



SOFTWARE AS A SERVICE AGREEMENT

This Software as a Service Agreement ("Agreement") is made between Tyler Technologies, Inc. ("Tyler") and the City of Beaumont ("Client").

WHEREAS, Client and Tyler are parties to an agreement dated June 24, 2004 ("On-Premise Contract") under which Client purchased, and Tyler provided, certain products and services more particularly described in the On-Premise Contract ("Tyler Software");

WHEREAS, Client now desires to add additional modules to the Tyler Software, and to migrate the Tyler Software to Tyler's servers to be hosted by Tyler for Client's benefit, and Tyler desires to provide such products and services under the terms of this Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth in this Agreement, Tyler and Client agree as follows:

SECTION A – DEFINITIONS

- **"Agreement"** means this Software as a Service Agreement.
- **"Business Travel Policy"** means Tyler's business travel policy. A copy of Tyler's current Business Travel Policy is attached as Schedule 1 to Exhibit B.
- **"Client"** means the City of Beaumont, California.
- **"Data"** means Client's data necessary to utilize the Tyler Software.
- **"Data Storage Capacity"** means the contracted amount of storage capacity for Client's Data identified in the Investment Summary.
- **"Defect"** means a failure of the Tyler Software to substantially conform to the functional descriptions set forth in Tyler's written proposal to Client, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through Tyler's maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in Tyler's then-current Documentation.
- **"Defined Named Users"** means the number of named users that are authorized to use the SaaS Services unless otherwise noted in the Investment Summary. The Defined Named Users for the Agreement are thirty (30).
- **"Developer"** means a third party who owns the intellectual property rights to Third Party Software.
- **"Documentation"** means any online or written documentation related to the use or functionality of the Tyler Software that Tyler provide or otherwise make available to Client, including instructions, user guides, manuals and other training or self-help documentation.
- **"Effective Date"** means the date on which Client's authorized representative signs the Agreement.
- **"Force Majeure"** means an event beyond the reasonable control of Client or Tyler's, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause that could not with reasonable diligence be foreseen or prevented by Client or

Tyler's.

- **"Investment Summary"** means the agreed upon cost proposal for the products and services attached as Exhibit A.
- **"Invoicing and Payment Policy"** means the invoicing and payment policy. A copy of Tyler's current Invoicing and Payment Policy is attached as Exhibit B.
- **"SaaS Fees"** means the fees for the SaaS Services identified in the Investment Summary.
- **"SaaS Services"** means software as a service consisting of system administration, system management, and system monitoring activities that Tyler performs for the Tyler Software, and includes the right to access and use the Tyler Software, receive maintenance and support on the Tyler Software, including Downtime resolution under the terms of the SLA, and Data storage and archiving. SaaS Services do not include support of an operating system or hardware, support outside of Tyler's normal business hours, or training, consulting or other professional services.
- **"SLA"** means the service level agreement. A copy of Tyler's current SLA is attached hereto as Exhibit C.
- **"Statement of Work"** means the industry standard implementation plan describing how Tyler's professional services will be provided to implement the Tyler Software, and outlining Client's and Tyler's roles and responsibilities in connection with that implementation. The Statement of Work is attached as Exhibit E.
- **"Support Call Process"** means the support call process applicable to all of Tyler's customers who have licensed the Tyler Software. A copy of Tyler's current Support Call Process is attached as Schedule 1 to Exhibit C.
- **"Third Party Terms"** means, if any, the end user license agreement(s) or similar terms for the Third Party Software, as applicable and attached as Exhibit D.
- **"Third Party Hardware"** means the third party hardware, if any, identified in the Investment Summary.
- **"Third Party Products"** means the Third Party Software and Third Party Hardware.
- **"Third Party Software"** means the third party software, if any, identified in the Investment Summary.
- **"Tyler"** means Tyler Technologies, Inc., a Delaware corporation.
- **"Tyler Software"** means Tyler's proprietary software, including any integrations, custom modifications, and/or other related interfaces identified in the Investment Summary and licensed by Tyler's to Client through this Agreement.

SECTION B – SAAS SERVICES

1. **Rights Granted**. Tyler grants to Client the non-exclusive, non-assignable limited right to use the SaaS Services solely for Client's internal business purposes for the number of Defined Named Users only. The Tyler Software will be made available to Client according to the terms of the SLA. Client acknowledges that Tyler has no delivery obligations and Tyler will not ship copies of the Tyler Software as part of the SaaS Services. Client may use the SaaS Services to access updates and enhancements to the Tyler Software, as further described in Section C(8) of this Agreement.
2. **SaaS Fees**. Client agrees to pay Tyler the SaaS Fees. Those amounts are payable in accordance with Tyler's Invoicing and Payment Policy. The SaaS Fees are based on the number of Defined Named Users and amount of Data Storage Capacity. Client may add additional Named users or additional data storage capacity on the terms set forth in Section H(1) of this Agreement. In the event Client regularly and/or meaningfully exceeds the Defined Named Users or Data Storage Capacity, Tyler reserves the right to charge Client additional fees commensurate with the overage(s).

3. Ownership.

3.1 Tyler retains all ownership and intellectual property rights to the SaaS Services, the Tyler Software, and anything developed by Tyler's under this Agreement. Client does not acquire under this Agreement any license to use the Tyler Software in excess of the scope and/or duration of the SaaS Services.

3.2 The Documentation is licensed to Client and may be used and copied by Client's employees for internal, non-commercial reference purposes only.

3.3 Client retains all ownership and intellectual property rights to the Data.

4. Restrictions. Client may not: (a) make the Tyler Software or Documentation resulting from the SaaS Services available in any manner to any third party for use in the third party's business operations; (b) modify, make derivative works of, disassemble, reverse compile, or reverse engineer any part of the SaaS Services; (c) access or use the SaaS Services in order to build or support, and/or assist a third party in building or supporting, products or services competitive to Tyler's; or (d) license, sell, rent, lease, transfer, assign, distribute, display, host, outsource, disclose, permit timesharing or service bureau use, or otherwise commercially exploit or make the SaaS Services, Tyler Software, or Documentation available to any third party other than as expressly permitted by this Agreement.

5. Software Warranty. Tyler warrants that the Tyler Software will perform without Defects during the term of this Agreement. If the Tyler Software does not perform as warranted, Tyler will use all reasonable efforts, consistent with industry standards, to cure the Defect in accordance with the maintenance and support process set forth in Section C(8) of this Agreement, below, the SLA and Tyler's then current Support Call Process.

6. SaaS Services.

6.1 Tyler's SaaS Services are audited at least yearly in accordance with the AICPA's Statement on Standards for Attestation Engagements ("SSAE") No. 16, Type 2. Tyler has attained, and will maintain, Type II SSAE compliance, or its equivalent, for so long as Client is timely paying for SaaS Services. Upon execution of a mutually agreeable Non-Disclosure Agreement ("NDA"), Tyler will provide Client with a summary of Tyler's SSAE-16 compliance report or its equivalent. Every year thereafter, for so long as the NDA is in effect and in which Client make a written request, Tyler will provide that same information.

6.2 Client will be hosted on shared hardware in a Tyler data center, but in a database dedicated to Client, which is inaccessible to Tyler's other customers.

6.3 Tyler has fully-redundant telecommunications access, electrical power, and the required hardware to provide access to the Tyler Software in the event of a disaster or component failure. In the event any of Client's data has been lost or damaged due to an act or omission of Tyler or its subcontractors or due to a defect in Tyler's software, Tyler will use best commercial efforts to restore all the data on servers in accordance with the architectural design's capabilities and with the goal of minimizing any data loss as greatly as possible. In no case shall the recovery point objective ("RPO") exceed a maximum of twenty-four (24) hours from declaration of disaster. For purposes of this subsection, RPO represents the maximum tolerable

period during which Client's data may be lost, measured in relation to a disaster Tyler declare, said declaration will not be unreasonably withheld.

- 6.4 In the event Tyler declares a disaster, Tyler's Recovery Time Objective ("RTO") is twenty-four (24) hours. For purposes of this subsection, RTO represents the amount of time, after Tyler declares a disaster, within which Client's access to the Tyler Software must be restored.
- 6.5 Tyler conducts annual penetration testing of either the production network and/or web application to be performed. Tyler will maintain industry standard intrusion detection and prevention systems to monitor malicious activity in the network and to log and block any such activity. Tyler will provide Client with a written or electronic record of the actions taken by Tyler's in the event that any unauthorized access to Client's database(s) is detected as a result of Tyler's security protocols. Tyler will undertake an additional security audit, on terms and timing to be mutually agreed to by the parties, at Client's written request. Client may not attempt to bypass or subvert security restrictions in the SaaS Services or environments related to the Tyler Software. Unauthorized attempts to access files, passwords or other confidential information, and unauthorized vulnerability and penetration test scanning of Tyler's network and systems (hosted or otherwise) is prohibited without the prior written approval of Tyler's IT Security Officer.
- 6.6 Tyler tests Tyler's disaster recovery plan on an annual basis. Tyler's standard test is not client-specific. Should Client request a client-specific disaster recovery test, Tyler will work with Client to schedule and execute such a test on a mutually agreeable schedule.
- 6.7 Tyler will be responsible for importing back-up and verifying that Client can log-in. Client will be responsible for running reports and testing critical processes to verify the returned data. At Client's written request, Tyler will provide test results to Client within a commercially reasonable timeframe after receipt of the request.
- 6.8 Tyler provides secure data transmission paths from each of Client's workstations to Tyler's servers.
- 6.9 For at least the past ten (10) years, all of Tyler's employees have undergone criminal background checks prior to hire. All employees sign Tyler's confidentiality agreement and security policies. Tyler's data centers are accessible only by authorized personnel with a unique key entry. All other visitors must be signed in and accompanied by authorized personnel. Entry attempts to the data center are regularly audited by internal staff and external auditors to ensure no unauthorized access.

SECTION C – OTHER PROFESSIONAL SERVICES

1. Other Professional Services. Tyler will provide Client the various implementation-related services itemized in the Investment Summary and described in the Statement of Work.
2. Professional Services Fees. Client agrees to pay Tyler the professional services fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with Tyler's Invoicing and Payment Policy. Client acknowledges that the fees stated in the Investment Summary are good-faith estimates of the amount of time and materials required for Client's implementation. Tyler will bill Client the actual fees incurred based on the in-scope services provided to Client. Any

discrepancies in the total values set forth in the Investment Summary will be resolved by multiplying the applicable hourly rate by the quoted hours.

