

AN ORDINANCE 2014-10-02-0730

**RATIFYING A CONTRACT WITH LAWLOGIX GROUP, INC. TO PROVIDE THE HUMAN RESOURCES DEPARTMENT WITH LICENSED ACCESS TO THE GUARDIAN ELECTRONIC I-9 AND E-VERIFY SERVICE SITE FROM NOVEMBER 22, 2010 TO SEPTEMBER 30, 2014, IN THE AMOUNT OF \$118,130.00; AND ACCEPTING AN OFFER FROM LAWLOGIX GROUP, INC. FOR THE SAME PURPOSE, BEGINNING OCTOBER 1, 2014 THROUGH SEPTEMBER 30, 2015 FOR AN ESTIMATED ANNUAL AMOUNT OF \$17,880.00.**

\* \* \* \*

**WHEREAS**, the City is required by law to verify an employee's ability to work in the United States through completion of I-9 documentation; and

**WHEREAS**, the City wishes to ratify a prior contract, in the total amount of \$118,130.00, with LawLogix to provide licensed access to I-9 verification service site; and

**WHEREAS**, the current contract with LawLogix expires September 30, 2014; and

**WHEREAS**, the parties now wish to authorize a new contract with LawLogix for a one-year period, beginning October 1, 2014 and ending September 30, 2015; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The prior contract with LawLogix Group, Inc. to provide the Human Resources Department with licensed access to the Guardian Electronic I-9 and E-verify Service Site for the periods from November 22, 2010 to September 30, 2014, for a total amount of \$118,130.00, and all expenditures made and actions taken in connection therewith, are hereby ratified.

The offer submitted by LawLogix Group, Inc. to provide the same licensed access for the period from October 1, 2014 through September 30, 2015, for an estimated annual amount of \$17,880.00 is hereby accepted. The terms of the Service Agreement are hereby approved, as set forth in Attachment I.

**SECTION 2.** Funding in an amount up to \$17,880.00 is available in Fund 11001000, Cost Center 1003010002 and General Ledger 5201040. Additional funding for this contract is contingent upon City Council approval of subsequent fiscal year budgets. Payment not to exceed the budgeted amount is authorized to LawLogix Group, Inc. and should be encumbered with a purchase order.

**SECTION 3.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

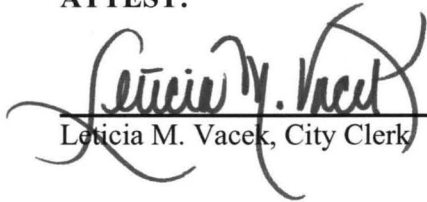
**SECTION 4.** This ordinance is effective immediately upon passage of eight affirmative votes; otherwise, it is effective ten days after passage.

**PASSED AND APPROVED** this 2nd day of October, 2014.

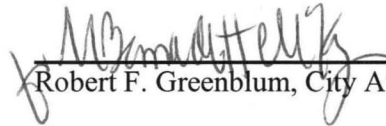


**M A Y O R**  
Ivy R. Taylor

**ATTEST:**

  
\_\_\_\_\_  
Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Robert F. Greenblum, City Attorney

<b>Agenda Item:</b>	<b>6 ( in consent vote: 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33 )</b>						
<b>Date:</b>	10/02/2014						
<b>Time:</b>	09:16:19 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	An Ordinance ratifying a contract with LawLogix Group, Inc. to provide the Human Resources Department with licensed access to the Guardian Electronic I-9 and E-Verify Service Site from November 22, 2010 to September 30, 2014 in the amount of \$118,130.00 and accepting an offer from LawLogix Group, Inc. for the same purpose beginning October 1, 2014 through September 20, 2015 for an estimated annual amount of \$17,880.00. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Director, Finance]						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Ivy R. Taylor	Mayor		x				
Diego Bernal	District 1		x				
Keith Toney	District 2	x					
Rebecca Viagran	District 3		x				x
Rey Saldaña	District 4		x			x	
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Mari Aguirre-Rodriguez	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9	x					
Michael Gallagher	District 10		x				



**CITY OF SAN ANTONIO**  
**PURCHASING AND GENERAL SERVICES DEPARTMENT**

REQUEST FOR OFFER ("RFO") NO.: 6100004001

**ANNUAL CONTRACT FOR LAWLOGIX GUARDIAN I-9 AND E-VERIFY  
LICENSES**

Date Issued: MAY 2, 2014

**RESPONSES MUST BE RECEIVED NO LATER THAN:  
MAY 9, 2014 10:00 AM**

Responses may be submitted by any of the following means:

- Electronic submission through the Portal
- Hard copy in person or by mail
- Electronic submission by e-mail or fax

Address for hard copy responses:

Physical Address:

Purchasing & General Services  
Riverview Tower  
111 Soledad, Suite 1100  
San Antonio, Texas 78205

Mailing Address:

Purchasing & General Services  
P.O. Box 839966  
San Antonio, Texas 78283-3966

For Hard Copy Submissions, Mark Envelope

"ANNUAL CONTRACT FOR LAWLOGIX GUARDIAN I-9 AND E-VERIFY LICENSES"

Offer Due Date: 10:00 AM, MAY 9, 2014

RFO No.: 6100004001

Offeror's Name and Address

Pre-Submittal Conference \*NO

\* If YES, the Pre-Submittal conference will be held on N/A at N/A at N/A.

Staff Contact Person: REBECCA GARZA, PROCUREMENT SPECIALIST II, P.O. Box 839966, San Antonio, TX 78283-3966

Email: [rebecca.garza@sanantonio.gov](mailto:rebecca.garza@sanantonio.gov)

Fax No.: 210-207-7270

**ATTACHMENT I**

**ATTACHMENT I**



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### 003 - INSTRUCTIONS FOR OFFERORS

#### Submission of Offers.

Submission of Hard Copy Offers. Submit one original offer, signed in ink, and two copies of the offer enclosed in a sealed envelope addressed to the Purchasing & General Services Department at the address and by the due date provided on the Cover Page. The name and address of Offeror, the offer due date and RFO number and title shall be marked on the outside of the envelope(s). All times stated herein are Central Time. Any offer or modification received after the time and date stated on the Cover Page shall be rejected.

Submission of Electronic Offers Through the Portal. Submit one offer electronically by the due date provided on the Cover Page. All times stated herein are Central Time. Any offer or modification received after the time and date stated on the Cover Page shall be rejected. All forms in this solicitation which require a signature must have a signature affixed thereto, either by manually signing the document, prior to scanning it and uploading it with your submission, or affixing it electronically.

Submission of Offers by Fax or Email. Submit one document by fax or email to the Staff Contact Person, by the due date provided on the Cover Page. All times stated herein are Central Time. Any offer or modification received after the time and date stated on the Cover Page shall be rejected.

Modified Offers. Offers may be modified provided such modifications are received prior to the time and date set for submission of offers, and submitted in the same manner as original offers. For hard copy offers, and offers submitted by fax or email, provide a cover letter with the offer, indicating it is a modified offer and that the Original offer is being withdrawn. For electronic offers submitted through the portal, a modified offer will automatically replace a prior offer submission. See below for information on submitting Alternate Offers.

City shall not be responsible for lost or misdirected offers or modifications.

Offerors must sign the Signature Page on hard copy offers and return the RFO document to City. For electronic offers, Offeror's electronic submission, with accompanying affirmations, constitutes a binding signature for all purposes. Offers sent by fax must be manually signed prior to submission. Offers sent by email must be a PDF document reflecting a manual signature.

For offers submitted through the portal, Offerors are cautioned that they are responsible for the security of their log on ID and password, since unauthorized use could result in Offeror being held liable for the submission.

Certified Vendor Registration Form. If Offeror has not completed City's Certified Vendor Registration (CVR) Form, Offeror is required to do so prior to the due date for submission of offers. The CVR form may be accessed at: <http://www.sanantonio.gov/purchasing>. Offerors must identify the correct name of the entity that will be providing the goods and/or services under the contract. No nicknames, abbreviations (unless part of the legal title), shortened or short-hand names will be accepted in place of the full, true and correct legal name of the entity.

Alternate Offers. Alternate offers may be allowed at the sole discretion of City.

Hard Copy Alternate Offers. Alternate offers must be submitted in separate sealed envelopes in the same manner as submission of other offers. Alternate offers must be marked consecutively on the envelope as Alternate Offer No. 1, 2, etc. Failure to submit alternate offers in separate envelopes may result in rejection of an offer.

Electronic Alternate Offers Submitted Through the Portal. All alternate offers are recorded with original offers when submitted electronically.

Fax and Email Alternate Offers. Alternate offers submitted by fax or email must include a cover letter identifying the submission as an alternate offer. Each alternate offer must be designated as Alternate Offer No. 1, 2, etc. Failure to follow instructions may result in rejection of an offer.

Catalog Pricing. (This section applies to offers using catalog pricing, unless this is a cooperative purchase.)

