Council Business Meeting

September 15, 2020

Agenda Item	Approval of Contract with Selectron Technologies, Inc	
From	Bryn Morrison	Interim Finance Director
Contact	bryn.morrison@ashland.or.us; (541) 552-2002	

SUMMARY

Before Council is a request to authorize the City Administrator to execute a contract with Selectron Technologies, Inc. that will reduce the cost of the existing contract based upon the services provided. Selectron Technologies, Inc provides the Interactive Voice Response service the City uses in conjunction with the Utility Billing system.

POLICIES, PLANS & GOALS SUPPORTED

Council Goals Section 2:

E. During the 2019-2021 Biennium analyze various departments/programs with the goal of gaining efficiencies, reducing costs, and improving City services.

BACKGROUND AND ADDITIONAL INFORMATION

In July 2017, the Utility Billing Division completed the conversion from Springbrook Software to Tyler Technologies (Munis) to provide the City's utility billing software needs. As part of this conversion, the City was able to implement an Interactive Voice Response system which allows customers to pay their bills and obtain utility account information by phone 24 hours a day. Previously, customers could only pay on their account or obtain account information during the customer service hours of operation. The City entered into a five-year contract with Selectron Technologies to perform this service.

In October of 2019, the Information Technology Department upgraded the City's telephone system which provided the ability for aspects within the original Selectron contract to be provided in house at no additional cost. The original contract with Selectron was executed for the time period of July 2017 through July 2023 and the amendment to the contract presented replaces that contract and extends the City's agreement with Selectron through June 2025 reducing the services that our in-house telephone system can provide. The original contract was $38,500 per year and the new is $23,000.

FISCAL IMPACTS

The City will see a savings of $77,500 over the life of the contract, $15,500 each year, by providing the service in house using our new telephone system.

STAFF RECOMMENDATIONS

Staff recommends authorization to execute this contract.

ACTIONS, OPTIONS & POTENTIAL MOTIONS

1. I move to approve the execution of the Selectron Technologies, Inc contract

REFERENCES & ATTACHMENTS

Attachment 1: Original Contract
Attachment 2: Letter of Understanding
Attachment 3: Selectron Technologies Amendment to Master Services Agreement

CITY OF ASHLAND

Selectron
TECHNOLOGIES, INC.

Master Services and Hosting Agreement

This Master Services and Hosting Agreement (this **"Agreement"**) by and between Selectron Technologies, Inc., an Oregon corporation having a principal place of business at 12323 SW 66th Avenue, Portland, OR 97223, and its successors and assigns (**"Selectron"**), and the City of Ashland, Oregon (**"Licensee"**).

Recitals

Whereas, as between Selectron and Licensee, Selectron is the owner of all rights, titles, and interest in and to certain software and materials, identified more particularly in this Agreement as the **"Licensed Software"**; and

Whereas, Selectron wishes to grant to Licensee, and Licensee desires to obtain from Selectron, certain rights to access and use, and to permit authorized Licensee employees to access and use the Licensed Software through Selectron's application hosting service, as more particularly described below and in accordance with the terms and conditions of this Agreement.

Now, Therefore, in consideration of the mutual promises and covenants contained herein, the parties agree to the following terms and conditions, which set forth the rights, duties and obligations of the parties:

Agreement

1. Definitions

For purposes of this Agreement, the following terms shall have the following meanings. Any capitalized terms used in this Agreement that are not defined in this Section 1 shall have the meaning given to them elsewhere in this Agreement.

1.1 **"Aggregate Data"** means information, data, and statistics about a group of individuals, organizations, or transactions that cannot be used to identify Licensee or a particular individual, including Licensee Data that has been de-identified and anonymized and combined with data about other individuals and transactions.

1.2 **"Authorized User"** means an Employee that Licensee provides with access to the Licensed Software.

1.3 **"Customer Tools"** means the Licensed Software components and interfaces that, as described in the Documentation, are designed and intended to be accessed by customers of Licensee through an IVR that is set up and maintained as part of the Services and/or Licensee's website.

1.4 **"Derivative Work"** shall mean a new or modified work that is based on or derived from a preexisting work, including, without limitation, a work that

in the absence of a license, would infringe the Intellectual Property Rights associated with such preexisting work.

1.5 **"Documentation"** shall mean the standard documentation for the Licensed Software, as generally provided by Selectron to its other customers.

1.6 **"Employee"** shall mean a then-current employee of Licensee.