3. Additional Services. The Investment Summary contains, and the Statement of Work describes, the scope of services and related costs (including programming and/or interface estimates) required for the project based on Tyler's understanding of the specifications Client supplied. If additional work is required, or if Client uses or requests additional services, Tyler will provide Client with an addendum or change order, as applicable, outlining the costs for the additional work. The price quotes in the addendum or change order will be valid for thirty (30) days from the date of the quote.
4. Cancellation. If travel is required, Tyler will make all reasonable efforts to schedule travel for Tyler's personnel, including arranging travel reservations, at least two (2) weeks in advance of commitments. Therefore, if Client cancels services less than two (2) weeks in advance (other than for Force Majeure or breach by Tyler), Client will be liable for all (a) non-refundable expenses incurred by Tyler's on Client's behalf, and (b) daily fees associated with cancelled professional services if Tyler is unable to reassign Tyler's personnel. Tyler will make all reasonable efforts to reassign personnel in the event Client cancels fewer than two (2) weeks in advance of scheduled commitments.
5. Services Warranty. Tyler will perform the services in a professional, workmanlike manner, consistent with industry standards. In the event Tyler provides services that do not conform to this warranty, Tyler will re-perform such services at no additional cost to Client.
6. Site Access and Requirements. At no cost to Tyler, Client agrees to provide Tyler with full and free access to Client's personnel, facilities, and equipment as may be reasonably necessary for Tyler to provide implementation services, subject to any reasonable security protocols or other written policies provided to Tyler as of the Effective Date of this Agreement, and thereafter as mutually agreed to by Client and Tyler.
7. Client Assistance. Client acknowledges that the implementation of the Tyler Software is a cooperative process requiring the time and resources of Client's personnel. Client agrees to use all reasonable efforts to cooperate with and assist Tyler as may be reasonably required to meet the agreed upon project deadlines and other milestones for implementation. This cooperation includes at least working with Tyler to schedule the implementation-related services outlined in this Agreement. Tyler will not be liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by Client's personnel to provide such cooperation and assistance (either through action or omission).
8. Maintenance and Support. For so long as Client timely pays Client's SaaS Fees according to the Invoicing and Payment Policy, then in addition to the terms set forth in the SLA and the Support Call Process, Tyler will:
 - 8.1 perform Tyler's maintenance and support obligations in a professional, good, and workmanlike manner, consistent with industry standards, to resolve Defects in the Tyler Software (limited to the then-current version and the immediately prior version);
 - 8.2 provide telephone support during Tyler's established support hours;
 - 8.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and Third Party Software, if any, in order to provide maintenance and support services;

8.4 make available to Client all major and minor releases to the Tyler Software (including updates and enhancements) that Tyler makes generally available without additional charge to customers who have a maintenance and support agreement in effect; and

8.5 Provide non-Defect resolution support of prior releases of the Tyler Software in accordance with Tyler's then-current release life cycle policy.

Tyler will use all reasonable efforts to perform support services remotely. Currently, Tyler uses a third-party secure unattended connectivity tool called Bomgar, as well as GotoAssist by Citrix. Therefore, Client agrees to maintain a high-speed internet connection capable of connecting Tyler to Client's PCs and server(s). Client agrees to provide Tyler with a login account and local administrative privileges as Tyler may reasonably require to perform remote services. Tyler will, at Tyler's option, use the secure connection to assist with proper diagnosis and resolution, subject to any reasonably applicable security protocols. If Tyler cannot resolve a support issue remotely, Tyler may be required to provide onsite services. In such event, Tyler will be responsible for Tyler's travel expenses, unless it is determined that the reason onsite support was required was a reason outside Tyler's control. Either way, Client agrees to provide Tyler with full and free access to the Tyler Software, working space, adequate facilities within a reasonable distance from the equipment, and use of machines, attachments, features, or other equipment reasonably necessary for Tyler to provide the maintenance and support services, all at no charge to Tyler's. Tyler strongly recommends that Client also maintain Client's VPN for backup connectivity purposes.

For the avoidance of doubt, SaaS Fees do not include the following services: (a) onsite support (unless Tyler cannot remotely correct a Defect in the Tyler Software, as set forth above); (b) application design; (c) other consulting services; or (d) support outside Tyler normal business hours as listed in Tyler's then-current Support Call Process. Requested services such as those outlined in this section will be billed to Client on a time and materials basis at Tyler's then current rates. Client must request those services with at least one (1) weeks' advance notice.

SECTION D – THIRD PARTY PRODUCTS

1. **Third Party Hardware.** Tyler will sell, deliver, and install onsite the Third Party Hardware, if Client has purchased any, for the price set forth in the Investment Summary. Those amounts are payable in accordance with Tyler's Invoicing and Payment Policy.

2. **Third Party Software.** As part of the SaaS Services, Client will receive access to the Third Party Software and related documentation for internal business purposes only. Client's rights to the Third Party Software will be governed by the Third Party Terms.

3. **Third Party Products Warranties.**

3.1 Tyler is authorized by each Developer to grant access to the Third Party Software.

3.2 The Third Party Hardware will be new and unused, and upon payment in full, Client will receive free and clear title to the Third Party Hardware.

3.3 Client acknowledges that Tyler is not the manufacturer of the Third Party Products. Tyler does not warrant or guarantee the performance of the Third Party Products. However, Tyler grants and passes through to Client any warranty that Tyler may receive from the Developer or supplier

of the Third Party Products.

SECTION E - INVOICING AND PAYMENT; INVOICE DISPUTES

1. Invoicing and Payment. Tyler will invoice Client the SaaS Fees and fees for other professional services in the Investment Summary per Tyler's Invoicing and Payment Policy, subject to Section E(2) of this Agreement.
2. Invoice Disputes. If Client believes any delivered software or service does not conform to the warranties in this Agreement, Client will provide Tyler with written notice within thirty (30) days of Client's receipt of the applicable invoice. The written notice must contain reasonable detail of the issues Client contends are in dispute so that Tyler can confirm the issue and respond to Client's notice with either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in Client's notice. Tyler will work with Client as may be necessary to develop an action plan that outlines reasonable steps to be taken by each party to resolve any issues presented in Client's notice. Client may withhold payment of the amount(s) actually in dispute, and only those amounts, until Tyler completes the action items outlined in the plan. If Tyler is unable to complete the action items outlined in the action plan because of Client's failure to complete the items agreed to be done by Client, then Client will remit full payment of the invoice. Tyler reserves the right to suspend delivery of all SaaS Services, including maintenance and support services, if Client fails to pay an invoice not disputed as described above within fifteen (15) days of notice of Tyler's intent to do so.

SECTION F – TERM AND TERMINATION

1. Term. The initial term of this Agreement is seven (7) years from the Effective Date, unless earlier terminated as set forth below. At the end of the initial seven (7) year term, this Agreement will renew automatically for additional one (1) year renewal terms at Tyler's then-current SaaS Fees unless terminated in writing by either party at least sixty (60) days prior to the end of the then-current renewal term. Client's right to access or use the Tyler Software and the SaaS Services will terminate at the end of this Agreement.
2. Termination. This Agreement may be terminated as set forth below. In the event of termination, Client will pay Tyler for all undisputed fees and expenses related to the software, products, and/or services Client has received, or Tyler has incurred or delivered, prior to the effective date of termination. Disputed fees and expenses in all terminations other than Client's termination for cause must have been submitted as invoice disputes in accordance with Section E(2) of this Agreement.
 - 2.1 Failure to Pay SaaS Fees. Client acknowledges that continued access to the SaaS Services is contingent upon Client's timely payment of SaaS Fees. If Client fails to timely pay the SaaS Fees, Tyler may discontinue the SaaS Services and deny Client's access to the Tyler Software. Tyler may also terminate this Agreement if Client does not cure such failure to pay within forty-five (45) days of receiving written notice of Tyler's intent to terminate.
 - 2.2 For Cause. If Client believes Tyler has materially breached this Agreement, Client will invoke the Dispute Resolution clause set forth in Section H(3) of this Agreement. Client may terminate this Agreement for cause in the event Tyler does not cure, or create a mutually agreeable action plan to address, a material breach of this Agreement within the thirty (30) day window set forth

in Section H(3) of this Agreement.

2.3 Force Majeure. Either party has the right to terminate this Agreement if a Force Majeure event suspends performance of the SaaS Services for a period of forty-five (45) days or more.

2.4 Lack of Appropriations. If Client should not appropriate or otherwise make available funds sufficient to utilize the SaaS Services, Client may unilaterally terminate this Agreement upon thirty (30) days written notice to Tyler. Client will not be entitled to a refund or offset of previously paid, but unused SaaS Fees. Client agrees not to use termination for lack of appropriations as a substitute for termination for convenience.

SECTION G – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE

1. Intellectual Property Infringement Indemnification.

1.1 Tyler will defend Client against any third party claim(s) that the Tyler Software or Documentation infringes that third party's patent, copyright, or trademark, or misappropriates its trade secrets, and will pay the amount of any resulting adverse final judgment (or settlement to which Tyler consents, which consent shall not be unreasonably withheld). Client must notify Tyler promptly in writing of the claim and give Tyler sole control over its defense or settlement. Client agrees to provide Tyler with reasonable assistance, cooperation, and information in defending the claim at Tyler's expense.

1.2 Tyler's obligations under this Section G(1) will not apply to the extent the claim or adverse final judgment is based on Client's use of the Tyler Software in contradiction of this Agreement, including with non-licensed third parties, or Client's willful infringement.

1.3 If Tyler receives information concerning an infringement or misappropriation claim related to the Tyler Software, Tyler may, at Tyler's expense and without obligation to do so, either: (a) procure for Client the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent, in which case Client will stop running the allegedly infringing Tyler Software immediately. Alternatively, Tyler may decide to litigate the claim to judgment, in which case Client may continue to use the Tyler Software consistent with the terms of this Agreement.

1.4 If an infringement or misappropriation claim is fully litigated and Client's use of the Tyler Software is enjoined by a court of competent jurisdiction, in addition to paying any adverse final judgment (or settlement to which Tyler consents), Tyler will, at Tyler's option, either: (a) procure the right to continue its use; (b) modify it to make it non-infringing; (c) replace it with a functional equivalent; or (d) terminate this Agreement and refund Client the prepaid but unused SaaS Fees for the year in which the Agreement terminates. Tyler will pursue those options in the order listed herein. This section provides Client's exclusive remedy for third party copyright, patent, or trademark infringement and trade secret misappropriation claims.

2. General Indemnification.

2.1 Tyler will indemnify and hold harmless Client and Client's agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by Tyler's negligence or willful misconduct; or (b) Tyler's violation of a law

applicable to Tyler's performance under this Agreement. Client must notify Tyler promptly in writing of the claim and give Tyler sole control over its defense or settlement. Client agrees to provide Tyler with reasonable assistance, cooperation, and information in defending the claim at Tyler's expense.

2.2 To the extent permitted by applicable law, Client will indemnify and hold harmless Tyler and Tyler's agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for personal injury or property damage to the extent caused by Client's negligence or willful misconduct; or (b) Client's violation of a law applicable to Client's performance under this Agreement. Tyler will notify Client promptly in writing of the claim and will give Client sole control over its defense or settlement. Tyler agrees to provide Client with reasonable assistance, cooperation, and information in defending the claim at Client's expense.