The offer will be based on manufacturer's latest dated price list(s). Said price list(s) must denote the manufacturer, latest effective date and price schedule.

Offerors shall be responsible for providing one copy of the manufacturer's catalog for each manufacturer for which an offer is submitted. Offeror shall provide said catalog at the time of submission of its offer. Manufacturers' catalogs may be submitted in any of the following formats: paper copy or CD ROM for offers submitted on paper, or PDF file for offers submitted electronically.

Offerors may submit price lists other than the manufacturer's price list. Said price list(s) must denote the company name, effective date and price schedule. These price lists are subject to approval of City's Purchasing & General Services Department.

Specified items identified herein, if any, are for overall offer evaluation and represent the commonly and most used items. Net prices entered for those specified items must reflect the actual price derived from quoted price list less all discounts offered.

#### Restrictions on Communication.

Offerors are prohibited from communicating with City employees from the time the RFO has been released until the contract is awarded. These restrictions extend to "thank you" letters, phone calls, emails and any contact that results in the direct or indirect discussion of the RFO and/or offer submitted by Offeror. Violation of this provision by Offeror and/or its agent may lead to disqualification of the offer from consideration.

Exceptions to the restrictions on communication with City employees include:

Offerors may ask verbal questions concerning this RFO at the Pre-Submittal Conference.

Offerors may submit written questions, or objections to specifications, concerning this RFO to the Staff Contact Person listed on the Cover Page on or before calendar 5 days prior to the date offers are due. Questions received after the stated deadline will not be answered. Questions submitted and City's responses will be posted with this solicitation. All questions shall be sent by e-mail or through the portal.

Offerors may provide responses to questions asked of them by the Staff Contact Person after responses are received. The Staff Contact Person may request clarification to assist in evaluating the Offeror's response. The information provided is not intended to change the offer response in any fashion. Such additional information must be provided within two business days from City's request.

#### Pre-Submittal Conference.

If a Pre-Submittal Conference is scheduled, it will be held at the time and place noted on the Cover Page. Offerors are encouraged to prepare and submit their questions in writing in advance of the Pre-Submittal Conference in order to expedite the proceedings. City's responses to questions received prior to the conference may be distributed at the Pre-Submittal Conference and posted with this solicitation. Attendance at the Pre-Submittal Conference is optional, but highly encouraged.

This meeting place is accessible to disabled persons. Call the Staff Contact Person for information on the location of the wheelchair accessible entrance, or to request an interpreter for the deaf. Interpreters for the deaf must be requested at least 48 hours prior to the meeting. For other assistance, call (210) 207-7245 Voice/TTY.

Any oral response given at the Pre-Submittal Conference that is not confirmed in writing and posted with this solicitation shall not be official or binding on City.

#### Changes to RFO.

Changes to this RFO made prior to the offer due date shall be made directly to the original RFO. Changes are captured by creating a replacement version each time the RFO is changed. It is Offeror's responsibility to check for new versions until the offer due date. City will assume that all offers received are based on the final version of the RFO as it exists on the day offers are due.

No oral statement of any person shall modify or otherwise change or affect the terms, conditions or specifications stated in the RFO.

#### Preparation of Offers.

All information required by the RFO must be furnished or the offer may be deemed non-responsive and rejected. Any ambiguity in the offer as a result of omission, error, unintelligible or illegible wording shall be construed in the favor of City.

Correct Legal Name. If Offeror is found to have incorrectly or incompletely stated the name of the entity that will provide goods and/or services, the offer may be rejected.

Line Item Offers. Any offer that is considered for award by each unit or line item, must include a price for each unit or line item for which Offeror wishes to be considered. All offers are awarded on the basis of low line item, low total line items, or in any other combination that serves the best interest of City, unless City designates this solicitation as an "all or none" offer in the Supplemental Terms & Conditions.

All or None Offers. Any offer that is considered for award on an "all or none" basis must include a price for all units or line items. In an "All or None" offer, a unit price left blank shall result in the offer being deemed nonresponsive and disqualified from consideration. An "All or None" offer is one in which City will award the entire contract to one offeror only.

Delivery Dates. Proposed delivery dates must be shown in the offer form where required and shall include weekends and holidays, unless specified otherwise in this RFO. Proposed delivery times must be specific. Phrases such as "as required", "as soon as possible" or "prompt" may result in disqualification of the offer. Special delivery instructions, if any, may be found in the Specifications / Scope of Services section of this document, or in the Purchase Order.

Tax Exemption. The City of San Antonio is exempt from payment of federal taxes, and State of Texas limited sales excise and use taxes. Offerors must not include such taxes in offer prices. An exemption certificate will be signed by City where applicable upon request by Offeror after contract award.

Samples, Demonstrations and Pre-award Testing. If requested by City, Offeror shall provide product samples, demonstrations, and/or testing of items offered to ensure compliance with specifications prior to award of the contract. Samples, demonstrations and/or testing must be provided within 7 calendar days of City's request. Failure to comply with City's request may result in rejection of an offer. All samples (including return thereof), demonstrations, and/or testing shall be at Offeror's expense. Samples will be returned upon written request. Requests for return of samples must be made in writing at the time the samples are provided. Otherwise, samples will become property of City at no cost to City. Samples that are consumed or destroyed during demonstrations or testing will not be returned.

#### Estimated Quantities for Annual Contracts.

Designation as an "annual" contract is found in the contract's title on the Cover Page of this document. The quantities stated are estimates only and are in no way binding upon City. Estimated quantities are used for the purpose of evaluation. City may increase or decrease quantities as needed. Where a contract is awarded on a unit price basis, payment shall be based on the actual quantities supplied.

Offerors shall thoroughly examine the drawings, specifications, schedule(s), instructions and all other contract documents.

Offerors shall make all investigations necessary to thoroughly inform themselves regarding plant and facilities for delivery of material and equipment, or conditions and sites/locations for providing goods and services as required by this RFO. No plea of ignorance by Offeror will be accepted as a basis for varying the requirements of City or the compensation to Offeror.

Confidential or Proprietary Information. All offers become the property of City upon receipt and will not be returned. Any information deemed to be confidential by Offeror should be clearly noted; however, City cannot guarantee that it will not be compelled to disclose all or part of any public record under the Texas Public Information Act, since information deemed to be confidential by Offeror may not be considered confidential under Texas law, or pursuant to a Court order. Pricing shall not be considered proprietary or confidential.

Costs of Preparation. Offeror shall bear any and all costs that are associated with the preparation of the Offer, attendance at the Pre-Submittal conference, if any, or during any phase of the selection process.

#### Rejection of Offers.

City may reject any and all offers, in whole or in part, cancel the RFO and reissue the solicitation. City may reject an offer if:

Offeror misstates or conceals any material fact in the offer; or

The offer does not strictly conform to law or the requirements of the offer;

The offer is conditional; or

Any other reason that would lead City to believe that the offer is non-responsive or Offeror is not responsible.

City, in its sole discretion, may also waive any minor informalities or irregularities in any offer, such as failure to submit sufficient offer copies, failure to submit literature or similar attachments, or business affiliation information.

Changes to Offer Form. Offers must be submitted on the forms furnished. Offers that change the format or content of City's RFO may be rejected.

Withdrawal of Offers. Offers may be withdrawn prior to the due date. Written notice of withdrawal shall be provided to the Staff Contact Person for offers submitted in hard copy, by fax or email. Offers submitted electronically may be withdrawn electronically.

#### Evaluation and Award of Contract.

City reserves the right to make an award on the basis of City's best interests. Award may also be made based on low line item, low total line items, or in any other combination that serves the best interest of City, unless City designates this solicitation as an "all or none" offer in the Supplemental Terms & Conditions.

A written award of acceptance and Purchase Order furnished to Offeror results in a binding contract without further action by either party. Offeror must have the Purchase Order before making any delivery.

City reserves the right to delete items prior to the awarding of the contract, and purchase said items by other means.

Inspection of Facilities/Equipment. Depending on the nature of the RFO, Offeror's facilities and equipment may be a determining factor in making the offer award. All Offerors may be subject to inspection of their facilities and equipment.

#### Prompt Payment Discount.

Provided Offeror meets the requirements stated herein, City shall take Offeror's offered prompt payment discount into consideration. The evaluation will not be based on the discount percentage alone, but rather the net price as determined by applying the discount to the offer price, either per line item or total offer amount. However, City reserves the right to reject a discount if the percentage is too low to be of value to City, all things considered. City may also reject a discount if the percentage is so high as to create an overly large disparity between the price City would pay if it is able to take advantage of the discount and the price City would pay if it were unable to pay within the discount period. City may always reject the discount and pay within the 30 day period, at City's sole option.

City will not consider discounts that provide fewer than 10 days to pay in order to receive the discount.