1.7 **"Intellectual Property Rights"** shall mean all rights associated with (a) patents, designs, algorithms, and other industrial property rights; (b) works of authorship, including copyrights, "moral rights", and derivative works thereof; (c) the protection of trade and industrial secrets and confidential information; (d) Trademarks (as defined herein); (e) all other intellectual and industrial property rights (of every kind and nature throughout the world and however designated), whether arising by operation of law, contract, license, or otherwise; and (f) all registrations, initial applications, divisions, continuations, renewals, extensions, divisions, and re-issuances of any of the foregoing, now existing or acquired in the future.

1.8 **"Licensed Software"** shall mean, collectively, (a) the software programs that are listed in Exhibit A and further described in Exhibit C; (b) the Documentation; and (c) any Updates.

1.9 "Licensee Data" means structured data about and identifiable to customers of Licensee, including without limitation data about transactions between such customers and Licensee, (a) that Licensee provides to Selectron to enable Selectron to provide the Licensed Software and the Services, (b) that Selectron collects from Licensee's customers to facilitate payments by those customers to Licensee, or (c) that Selectron otherwise collects or creates, including by automated means, in the course of performing the Services or providing the Licensed Software to Licensee.

1.10 "PCI Data" means Cardholder Data (including, without limitation, Primary Account Number, cardholder name, expiration date, and Service Code) and Sensitive Authentication Data (including without limitation full magnetic stripe data or the equivalent on a chip, CAV2/CVC2/CW2/CID, PINs/PIN block), as such terms are defined by the PCI Security Standards Council.

1.11 "Security Incident" means a breach of security resulting in an unauthorized third party gaining access to Licensee Data if (a) such breach creates a substantial risk of harm to Licensee or any individual(s) and (b) the Licensee Data was accessed in unencrypted, usable, or readable form or it is reasonably likely that the unauthorized third party has acquired or will acquire the decryption key or other means of converting the Licensee Data to readable or usable form.

1.12 "Services" means the outbound call management, customization, training, set-up, configuration, or other services listed in Exhibit A and further described in Exhibit C hereto, the Technical Support Services, and any other services Selectron provides to Licensee as described herein.

1.13 "Technical Support Services" means the maintenance and technical support services described in Exhibit B hereto.

1.14 "Term" shall have the meaning set forth in Section 11.1.

1.15 "Trademarks" shall mean (a) the trademarks, trade names, and service marks used by a party, whether registered or unregistered; (b) the respective stylistic marks and distinctive logotypes for such trademarks, trade names, and service marks; (c) such other marks and logotypes as either party may designate from time to time in writing; and (d) the goodwill connected with the use of and symbolized by any of the foregoing.

1.16 "Updates" shall mean any modifications, error corrections, bug fixes, new releases, or other updates of or to Licensed Software, including the Documentation, that may be provided or otherwise made available hereunder by Selectron to Licensee during the Term.

1.17 "Work Product" means any and all work product, deliverables, materials, drawings, works of authorship, creative works, designs, inventions, documentation, methods, processes, techniques, software, reports, or data created or developed by Selectron in the course of performing the Services or providing the Licensed Software, excluding Licensee Data.

2. **Grant of License; Restrictions**

2.1 **Grant of License to Use Licensed Software.** Subject to the terms and conditions of this Agreement, including the End User License Agreement ("EULA") attached hereto as Exhibit D which is incorporated into and made a part hereof, and the timely payment of all fees hereunder, Selectron hereby grants to Licensee a non-exclusive, nontransferable, nonsublicensable, limited license, during the Term, to access and use the Licensed Software solely in accordance with the Documentation and the EULA and solely for Licensee's own internal business use. Except as set forth in this Section 2.1 or the EULA, no other right or license of any kind is granted by Selectron to Licensee hereunder with respect to the Licensed Software.

2.2 **Software Restrictions.** Licensee hereby acknowledges and agrees that it shall not use the Licensed Software for any purpose other than the purpose for which Selectron has developed the Licensed Software, and that it shall use the Licensed Software in accordance with the EULA and all applicable laws, rules, and regulations. In the event of any violation of this Section 2.2 or the terms of the EULA by Licensee or any person Licensee provides with access to the Licensed Software (whether or not such person is an Authorized User), Selectron may terminate this Agreement in accordance with Section 11.2, and shall be entitled to equitable relief in accordance with Section 12.5.

2.3 **Data Restrictions.** Selectron hereby acknowledges that the Licensee Data may contain sensitive, personally-identifiable information. Selectron will not disclose Licensee Data to any third-party except as required to perform its obligations under this Agreement (e.g., transmittal of PCI Data to Licensee's designated payment gateway) and will maintain and use the Licensee Data only for purposes of performing its obligations under

this Agreement. Except as otherwise expressly provided herein, Selectron will promptly delete any Licensee Data that Licensee requests in writing to be deleted (except for data retention required by law).