3. **DISCLAIMER.** EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, TYLER HEREBY DISCLAIMS ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, DUTIES, OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
4. **LIMITATION OF LIABILITY.** EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, TYLER'S LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO YOUR ACTUAL DIRECT DAMAGES, NOT TO EXCEED (A) DURING THE INITIAL TERM, AS SET FORTH IN SECTION F(2) OF THIS AGREEMENT, TOTAL FEES PAID AS OF THE TIME OF THE CLAIM; OR (B) DURING ANY RENEWAL TERM, THE THEN-CURRENT ANNUAL SAAS FEES PAYABLE IN THAT RENEWAL TERM. THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS G(1) AND G(2) OF THIS AGREEMENT.
5. **EXCLUSION OF CERTAIN DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL TYLER BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
6. **Insurance.** During the course of performing services under this Agreement, Tyler agrees to maintain the following levels of insurance: (a) Commercial General Liability of at least \$1,000,000; (b) Automobile Liability of at least \$1,000,000; (c) Professional Liability of at least \$1,000,000; (d) Workers Compensation complying with applicable statutory requirements; and (e) Excess/Umbrella Liability of at least \$5,000,000. Tyler will add Client as an additional insured to Tyler's Commercial General Liability and Automobile Liability policies, which will automatically add Client as an additional insured to Tyler's Excess/Umbrella Liability policy as well. Tyler will provide Client with copies of certificates of insurance upon Client's written request.

SECTION H – GENERAL TERMS AND CONDITIONS

1. **Additional Products and Services.** Client may purchase additional products and services at the rates set forth in the Investment Summary for twelve (12) months from the Effective Date by executing a mutually agreed addendum. If no rate is provided in the Investment Summary, or those twelve (12) months have expired, Client may purchase additional products and services at Tyler's then-current

list price, also by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.

2. **Optional Items.** Pricing for any listed optional products and services in the Investment Summary will be valid for twelve (12) months from the Effective Date.
3. **Dispute Resolution.** Client agrees to provide Tyler with written notice within thirty (30) days of becoming aware of a dispute. Client agrees to cooperate with Tyler in trying to reasonably resolve all disputes, including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with Tyler's appointed senior representative. Senior representatives will convene within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable state rule. If the parties fail to resolve the dispute, either party may assert their respective rights and remedies in a court of competent jurisdiction. Nothing in this section shall prevent Client or Tyler from seeking necessary injunctive relief during the dispute resolution procedures.
4. **Taxes.** The fees in the Investment Summary do not include any taxes, including, without limitation, sales, use, or excise tax. If Client is a tax-exempt entity, Client agrees to provide Tyler with a tax-exempt certificate. Otherwise, Tyler will pay all applicable taxes to the proper authorities and Client will reimburse Tyler for such taxes. If Client has a valid direct-pay permit, Client agrees to provide Tyler with a copy. For clarity, Tyler is responsible for paying Tyler's income taxes, both federal and state, as applicable, arising from Tyler's performance of this Agreement.
5. **Nondiscrimination.** Tyler will not discriminate against any person employed or applying for employment concerning the performance of Tyler's responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. Tyler will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.
6. **E-Verify.** Tyler has complied, and will comply, with the E-Verify procedures administered by the U.S. Citizenship and Immigration Services Verification Division for all of Tyler's employees assigned to Client's project.
7. **Subcontractors.** Tyler will not subcontract any services under this Agreement without Client's prior written consent, not to be unreasonably withheld.
8. **Binding Effect; No Assignment.** This Agreement shall be binding on, and shall be for the benefit of, either Client's or Tyler's successor(s) or permitted assign(s). Neither party may assign this Agreement without the prior written consent of the other party; provided, however, Client's consent is not required for an assignment by Tyler as a result of a corporate reorganization, merger, acquisition, or purchase of substantially all of Tyler's assets.
9. **Force Majeure.** Except for Client's payment obligations, neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the

party whose performance is delayed provides the other party with written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.

10. No Intended Third Party Beneficiaries. This Agreement is entered into solely for the benefit of Client and Tyler. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect the rights of third parties under any Third Party Terms.
11. Entire Agreement; Amendment. This Agreement represents the entire agreement between Client and Tyler with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. This Agreement may only be modified by a written amendment signed by an authorized representative of each party.
12. Severability. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.
13. No Waiver. In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.
14. Independent Contractor. Tyler is an independent contractor for all purposes under this Agreement.
15. Notices. All notices or communications required or permitted as a part of this Agreement, such as notice of an alleged material breach for a termination for cause or a dispute that must be submitted to dispute resolution, must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party.
16. Client Lists. Client agrees that Tyler may identify Client by name in client lists, marketing presentations, and promotional materials.
17. Confidentiality. Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (*e.g.*, social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:

- (a) is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;
- (b) a party can establish by reasonable proof was in that party's possession at the time of initial disclosure;
- (c) a party receives from a third party who has a right to disclose it to the receiving party; or
- (d) is the subject of a legitimate disclosure request under the open records laws or similar applicable public disclosure laws governing this Agreement; provided, however, that in the event Client receives an open records or other similar applicable request, Client will give Tyler prompt notice and otherwise perform the functions required by applicable law.

18. **Business License.** In the event a local business license is required for Tyler to perform services hereunder, Client will promptly notify Tyler and provide Tyler with the necessary paperwork and/or contact information so that Tyler may timely obtain such license.

19. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of Client's state of domicile, without regard to its rules on conflicts of law.

20. **Multiple Originals and Authorized Signatures.** This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature. Each party represents to the other that the signatory set forth below is duly authorized to bind that party to this Agreement.

21. **Cooperative Procurement.** To the maximum extent permitted by applicable law, Tyler agrees that this Agreement may be used as a cooperative procurement vehicle by eligible jurisdictions. Tyler reserves the right to negotiate and customize the terms and conditions set forth herein, including but not limited to pricing, to the scope and circumstances of that cooperative procurement.

22. **Contract Documents.** This Agreement includes the following exhibits:

Exhibit A	Investment Summary Schedule 1: Incode v.X CIS Migration Services Schedule 2: Tyler Software Migration to SaaS Schedule 3: New Tyler Software Added to SaaS
Exhibit B	Invoicing and Payment Policy Schedule 1: Business Travel Policy
Exhibit C	Service Level Agreement Schedule 1: Support Call Process
Exhibit D	Third Party Terms
Exhibit E	Statement of Work

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Tyler Technologies, Inc.

City of Beaumont

By:  _____

By: _____

Name: Mike Lara

Name: _____

Title: Mayor

Title: _____

Date: APRIL 19, 2016

Date: _____

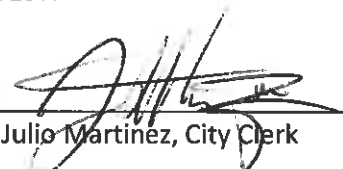
Address for Notices:

Tyler Technologies, Inc.
One Tyler Drive
Yarmouth, ME 04096
Attention: Associate General Counsel

Address for Notices:

City of Beaumont
550 E. 6th Street
Beaumont, CA 92223-2218
Attn: _____

ATTEST:

By:  _____
Julio Martinez, City Clerk

APPROVED AS TO FORM:

By:  _____
John O. Pinkney, City Attorney



**SOFTWARE AS A SERVICE AGREEMENT
(City of Beaumont)**

**Exhibit A
Investment Summary**

The following Investment Summary details the software and services to be delivered by Tyler to Client under the Agreement. This Investment Summary is effective as of the Effective Date of the Agreement. Capitalized terms not otherwise defined herein will have the meaning assigned to such terms in the Agreement.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK



Exhibit A
Investment Summary
Schedule 1 – Incode v.X CIS Migration Services

Software Licenses

Melana Taylor
 City of Beaumont
 March 17, 2016



Application Software	Hours	Estimated Services
Professional Services		14,000
Incode Migration Services		
INCODE v.X CIS Migration Services	112	
Utility CIS System		
Utility Payment import		
Cashiering		
Professional Services	112	14,000
Application and System Software Total	112	14,000



Exhibit A
Investment Summary
Schedule 2 – Tyler Software Migration to SaaS

Subscription Summary
Melana Taylor
City of Beaumont
March 17, 2016



Investment Summary

Subscription - Hosted		Annual Fees
Length of Agreement	7 Years - 84 Months	
Annual Subscription Fee		14,977
Summary		14,977

***Note: Additional users may be added at any time at the per user rate of \$576 per year.*

Software Licenses

Melana Taylor
City of Beaumont
March 17, 2016



Application Software

Incode Customer Relationship Management Suite

Utility CIS System
Utility Payment Import
Central Cash Collection

Incode Center/Document Management Suite

Incode Printing and Reporting Solutions
Report Writer

System Software & Network Services

System Software
System Software

Tyler On Demand - Tyler U
Melissa Taylor
City of Beaumont
March 17, 2016



Services

Tyler On Demand - Tyler U

Tyler U Subscription

- E-learning courses available for all employees during the subscription period
- Unlimited access to hundreds of e-learning courses spanning the entire suite of Tyler applications
- Unlimited access to on-demand Continuing Professional Education credit courses certified by NASBA standards
- Unlimited access to Government compliance courses such as HIPAA Compliance, Red Flag Rules, and Workplace Harassment Prevention
- Available 24/7
- New courses created continuously

Tyler Technologies, Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbapearnermarket.org

**Exhibit A
Investment Summary
Schedule 3 – New Tyler Software Added to SaaS**

Subscription Summary
Melana Taylor
City of Beaumont
March 8, 2016



Investment Summary

Professional Services & Hardware	Cost
Implementation Services	70,000
Professional Services	15,000
Data & Conversion Assistance Fees	46,500
Up Front Cost for Services	131,500

*** Note: Travel expenses are billed as incurred based on Federal IRS per diem standards.*

Subscription - Hosted	Annual Fees
Length of Agreement	7 Years - 84 Months
Annual Subscription Fee	51,289
Annual User Fee- 30 Named Users	17,280
Annual Fee Summary	68,569