For example, payment terms of 2% 5, Net 30 will NOT be considered in offer evaluations or in the payment of invoices. However, payment terms of 2% 10, Net 30 will result in a two percent reduction in the offer price during offer evaluation, and City will take the 2% discount if the invoice is paid within the 10 day time period.

Prohibited Financial Interest. The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined in the Ethics Code, from having a financial interest in any contract with City or any City agency such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with City or in the sale to City of land materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: the City officer or employee; his parent, child or spouse; a business entity in which he or his parent, child or spouse owns ten (10) percent or more of the voting stock or shares of the business entity, or ten (10) percent or more of the fair market value of the business entity; or a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

Conflict of Interest. Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that persons, or their agents, who seek to contract for the sale or purchase of property, goods, or services with the City, shall file a completed conflict of interest questionnaire with the City Clerk not later than the 7th business day after the date that the person: (1) begins contract discussions or negotiations with the City; or (2) submits to the City an application, response to a request for proposals or offers, correspondence, or another writing related to a potential agreement with the City. The conflict of interest questionnaire form is available from the Texas Ethics Commission at [www.ethics.state.tx.us](http://www.ethics.state.tx.us). Completed conflict of interest questionnaires may be mailed or delivered by hand to the Office of the City Clerk. If mailing a completed conflict of interest questionnaire, mail to: Office of the City Clerk, P.O. Box 839966, San Antonio, TX 78283-3966. If delivering a completed conflict of interest questionnaire, deliver to: Office of the City Clerk, City Hall, 2nd floor, 100 Military Plaza, San Antonio, TX 78205. Offeror should consult its own legal advisor with questions regarding the statute or form. Do not include this form with your sealed offer. The Purchasing Division will not deliver the form to the City Clerk for you.

## **004 - SPECIFICATIONS / SCOPE OF SERVICES**

### **SCOPE**

The following specification is for the grant of licenses by LawLogix Group, Incorporated for thirteen (13) license users to access the electronic I-9 and E-Verify Guardian Services for the San Antonio Human Resources department.

DESCRIPTION of Items Licensed by LawLogix to City:

#### **Item 1: Guardian Electronic I-9 and E-Verify Licenses**

Each new employee must complete the I-9 form to verify their identity and employment authorization. LawLogix Guardian Service automates the employee I-9 and E-Verify processes. LawLogix is a web services E-Verify employer agent, providing integrated E-Verify case submission and management through the Guardian Electronic I-9 system. Each user, as designated by the City of San Antonio, under the "System Administration" function of the LawLogix Guardian Service site must have their own license to access the Guardian Service site. An annual allocation of 4,000 I-9s are included in the monthly minimum charge.

#### **Item 2: Excess I-9s**

Additional I-9s created after the annual allocation will incur a one-time charge per I-9.



## 005 - SUPPLEMENTAL TERMS & CONDITIONS

### Original Contract Term.

This contract shall begin upon the effective date of the ordinance awarding the contract, or July 1, 2014, whichever is later. This contract shall begin upon the date specified in the award letter, if it does not exceed \$50,000. This contract shall terminate on June 30, 2015.

### Renewals.

At City's option, this Contract may be renewed under the same terms and conditions for 1 additional 1 year period(s). Renewals shall be in writing and signed by Director, without further action by the San Antonio City Council, subject to and contingent upon appropriation of funding therefore.

### Temporary Short Term Extensions.

City shall have the right to extend this contract under the same terms and conditions beyond the original term or any renewal thereof, on a month to month basis, not to exceed three months. Said month to month extensions shall be in writing, signed by Director, and shall not require City Council approval, subject to and contingent upon appropriation of funding therefore.

### Warranty.

A minimum of 90-days product guarantee or the manufacturer's standard commercial warranty, whichever is greater, shall apply to all products and/or services purchased under this RFO, unless otherwise specified in the Specifications/Scope of Services section of this RFO. This warranty shall provide for replacement of defective merchandise, parts, and labor, and shall include pick-up of the defective merchandise from City and delivery of the replacement(s) to the same location. The warranty shall be effective from the date of acceptance of the merchandise, or completion of the service, as applicable.

**ANY TERM OR CONDITION IN ANY DOCUMENT FURNISHED BY VENDOR, DISCLAIMING THE IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, OR ATTEMPTING TO LIMIT VENDOR'S LIABILITY SHALL BE OF NO FORCE OR EFFECT, AND SHALL BE STRICKEN FROM THE CONTRACT DOCUMENTS AS IF NEVER CONTAINED THEREIN.**

### All Or None Bid.

City of San Antonio will make award to one vendor only.

### Insurance.

Prior to the commencement of any work under this Agreement, Vendor shall furnish copies of all required endorsements and completed Certificate(s) of Insurance to the City's Finance Department, Purchasing Division, which shall be clearly labeled "Annual Contract for LawLogix Guardian I-9 and E-Verify Licenses" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. City will not accept a Memorandum of Insurance or Binder as proof of insurance. The certificate(s) must have the agent's signature and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to City. City shall have no duty to pay or perform under this Agreement until such certificate and endorsements have been received and approved by City's Finance Department, Purchasing Division. No officer or employee, other than City's Risk Manager, shall have authority to waive this requirement.

City reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and



prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance will City allow modification whereby City may incur increased risk.

A Vendor's financial integrity is of interest to City; therefore, subject to Vendor's right to maintain reasonable deductibles in such amounts as are approved by City, Vendor shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension here of, at Vendor's sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

TYPE	AMOUNTS
Workers' Compensation Employers' Liability	Statutory Limit \$500,000/\$500,000/\$500,000
Broad form Commercial General Liability Insurance to include coverage for the following: a. Premises operations b. Independent Licensors c. Products/completed operations d. Personal Injury e. Contractual Liability	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage
Business Automobile Liability a. Non-owned vehicles b. Hired Vehicles	<u>Combined Single Limit</u> for <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence
Professional Liability – Claims made policies are to be maintained and in effect for no less than two years subsequent to the completion of the professional services	\$1,000,000 per claim, to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error, or omission in professional services.
Internet Liability and Network Protection (Cyberrisk) – May be endorsed on the Errors and Omissions Policy  Claims made policies are to be maintained and in effect for no less than two years subsequent to the completions of the termination of the Agreement	\$1,000,000 per claim

Vendor agrees to require, by written contract, that all subcontractors providing goods or services hereunder obtain the same insurance coverages required of Vendor herein, and provide a certificate of insurance and endorsement that names Vendor and City as additional insureds. Vendor shall provide City with said certificate and endorsement prior to the commencement of any work by the subcontractor. This provision may be modified by City's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent, based upon changes in statutory law, court decisions, or circumstances surrounding this agreement. Such modification may be enacted by letter signed by City's Risk Manager, which shall become a part of the contract for all purposes.

As they apply to the limits required by City, City shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Vendor shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Vendor shall pay any costs incurred resulting from said changes.

City of San Antonio  
Attn: Finance Department Purchasing Division  
P.O. Box 839966

**ATTACHMENT I**

San Antonio, Texas 78283-3966

Vendor agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

Name City, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with City, with the exception of the workers' compensation and professional liability policies;

Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where City is an additional insured shown on the policy;

Workers' compensation, employers' liability, general liability and automobile liability policies will provide a waiver of subrogation in favor of City; and

Provide advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, Vendor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Vendor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

In addition to any other remedies City may have upon Vendor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, City shall have the right to order Vendor to stop work hereunder, and/ or withhold any payment(s) which become due to Vendor hereunder until Vendor demonstrates compliance with the requirements hereof.

Nothing herein contained shall be construed as limiting in any way the extent to which Vendor may be held responsible for payment of damages to persons or property resulting from Vendor's or its subcontractors' performance of the work covered under this Agreement.

It is agreed that Vendor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by City for liability arising out of operations under this Agreement.

It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this Agreement and that no claim or action by or on behalf of City shall be limited to insurance coverage provided.

Vendor and any subcontractors are responsible for all damage to their own equipment and/or property.

#### Incorporation of Attachments.

Each of the attachments listed below is an essential part of this contract, which governs the rights and duties of the parties, incorporated herein by reference, and shall be interpreted in the order of priority as appears below, with this document taking priority over all attachments:

Attachment A – Price Schedule

Attachment B – Supplemental Information Related to the State of Texas Conflict of Interest Requirement

Exhibit 1 – City of San Antonio Users

Exhibit 2 – LawLogix Master Services Agreement

## 006 - GENERAL TERMS & CONDITIONS

Electronic Offer Equals Original. If Vendor is submitting an electronic offer, whether through City's portal, by fax, or by e-mail, City and Vendor each agree that this transaction may be conducted by electronic means, as authorized by Chapter 322, Texas Business & Commerce Code, known as the Electronic Transactions Act.