2.4 Rights in Aggregate Data. Notwithstanding Section 2.3, Selectron may, (a) during the term of this Agreement, use and analyze the Licensee Data to generate Aggregate Data and (b) during and after the term of this Agreement, retain, use, publish, and otherwise disclose Aggregate Data without restriction, so long as the Aggregate Data is disclosed in a form in which it cannot be used to identify Licensee or any particular individual(s). By way of example and without creating any limitation, Selectron may analyze the Licensee Data along with data gathered from other sources to generate statistics and analytics about success rates of municipalities in collecting payments in response to IVR notification calls.

3. Deliverables and Services

3.1 Services. Selectron shall perform the Services described in Exhibit A and Exhibit C and the Technical Support Services described in Exhibit B in accordance with the terms of this Agreement.

3.2 Delivery, Testing, and Acceptance. All deliveries of equipment or physical goods required under this Agreement shall be F.C.A. Selectron's facilities. Selectron shall provide Licensee with the Documentation and access to the Licensed Software according to the delivery, testing, and acceptance schedule and terms and conditions set forth in Exhibit A and Exhibit C. Unless a testing period of different duration is set forth in Exhibit A or Exhibit C, Licensee shall have a testing period of thirty (30) days from the date of delivery of any Licensed Software, including any customized Licensed Software, to inspect and test the Licensed Software. If Licensee provides Selectron with written notice during the applicable testing period describing the Licensed Software's failure to substantially comply with the limited warranty set forth in Section 7.2 in sufficient detail to enable Selectron to reproduce such failure, the Service Fees for the non-conforming Licensed Software shall be suspended until Selectron corrects any such substantial non-conformity. If Licensee does not provide such notice during the testing teriod, the Licensed Software shall be deemed accepted, and Licensee's sole remedy for any non-conformance shall be the Technical Support Services provided hereunder.

3.3 Authorized Users; Licensee Identification and Passwords. Except as provided in Section 3.4, Licensee shall not permit any person to access the Licensed Software other than Employees whom Licensee has designated as Authorized Users. Each individual natural person shall be a separate Authorized User for purposes of this Agreement. Licensee shall create or request that Selectron create unique log-in credentials, consisting of a **"User Identification"** and **"User Password"**, for each individual Authorized User who shall be accessing the Licensed Software. Licensee hereby acknowledges that Licensee and its Authorized Users bear sole responsibility for protecting the confidentiality of all User Passwords and shall remain fully responsible and liable for (and Selectron shall not be responsible or liable for) any unauthorized use of any User Identifications or User Passwords. Licensee shall not share or disclose, and shall not permit any Authorized User to share or disclose, such Authorized User's log-in credentials with or to any other individual or entity, even if such other individual is also an Authorized User. A User Identification may not be transferred from one Authorized User to another Authorized User. Licensee shall promptly terminate (or cause to be terminated by requesting that Selectron terminate) the User Identification for any individual who ceases to be an Authorized User for any reason, including without limitation due to termination of such individual's employment with Licensee. Licensee shall promptly notify Selectron if it discovers or suspects that any log-in credentials have been accessed or used by any person other than the Authorized User to which such log-in credentials were granted, in which case Selectron shall promptly reset or provide Licensee with a means of resetting the password associated with such log-in credentials.

3.4 Customer Tools. Licensee may permit its customers to access and use the Customer Tools solely through Licensee's website and/or an IVR that is set up and maintained as part of the Services, and solely for the purpose of enabling such customers to (a) receive notifications sent by or on behalf of Licensee, (b) make payments to Licensee, (c) view their invoices from Licensee and history of payments to Licensee, and (d) update their contact information with Licensee.

3.5 Hosting. During the Term, Selectron and/or its designees shall host and maintain the Licensed Software, and provide access thereto, subject to the terms and conditions of this Agreement and the EULA.

3.6 Updates, Maintenance, and Technical Support. During the Term, Selectron shall provide Licensee with Updates as they are made generally available by Selectron to its other customers, as well as

maintenance and technical support, in accordance with the terms and conditions set forth in Exhibit B. Any Update provided or made available by Selectron hereunder shall be deemed part of the Licensed Software and shall be subject to the terms and conditions of this Agreement.