***Note: Additional users may be added at any time at the per user rate of \$576 per year.*

Software Licenses

Melana Taylor
 City of Beaumont
 March 8, 2016



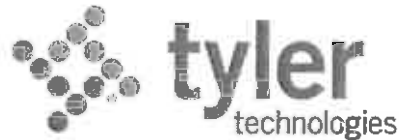
Application Software	QTY	Hours	Estimated Services	Estimated Services
Incode Financial Management Suite				14,500
Core Financials <i>(General Ledger, Budget Prep, Bank Recon, Accounts Payable)</i>		72	9,000	
Positive Pay				
Purchasing		32	4,000	
Project Accounting		12	1,500	
Energov Product Suite Up to 20 Users				55,500
Permitting & Land Management				
Permitting & Inspections		100	12,500	
E-Reviews Server		10	1,250	
License & Regulatory Management				
License Management		50	6,250	
Customer Relationship Management				
Code Enforcement		50	6,250	
Public Maintenance Management				
Energov Public Maintenance Management		200	25,000	
System Extensions				
Customer Portal				
Permitting & Inspections		8	1,000	
Licensing		8	1,000	
GIS Server		8	1,000	
iG Workforce Server		8	1,000	
iG Workforce iPad Apps (5 Users)	5	2	250	
Incode Content/Document Management Suite				
Incode Printing and Reporting Solutions				
Standard Forms Package <i>(4 Overlays for Financials, 5 Overlays for GRM, 1 Logo)</i>		included	included	
Professional Services				15,000
Professional Services				
Project Management- Energov Items			12,500	
Project Management- Incode Items			2,500	
Incode Application Subtotal		560	70,000	70,000
Professional Services			15,000	15,000
Application and System Software Total		560	85,000	85,000

Professional Services

Melena Taylor
 City of Beaumont
 March 8, 2018



Conversion Services	Programming Fee	Hours	Estimated Services	Conversion Fee
Financial Applications				26,000
General Ledger	4,000	8	1,000	
- Chart of Accounts				
- Budget (2 years + current)				
Transaction History - 5 Years Total	1,500	12	1,500	
Accounts Payable	4,000	4	500	
- Vendor Master (info, address, primary contact)				
- 1099 Balances (current year)				
Vendor Notes, Additions, Contacts	500	4	500	
Detailed History (payable, payable items, distribution) - 5 Years Total	1,500	12	1,500	
Project Accounting	2,500	8	1,000	
- Project Notes - Accounts (Open Projects Only)				
- Project Account Budgets (Open Projects Only)				
- Project Account Details (Open Projects Only)				
Permitting & Licensing				26,500
Permits & Inspections	6,500	8	1,000	
- Permit Master (includes contacts & properties)				
Contractors	2,000	4	500	
Inspections	2,000	8	1,500	
Transactions (2 years + current)	2,000	4	500	
Licensing	6,500	8	1,000	
- License Master (includes contacts & properties)				
Transactions (2 years + current)	2,000	8	1,000	
Conversion Services Total	35,000	52	11,500	46,500



SOFTWARE AS A SERVICE AGREEMENT (City of Beaumont)

Exhibit B Invoicing and Payment Policy

Tyler will provide Client with the software and services set forth in the Investment Summary of the Agreement. Capitalized terms not otherwise defined herein will have the meaning assigned to such terms in the Agreement.

Invoicing: Tyler will invoice Client for the applicable software and services in the Investment Summary as set forth below. Client's rights to dispute any invoice are set forth in the Agreement.

1. **SaaS Fees.** SaaS Fees are invoiced on an annual basis, beginning on the Effective Date. Client's annual SaaS fees for the initial term, as set forth in Section F(1) of the Agreement, are set forth in the Investment Summary. Upon expiration of the initial term, Client's annual SaaS fees will be at Tyler's then-current rates.
2. **Credit for Previously Paid Maintenance Fees.** Upon the Effective Date, Tyler will credit Client's account for any paid annual software maintenance fees on the Tyler Software prorated from the Effective Date through the end of the current maintenance term for such software.
3. **Other Tyler Software and Services.**
 - 3.1 *Project Planning Services:* Project planning services are invoiced upon delivery of the implementation planning document.
 - 3.2 *VPN Device:* The fee for the VPN device will be invoiced upon installation of the VPN.
 - 3.3 *Implementation and Other Professional Services (including training):* Implementation and other professional services (including training) are billed and invoiced as delivered, at the rates set forth in the Investment Summary.
 - 3.4 *Consulting Services:* If Client has purchased any Business Process Consulting services, if said services have been quoted as fixed-fee services, said services will be invoiced 50% upon Client's acceptance of the Business System Design document, by module, and 50% upon Client's acceptance of custom desktop procedures, by module. If Client has purchased any Business Process Consulting services and said services are quoted as an estimate, then Tyler will bill Client the actual services delivered on a time and materials basis.
 - 3.5 *Conversions:* Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client's acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will bill Client the actual services delivered on a time and materials basis.
 - 3.6 *Requested Modifications to the Tyler Software:* Requested modifications to the Tyler

Software are invoiced 50% upon delivery of specifications and 50% upon delivery of the applicable modification. Client must report any known failures of the modification to conform to the specifications within thirty (30) days of delivery; otherwise, the modification will be deemed to be in compliance with the specifications after the 30-day window has passed. Client may still report Defects to Tyler's as set forth in the Maintenance and Support Agreement.

3.7 *Other Fixed Price Services*: Other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment will be due upon delivery of the Implementation Planning document.

4. Third Party Products.

4.1 *Third Party Software License Fees*: License fees for Third Party Software, if any, are invoiced when Tyler makes it available to Client for downloading.

4.2 *Third Party Software Maintenance*: The first year maintenance for the Third Party Software is invoiced when Tyler makes it available to Client for downloading.

4.3 *Third Party Hardware*: Third Party Hardware costs, if any, are invoiced upon delivery.

5. Expenses. The service rates in the Investment Summary do not include travel expenses. Expenses will be billed as incurred and only in accordance with Tyler's then-current Business Travel Policy, plus a 10% travel agency processing fee. Tyler's current Business Travel Policy is attached to this Exhibit B at Schedule 1. Copies of receipts will be provided upon request; Tyler reserves the right to charge Client an administrative fee depending on the extent of Client's requests. Tyler shall make reasonable efforts to maintain and produce all receipts, including receipts for miscellaneous items less than twenty-five dollars and mileage logs.

Payment. Payment for undisputed invoices is due within forty-five (45) days of the invoice date. Tyler prefers to receive payments electronically. Tyler's electronic payment information is:

Bank:	Wells Fargo Bank, N.A. 420 Montgomery San Francisco, CA 94104
ABA:	121000248
Account:	4124302472
Beneficiary:	Tyler Technologies, Inc. – Operating



Exhibit B
Schedule 1
Business Travel Policy

1. Air Travel

A. Reservations & Tickets

Tyler's Travel Management Company (TMC) will provide an employee with a direct flight within two hours before or after the requested departure time, assuming that flight does not add more than three hours to the employee's total trip duration and the fare is within \$100 (each way) of the lowest logical fare. If a net savings of \$200 or more (each way) is possible through a connecting flight that is within two hours before or after the requested departure time and that does not add more than three hours to the employee's total trip duration, the connecting flight shall be accepted.

Employees are encouraged to make advanced reservations to take full advantage of discount opportunities. Employees should use all reasonable efforts to make travel arrangements at least two (2) weeks in advance of commitments. A seven day advance booking requirement is mandatory. When booking less than seven days in advance, management approval will be required.

Except in the case of international travel where a segment of continuous air travel is scheduled to exceed six hours, only economy or coach class seating is reimbursable.

B. Baggage Fees

Reimbursement of personal baggage charges are based on trip duration as follows:

- Up to five days = one checked bag
- Six or more days = two checked bags

Baggage fees for sports equipment are not reimbursable.

2. Ground Transportation

A. Private Automobile

Mileage Allowance – Business use of an employee's private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee's office as the starting and ending point, in compliance with IRS regulations. Employees who have been designated a home office should calculate miles from their home.

B. Rental Car

Employees are authorized to rent cars only in conjunction with air travel when cost, convenience, and the specific situation reasonably require their use. When renting a car for Tyler business, employees should select a "mid-size" or "intermediate" car. "Full" size cars may be rented when three or more employees are traveling together. Tyler carries leased vehicle insurance coverage for business car rentals; additional insurance on the rental agreement should be declined.

C. Public Transportation

Taxi or airport limousine services may be considered when traveling in and around cities or to and from airports when less expensive means of transportation are unavailable or impractical. The actual fare plus a reasonable tip (15-18%) are reimbursable. In the case of a free hotel shuttle to the airport, tips are included in the per diem rates and will not be reimbursed separately.

D. Parking & Tolls

When parking at the airport, employees must use longer term parking areas that are measured in days as opposed to hours. Park and fly options located near some airports may also be used. For extended trips that would result in excessive parking charges, public transportation to/from the airport should be considered. Tolls will be reimbursed when receipts are presented.

3. Lodging

Tyler's TMC will select hotel chains that are well established, reasonable in price, and conveniently located in relation to the traveler's work assignment. Typical hotel chains include Courtyard, Fairfield Inn, Hampton Inn, and Holiday Inn Express. If the employee has a discount rate with a local hotel, the hotel reservation should note that discount and the employee should confirm the lower rate with the hotel upon arrival. Employee memberships in travel clubs such as AAA should be noted in their travel profiles so that the employee can take advantage of any lower club rates.

"No shows" or cancellation fees are not reimbursable if the employee does not comply with the hotel's cancellation policy.

Tips for maids and other hotel staff are included in the per diem rate and are not reimbursed separately.

4. Meals and Incidental Expenses

Employee meals and incidental expenses while on travel status are in accordance with the federal per diem rates published by the General Services Administration. Incidental expenses include tips to maids, hotel staff, and shuttle drivers and other minor travel expenses. Per diem rates are available at www.gsa.gov/perdiem.

A. Overnight Travel

For each full day of travel, all three meals are reimbursable. Per diems on the first and last day of a trip are governed as set forth below.

Departure Day

Depart before 12:00 noon	Lunch and dinner
Depart after 12:00 noon	Dinner

Return Day

Return before 12:00 noon	Breakfast
Return between 12:00 noon & 7:00 p.m.	Breakfast and lunch
Return after 7:00 p.m.*	Breakfast, lunch and dinner

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner

The reimbursement rates for individual meals are calculated as a percentage of the full day per diem as follows:

- Breakfast 15%
- Lunch 25%
- Dinner 60%

B. Same Day Travel

Employees traveling at least 100 miles to a site and returning in the same day are eligible to claim lunch on an expense report. Employees on same day travel status are eligible to claim dinner in the event they return home after 7:00 p.m.*

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner

5. Internet Access – Hotels and Airports

Employees who travel may need to access their e-mail at night. Many hotels provide free high speed internet access and Tyler employees are encouraged to use such hotels whenever possible. If an employee's hotel charges for internet access it is reimbursable up to \$10.00 per day. Charges for internet access at airports are not reimbursable.



SOFTWARE AS A SERVICE AGREEMENT (City of Beaumont)

Exhibit C SERVICE LEVEL AGREEMENT

I. Agreement Overview

This SLA operates in conjunction with, and does not supersede or replace any part of, the Agreement. It outlines the information technology service levels that Tyler will provide to Client to ensure the availability of the application services that Client has requested Tyler to provide. All other support services are documented in the Support Call Process.

II. **Definitions.** Except as defined below, all defined terms have the meaning set forth in the Agreement.

Attainment: The percentage of time the Tyler Software is available during a billing cycle, with percentages rounded to the nearest whole number.