### Delivery of Goods/Services.

Destination Contract. Vendor shall deliver all goods and materials F.O.B., City of San Antonio's designated facility, inside delivery, freight prepaid, to the address provided in this RFO or, if different, in the Purchase Order. Vendor shall bear the risk of loss until delivery. Freight charges will be paid only when expedited delivery is requested and approved in writing by City. Vendor shall be responsible for furnishing necessary personnel or equipment and/or making necessary arrangements to off load at City of San Antonio facility, unless otherwise noted herein.

Failure to Deliver. When delivery is not met as provided for in the contract, City may make the purchase on the open market, with any cost in excess of the contract price paid by Vendor, in addition to any other direct, indirect, consequential or incidental damages incurred by City as a result thereof. In addition, Vendor may be removed from City's list of eligible bidders.

Purchase Orders. Each time a City department wishes to place an order against this contract, it will issue Vendor a purchase order. Vendor must have the purchase order before making any delivery.

Acceptance by City. City shall have a reasonable time (but not less than 30 days) after receipt to inspect the goods and services tendered by Vendor. City at its option may reject all or any portion of such goods or services which do not, in City's sole discretion, comply in every respect with all terms and conditions of the contract. City may elect to reject the entire goods and services tendered even if only a portion thereof is nonconforming. If City elects to accept nonconforming goods and services, City, in addition to its other remedies, shall be entitled to deduct a reasonable amount from the price thereof to compensate City for the nonconformity. Any acceptance by City, even if non-conditional, shall not be deemed a waiver or settlement of any defect in such goods and services.

Testing. After award of contract, City may, at its sole option, test the product delivered to ensure it meets specifications. Initial testing shall be at City's expense. However, if the product does not to meet specifications, Vendor shall reimburse City for the costs of testing. City may withhold the cost of testing from any amounts owed to Vendor under this or any other contract, or invoice Vendor for same. If invoiced, Vendor shall pay City within 30 calendar days' of the invoice.

### Invoicing and Payment.

Address for Invoices. All original invoices must be sent to: City of San Antonio, Attn: Accounts Payable, P.O. Box 839976, San Antonio, Texas 78283-3976.

### Information Required On Invoice.

All invoices must be in a form and content approved by City. City may require modification of invoices if necessary in order to satisfy City that all billing is proper and pursuant to the terms of the contract. Invoices are required to show each City Purchase Order Number. Invoices must be legible. Items billed on invoices must be specific as to applicable stock, manufacturer, catalog or part number (if any). All invoices must show unit prices for each item being billed, the quantity of items being billed and the total for each item, as well as the total for all items on the invoice. If prices are based on list prices basis, then the list prices, the percentage discount or percentage surcharge, net unit prices, extensions and net total prices must be shown. Prompt payment discounts offered shall be shown separately on the invoice.

### Payment by City.

In accordance with the Texas Prompt Payment Act, City shall have not less than 30 days to pay for goods or services. Time for payment, including payment under discount terms, will be computed from the later of: (1) the date City receives conforming goods under the contract; (2) the date performance of the service under the contract is completed; or (3) the date City receives a correct and valid invoice for the goods or services. Payment is deemed to be made on the date of mailing of the check. Payment is made in US dollars only.

This provision shall not apply where there is a bona fide dispute between City and Vendor about the goods delivered or the service performed that causes the payment to be late, or where the invoice is not mailed to the address provided herein.

The payment amount due on invoices may not be manually altered by City personnel. Once disputed items are reconciled, Vendor must submit a corrected invoice or a credit memorandum for the disputed amount. City will not make partial payments on an invoice where there is a dispute.

**NECESSITY OF TIMELY INVOICE / WAIVER OF PAYMENT.** NOTWITHSTANDING THE FORGOING, CITY CANNOT PAY FOR ANY GOODS OR SERVICES WITHOUT AN INVOICE. VENDOR MUST INVOICE CITY NO LATER THAN 90 CALENDAR DAYS FROM THE DATE GOODS ARE DELIVERED OR SERVICES RENDERED. FAILURE TO SUBMIT AN INVOICE WITHIN SAID 90 DAYS SHALL NEGATE ANY LIABILITY ON THE PART OF CITY AND CONSTITUTE A **WAIVER** BY VENDOR OF ANY AND ALL RIGHT OR CLAIMS TO COLLECT MONEYS THAT VENDOR MAY RIGHTFULLY BE OTHERWISE ENTITLED TO FOR GOODS OR SERVICES PERFORMED.

The total price for all goods and/or services is shown on the Price Schedule. No additional fees or expenses of Vendor shall be charged by Vendor nor be payable by City. The parties hereby agree that all compensable expenses of Vendor are shown on the Price Schedule. If there is a discrepancy on the Price Schedule between the unit price for an item, and the extended price, the unit price shall govern.

**Amendments.** Except where the terms of this contract expressly provide otherwise, any alterations, additions, or deletions to the terms hereof, shall be effected by amendment, in writing, executed by both City and Vendor. The Director of the Purchasing and General Services Department, or Director's designee, shall have authority to execute amendments on behalf of City without further action by the San Antonio City Council, subject to and contingent upon appropriation of funds for any increase in expenditures by City. Any amendments that cause this contract to exceed \$50,000, if the original contract price was under \$50,000, shall require City Council approval.

#### **Termination.**

**Termination-Breach.** Should Vendor fail to fulfill in a timely and proper manner, as determined solely by the Director, its material obligations under this contract, or violate any of the material terms of this contract, City shall have the right to immediately terminate the contract in whole or in part. Notice of termination shall be provided in writing to Vendor, effective upon the date set forth in the notice. City may, in City's sole discretion, provide an opportunity for Vendor to cure the default. If City elects to offer an opportunity to cure, City shall provide notice to Vendor specifying the matters in default and the cure period. If Vendor fails to cure the default within the cure period, City shall have the right, without further notice, to terminate the contract in whole or in part. Such termination shall not relieve Vendor of any liability to City for damages sustained by virtue of any breach by Vendor.

**Termination-Notice.** City may terminate this contract, in whole or in part, without cause. City shall be required to give Vendor notice ten days prior to the date of termination of the contract without cause.

**Termination-Funding.** City retains the right to terminate this contract at the expiration of each of City's budget periods. This contract is conditioned on a best efforts attempt by City to obtain and appropriate funds for payment of any debt due by City herein.

**Independent Contractor.** Vendor covenants and agrees that it is an independent contractor and not an officer, agent, servant or employee of City. City shall not be liable for any claims which may be asserted by any third party occurring in connection with the services to be performed by Vendor under this contract and that Vendor has no authority to bind City. The doctrine of respondeat superior shall not apply as between City and Vendor.

#### **INDEMNIFICATION.**

VENDOR covenants and agrees to **FULLY INDEMNIFY, DEFEND and HOLD HARMLESS, CITY** and the elected officials, employees, officers, directors, volunteers and representatives of CITY, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon CITY directly or indirectly arising out of, resulting from or related to VENDOR'S activities under this Agreement, including any acts or omissions of VENDOR, any agent, officer, director, representative, employee, consultant or subcontractor of VENDOR, and their respective officers, agents employees, directors and representatives while in the exercise of the rights or performance of the duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of CITY, its officers or employees, in instances



where such negligence causes personal injury, death, or property damage. IN THE EVENT VENDOR AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. In addition, Vendor agrees to indemnify, defend, and hold City harmless from any claim involving patent infringement, trademarks, trade secrets, and copyrights on goods supplied.

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. VENDOR shall advise CITY in writing within 24 hours of any claim or demand against CITY or VENDOR known to VENDOR related to or arising out of VENDOR's activities under this AGREEMENT and shall see to the investigation and defense of such claim or demand at VENDOR's cost. CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving VENDOR of any of its obligations under this paragraph.

If promptly notified in writing of any action brought against City based on a claim that Vendor's services infringe a United States patent, copyright, trade secret or trademark right of a third party. Vendor will defend such action at its expense and will pay any and all fees, costs or damages that may be finally awarded in such action or any settlement resulting from such action.

Assignment. Except as otherwise stated herein, Vendor may not sell, assign, pledge, transfer or convey any interest in this contract, nor delegate the performance of any duties hereunder, by transfer, by subcontracting or any other means, without the consent of Director. As a condition of such consent, if such consent is granted, Vendor shall remain liable for completion of the services and provision of goods outlined in this contract in the event of default by the successor vendor, assignee, transferee or subcontractor. Any attempt to transfer, pledge or otherwise assign this Contract without said written approval, shall be void ab initio and shall confer no rights upon any third person.

Ownership of Documents. Pursuant to Texas Local Government Code Chapter 201, any and all Records produced by Vendor pursuant to the provisions of this contract are the exclusive property of City; and no such Record shall be the subject of any copyright or proprietary claim by Vendor. The term "Record" as used herein shall mean any document, paper, letter, book, map, photograph, sound or video recording, microfilm, magnetic tape, electronic medium, or other information recording medium, regardless of physical form or characteristic. Vendor understands and acknowledges that as the exclusive owner of any and all such Records, City has the right to use all such Records as City desires, without restriction.