3.7 **Other Modifications to the Licensed Software.** Licensee understands and agrees that Selectron may make modifications and updates to the Licensed Software from time to time. Selectron may determine in its sole discretion whether to provide such modifications and updates to Licensee and its other customers as an Update hereunder, or whether such modifications and updates will be issued as a separate or new product or premium version of the Licensed Software that is available only at an additional charge.

3.8 **Further Licensee Obligations.** Licensee shall be solely responsible for acquiring and maintaining, at its own expense, the necessary equipment and Internet and telecommunication services required to access the Licensed Software and the Services. Licensee acknowledges that Selectron shall have no obligation to assist Licensee in using or accessing the Licensed Software or the Service except as expressly set forth in this Agreement.

4. **Fees and Payment**

4.1 **Service Fees.** Licensee shall pay to Selectron service fees ("**Service Fees**") in the amounts and according to the terms and conditions set forth in Exhibit A. In addition to the payment of Service Fees, unless different terms are provided for in Exhibit A, Licensee agrees to reimburse Selectron for all actual, documented and reasonable travel and out-of-pocket expenses incurred by Selectron in connection with the performance of any Services.

4.2 **Payment Terms.** Unless different payment terms are set forth in Exhibit A, all fees and expenses payable hereunder shall be due thirty (30) days from the date of invoice, and any amounts not paid when due will incur late fee charges at the rate of 1.5% per month, or the maximum rate permitted by applicable law, whichever is lower, calculated on a daily basis. If any amounts are past due and outstanding, Selectron reserves the right to suspend the licenses granted hereunder, suspend access to the Licensed Software, and discontinue the Services until all outstanding amounts are paid. Selectron is entitled to recover all costs of collection, including attorney's fees and related expenses.

4.3 **Disputed Amounts.** Any disputed charges must be presented by Licensee to Selectron in writing within fifteen (15) days of the date of invoice, and the parties agree to cooperate in good faith to promptly resolve any disputed invoice within fifteen (15) days of Selectron's receipt of Licensee's written notice of dispute. In the event Licensee disputes any amounts invoiced by Selectron in good faith, the undisputed amount shall be paid when due, and only disputed amounts shall be withheld pending resolution of the dispute. If payment of a disputed amount has already been made and later resolution of the dispute is in Licensee's favor, a credit will be issued by Selectron to Licensee on the next invoice.

4.4 **Fee Increases.** During the Initial Term, the Service Fees set forth in Exhibit A shall apply. After the Initial Term (as defined in Section 11.1 below), Selectron may increase or change its fees by providing Licensee with notice of such increase or change at least ninety (90) days prior to the effective date of such increase or change. Licensee's sole alternative to such fee increase or change shall be to terminate this Agreement by providing notice of termination to Selectron within twenty (20) days after receipt of the notice of price increase or change, which termination will become effective thirty (30) days after such written notice of termination.

4.5 **Taxes.** All prices set forth in this Agreement are in U.S. Dollars and are exclusive of any applicable taxes. Licensee shall pay, indemnify, and hold Selectron harmless from all import and export duties, customs fees, levies, or imposts, and all sales, use, value added, or other taxes or governmental charges of any nature, including penalties and interest, and all government permit or license fees assessed upon or with respect to any products sold, leased, or licensed to Licensee and any services rendered to Licensee; provided, however, that Licensee be responsible for paying any taxes imposed on, or with respect to, Selectron's income, revenues, gross receipts, personnel, or real or personal property or other assets.

5. **Proprietary Rights**

As between Selectron and Licensee, Selectron and/or its licensors own and shall retain all right, title and interest, including, without limitation, all Intellectual Property Rights in and to the Licensed Software and any Work Product resulting from performance of the Services and any portions thereof, including without limitation any copy or Derivative Work of the Licensed Software (or any portion thereof) and any Updates and upgrades thereto. Licensee agrees to take any action reasonably requested

by Selectron to evidence, maintain, enforce, or defend the foregoing. Licensee shall not take any action to jeopardize, encumber, limit, or interfere in any manner with Selectron's or its licensors' ownership of and rights with respect to the Licensed Software or Service, or any Derivative Work or Update or upgrade thereto. The Licensed Software and any Work Product are licensed, not sold, and Licensee shall have only those rights in and to the Licensed Software and Work Product and any Derivative Work or Update or upgrade thereto as are expressly granted to it under this Agreement, including the EULA.