Client Error Incident: Any service unavailability resulting from Client's applications, content or equipment, or the acts or omissions of any of Client's service users or third-party providers over whom Tyler exercise no control.

Downtime: Those minutes during which the Tyler Software is not available for Client's use. Downtime does not include those instances in which only a Defect is present.

Service Availability: The total number of minutes in a billing cycle that the Tyler Software is capable of receiving, processing, and responding to requests, excluding maintenance windows, Client Error Incidents and Force Majeure.

III. **Service Availability**

The Service Availability of the Tyler Software is intended to be 24/7/365. Tyler set Service Availability goals and measures whether it has met those goals by tracking Attainment.

a. Client's Responsibilities

Whenever Client experiences Downtime, Client must make a support call according to the procedures outlined in the Support Call Process. Client will receive a support incident number.

Client must document, in writing, all Downtime that Client has experienced during a calendar quarter. Client must deliver such documentation to Tyler within 30 days of a quarter's end.

The documentation Client provides must evidence the Downtime clearly and convincingly. It must include, for example, the support incident number(s) and the date, time and duration of the

Downtime(s).

b. Tyler's Responsibilities

When Tyler's support team receives a call from Client that a Downtime has occurred or is occurring, Tyler will work with Client to identify the cause of the Downtime (including whether it may be the result of a Client Error Incident or Force Majeure). Tyler will also work with Client to resume normal operations.

Upon timely receipt of Client's Downtime report, Tyler will compare that report to Tyler's own outage logs and support tickets to confirm that a Downtime for which Tyler were responsible indeed occurred.

Tyler will respond to Client's Downtime report within 30 day(s) of receipt. To the extent Tyler has confirmed Downtime for which Tyler is responsible, Tyler will provide Client with the relief set forth below.

c. Client Relief

When a Service Availability goal is not met due to confirmed Downtime, Tyler will provide Client with relief that corresponds to the percentage amount by which that goal was not achieved, as set forth in the Client Relief Schedule below.

Notwithstanding the above, the total amount of all relief that would be due under this SLA will not exceed 5% of one quarter of the then-current SaaS Fee. To the extent any credit is identified in any quarter, it will accumulate, and all credits will be deducted from the SaaS Fee for the immediately following year. Issuing of such credit does not relieve Tyler's of Tyler's obligations under the Agreement to correct the problem which created the service interruption. A correction may occur in the quarter following the service interruption. In that circumstance, if service levels do not meet the corresponding goal for that later billing cycle, Client's credits will be reissued in that following quarter.

Every quarter, Tyler will compare confirmed Downtime to Service Availability. In the event actual Attainment does not meet the targeted Attainment, the following Client relief will apply, on a quarterly basis:

Targeted Attainment	Actual Attainment	Client Relief
100%	98-99%	Remedial action will be taken.
100%	95-97%	4% credit of fee for affected billing cycle will be posted to next billing cycle
100%	<95%	5% credit of fee for affected billing cycle will be posted to next billing cycle

Client may request a report from Tyler that documents the preceding quarter's Service Availability, Downtime, any remedial actions that have been/will be taken, and any credits that may be issued.

IV. Applicability

The commitments set forth in this SLA do not apply during maintenance windows, Client Error Incidents, and Force Majeure.

Tyler performs maintenance during limited windows that are historically known to be reliably low-traffic times. If and when maintenance is predicted to occur during periods of higher traffic, Tyler will

provide advance notice of those windows and will coordinate to the greatest extent possible with Client.

V. Force Majeure

Client will not hold Tyler responsible for not meeting service levels outlined in this SLA to the extent any failure to do so is caused by Force Majeure. In the event of Force Majeure, Tyler will file with Client a signed request that said failure be excused. That writing will at least include the essential details and circumstances supporting Tyler's request for relief pursuant to this Section. Client will not unreasonably withhold its acceptance of such a request.



Exhibit C Schedule 1 Support Call Process

Support Channels

Tyler provides the following channels of software support:

- (1) Tyler Community – an on-line resource, Tyler Community provides a venue for all Tyler clients with current maintenance agreements to collaborate with one another, share best practices and resources, and access documentation.
- (2) On-line submission (portal) – for less urgent and functionality-based questions, users may create unlimited support incidents through the customer relationship management portal available at the Tyler Technologies website.
- (3) Email – for less urgent situations, users may submit unlimited emails directly to the software support group.
- (4) Telephone – for urgent or complex questions, users receive toll-free, unlimited telephone software support.

Support Resources

A number of additional resources are available to provide a comprehensive and complete support experience:

- (1) Tyler Website – www.tylertech.com – for accessing client tools and other information including support contact information.
- (2) Tyler Community – available through login, Tyler Community provides a venue for clients to support one another and share best practices and resources.
- (3) Knowledgebase – A fully searchable depository of thousands of documents related to procedures, best practices, release information, and job aides.
- (4) Program Updates – where development activity is made available for client consumption

Support Availability

Tyler Technologies support is available during the local business hours of 8 AM to 5 PM (Monday – Friday) across four US time zones (Pacific, Mountain, Central and Eastern). Clients may receive coverage across these time zones. Tyler’s holiday schedule is outlined below. There will be no support coverage on these days.

New Year’s Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	

Issue Handling

Incident Tracking

Every support incident is logged into Tyler’s Customer Relationship Management System and given a unique incident number. This system tracks the history of each incident. The incident tracking number is

used to track and reference open issues when clients contact support. Clients may track incidents, using the incident number, through the portal at Tyler’s website or by calling software support directly.

Incident Priority

Each incident is assigned a priority number, which corresponds to the client’s needs and deadlines. The client is responsible for reasonably setting the priority of the incident per the chart below. The goal of this structure is to help the client clearly understand and communicate the importance of the issue and to describe expected responses and resolutions.

Priority Level	Characteristics of Support Incident	Resolution Targets
1 Critical	Support incident that causes (a) complete application failure or application unavailability; (b) application failure or unavailability in one or more of the client’s remote location; or (c) systemic loss of multiple essential system functions.	Tyler shall provide an initial response to Priority Level 1 incidents within one (1) business hour of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within one (1) business day. Tyler’s responsibility for lost or corrupted data is limited to assisting the client in restoring its last available database.
2 High	Support incident that causes (a) repeated, consistent failure of essential functionality affecting more than one user or (b) loss or corruption of data.	Tyler shall provide an initial response to Priority Level 2 incidents within four (4) business hours of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within ten (10) business days. Tyler’s responsibility for loss or corrupted data is limited to assisting the client in restoring its last available database.
3 Medium	Priority Level 1 incident with an existing circumvention procedure, or a Priority Level 2 incident that affects only one user or for which there is an existing circumvention procedure.	Tyler shall provide an initial response to Priority Level 3 incidents within one (1) business day of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents without the need for a circumvention procedure with the next published maintenance update or service pack. Tyler’s responsibility for lost or corrupted data is limited to assisting the client in restoring its last available database.
4 Non-critical	Support incident that causes failure of non-essential functionality or a cosmetic or other issue that does not qualify as any other Priority Level.	Tyler shall provide an initial response to Priority Level 4 incidents within two (2) business days. Tyler shall use commercially reasonable efforts to resolve such support incidents, as well as cosmetic issues, with a future version release.

Incident Escalation

Tyler Technology's software support consists of four levels of personnel:

- (1) Level 1: front-line representatives
- (2) Level 2: more senior in their support role, they assist front-line representatives and take on escalated issues
- (3) Level 3: assist in incident escalations and specialized client issues
- (4) Level 4: responsible for the management of support teams for either a single product or a product group

If a client feels they are not receiving the service needed, they may contact the appropriate Software Support Manager. After receiving the incident tracking number, the manager will follow up on the open issue and determine the necessary action to meet the client's needs.

On occasion, the priority or immediacy of a software support incident may change after initiation. Tyler encourages clients to communicate the level of urgency or priority of software support issues so that Tyler can respond appropriately. A software support incident can be escalated by any of the following methods:

- (1) Telephone – for immediate response, call toll-free to either escalate an incident's priority or to escalate an issue through management channels as described above.
- (2) Email – clients can send an email to software support in order to escalate the priority of an issue
- (3) On-line Support Incident Portal – clients can also escalate the priority of an issue by logging into the client incident portal and referencing the appropriate incident tracking number.

Remote Support Tool

Some support calls require further analysis of the client's database, process or setup to diagnose a problem or to assist with a question. Tyler will, at its discretion, use an industry-standard remote support tool. Support is able to quickly connect to the client's desktop and view the site's setup, diagnose problems, or assist with screen navigation. More information about the remote support tool Tyler uses is available upon request.



**SOFTWARE AS A SERVICE AGREEMENT
(City of Beaumont)**

**Exhibit D
MYGOVPAY/VIRTUAL PAY**

MyGovPay/VirtualPay

1. MyGovPay/VirtualPay Licensing. Access to MyGovPay and/or Virtual Pay is hereby granted if Client elects to use MyGovPay or VirtualPay, products of Tyler Technologies (*Powered by Persolvent*), designed for Citizen Users to use for processing online payments.

(a) Special MyGovPay/VirtualPay Definitions.

"Merchant Agreement" means the agreement between Client and Persolvent that provides for the Merchant Fees.

"Merchant Fees" means direct costs levied by Visa/Mastercard/Discover or other payment card companies for Interchange Fees, Dues, Assessments and Occurrence Fees, over which Tyler Technologies has no authority.

"MyGovPay" means the Product of Tyler Technologies that allows members of the public to pay for Client's services with a credit or other payment card on the Client's citizen-facing web portal.

"Persolvent" means Persolvent, formerly BankCard Services Worldwide, a Payment Card Industry (PCI) compliant processing agent through which the EnerGov Software passes credit card transactions.

"Use Fees" means the Technology Fees, Authorization Fees and Program/Convenience Fees as listed in Use Fees Table in Section 2, titled *MyGovPay/VirtualPay*.

"VirtualPay" means the Product of Tyler Technologies that allows the Client to accept and process citizen user's credit or other payment card using the EnerGov Software.

(b) Conditions of Use. If customer elects to use MyGovPay and/or VirtualPay the following terms apply:

- (1) Client must apply for and agree to a Merchant Agreement with Persolvent.
- (2) Client agrees that Citizen Users will be subject to Use Fees as listed in Use Fees table in Section 2.
- (3) Client agrees that Use Fees are separate from and independent of Merchant Fees.
- (4) Client agrees that this Agreement does not represent any modification to Client's Merchant Agreement with Persolvent.
- (5) Client agrees that Use Fees are for use on the MyGovPay/VirtualPay online system and will not be deposited or owed to Client in any way.
- (6) Client agrees that MyGovPay's and VirtualPay's ability to assess Use Fees is dictated by the Card Associations whose rules may change at any time and for any reason. If MyGovPay and/or VirtualPay, for any reason, are unable to process payments using Use Fees, Client agrees that MyGovPay/VirtualPay reserves the right to negotiate a new pricing model with Client for the continued use of MyGovPay and/or VirtualPay.