#### Records Retention.

Vendor and its subcontractors, if any, shall properly, accurately and completely maintain all documents, papers, and records, and other evidence pertaining to the services rendered hereunder ("Documents"), and shall make such Documents available to City at their respective offices, at all reasonable times and as often as City may deem necessary during the contract period, including any extension or renewal hereof, and the record retention period established herein, for purposes of audit, inspection, examination, and making excerpts or copies of same by City and any of its authorized representatives.

Vendor shall retain any and all Documents produced as a result of services provided hereunder for a period of four years ("Retention Period") from the date of termination of the contract. If, at the end of the Retention Period, there is litigation or other questions arising from, involving or concerning these Documents or the services provided hereunder, Vendor shall retain the records until the resolution of such litigation or other such questions. Vendor acknowledges and agrees that City shall have access to any and all such Documents at any and all times, as deemed necessary by City, during said Retention Period. City may, at its election, require Vendor to return the documents to City at Vendor's expense prior to or at the conclusion of the Retention Period. In such event, Vendor may retain a copy of the documents.

Vendor shall notify City, immediately, in the event Vendor receives any requests for information from a third party, which pertain to the Documents referenced herein. Vendor understands and agrees that City will process and handle all such requests.

Severability. If any clause or provision of this contract is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the City Charter, City Code, or ordinances of the City of San Antonio, Texas, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this contract shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein. It is also the intention

of the parties hereto that in lieu of each clause or provision of this contract that is invalid, illegal, or unenforceable, there be added as a part of the contract a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

**Compliance with Law.** Vendor shall provide and perform all services required under this Agreement in compliance with all applicable federal, state and local laws, rules and regulations.

**Certifications.** Vendor warrants and certifies that Vendor and any other person designated to provide services hereunder has the requisite training, license and/or certification to provide said services, and meets all competence standards promulgated by all other authoritative bodies, as applicable to the services provided herein.

**Non-waiver of Performance.** Unless otherwise specifically provided for in this Agreement, a waiver by either Party of a breach of any of the terms, conditions, covenants or guarantees of this Agreement shall not be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant or guarantee herein contained. Further, any failure of either Party to insist in any one or more cases upon the strict performance of any of the covenants of this Agreement, or to exercise any option herein contained, shall in no event be construed as a waiver or relinquishment for the future of such covenant or option. In fact, no waiver, change, modification or discharge by either party hereto of any provision of this Agreement shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged. No act or omission by a Party shall in any manner impair or prejudice any right, power, privilege, or remedy available to that Party hereunder or by law or in equity, such rights, powers, privileges, or remedies to be always specifically preserved hereby.

**Venue.** Venue of any court action brought directly or indirectly by reason of this contract shall be in Bexar County, Texas. This contract is made and is to be performed in Bexar County, Texas, and is governed by the laws of the State of Texas.

**Non-discrimination.** As a condition of entering into this agreement, Vendor represents and warrants that it will comply with City's Commercial Nondiscrimination Policy, as described under Section IILC.1 of the SBEDA Ordinance. As part of such compliance, Vendor shall not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Vendor retaliate against any person for reporting instances of such discrimination. Vendor shall provide equal opportunity for subcontractors, vendors and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in City's Relevant Marketplace. Vendor understands and agrees that a material violation of this clause shall be considered a material breach of this agreement and may result in termination of this agreement, disqualification of Vendor from participating in City contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party. Vendor shall include this nondiscrimination clause in all subcontracts for the performance of this contract.

**Non-discrimination.** As a party to this contract, Vendor understands and agrees to comply with the *Non-Discrimination Policy* of the City of San Antonio contained in Chapter 2, Article X of the City Code and further, shall not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, veteran status, age or disability, unless exempted by state or federal law, or as otherwise established herein.

**Delinquent Taxes.** In the event that Vendor is or subsequently becomes delinquent in the payment of taxes owed to the City of San Antonio, City reserves the right to deduct any delinquent taxes from payments that City may owe to the delinquent Vendor as a result of this contract.

**Binding Contract.** This contract shall be binding on and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, and successors and assigns, except as otherwise expressly provided for herein.

**Entire Agreement.** This contract, including City's final electronically posted online version, together with its award letter, and its price schedule(s), attachments, purchase orders, and exhibits, if any, constitutes the final and entire agreement between the parties hereto and contains all of the terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this contract shall be deemed to exist or to bind the parties hereto, unless same be in writing, dated subsequent to the date hereof, and be duly executed by the parties, in accordance with the Amendment provision herein. **Parties agree that City's final electronically posted online version of this solicitation contains the agreed upon specifications, scope of services, and terms and conditions of this contract, and shall control in the event of a conflict with any printed version signed and submitted by Vendor.**

**007 - SIGNATURE PAGE**

By submitting an offer, whether electronically or by paper, Offeror represents that:

(s)he is authorized to bind Offeror to fully comply with the terms and conditions of City's Request for Offer for the prices stated therein;

(s)he has read the entire document, including the final version issued by City, and agreed to the terms therein;

Offeror is in good standing with the Texas State Comptroller's Office; and

to the best of his/her knowledge, all information is true and correct.

If submitting your offer by paper, complete the following and sign on the signature line below. Failure to sign and submit this Signature Page will result in rejection of your offer.

**Offeror Information**

Please Print or Type

Vendor ID No.

Signer's Name

Name of Business

Street Address

City, State, Zip Code

Email Address

Telephone No.

Fax No.

City's Solicitation No.

Jesus A. Ancheta

LawLogix Group, Inc.

3111 N Central Ave Suite A200

Phoenix, AZ 85012

jancheta@lawlogix.com;billing@lawlogix.com

602-357-4240

602-926-2262



\_\_\_\_\_  
Signature of Person Authorized to Sign Offer

## 008 - STANDARD DEFINITIONS

Whenever a term defined by the Uniform Commercial Code ("UCC"), as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

All-or-None Offer - an RFO in which City will award the entire contract to one offeror only.

Alternate Offer - two or more offers with substantive variations in the item or service offered from the same offeror in response to a solicitation.

Assignment - a transfer of claims, rights or interests in goods, services or property.

Bid Bond - security to ensure that Offeror (a) will not withdraw the offer within the period specified for acceptance, and (b) will furnish any required bonds and any necessary insurance within the time specified in the solicitation.

City - the City of San Antonio, a Texas home-rule municipal corporation.

Contractor - the offeror whose offer is accepted by City and is, therefore, the person, firm or entity providing goods or services to City under a contract.

Director - the Director of City's Purchasing & General Services Department, or Director's designee.

Line Item - a listing of items in an offer for which an offeror is expected to provide separate pricing.

Offer - a complete, signed response to an RFO that, if accepted, would bind Offeror to perform the resultant contract.

Offeror - a person, firm or entity that submits an offer in response to a solicitation. The offeror whose offer is accepted by City may also be referred to herein as Contractor, Vendor or Supplier.

Payment Bond - a particular form of security provided by the contractor to protect City against loss due to the contractor's failure to pay suppliers and subcontractors.

Performance Bond - a particular form of security provided by the contractor to protect City against loss due to the contractor's inability or unwillingness to complete the contract as agreed.

Performance Deposit - security provided by the contractor to protect City against loss due to the contractor's inability or unwillingness to complete the contract as agreed.

Pre-Submittal Conference - a meeting conducted by City, held in order to allow offerors to ask questions about the proposed contract and particularly, the contract specifications.

Purchase Order - a validly issued order placed by an authorized City department for the purchase of goods or services, written on City's standard purchase order form, and which is the vendor's authority to deliver to and invoice City for the goods or services specified in an RFO for the price stated in vendor's offer.

Specifications - a description of what City requires and what Offeror must offer; a description of the physical or functional characteristics of a product or material, or the nature of a service or construction item.

Subcontractor - a person, firm or entity providing goods or services to a vendor to be used in the performance of the vendor's obligations under the contract with City.

Supplier - the offeror whose offer is accepted by City and is, therefore, the person, firm or entity providing goods or services to City under a contract.

Vendor - the offeror whose offer is accepted by City and is, therefore, the person, firm or entity providing goods or services to City under a contract.



**009 – ATTACHMENTS**

**ATTACHMENT A**

**PRICE SCHEDULE**

Description

**ITEM 1:**

Guardian Electronic I-9 and E-Verify Licenses

7/1/2014 – 6/30/2015 \$ 17,880 Annual Price

**ITEM 2:**

Price Per Excess I-9

7/1/2014 – 6/30/2015 \$ 4.50 each

Please complete the following:

Prompt Payment Discount: \_\_\_\_\_% \_\_\_\_\_ days.