6.   Proprietary Information

During the Term of this Agreement and after the termination of this Agreement, the parties will take all steps reasonably necessary to hold the other party's Proprietary Information in confidence, will not use the disclosing party's Proprietary Information in any manner or for any purpose not expressly set forth in this Agreement, and will not disclose any such Proprietary Information to any third party without the disclosing party's express prior written consent; provided, however, that each party (the "**receiving party**") may disclose Proprietary Information of the other party (the "**disclosing party**") (a) to such receiving party's employees, directors, officers, contractors, and agents (collectively, "**Representatives**") who have a need to know such information and who have been advised of and have agreed to comply with the confidentiality restrictions contained in this Section 6 and (b) to such third parties as are authorized or directed by the disclosing party in writing. Each party shall be responsible and liable for the actions and omissions of its Representatives. "**Proprietary Information**" belonging to a disclosing party includes, but is not limited to, such disclosing party's (a) trade secrets, inventions, ideas, processes, formulas, source and object codes, data, other works of authorship, know-how, improvements, discoveries, developments, designs, and techniques; (b) information regarding its plans for research, development, new products, marketing and selling, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers; (c) information regarding the skills and compensation of employees, and (d) other information about or belonging to such disclosing party that the receiving party should reasonably know, due to the nature of the information or the circumstances surrounding its disclosure, is regarded by the disclosing party as confidential. Proprietary Information includes reports, analyses, notes, and other information or materials that contain or are derived using the disclosing party's Proprietary Information, even if developed in whole or in part by the receiving party.

For clarity, information about the Licensed Software, including information about its features, functionality, and pricing, are and shall remain the Proprietary Information of Selectron. For further clarity, Licensee Data is and shall remain the Proprietary Information of Licensee.

Notwithstanding the foregoing, information will not be considered to be Proprietary Information if (a) it is readily available to the public other than by a breach of this Agreement; (b) it has been rightfully received by the receiving party from a third party without confidentiality limitations; (c) it has been independently developed by the receiving party without reference to or use of the disclosing party's Proprietary Information; or (d) it was rightfully known to the receiving party prior to its first receipt from the disclosing party. The receiving party shall be entitled to disclose the disclosing party's Proprietary Information if required by law or a judicial order; provided that the receiving party first provides prompt notice of the required disclosure to the disclosing party, and complies with any protective or similar order obtained by the disclosing party limiting the required disclosure.

7.   Representations and Warranties; Warranty Disclaimer.

7.1   Mutual Representations. Each party represents and warrants to the other party that the execution, delivery and performance of this Agreement (a) is within its corporate, municipal, or governmental powers, as the case may be (b) has been duly authorized by all necessary corporate, municipal, or governmental action on such party's part, and (c) does not and shall not contravene or constitute a default under, and is not and shall not be inconsistent with, any law, regulation, judgment, decree or order, or any contract, agreement, or other undertaking, applicable to such party.

7.2   Limited Software Warranty and Exclusive Remedy. Subject to the limitations set forth in this Agreement, Selectron represents and warrants to Licensee that the Licensed Software, when used in accordance with the Documentation, shall throughout the Term substantially conform to the functional specifications in such Documentation. If Licensee finds what it reasonably believes to be a failure of the Licensed Software to substantially conform to the functional specifications in the Documentation, and provides Selectron with a written report that describes such failure in sufficient detail to enable Selectron to reproduce such failure, Selectron shall use commercially reasonable efforts to correct or provide a workaround for such failure at no additional charge to Licensee in accordance with

Exhibit B hereto. Outside the United States, this limited warranty is only available with proof of purchase from an authorized source. EXCEPT FOR THE EXPRESS WARRANTY ABOVE, SELECTRON PROVIDES THE LICENSED SOFTWARE TO LICENSEE "AS IS" AND "AS AVAILABLE." SELECTRON MAKES NO WARRANTY THAT ALL ERRORS, FAILURES, OR DEFECTS SHALL BE CORRECTED, OR THAT ACCESS TO OR USE OF THE LICENSED SOFTWARE SHALL BE UNINTERRUPTED, ERROR-FREE, OR SECURE. NO ORAL OR WRITTEN INFORMATION OR ADVICE PROVIDED BY SELECTRON, ITS AGENTS, OR ITS EMPLOYEES, SHALL CREATE ANY WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF THE WARRANTIES EXPRESSLY PROVIDED IN THIS AGREEMENT. This Section states the entire liability of Selectron and the sole and exclusive remedy of Licensee with respect to any breach of the foregoing express warranty.