2. MyGovPay/VirtualPay Fees. Client agrees that the Use Fees set forth on the following page will apply if Client elects to use MyGovPay/VirtualPay.

USE FEES TABLE FOLLOWS ON NEXT PAGE



Use Fees

EnerGov's MyGovPay (Online / card-not-present payments)**

	MyGovPay (Online Payments)	MyGovPay (Online Payments)
	Percentage Based Fee	+ Transaction Fee
Option 1: Government Entity Paid	2.79%	\$0.20
Option 2: Patron Paid	3.29%	N/A

***ACH processing is available for a fee of \$20 per month and \$0.30 per transaction.*

EnerGov's VirtualPay (retail card present)

	VirtualPay (Retail Payments)	Virtual Pay (Retail Payments)
	Percentage Based Fee	+ Transaction Fee
Option 1: Government Entity Paid	2.59%	\$0.15
Option 2: Patron Paid	2.99%	N/A

Patron Paid fees will be communicated as "Service Fees" to the cardholder, at the time of transaction. In the event that the average transaction amount is below \$30, Tyler reserves the right to apply an additional \$0.20 service fee above the quoted rates above.

3. **Interactive Voice Response ("IVR").** If IVR is selected by Client and included in the pricing, the following additional terms and conditions shall apply of this Agreement:

- (a) **Network Security.** Client acknowledges that a third-party is used by Tyler Technologies to process IVR data. Client's content will pass through and be stored on the third-party servers and will not be segregated or in a separate physical location from servers on which other customers' content is or will be transmitted or stored.
- (b) **Content.** Client is responsible for the creation, editorial content, control, and all other aspects of content to be used solely in conjunction with the EnerGov Software.
- (c) **Lawful Purposes.** Client shall not use the IVR system for any unlawful purpose.
- (d) **Critical Application.** Client will not use the IVR system for any life-support application or other critical application where failure or potential failure of the IVR system can cause injury, harm, death, or other grave problems, including, without limitation, loss of aircraft control, hospital life-support system, and delays in getting medicate care or other emergency services.
- (e) **No Harmful Code.** Client represents and warrants that no content designed to delete, disable, deactivate, interfere with or otherwise harm any aspect of the IVR system now or in the future, shall be knowingly transmitted by Client or Users.
- (f) **IVR WARRANTY.** Except as expressly set forth in this Agreement, TYLER TECHNOLOGIES MAKES NO REPRESENTATION AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR IVR.

Exhibit E
Statement of Work

Software and Implementation Services

Prepared for:

City of Beaumont
Melana Taylor
550 E. 6th Street, Beaumont, CA. 92223-2218

Prepared by:

Kip Winget
5519 53rd Street, Lubbock, TX 79414

Tyler Technologies, Inc.
www.tylertech.com

DATE

3/3/2016

Table of Contents

<u>Statement of Work</u>	<u>3829</u>
<u>Project Scope & Summary</u>	<u>3930</u>
<u>Data Conversion</u>	<u>4034</u>
<u>Risk / Mitigation Strategy</u>	<u>4233</u>
<u>Critical Success Factors</u>	<u>4334</u>
<u>Future Amendments to Scope</u>	<u>4435</u>
<u>Project Management</u>	<u>4536</u>
<u>Staffing</u>	<u>4536</u>
<u>Project Schedule</u>	<u>4536</u>
<u>Development Tools</u>	<u>4536</u>
<u>Documentation</u>	<u>4738</u>
<u>Attachment A. Work Acknowledgement Form</u>	<u>4940</u>
<u>Work Acknowledgment Form</u>	<u>5041</u>
<u>Attachment B. Change Order Form</u>	<u>5142</u>
<u>Change Order Form</u>	<u>5243</u>
<u>Attachment C. System Requirements</u>	<u>5344</u>
<u>Hardware and Network Requirements</u>	<u>5445</u>
<u>System Requirements</u>	<u>5445</u>
<u>Site Assessment</u>	<u>5445</u>
<u>Attachment D. Conversion</u>	<u>5546</u>
<u>Financial Conversion Summary</u>	<u>5647</u>
<u>Client Responsibilities</u>	<u>5647</u>
<u>Data Conversion</u>	<u>5647</u>
<u>Data Extract</u>	<u>5849</u>
<u>Utility Billing Migration Summary</u>	<u>5950</u>
<u>Client Responsibilities</u>	<u>5950</u>
<u>Data Conversion</u>	<u>5950</u>
<u>Data</u>	<u>6051</u>

Statement of Work

City of Beaumont

Statement of Work

Thursday, March 3, 2016

Project Scope & Summary

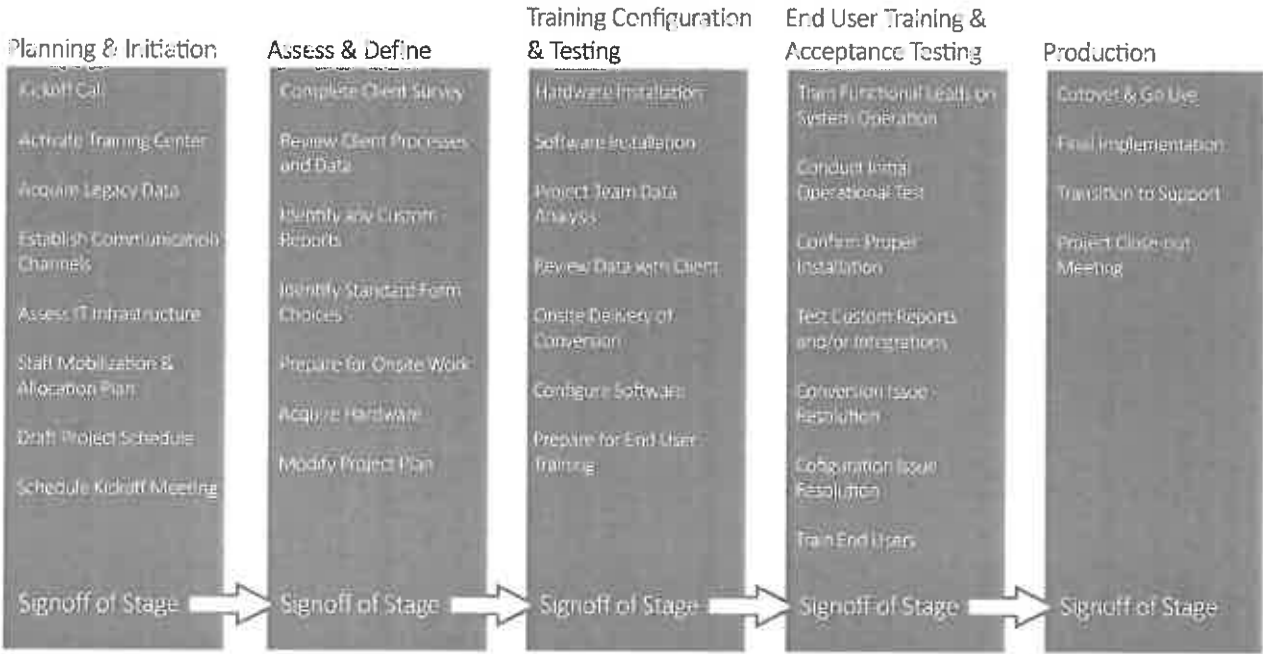
The software and services purchased are outlined in the Investment Summary Section of the Agreement.

Any standard interfaces purchased are listed in the Investment Summary section of the Agreement and detailed in the Standard Interfaces section of this document. It is important for the Client to read the portion of the attachment related to each interface purchased to understand its full functionality.

Data conversion services and other professional services hours included in the Investment summary are estimates. Additional analysis will be performed during the Assess & Define stage to provide definitive pricing.

Implementation Stages

Tyler provides a well defined multi-stage roadmap, which can be applied to a single phase projector, or to projects with simple phases. For multi-phase projects, the stages are repeated as necessary.



Each stage, as established above, is designed to provide a point at which a full review of the stage objectives is assessed for completeness. When a stage is complete, a Work-Acknowledgement Form (see (Sample) Work Acknowledgement Form attached herein) is completed and signed by the Client signifying acceptance of that stage and the beginning of the next stage. Each stage is dependent on the results of the previous stage and therefore, each stage of the methodology cannot begin until the previous stage is completed and approved.

Data Conversion

The goal of the data conversion process is to transfer information from one or more legacy systems into the Tyler system in an accurate and verifiable manner. Verification of the data conversion consists of comparing the on screen data elements and management reports of each system. As such, very little is done in the conversion process to “fix” the data. Inconsistencies or corruption in the original data will carry over to the new system – these issues should be identified and resolved by the Client before final data conversion on the legacy system(s) or shortly after “going live” on the Tyler system.

The Conversion Detail section of this document provides detailed information on Data Conversion if conversion is included in your Investment Summary.

Invoicing and Client Signoffs

Tyler invoicing and payment terms are detailed in the Payment Terms section of the Agreement. In addition to responsibility for the payment of all invoicing outlined in the Agreement, Client is responsible for signing off on the hours consumed in accordance with project requirements. An approved Change Order is required if additional hours are needed or scope is changed.

Key Project Assumptions

Client and Tyler shall review their responsibilities before work begins to ensure that Services can be satisfactorily completed.

Client will provide Tyler with access to its equipment, systems, and personnel to the extent needed to complete the defined Services.

Client will provide work space for Tyler Services for work completed on Client premises.

Tyler shall initially implement the most current version of the Tyler software at the time of the contract signing. During the implementation Tyler will provide newer releases of the software that meet or exceed the version available at contract signing. After Go-Live, the Client is responsible for installing newer releases. Release notes are provided for all new versions.

Client will maintain primary responsibility for the scheduling of Client employees and facilities in support of project activities.

We will use all reasonable efforts to perform any maintenance and support services remotely.

Currently, we use a third-party secure unattended connectivity tool called Bomgar, as well as GotoAssist by Citrix. Therefore, the Client agrees to maintain a high-speed internet connection capable of connecting us to your PCs and server(s). The Client agrees to provide us with a login account and local administrative privileges as we may reasonably require to perform remote services.

Client will allow users to access the following websites to ensure adequate access to Support resources:

help.tyleru.com

tyleru.com

tylertech.com

tylercommunity.tylertech.com

Client will provide/purchase/acquire the appropriate hardware, software and infrastructure assets to support all purchased Tyler software products in both support/testing and production environments.

Client is responsible for proper site preparation, hardware, software, and network configuration in accordance with Tyler specifications.

Client has, or will provide, access licenses and documentation of existing system to any 3rd party system software which Tyler will be required to read, write or exchange data.

Client has, or will provide, a development/testing environment for data conversion and interface testing as they are developed by Tyler.