**ATTACHMENT B**

**SUPPLEMENTAL INFORMATION RELATED TO THE STATE OF TEXAS CONFLICT OF INTEREST REQUIREMENT**

The Instructions to Bidders section of this document provides information pertaining to a requirement to file the State of Texas Conflict of Interest Questionnaire (Form CIQ) required by Chapter 176 of the Texas Local Government Code. The Form CIQ is available from the Texas Ethics Commission at:

<http://www.ethics.state.tx.us/forms/CIQ.pdf>

In addition, please complete the City's Addendum to the Form CIQ (Form CIQ-A) and submit it with the Form CIQ to the Office of the City Clerk. The City's Addendum to the Form CIQ can be found at:

<http://www.sanantonio.gov/atty/ethics/pdf/OCC-CIQ-Addendum.pdf>

**EXHIBIT 1**

**CITY OF SAN ANTONIO USERS**

(Posted as a separate document)

**EXHIBIT 2**

**LAWLOGIX MASTER SERVICES AGREEMENT**

(Posted as a separate document)

**ATTACHMENT I**

**EXHIBIT 1**  
**CITY OF SAN ANTONIO USERS**

Planned Users:

User Names	Position/Title	Email Address	Full Administrative Privileges (Yes or No)
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**Company Name: City of San Antonio**

**User Names under this EIN:**

1. Krystal Strong	Sr. HR Administrator	<a href="mailto:krystal.strong@sanantonio.gov">krystal.strong@sanantonio.gov</a>	Yes
2. Natalie Balderrama	Assistant Director	<a href="mailto:natalie.balderrama@sanantonio.gov">natalie.balderrama@sanantonio.gov</a>	Yes
3. Sharon Frey	Sr. Management Coordinator	<a href="mailto:sharon.frey@sanantonio.gov">sharon.frey@sanantonio.gov</a>	Yes
4. Sarah Boehme	Sr. HR Specialist	<a href="mailto:sarah.boehme@sanantonio.gov">sarah.boehme@sanantonio.gov</a>	Yes
5. Rose Marie Saucedo	HR Analyst	<a href="mailto:rose.saucedo@sanantonio.gov">rose.saucedo@sanantonio.gov</a>	Yes
6. Linda Hawkins	HR Analyst	<a href="mailto:linda.hawkins@sanantoniog.gov">linda.hawkins@sanantoniog.gov</a>	Yes
7. Rita Aguilar	HR Analyst	<a href="mailto:rita.aguilar@sanantonio.gov">rita.aguilar@sanantonio.gov</a>	Yes
8. Dawnette Escobedo	HR Analyst	<a href="mailto:dawnette.escobedo@sanantonio.gov">dawnette.escobedo@sanantonio.gov</a>	Yes
9. Eloisa Trevino	HR Analyst	<a href="mailto:eloisa.trevino@sanantonio.gov">eloisa.trevino@sanantonio.gov</a>	Yes
10. Luisa Bustos	Admin. Associate	<a href="mailto:luisa.bustos@sanantonio.gov">luisa.bustos@sanantonio.gov</a>	No
11. Joel Jenks	Executive Recruiter	<a href="mailto:joel.jenks@sanantonio.gov">joel.jenks@sanantonio.gov</a>	No
12. Unidentified User			
13. Unidentified User			

## LAWLOGIX ELECTRONIC I-9 AND E-VERIFY (GUARDIAN) MASTER SERVICES AGREEMENT

This Master Services Agreement ("Agreement") is made and entered into this 1st day of July, 2014 ("Effective Date") by and between LawLogix Group, Inc., ("Licensor") and City of San Antonio ("Licensee").

WHEREAS, the parties entered into an agreement, dated November 22, 2010 and as amended thereafter (collectively, the "First Agreement") governing Licensee's use of the Guardian Electronic I-9 and E-Verify solution ("the Service"); and

WHEREAS, the Parties wish to terminate the First Agreement and execute a new agreement with updated pricing for Licensee's use of the Service as set forth herein.

NOW, THEREFORE, the parties agree as follows:

**SYSTEM & USER LICENSE FEES** – Each user as designated by the Licensee under the "System Administration" function of the LawLogix Guardian Service Site (herein "Service") must have their own license to access Service. Licensee will incur a minimum monthly recurring license charge of **\$1,490.00** for access to the system. New User license activations are available at a one-time fee of **\$79** per User activation. New non-supported User license activations are available at a one-time fee of **\$19.95** per additional User activation. For E-Verify integration each EIN (as indicated by a separate MOU) is subject to an additional one-time set-up fee of **\$295** after the first EIN (i.e., first EIN fee waived). Each individual person affiliated with the Licensee and interacting with the system outside the scope of an employee completing or re-verifying an I-9 must have an active User license in order to utilize or access the Service.

**I-9 ACTIVATION FEES** -- Licensee will incur an initiation fee for each I-9 or Section III completion for re-hire in lieu of a new I-9 (herein "I-9") entered into or created within the Service, after the first **4,000 I-9s** each annual cycle ("Annual Allocation" - included in monthly minimum fee). Additional I-9s created within the Licensee's area of the Service after the Annual Allocation will incur a one-time charge of **\$4.50** per I-9 or Section III completion, payable at the beginning of the month following each applicable I-9 creation. Late payments may retroactively invalidate non-standard I-9 fee provisions and/or concessions and subject Licensee to additional fees (see below for details). I-9 initiation fees are a one-time charge and specific I-9s maintained within the system will not be subject to additional fees for a period of no less than ten years so long as such I-9 and related file do not exceed the "large file" threshold as described in the "Additional Services Supplement and Notes" below

**TRAINING AND CUSTOMER SUPPORT** – Supported licensed Users are entitled to free access, on a space available basis, to the general continuous series of Regularly Scheduled Group webinar sessions. Standard on-line and e-mail customer service support is provided to supported licensed users at no charge during the designated customer service hours of 6:30am to 6:00pm (Mountain Standard Time). Phone and Webinar-based support (excluding Regularly Scheduled Group Webinar sessions, support as described above, and Service availability issues) will be subject to Custom Webinar training fees billed in quarter hour increments of \$95.00 per hour. Optional on-site training fees, as customized at the request of Licensee, include all topics addressed in Webinar trainings in addition to other topics as required. On-site Trainer fees are \$1,000 per trainer per day. The Licensee agrees to pay all reasonable related travel and lodging expenses related to on-site training.

**MONEY BACK GUARANTEE** – The Licensee may discontinue using the Service at any time. Should the Licensee choose to discontinue because of dissatisfaction with the performance of the Service, Licensee may seek a refund of fees under the Money Back Guarantee. To be eligible for a refund, Licensee must irrevocably terminate Service and such termination and claim for refund must have been made within a reasonable time as of the onset of dissatisfaction, such time not to be longer than two months. In addition, the twelve prior invoices must have been paid in-full and on-time and the one-time set-up fee must have been paid within three business days of Service initiation. Refunds are limited to those fees paid during which time Licensee reasonably continued to experience and clearly indicated persistent dissatisfaction to Customer Support. Training fees, related travel costs, and migration fees are non-refundable. Unless otherwise indicated, all other fees are non-prorated and non-refundable.

**PRICE LOCK, TERMS OF PAYMENT, LATE PAYMENT** -- Licensee is subject to a minimum monthly charge of **\$1,490.00** which includes both User and I-9 fees as described above. Licensor will lock prices to Licensee for a period of two years from date of Agreement. Each month the monthly minimum will be automatically charged and if the charges exceed the monthly minimum, Licensor agrees to provide invoice to Licensee no less than three days prior to initiation of the automatic monthly credit charge. Licensee agrees to pay monthly charges incurred through use of the Service via billing arrangements as provided by the Licensor. Licensor agrees to provide an invoice to Licensee. Regardless of payment method, all payments are due upon receipt of electronic or mail invoice, and for the purposes of this Agreement, such payments are considered late if not received within 30 days of original invoice date. One late payment within any 12 month period will invalidate the "price lock" feature and, at the sole discretion of Licensor, subject Licensee to the then current retail Service prices. Two late payments within any 12 month period will, at the sole discretion of Licensor, retroactively invalidate any reduction in migration fees including I-9 initiation fees waived for migrated I-9s or other fee reductions described in the "Additional Services Supplement and Notes." Licensor may terminate Service to Licensee with 30 days advanced notice in the case of non-payment or otherwise with 120 days advanced written notice. Licensee may discontinue use of Service at any time subject to the provisions described above.

**COMPLETE AGREEMENT AND TERMS OF SERVICE (ON-LINE USER AGREEMENT)** – As of the Effective Date, this Agreement will supersede and replace the First Agreement. Licensee and Licensee on behalf of its employees, agents, and clients agrees to access Service via [www.perfectcompliance.com](http://www.perfectcompliance.com) or site as designated by Licensor from time to time, and acknowledges and agrees that this site's Terms of Service (On-Line User Agreement) governs the relationship between Licensee and Licensor not otherwise addressed specifically in this Agreement. Licensee acknowledges that this Agreement may be completed in counterparts (together that will constitute one document) and includes and incorporates all pages attached below, including the "Additional Services Supplement: I-9 Data Migration" and the "Additional Services Supplement and Notes." Licensee and Licensor acknowledge and agree to such terms as stated above and as included in the attached.