7.3   Limited Services Warranty and Exclusive Remedy. Subject to the limitations set forth in this Agreement, Selectron warrants that the Services shall be performed in a professional and workmanlike manner. Selectron's sole obligation, and Licensee's exclusive remedy for breach of the foregoing warranty, is that Selectron shall use its commercially reasonable efforts to re-perform the Services or otherwise cure such breach. If, in Selectron's sole judgement, curing the breach is not commercially feasible, Selectron shall credit Licensee for a portion of the fees allocable to the affected period of time that is proportionate to the period the Services or Licensee's ability to access or use the Licensed Software was impaired.

7.4   Disclaimer of Other Warranties. THE EXPRESS WARRANTIES SET FORTH IN THIS SECTION 7 AND SECTION 8.5 CONSTITUTE THE ONLY WARRANTIES MADE BY SELECTRON WITH RESPECT TO THE LICENSED SOFTWARE AND THE SERVICES AND ANY OTHER SUBJECT MATTER OF THIS AGREEMENT. SELECTRON MAKES NO OTHER, AND HEREBY DISCLAIMS ALL OTHER, REPRESENTATIONS, WARRANTIES, OR CONDITIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED (EITHER IN FACT OR BY OPERATION OF LAW), OR STATUTORY, WITH RESPECT TO THE LICENSED SOFTWARE, THE SERVICES, OR ANY OTHER SUBJECT MATTER OF THIS AGREEMENT. SELECTRON EXPRESSLY DISCLAIMS ALL WARRANTIES OR CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NONINFRINGEMENT, AND ALL WARRANTIES THAT MAY ARISE FROM COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. SELECTRON DOES NOT WARRANT THAT ANY USE OF OR ACCESS TO THE LICENSED SOFTWARE SHALL BE ERROR-FREE OR SECURE, OR THAT OPERATION OF THE LICENSED SOFTWARE SHALL BE UNINTERRUPTED, AND HEREBY DISCLAIMS ANY AND ALL LIABILITY IN CONNECTION THEREWITH. LICENSEE ACKNOWLEDGES THAT IT HAS RELIED ON NO WARRANTIES OTHER THAN THE EXPRESS WARRANTIES IN SECTION 7 AND SECTION 8.5 OF THIS AGREEMENT.

7.5   Defects Not Covered by Warranties. Selectron shall have no obligations under Section 7.2 to the extent any nonconformance or failure of, or error in, the Licensed Software is caused by (a) use of any attachment, feature, hardware, software, or device in connection with the Licensed Software, or combination of the Licensed Software with any other materials or service, unless the combination is performed by Selectron; (b) transportation, neglect, misuse, or misapplication of the Licensed Software, or any use of the Licensed Software that is not in accordance with this Agreement, the EULA, and/or the Documentation; (c) alteration, modification, or enhancement of the Licensed Software, except as may be performed by Selectron; (d) failure to provide a suitable use environment for all or any part of the Licensed Software; or (e) failure to maintain systems and environments that are compatible with Updates.

8.   Security

8.1   Internet Security. Selectron's Licensed Software is made available through the Internet and may be used to access and transfer information over the Internet. Licensee is solely responsible for the security and integrity of information it transfers from the Licensed Software, if any. Selectron makes no representations or warranties to Licensee regarding (a) the security or privacy of Licensee's network environment, or (b) any third-party technologies' or services' ability to meet Licensee's security and privacy needs. These third-party technologies and services may include, but are not limited to, operating systems, database management systems, web servers, and payment processing services. Licensee is solely responsible for ensuring a secure environment for information it transfers from the Licensed Software, if any. Further, Licensee acknowledges and agrees that Selectron does not operate or control the Internet and that Selectron shall have no responsibility or liability in connection with a breach of security or privacy regarding the Licensed Software or information contained therein that is caused by (a) viruses, worms, Trojan horses, or other undesirable data or software; (b) unauthorized users, e.g., hackers; or (c) any other third party or activity beyond Selectron's reasonable control; in each of the foregoing cases, except to the extent caused by Selectron's breach of Section 8.4 or 8.5.

8.2   Remote Access Security. In order to enable code development and support and maintenance of the software, Selectron may require remote access capability.   Remote access is normally provided by installing PC-Anywhere, ControlIT, or other industry standard remote access software. It may also be provided through a Licensee solution such as VPN access. Regardless of what method is used to provide remote access, or which party provides remote access software, it is Licensee's responsibility to ensure that the remote access method meets Licensee's security requirements. Selectron makes no representations or warranties to Licensee regarding the remote access software's ability to meet Licensee's security or privacy needs. Selectron also makes no recommendation for any specific package or approach with regard to security.   Licensee is solely responsible for ensuring a secure network environment.