Tyler shall be responsible for implementing a functioning version of the application software (assuming Client has installed the proper hardware, software, and networking devices).

Tyler will provide Client with status reports that outline the tasks completed. Tyler will also provide details regarding the upcoming tasks that need to be completed during the coming weeks, the resources needed (from Client) to complete the tasks, a current or updated version of the project plan, and a listing of any issues that may be placing the project at risk (e.g., issues that may delay the project or jeopardize one or more of the production dates) as needed.

Out of Scope

Tyler software is sold as COTS (commercial off the shelf) software. Any custom development such as; changes to source code, additional interface development, legacy or other imports are not within the scope of this agreement:

Custom Programming - Tyler products will be implemented “off the shelf” without customization, except as purchased and then detailed in the Customizations section of this document. Any additional customizations identified or requested will be quoted as requested. Unless otherwise agreed, these customizations will be designed, developed, implemented, and tested during the Final Implementation phase (“post go live”). If there are no customizations in the Agreement, there will not be Customization section to this document.

Custom Modifications - Custom modifications are changes to the functionality of existing Tyler software products. These changes may involve the addition of new fields to a screen, the enhancement or automation of a process, or the creation of a new module. Software modifications are not within the scope of this agreement except as detailed in the Customizations section. If there are no customizations to the software, there will be no Customizations section to this document. Tyler will make every effort to design custom modifications so that they can be leveraged by more than just one Client. This focus will affect the approach to designing, developing, and deploying new functionality so that we may benefit the largest population of users possible.

Custom interfaces – Custom interfaces involve the development of a standard, repeatable process for transferring information into or out of the Tyler software. These interfaces may take the form of a user-initiated import/export program, an API, or a web service. If a different XML layout is required, then the requirement definition will need to go through discovery and be approved by Tyler Technologies, and additional charges beyond those quoted in the Investment Summary will be incurred. Similarly, you may be responsible for additional charges if the provider of the third party software with which Tyler will be interfacing requires changes or assistance. There are no custom interfaces included in the scope of the agreement *unless* detailed in the Interfaces section of this document.

Custom Reports—Custom Reports involve the development of new reports that are not offered as part of the standard reporting package and modifications to existing reports. There are no custom reports included in the scope of the agreement unless detailed in the Customizations section of this document.

Resource hours that extend scope. (Additional hours must be approved through a Change Order.)

Any undocumented requirements. Undocumented requirements include requirements not specified in this Statement of Work and associated attachments.

Post System Acknowledgement Configuration. System Acknowledgement requirements are met at the completion of End User Training and User Acceptance Testing stage. Any changes requested of the Tyler implementation team to alter the configuration, post acknowledgement of these milestones, must be documented through a Change Order and may incur additional costs. Client may have access to built-in configuration tools, so, when available, is free to reconfigure or create new configuration as required or desired. If assistance using these tools is required, additional change orders may apply.

Risk / Mitigation Strategy

Unavailability/Incompatibility of Staff

Risk: Tyler recognizes that individuals assigned to projects may become unavailable due to various causes. Further, Tyler recognizes that individuals sometimes clash for reasons of incompatibility. Tyler schedules team members based on all the projects to which those individuals are assigned.

Unavailability may occur due to unforeseen circumstances such as family matters or the employee's departure from Tyler employment. Incompatibility creates intolerance in project objectives and tasks and creates unnecessary delays and can lead to project failure if not corrected.

Mitigation: In the event a Tyler project member is determined to be unavailable, a Tyler manager will consult with Client on alternatives such as a temporary replacement or substitute of the person. Likewise a similar response is expected from the Client if their team member is unavailable.

Incompatibility is addressed first through attempts to resolve the compatibility issues between individuals. Failing resolution, team members must be replaced. In the event a Tyler team member is determined to be incompatible, Tyler will replace with a new team member and provide time to orient to the project before assuming their respective responsibilities.

Client Staff unavailability

Risk: Delays in the project timeline will occur if appropriate Client staff is unavailable to meet with or respond to Tyler for timely decisions and or directions.

Mitigation: Client should ensure that staff assigned to this project is given sufficient priority and authority to work with Tyler while completing other Client responsibilities in a timely fashion. Decisions must be made in hours and days, not weeks.

Scope Changes

Risk: Poorly defined projects always take longer than expected or cost more than expected because of poorly defined scope at the beginning of the project.

Mitigation: Both parties must ensure that the scope of the project is well stated and completely defined to the best of each party's knowledge. Functional requirements should be reviewed carefully to ensure completeness. Change Orders are required to document any subsequent impact on schedule and/or costs.

Activity Focus

Risk: Activity Focus is the risk that minor activities consume time that should otherwise be dedicated to major activities of the project, with the end result of time and/or costs overrunning budget. This risk is sometimes associated with efforts that lead to scope changes. Examples include meetings of little substance or that go longer than they need, or time consumed investigating undocumented functionality or other activities not in scope.

Mitigation: Project Managers for both Parties must guard themselves to avoid focus drift by ensuring the focus is squarely on meeting deadlines, services, and configuration requirements of the implementation as planned and documented in the planning, assessment and definition stages.

Incomplete Legacy, Interface Documentation

Risk: During the project certain third party documentation will be required for such tasks as interface development and import of legacy data and others.

Mitigation: Client should ensure that APIs, specific documentation, or file specifications for interfacing to other systems is available to Tyler and that legacy data imports are known in advance of need.

Achievable Goals

Risk: The expectations of this project are set too high or are not explicit or clear to Client Staff and thus not communicated to Tyler through Functional Requirements and clearly stated scope.

Mitigation: The parties must ensure, through the Contract and Task Orders, that the goals of the project are explicit, well defined and attainable, and that both parties have "signed off" on the requirements.

Technology Age

Risk: This risk is highly dependent on the choice of Tyler products and whether the Client is hosting any of those products. If the Client will be hosting its own servers, the technology utilized should be robust to enough to meet the Client's needs for several years into the future. Technology that barely meets minimum requirements today will be insufficient as the system and its needs grow.

Mitigation: Tyler will assist Client in determining optimal technology and plans to guard against premature obsolescence.

Critical Success Factors

In order to successfully execute the services described herein, there are several critical success factors for the project that must be closely monitored. These factors are critical in setting expectations between the Client and Tyler, identifying and monitoring project risks, and promoting strong project communication.

Knowledge Transfer - While Tyler cannot guarantee specific expertise for Client staff as a result of participating in the project, Tyler shall make reasonable efforts to transfer knowledge to the Client. It is critical that Client personnel participate in the analysis, configuration and deployment of the Tyler software in order to ensure success and to transfer knowledge across the organization. After completion of the production phase, the Client will be responsible for administering the configuration and introduction of new processes in the Tyler system.

Dedicated Client Participation – Tyler fully understands that Client staff members have daily responsibilities that shall compete with the amount of time that can be dedicated to the Tyler implementation project. However, it is critical that the Client understands and acknowledges that its staff must be actively involved throughout the entire duration of the project as defined in the Project Plan. Tyler shall communicate any insufficient participation of Client and Tyler resources, as well as the corresponding impact(s), through Project Status Reports.

Acknowledgement Process – Acknowledgment must be based on criteria. The objectives and tasks of each stage of a project provide the basic criteria by which to judge acceptance of a stage is to be granted. Within each stage additional criteria will be developed by team members on which to judge future stages. For example, User Acceptance Testing will be based on criteria developed in earlier stages.

As resources are consumed, Tyler shall provide the Client with a Work Acknowledgement Form (see the (Sample) Work Acknowledgement Form attached to this SOW) to formalize receipt. The Work Acknowledgement Form is subsequently signed by the appropriate Client stakeholder(s), and faxed or emailed to Tyler. Timely and honest acceptance is required to maintain project momentum. Failure to properly establish acceptance criteria or failure to accept a properly completed stage will cause delays in the project.

In an effort to ensure quality and complete satisfaction with each stage of the project, Tyler’s professional services division has established the following rule: A Signed Work Acknowledgement Form (see the sample attached herein) is required upon completion and Client-acknowledgement of the resources consumed on the project. Stage signoff is also required before proceeding to the next stage in the process.

Managing Project Scope - In an effort to implement the project on time and within budget, both Tyler and Client agree to limit the software and professional services to only those items identified in this Statement of Work. Expanded scope results in additional costs.

Change orders or contract addendums for additional items outside the scope of the defined project requirements must be submitted in advance and signed by project stakeholders before work can be accomplished on those items. Likewise, reductions of the defined scope will also require a Change Order.

Future Amendments to Scope

Future changes in the project scope, beyond the capability of a Change Order, will assume the appropriate processes outlined in this Statement of Work and in the Agreement, unless future scope changes require a different or modified process. If no new Statement of Work is required, then new functionality and payment requirements are provided for in an amendment to the initial Agreement.

Project Management

Tyler performs ongoing project management services throughout the implementation in order to plan and monitor execution of the project. Project Management includes the following tasks:

- Project plan
- Project document management
- Issue log management and escalation
- Status reporting
- Change order management
- Resource management
- Executive project oversight via Executive Sponsor and Project Review Committee

By mutual agreement some project management tasks are shared between the Tyler Project team and the Client Project Manager/Stakeholders.

Staffing

Every reasonable effort is made to maintain a consistent project team from Tyler for the duration of the project. Should the Client have concerns related to assigned resources, those concerns should be submitted to the Tyler Project Manager or Tyler Management Staff for review and consideration. Tyler will make staffing decisions based on appropriate skill set and other soft skills of resources deemed compatible to the success of the project.

Project Schedule

Upon execution of the contract, the parties will subsequently collaborate during the project planning and initiation stage to determine a start date for services to be rendered. Upon initiation of these services, Tyler shall work with Client to collaboratively define a baseline or preliminary project schedule/plan. Given the fact that project schedules are working documents that change over the course of the project, Tyler shall work closely with Client to update, monitor, agree, and communicate any required changes to the project schedule.

Development Tools

No special development tools are required for the Tyler software. Tyler source code is not accessible (unless through the requirements of an Escrow Agreement).

The configuration tools are built into the software, and the Client has full access. The Tyler implementation staff will use these same configuration tools to set up the system with the Client. The Client will receive training on the use of these tools.

Third party report writers (i.e. Crystal Reports) – Some clients may choose to use a third party report writer like Crystal Reports to create/modify their own reports. The Client is responsible for the procurement of a license of this third party report writer. Tyler does not provide training or assistance on the creation of such reports and recommends this function be reserved for System Administrator or designated staff who have the skills and necessary access, and who understand the application databases.

Documentation

Tyler-Provided Documentation

Over the course of the 5stage implementation lifecycle, the Tyler project team will provide stage-specific documentation in a range of formats (both editable and non-editable). Examples include:

- Data Collection docs (MS Excel and/or MS Word) for configuration
- Training Documentation Templates (MS Word and MS PowerPoint)
- Release Notes for Service Packs (PDF)
- Other documentation as required for the specifics of the project.