Signature For LawLogix Group, Inc

Date

Signature For Licensee Date [Valid only if signed and returned to Licensee on or before June 15, 2014]

## **EXHIBIT A**

### **Additional Services Supplement and Notes**

#### **Use of FTPS Back-up Services**

Licensee is entitled to use of the self-administered FTPS back-up function as provided by Licensor. Use of FTPS function is available without charge on a once-weekly basis and more frequently for a fee equal to the then current rates as determined by Licensor.

#### **Training Fees, Credit Expiration, Cancellation Fees, and Optional Flat Fee Travel/Lodging Costs**

Custom Webinar training credits must be used in full-hour increments and On-site training credits can only be applied in full-day increments and exclusively for trainer fees.

For On-site trainings, cancellation notice of less than 10 business days incurs 50% of scheduled fees plus all expenses and cancellation notice of less than 3 business days incurs 100% of scheduled fees plus all expenses. Training credits expire 60 days after the date of this Agreement.

For Webinar trainings, cancellations with less than 72 hours notice and no-shows are subject to a \$75.00 fee. To cancel training, please call 602.357.4240 Ext. 7300 or email [training@lawlogix.com](mailto:training@lawlogix.com).

At the sole and exclusive option of Licensor, travel and lodging costs may be assessed as flat fee charges to Licensee in lieu of actual accrued travel and lodging fees. In such case, the "flat fee" assessment (per trainer), will be \$585.00 for required plane travel, \$245.00 per night for lodging (including travel day), and \$85.00 per day for food and miscellaneous expenses.

#### **Case Size Limitations and Alternative Fee Structure Options**

"Large" files are defined as those I-9 cases and related employee file with total data of more than 200 Kilobytes when accounting for actual use of storage after compression and excluding any use of storage attributed to any storage consumed because of Licensor encryption or security protocols. After the first year (measured by the first year anniversary of the original I-9 creation date with the Service), all I-9 employee records that are classified as "large" will be assessed an annual maintenance fee of \$0.95. This fee is charged at the beginning of the month following each annual anniversary. Cases larger than 10 megabytes are subject to additional maintenance fees.

At the end of the first year of Service, a Licensee in good-standing (as reasonably defined by Licensor), may opt to avoid annual maintenance fees by switching to one of the unlimited storage case fee structures available at that time. At the time of the initiation of this Agreement, plans include a one-time per I-9 fee of \$16.95 for 10 years of unlimited I-9 storage use or a one-time per I-9 fee of \$19.95 for fifteen years of unlimited case storage use. By opting into the alternative ten or fifteen year case structure at the end of the first year of service, Licensee's I-9 cases entered in the prior year will be grandfathered under the new fee structure and avoid annual maintenance fees.

#### **Service Level**

Subject to the terms and conditions of this Agreement, Licensor will provide the Service in accordance with and subject to the Up-Time Performance Standards (SLA) set forth in Exhibit B ("Up-Time Performance Standards") and Licensee and Licensee's users may access and use the Service.

#### **Conduct While Using the Service**

Licensee and Licensee on behalf of its employees, agents, and clients agree to abide by all applicable local, state, national and foreign laws, treaties and regulations in connection with the Service. In addition, without limitation all parties agree not to use the Service or information from the Service to: (a) send unsolicited or unauthorized email, advertising, promotional materials, junk mail, spam, chain letters, pyramid schemes, or any other form of duplicative or unsolicited messages, whether commercial or otherwise; (b) harvest, collect, gather or assemble information or data regarding other users, including e-mail addresses, without their consent; (c) transmit through or post on the Service unlawful, immoral, libelous, abusive, harassing, tortuous, defamatory, threatening, harmful, invasive of another's privacy, vulgar, obscene or otherwise objectionable material of any kind or nature or which is harmful to minors in any way; (d) transmit any material that may infringe the intellectual property rights or other proprietary rights of third parties, including trademark, copyright or right of publicity; (e) transmit any material that contains software viruses or other harmful or deleterious computer code, files or programs such as trojan horses, worms, time bombs or cancelbots; (f) interfere with or disrupt the integrity of any data or computer-based information or any servers or networks connected to the Service or violate the regulations, policies or procedures of such networks; (g) attempt to gain unauthorized access to the Service, other accounts, other cases, computer systems or networks connected to the Service, through password mining or any other means; or (h) harass or interfere with another guests and/or user's use and enjoyment of the Service; or (i) use the Service as a source of legal advice, whether directly or indirectly, for yourself or any third-party.

#### **Limitation of Liability**

In no event will Licensor be liable to Licensee or anyone else for any consequential, incidental, special or indirect damages (including but not limited to loss of profits, goodwill, use, data or other intangible items) even if Licensor has been advised of the possibility of such damages or losses. In addition, Licensor shall not be liable, directly or indirectly, for any loss to Licensee resulting from any cause of any type over which Licensor does not have exclusive and direct control, including but not limited to failure of

electronic or mechanical equipment or communication lines, telephone or other interconnect problems; bugs, errors, configuration problems or incompatibility of computer hardware or software; failure or unavailability of Internet access; problems with internet service providers or other equipment or services relating to Licensee's computers; problems with intermediate computer or communications networks or facilities; problems with data transmission facilities or Licensee's telephone service; changes in the laws, regulations, or procedures related to Licensee's I-9 and E-Verify records; or unauthorized access, theft, Licensor errors, severe weather, earthquakes or labor disputes. Licensor is not responsible for any damage to Licensee's computers, software, modem, telephone or other property resulting from Licensee's use of the Service. Some jurisdictions do not allow the exclusion of certain warranties or the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the above limitations may not apply to Licensee.

### **Indemnification, Data Format Integrity, Confidentiality, and Licensee's Unambiguous Data Ownership**

(A) LICENSOR covenants and agrees to FULLY INDEMNIFY, DEFEND and HOLD HARMLESS, the LICENSEE and the elected officials, employees, officers, directors, volunteers and representatives of the LICENSEE, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the LICENSEE directly or indirectly arising out of, resulting from or related to LICENSOR's activities under this Agreement, including any acts or omissions of LICENSOR, any agent, officer, director, representative, employee, consultant or subcontractor of LICENSOR, and their respective officers, agents employees, directors and representatives while in the exercise of the rights or performance of the duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of LICENSEE, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT LICENSOR AND LICENSEE ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE LICENSEE UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. LICENSOR shall advise the LICENSEE in writing within 24 hours of any claim or demand against the LICENSEE or LICENSOR known to LICENSOR related to or arising out of LICENSOR's activities under this AGREEMENT and shall see to the investigation and defense of such claim or demand at LICENSOR's cost. The LICENSEE shall have the right, at its option and at its own expense, to participate in such defense without relieving LICENSOR of any of its obligations under this paragraph.

If promptly notified in writing of any action brought against Licensee based on a claim that Licensor's services infringe a United States patent, copyright, trade secret or trademark right of a third party, Licensor will defend such action at its expense and will pay any and all fees, costs or damages that may be finally awarded in such action or any settlement resulting from such action.

(B) Licensor shall indemnify and hold Licensee, Licensee's officers, directors, and employees harmless from and against claims, losses, damages, and judgments, arising out of or relating to a meritorious claim that the Service either infringes a patent, copyright, trademark, trade secret or other proprietary or contract right of a reasonably anticipated third party. This obligation will survive the termination of the Service. Liability arising under this section is limited as per the TOS and, regardless of other provisions, determinations or findings, is limited to no more than the total fees paid in the prior six months to Licensor, under any circumstance.

(C) Licensor shall store and retain Licensee's data within the Service for the duration that Licensee's account is active and in good standing and in such a manner as to reasonably ensure conformity with applicable regulations and related industry best practices. Licensee acknowledges and agrees that Licensor shall have no liability for the deletion or failure to store any data entered directly or indirectly by Licensee or other data transmitted by Licensee or by anyone else to the Service in violation of the TOS or after such time as Licensee's account is no longer active or not in good standing. Nonetheless, at all times, Licensee shall retain all rights to Licensee data. Nothing in this Agreement shall be construed to give Licensor any rights over Licensee's data, except as may be necessary to perform the Service in accordance with Licensee's permission as indicated in this Agreement and TOS. Licensor may not sell, transfer, assign or provide any third party with Licensee's data except as necessary to perform the Service in accordance with this Agreement or TOS, all such data to be held as confidential data. At any time, upon request, Licensor shall provide Licensee with a complete copy of Licensee's data in an industry standard format for a nominal charge.