8.3   Outbound   Services   Disclaimer. Outbound services are intended to create additional methods of communication for Licensee's employees who use the Licensed Software in support of existing processes. These services are not intended to replace all interaction with Licensee's end users or employees.   While the outbound services have been created with the best available tools and practices, they are dependent on infrastructure that is inherently not fail-proof, including but not limited to infrastructure such as software, computer hardware, network services, telephone services, and e-mail. Examples of situations that could cause failure include but are not limited to: down phone lines, all lines busy, equipment failure, email address changes, and Internet service disruptions.   For this reason, while outbound services are valuable in providing enhanced communication, they are specifically not designed to be used as the sole method to deliver critical messages. Licensee acknowledges that it is aware of the potential hazards associated with relying on an automated outbound service feature, when using the Licensed Software, and Licensee acknowledges and agrees that it is giving up in advance any right to sue or make any claim against Selectron, and that Licensee forever releases Selectron from any and all liability caused by (a) any failed call attempts (including excess of calls over and above network or system capacity), incomplete calls, or any busy-outs; (b) any failure to transmit, obtain or collect data from callers or for human and machine errors, faulty or erroneous input, inarticulate caller communication, caller delays or call lengths exceeding estimated call lengths or omissions, delays and losses in connection with the Services provided hereunder; or (c) if Licensee, Licensee's employees, or Licensee's end user suffer injury or damage due to the failure of outbound services to operate, even

though Licensee does not know what or how extensive those injuries or damages might be, unless such losses were directly attributable to Selectron's gross negligence or willful misconduct.

8.4   Privacy   and   Security   Standards. Selectron agrees that it will gather, collect, receive, generate, store, use, maintain, transmit, process, import, export, transfer and disclose the Licensee Data substantially in compliance with applicable data protection, security, breach notification and privacy laws, rules, regulations and industry standards to which Selectron is subject.   Selectron shall, at all times, use reasonable measures to protect the confidentiality of the Licensee Data in its possession or care, including technical, administrative, and physical safeguards that are appropriate given the nature of the Licensee Data.

8.5   PCI Compliance. Selectron warrants that, during the Term of this Agreement, (a) all system components, people, processes, and the cardholder data environment that are used in Selectron's collection, transmittal, or other processing of PCI Data on behalf of Licensee are and shall remain compliant with the applicable provisions of PCI DSS; and (b) Selectron PayEngine™, Selectron's proprietary payment application, is and shall remain compliant with PA-DSS. On an annual basis or upon Licensee's request, Selectron shall provide Licensee with an Attestation of Compliance or Attestation of Validation confirming such compliance.

8.6   Incident Response.   In the event Selectron becomes aware of a confirmed or suspected Security Incident involving the unauthorized disclosure or theft of PCI Data, Selectron shall (a) notify Licensee, (b) cooperate in any investigation, (c) promptly take reasonable measures to prevent further unauthorized access or use of the Licensee Data, (d) cooperate with Licensee's notification to affected individuals if such notification is required by applicable law or regulation, and (e) perform all such other acts, or cooperate with Licensee's performance of all such other acts, that are required with respect to such Security Incident by applicable law or regulation.

8.7   Limited Scope of PCI Data Processing. The parties acknowledge that Selectron's sole processing of PCI Data on behalf of Licensee shall consist of (a) collecting PCI Data needed to facilitate payments to Licensee, (b) transmitting such PCI Data to a third party payment gateway designated by Licensee, and (c) receiving confirmation via the payment gateway that the payment transaction has been completed.   After

transmittal of PCI Data to the payment gateway, Selectron will not retain, store, or continue to use or process such PCI Data.

8.8 Data Transfers Between Licensee and Selectron. The parties acknowledge that, to facilitate providing the Services and the Licensed Software, Selectron and Licensee shall regularly transfer Licensee Data to each other. Licensee, not Selectron, is responsible for providing and maintaining a secure file transfer protocol for such transfer of Licensee Data, and shall be responsible for maintaining the security of the system components, environment, and procedures of such file transfer protocol.

8.9 Licensee's Privacy Practices. Licensee acknowledges that the Licensee Data includes information about individuals with whom Licensee, rather than Selectron, has direct relationships. Therefore, it is Licensee's obligation, and not Selectron's obligation, to provide any privacy notices or disclosures to, and obtain any consent from, such individuals as may be required by applicable law with respect to processing of the Licensee Data by Selectron on Licensee's behalf. Licensee represents, warrants, and covenants to Selectron that (a) Licensee has the authority to transmit the Licensee Data to Selectron; and (b) Selectron's collection, storage, transmittal, and other processing of the Licensee Data on behalf of Licensee, as described in the Documentation and this Agreement, does not and will not violate any applicable laws, regulations, ordinances, contracts, policies, orders, or decrees to which Licensee is subject.

