions.

As used in this Maintenance Addendum ("Maintenance Addendum"), the following terms shall have the meanings set forth below. Capitalized terms not otherwise defined shall have the meanings set forth in the Agreement.

"Business Day" shall mean Monday through Friday of each week, excluding New Year's Day (January 1\*), Presidents Day, Memorial Day (last Monday of May), Independence Day (July 4\*), Labor Day (first Monday in September), Thanksgiving (last Thursday in November and the following Friday) and Christmas (December 25\*). For the dates marked with an asterisk, if such date falls on a Saturday, the holiday will be observed on the preceding Friday; if such date falls on a Sunday, the holiday will be observed on the following Monday

"Business Hours" shall mean the hours from 7:00am to 6:00pm, Mountain Time, during a Business Day

"Critical Problem" shall mean a Problem that causes an adverse and material effect on Customer's ability to utilize the Software according to the Software User Manual. Critical Problems are handled in accordance with Section 2.2.1 of this Maintenance Addendum.

"Non-Critical Problem" shall mean a Problem that does not meet the definition of a Critical Problem. Non-Critical Problems are handled in accordance with Section 2.2.2 of this Maintenance Addendum.

"Problem" shall mean any failure of the Software to perform in accordance with the Software User Manual. Problems are classified as either Critical Problems or Non-Critical Problems depending on the impact of such Problem on Customer's operations.

"Updates" shall mean any periodic software releases and any release notes provided by Elite to correct Critical or Non-Critical Problems in the Software.

### 2. Maintenance Services.

Maintenance Services consist of the following:

- **2.1 Updates.** Elite will provide all Updates for the Software to Customer. Customer shall be responsible for installing such Updates.
- 2.2 Telephone Support. Elite shall provide telephone support during Business Hours for the reporting of Problems and for the handling of Customer questions relating to the operation of the Software. Telephone support for Problems in the Server Code shall only be provided for Server Code on the Specified Server(s). Elite will provide support for Server Code on additional servers for an additional fee.
- **2.2.1 Critical Problems.** Elite shall respond to a report to its telephone support line of a Critical Problem within two (2) Business Hours. Elite will determine whether the Critical Problem is due to a defect in the Software or whether it is due to a failure not caused by Elite. If the Critical Problem is due to a defect, Elite shall use its best efforts to correct the defect, or provide Customer with a way to temporarily work around the defect if able to do so, or notify Customer on a regular basis as to the

progress of the corrective efforts until such time as a correction can be made.

**2.2.2** Non-Critical Problems. In response to a report of a Non-Critical Problem, Elite will determine whether the Non-Critical Problem is due to a defect in the Software or whether it is due to a failure not caused by Elite. If the Non-Critical Problem is due to a defect, Elite shall use reasonable efforts on a time available basis to correct such defect, but the correction may await the release of Updates.

#### 3. Access.

Customer shall be responsible for providing remote access to the Software via Elite's approved remote access method in order to allow Elite to provide the Maintenance Services and to verify Timekeeper or Seat count.

# 4. Customer Obligations.

Customer shall insure that Elite's personnel are provided with such information under Customer control as is reasonably necessary to enable Elite to comply with its obligations hereunder.

# Exclusions.

- 5.1 Elite's obligations hereunder shall extend only to: (a) the latest Update of the Software provided to Customer by Elite, and (b) Software that has not been modified or altered in any way by anyone other than Elite
- **5.2** Maintenance Services shall not include services for "Excluded Items" as defined in Section 6.2 of the Agreement.
- **5.3** The Annual Maintenance Charge does not include on-site service calls made at Customer's request (or travel and living expenses associated with such calls), shipping costs, telephone costs or the costs of any other services not specifically set forth herein.

# 6. Remedies.

- **6.1** If Elite is unable, after repeated efforts, to remedy a Problem by correction or replacement of software or a combination thereof, or if Elite otherwise materially breaches this Maintenance Addendum or the Agreement with respect to Maintenance Services and fails to correct such breach within thirty (30) days of written notice thereof, Customer may terminate Maintenance Services and receive a pro rata refund of the prepaid Annual Maintenance Charge for the then current term.
- **6.2** The foregoing remedy is exclusive and is in lieu of all liabilities or obligations for damages arising out of or in connection with Maintenance Services. Elite shall have no other liability to Customer whatsoever arising under this Maintenance Addendum or the Agreement with respect to Maintenance Services.
- **6.3 Survival.** Sections 1 and 6 shall survive any termination of Maintenance Services or of this Maintenance Addendum.

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