### **Insurance**

(A) Prior to the commencement of any work under this Agreement, Licensor shall furnish copies of all required endorsements and completed Certificate(s) of Insurance to the Licensee's Human Resources Department, which shall be clearly labeled "I-9 Software" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The Licensee will not accept a Memorandum of Insurance or Binder as proof of insurance. The certificate(s) must have the agent's signature and phone number, and be mailed, with copies of all applicable



endorsements, directly from the insurer's authorized representative to the Licensee. The Licensee shall have no duty to pay or perform under this Agreement until such certificate and endorsements have been received and approved by the Licensee's Human Resources Department. No officer or employee, other than the Licensee's Risk Manager, shall have authority to waive this requirement.

(B) The Licensee reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by Licensee's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance will Licensee allow modification whereby Licensee may incur increased risk.

(C) A Licensor's financial integrity is of interest to the Licensee; therefore, subject to Licensor's right to maintain reasonable deductibles in such amounts as are approved by the Licensee, Licensor shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at Licensor's sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M. Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

TYPE	AMOUNTS
Workers' Compensation Employers' Liability	Statutory Limit \$500,000/\$500,000/\$500,000
Broad form Commercial General Liability Insurance to include coverage for the following: a. Premises operations b. Independent Licensors c. Products/completed operations d. Personal Injury e. Contractual Liability	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage
Business Automobile Liability a. Non-owned vehicles b. Hired Vehicles	<u>Combined Single Limit</u> for <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence
Professional Liability -- Claims made policies are to be maintained and in effect for no less than two years subsequent to the completion of the professional services	\$1,000,000 per claim, to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error, or omission in professional services.
Internet Liability and Network Protection (Cyberrisk) -- May be endorsed on the Errors and Omissions Policy  Claims made policies are to be maintained and in effect for no less than two years subsequent to the completions of the termination of the Agreement	\$1,000,000 per claim

(D) As they apply to the limits required by the Licensee, the Licensee shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Licensor shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to Licensee at the address provided below within 10 days of the requested change. Licensor shall pay any costs incurred resulting from said changes.

City of San Antonio  
Attn: Human Resources Department  
P.O. Box 839966  
San Antonio, Texas 78283-3966

(E) Licensor agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

- Name the Licensee, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the Licensee, with the exception of the workers' compensation and professional liability policies;

- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the Licensee is an additional insured shown on the policy;
- Workers' compensation, employers' liability, general liability and automobile liability policies will provide a waiver of subrogation in favor of the Licensee.
- Provide advance written notice directly to Licensee of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

(F) Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, Licensor shall provide a replacement Certificate of Insurance and applicable endorsements to Licensee. Licensee shall have the option to suspend Licensor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

(G) In addition to any other remedies the Licensee may have upon Licensor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the Licensee shall have the right to order Licensor to stop work hereunder, and/or withhold any payment(s) which become due to Licensor hereunder until Licensor demonstrates compliance with the requirements hereof.

(H) Nothing herein contained shall be construed as limiting in any way the extent to which Licensor may be held responsible for payments of damages to persons or property resulting from Licensor's or its subcontractors' performance of the work covered under this Agreement.

(I) It is agreed that Licensor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this Agreement.

(J) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this Agreement and that no claim or action by or on behalf of the Licensee shall be limited to insurance coverage provided..

(K) Licensor and any Subcontractors are responsible for all damage to their own equipment and/or property.

**LawLogix Group, Inc. ("Licensor")**

**City of San Antonio ("Licensee")**

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
 Printed Name

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Date

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
 Printed Name

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Date

## EXHIBIT B

### UP-TIME PERFORMANCE STANDARDS (SLA)

Except as otherwise provided for under this Agreement, under no circumstances and in no event shall Licensor be liable for any damages due to commercially reasonable interruption of Service. Such interruptions shall be deemed commercially reasonable if the interruptions a) do not exceed 1% of total availability during regular business hours in any one quarter, or b) occur for maintenance purposes with advance notice outside of business hours, or c) occur for maintenance purposes without advance notice between 10pm and 4:30am PST, or d) occur for maintenance purposes without advance notice during business hours for less than four minutes at any one time (not to exceed more than eight occurrences in any given month). In addition, the following Service Level Standards shall apply:

1. **Service Level Standards.** Licensor will at all times during the term of this Agreement maintain the following service levels for the Services (collectively, the "Service Levels"):

1.1 **Service Availability Service Level.** Licensor will provide 99% Service Availability over quarterly periods, excluding any Service maintenance or Force Majeure Events (as defined below) that result in the Service not being available to any Licensee user, as measured and monitored from Licensor's facilities. Service Availability will be calculated on a monthly basis using the following formula:  $[(\text{Actual Availability} \div \text{Total Scheduled Availability}) \times 100\%]$ . The following definitions shall apply with respect to the calculation of Service Availability:

(a) **"Actual Availability"** means Total Scheduled Availability minus Downtime, in minutes.

(b) **"Downtime"** means the time (in minutes) that users of the Service are (a) not able to access the Service, (b) perform ordinary functions to use or receive Services in accordance with Specifications, or (c) utilize the Service and Services for normal business operations due to failure malfunction or delay. Downtime does not include any unavailability of the Service due to Service Maintenance or a failure or defect arising out of a Force Majeure Event.

(c) **"Force Majeure Event"** Any failure or delay caused by or the result of causes beyond the reasonable control of a Party and could not have been avoided or corrected through the exercise of reasonable diligence, including, but not limited to, acts of God, fire, flood, hurricane or other natural catastrophe, terrorist actions, laws, orders, regulations, directions or actions of governmental authorities having jurisdiction over the subject matter hereof, or any civil or military authority, national emergency, insurrection, riot or war, or other similar occurrence.

(d) **"Service Maintenance"** means time (in minutes) that the Service is not accessible to Licensee due to maintenance of the Service, including for maintenance and upgrading of the software and hardware used by Licensor to provide the Services. Service Maintenance includes scheduled maintenance and unscheduled, emergency maintenance. For Service Maintenance that occurs outside of 10:00PM and 4:30AM PST, Licensor will provide Licensee with at least five business days' prior written notice of any scheduled maintenance or sixty minutes' advance written notice for unscheduled, emergency maintenance except as exempted in the introductory paragraph above. Licensor will provide such notices to Licensee by email to an address provided by Licensee. Service Maintenance that occurs outside the hours of 10:00PM and 4:30AM PST, shall not exceed 240 minutes per quarter. Any time during which the Service is unavailable to Licensee due to non-emergency maintenance by Licensor for which Licensor fails to give notice as required in this paragraph or which exceeds the permitted time allotment shall be included in the calculation of Downtime.

(e) **"Total Scheduled Availability"** means 7 days per week, 24 hours per day, excluding Service Maintenance, in minutes.

2. **Reporting.** During the term of this Agreement, Licensor will, upon Licensee's request (which made be made by telephone or email), provide monthly reports to Licensee that include Licensor's performance with respect to the Service Levels and such other metrics as reasonably requested by Licensee from time-to-time.

3. **SLA Credits.** If Licensor fails to meet any of the Service Levels, Licensor will pay Licensee penalties calculated as follows (the "SLA Credits"):

3.1 **SLA Penalty for Service Availability Service Level Failure.** If the Service Availability during any given quarter falls below 99%, Licensor will provide Licensee with an SLA Credit equal to the percentage of the total quarterly fee applicable to the quarter in which the Service Level failure occurred corresponding to the Service Availability Level set forth in the chart below:

Service Availability Level	SLA Credit
98.5-99%	1% of total quarterly fee applicable to quarter in which failure occurred
96.5-98.5%	10% of total quarterly fee applicable to quarter in which failure occurred
95-96.5%	25% of total quarterly fee applicable to quarter in which failure occurred
< 95%	100% of total quarterly fee applicable to quarter in which failure occurred



**3.2 SLA Credit Procedures.** Upon written request from Licensee, Licensor will credit all SLA Credits accrued to Licensee in the quarter in which the SLA Credits accrue, provided that if no further invoices will be submitted to Licensee hereunder, Licensor will pay such SLA Credits to Licensee within 30 days of the end of the month in which such SLA Credits accrue.

**3.3 Chronic SLA Failure.** In addition to the SLA Penalties set forth in Section 4.1 above, if Licensor fails to meet any Service Level in any three months in a rolling six month period during the term of this Agreement, Licensee will have the right in its sole discretion to terminate the Services immediately upon written notice to Licensor.

**4. Incident Categorization and Response.** Licensor's support personnel will, pursuant to the Agreement, provide Licensee with remote assistance for help in troubleshooting the Service and to accept reports of Errors in the Service. Licensor will ensure that each of its personnel performing any maintenance and troubleshooting support services are experienced, knowledgeable and qualified in the use, maintenance and support of the Service.

Contact information for technical support is as follows:

Telephone: 602-357-4240 Extension 2

Facsimile: 602-357-4317

E-Mail: support@lawlogix.com

Emergency Cell: 602-705-7817

Licensor may change any of the foregoing contact information from time to time by delivery of not less than thirty (30) days prior written notice to Licensee, so long as at least one number or address is at all times available for each means of contact.