Client-Provided Documentation

A definitive list of Client-provided documentation is not possible until all aspects of the implementation are determined, usually in the beginning stages of the project. Certainly, Client's assistance in completing the Tyler-provided forms and requests for configuration information is essential to a successful project. The Tyler Project Manager will provide the Client with detail of the documentation necessary for each product to be successfully implemented. The list below is a sample of the types of documentation that is likely to be requested.

Documentation originated by the Client includes:

- Application Programming Interface documents (API's) for any third-party software system to which the Tyler software will interface and exchange data.
- Legacy system data documentation and data in a format suitable for conversion into the Tyler System (please see section titled Data Conversion).
- Workflow documentation on the Client's current business processes
- Copies of pertinent ordinances or other controlling authorities
- Fee Schedules
- Copies of existing forms and other documents presented to the public and expected to be derived from the Tyler Software.

SOW Attachments Listing

Statement of Work

Attachment A. Work Acknowledgement Form

This form provides the means for the Client to accept work provided or provide reason for denial of a work.

Attachment B. Change Order Form

Any change in the project must have a completed and approved Change Order.

Attachment C. System Requirements

This document provides the recommended hardware/software requirements for the Tyler system. Performance using systems which do not meet these requirements may not have expected performance levels.

Attachment D. Conversion

Provides a description of the conversion process and legacy data specifications for each application suite.

Attachment A. Work Acknowledgement Form

City of Beaumont

Statement of Work

Thursday, March 3, 2016

Work Acknowledgment Form

Client:

Date:

Visit/Deliverable:

Accomplishments	Performed By	Notes

- I am satisfied with the work performed for this stage, and/or deliverable.
- I am NOT satisfied with the work performed for this stage, and/or deliverable.

In an effort to ensure quality and complete satisfaction with each phase of the project Tyler Technologies' Professional Services division has established the following rules:

Projects will not be allowed to move from one phase to another without a sign off indicating satisfaction with the work performed. The Tyler Technologies' project team will immediately stop all other tasks, complete the phase at hand, and obtain sign off before moving to the next phase.

Customer understands that any payment not received within 30 days of invoice will result in work stoppage. All related project tasks will be stopped until payment is received.

Print Name: _____

Signature: _____

Date: _____

(Please return signed copy to the Tyler Technologies project team)



Attachment B. Change Order Form

City of Beaumont

Statement of Work

Thursday, March 3, 2016

Change Order Form

Client: _____ Date: _____

Generated By: _____

Authorized By: _____

Change Overview:

Narrative Description of Change:

Impact of Change:

Schedule Impact: Delay of milestone & sub-tasks on Tyler Technologies Implementation Project Plan including:

Task	Proposed Date Changes

Cost Impact:

Change Detail	Credit	Debit	Total

Revision No.: _____

No changes may be made to this project without the agreement of the Project Manager(s), and must be approved by the Project Director. Submit endorsed Change Order to the Tyler Technologies' Project Manager

Date Approved	Comments	Approved By	Signature



Attachment C. System Requirements

City of Beaumont

Statement of Work

Thursday, March 3, 2016

Hardware and Network Requirements

System Requirements

Tyler's software is designed to operate on networks and operating systems that meet certain requirements. Systems that do not meet the required specifications may not provide reliable or adequate performance, and Tyler cannot guarantee acceptable results.

Site Assessment

Site assessments are an automated process. Each site is required to complete the automated process and submit results to their assigned project manager before any work can be completed on the project. While the automated process may be run prior to contract signature, the results submitted to Tyler must be dated after the Effective Date of the contract.

To complete your site assessment log in to <http://check.tylertech.com>

Enter your email address and the password "Tyler".

Select the product purchased to begin your system assessment. You will also be able to download PDF copies of hardware requirements from within the process. We strongly recommend that you download and keep a copy of the full hardware requirements as this document also covers recommended data backup procedures.

The link above is a generic login and password. During implementation, your project manager will provide you with a unique site and password to test your site and log results.

Attachment D. Conversion

City of Beaumont

Statement of Work

Thursday, March 3, 2016

Financial Conversion Summary

This document is a summary of what is included in the standard conversion for Tyler Technologies Financial Suite. This is not a complete description; for a complete description, please refer to the Tyler Technologies Financial Data Conversion Specification document available upon request.

Client Responsibilities

- Data in Tyler's Standard Data Layouts or approved formats
- Provide data definitions
- Provide matching reports
- Provide screen shots
- Review conversion prior to go-live

Data Conversion

Each area of the financial conversion has different options depending on the level of data to be converted. Each option has a different cost associated with it. Certain options cannot be converted unless other options are purchased. Full dependencies are detailed in the Financial Data Conversion Specification document.

General Ledger

Standard Conversion Includes:

- Fund and account lists
- Summarized history for current fiscal year plus two prior fiscal years
- Budgets and budget adjustments for current fiscal year plus two prior fiscal years

Additional Options:

- Additional summarized history and budgets (fee per fiscal year)
- Transaction history stored in Historical Legacy Views
- Transaction history (fee per fiscal year)

Accounts Payable

Standard Conversion Includes:

- Vendor master information, address, primary contact
- 1099 balances provided by client for current year

Additional Options:

- Vendor notes and additional contacts
- Detailed history stored in Historical Legacy Views
- Detailed vendor invoice history, payable items and distribution (fee per fiscal year)
- Additional vendor sets (fee per set)

Personnel Management (Payroll and Human Resources)

Standard Conversion Includes:

- Basic employee information – employee master, address, primary contact, standard dates (i.e., hire, birth, leave, termination), standard phones (i.e., work, home, cell), direct deposit, position, retirement, deductions and taxes
- Current year leave balances
- Current year detailed employee pay history such as paycheck, earnings, earning distribution, deductions and taxes OR current year quarterly summarized history

Additional Options:

- Dependent details, additional contacts, notes, additional dates (e.g., anniversaries, seniority), additional phones (e.g., spouse, fax)
- Direct deposit detailed history
- Additional payroll set (fee per set)
- Additional detailed employee pay history stored in Historical Legacy Views
- Additional years of employee pay history (fee per year)
- Human Resources data such as certifications, discipline, education, grievances, reviews, photos, training, and workers compensation (custom quote)

Fixed Assets

Standard Conversion Includes:

- Asset information, improvements
- Accumulated totals, no history

Project Accounting

Standard Conversion Includes:

- Open Projects, project accounts and project notes
- Open project account budgets
- Open project account detail

Inventory

Standard Conversion Includes:

- Inventory items, item locations and item vendors

Applications not converted

- Work Orders
- Bank Reconciliation
- Employee Self Services/Time & Attendance
- Purchase Order

Custom Conversion Services

The following are a few examples of items that are not included in the standard conversion and can be addressed through custom conversion services:

- Combining/splitting of GL account numbers
- Converting records with counts lower than 50 for Personnel Management, 100 for Fixed Assets and 250 for all other modules
- Cross referencing beyond Tyler Technologies' defined standardized codes
- Running more than 3 standard conversions
- Data cleaning; including but not limited to name clean-up and data fixes
- Converting from multiple sources of data
- Tyler Technologies assisting in data extraction from your existing system
- Tyler Technologies defining file layouts if not provided
- Changing configuration after sign-off

Data Extract

The standard conversion includes converting from a single source of data. If data is stored in multiple databases or data is provided in multiple formats custom conversion services may be required.

If unable to provide the data in Tyler's Standard Data Layouts your data will need to be provided in one of the following formats:

- Microsoft SQL Server database
- Microsoft Access database
- Delimited ASCII text files (pipe "|" delimited is preferred)
- Excel spreadsheets – with flat data, not grouped like a report

The screen shots and matching reports need to be provided to Tyler Technologies at the same time as the data. To ensure the reports accurately represent the data, staff should exit the software prior to pulling the data and restrict processing of any transactions until after the reports have been generated. If the reports don't accurately represent the data an additional data pull may be required, which could result in a delay in the schedule.

It is important to understand that the conversion will not "rehabilitate" old data. The conversion process does not clean up or correct problems in old data; data is converted one for one. For example, if the current system allowed punctuation, the new software will also display data with the exact same punctuation after the conversion. If data manipulation is desired, please contact your Project Manager to assist in preparing a work order for these services.

Utility Billing Migration Summary

This document is a summary of what is included in the standard conversion for Tyler Technologies Utility Billing Suite. This is not a complete description; for a complete description, please refer to the Tyler Technologies Utility Billing Data Conversion Specification document available upon request.

Client Responsibilities

- Data in Tyler's Standard Data Layouts or approved formats
- Provide matching reports
- Review conversion prior to training and go-live

Data Conversion

The Utility Billing conversion has additional options that can be purchased depending on the level of data to be converted. Each option has a different cost associated with it.

Utility Billing

Standard Conversion Includes:

- Utility Contact Information

- Utility Mailing and Billing Addresses

- Utility Properties

- Account Master

- Meters

- Transaction History – Includes current year plus 2 prior years

 - If the transaction history is not clean it may not be possible to convert. In this case, balances would be required to be provided by you and these would be converted in place of the detailed transactions.

- Services Metered – Includes 1 metered services

- Services Non-Metered – Includes up to 2 non-metered services

- Bill Compare ran against one billing cycle

- Standard User Defined Fields

- Parcel or PIN field conversion

- Converting of compound meters

- Tyler Technologies assisting in data extraction from your existing system

- Bank Codes and Bank Drafts

- ACTIVE Deposits

- Devices

- Contracts

- Notes

Additional Options:

- Device Inspections

- Renumbering of Accounts

- Additional Years of Transactional History (per year)

- AMP (Average Monthly Payments)
- Energy Assistance
- Sewer Assistance
- Winter Average
- Additional Metered Services (over one)
- Additional Non-Metered Services (over two)

Not Converted:

- Deposit History
- Service Orders
- Meter Change Outs

Custom Conversion Services

The following are a few examples of items that are not included in the standard conversion and can be addressed through custom conversion services:

- Converting records with counts lower than 1000 accounts
- Multiple Bill Compares on multiple cycles. This will require additional "Before" and "After" billing data along with additional hours.
- Cross referencing beyond Tyler Technologies' defined code tables
- Additional User Defined Fields
- Additional Contact information for Non-Utility accounts
- Additional Properties for Non-Utility accounts
- Running more than 3 standard conversions
- Data cleaning; including but not limited to name clean-up, parsing names/address and data fixes
- Converting from multiple sources of data
- Changing configuration after sign-off

Data

It is important to understand that the conversion will not "rehabilitate" old data. The conversion process does not clean up or correct problems in old data; data is converted one for one. For example, if the current system allowed punctuation, the new software will also display data with the exact same punctuation after the conversion. If data manipulation is desired, please contact your Project Manager to assist in preparing a work order for these services.