9. Indemnification

9.1 Infringement Indemnity Obligations of Selectron. Selectron shall defend any action brought against Licensee to the extent it is based on a third party claim that use by Licensee of the Licensed Software as furnished hereunder, which use is in accordance with the terms and conditions of this Agreement, directly infringes or misappropriates any valid United States patent, copyright, or trade secret. Selectron shall pay any liabilities, costs, damages, and expenses (including reasonable attorney's fees) finally awarded against Licensee in such action that are attributable to such claim. Licensee agrees to promptly notify Selectron of any known or suspected infringement or misappropriation of Selectron's proprietary rights of which Licensee becomes aware. Should the Licensed Software become, or be likely to become in Selectron's opinion, the subject of any claim of infringement, Selectron may, at its option (a) procure for Licensee the right to continue using the potentially

infringing materials; (b) replace or modify the potentially infringing materials to make them non-infringing; or (c) terminate this Agreement and provide Licensee with a refund equal to the set-up fees paid by Licensee, less an amount equal to the depreciated portion of such fees calculated on a five (5) year straight-line basis. This Section 9.1 states the entire liability of Selectron and the exclusive remedy of Licensee with respect to infringement of any third-party intellectual property or other rights, whether under theory of warranty, indemnity, or otherwise.

9.2 Infringement Indemnity Obligations of Licensee. Selectron shall have no liability for any claim based upon (a) the use, operation, or combination of the Licensed Software with non-Selectron programs, data, equipment, or documentation if liability would have been avoided but for such use, operation, or combination; (b) use of other than the then-current, unaltered version of the Licensed Software that incorporates all Updates; (c) Licensee's or its agents' or Employees' activities after Selectron has notified Licensee that Selectron believes such activities may result in infringement; (d) any modifications to or markings of the Licensed Software that are not specifically authorized in writing by Selectron; (e) any third party software; (f) any Licensee Data; or (g) Licensee's breach or alleged breach of this Agreement. To the extent limited by ORS 30.260 – 30.300 (Oregon Tort Claims), Licensee shall indemnify, defend, and hold Selectron harmless for, from and against all liabilities, costs, damages, and expenses (including reasonable attorney's fees) awarded against or incurred by Selectron in such action(s) that are attributable to such claim.

9.3 Security Related Indemnity Obligations of Selectron. If an investigation performed by a qualified third party forensic investigator confirms that a Security Incident was caused solely by an act or omission of Selectron, including any security vulnerability in system components, procedures, or environments owned or controlled by Selectron, then Selectron shall defend, indemnify, and hold harmless Licensee for, from and against all liabilities, costs, damages, fines, penalties, and expenses (including reasonable attorney's fees) incurred by Licensee as a result of such Security Incident, including the reasonable costs of investigation and reasonable costs of notification to affected individuals and providing credit monitoring or other fraud prevention services, but only to the extent such notification, credit monitoring, or other fraud prevention services are required by applicable laws, regulations, a court order or consent decree, or the terms of a settlement and release of claims arising from such

Security Incident that Selectron has consented to (collectively, "**Losses**").

9.4   Security Related Indemnity Obligations of Licensee. Selectron shall have no liability or obligation to defend or indemnify Licensee with respect to any Losses caused by Licensee's breach of Sections 8.8 or 8.9 or any Security Incident to the extent caused in whole or in part by an act or omission of Licensee or any third party (other than Selectron's subcontractors) or any of their affiliates, employees, directors, officers, agents, or contractors (other than Selectron), including without limitation any of the following acts or omissions: (a) their loss of control of any device, (b) their failure to maintain the confidentiality of log-in credentials, (c) their transmission of data via methods that are not secure, (d) their failure to maintain systems and environments that are compatible with any Update, (e) their violation of the applicable terms of this Agreement or any applicable laws, regulations, or industry standards, or (f) any vulnerability in their environment, systems, hardware, software, or physical or administrative security safeguards or procedures, including without limitation any vulnerability in the file transfer protocol maintained by Licensee pursuant to Section 8.8. To the extent limited by ORS 30.260 – 30.300 (Oregon Tort Claims), Licensee shall indemnify, defend, and hold harmless Selectron for, from and against all Losses arising from any such Security Incident or Licensee's breach of Sections 8.8 or 8.9, including without limitation any expenses incurred by Selectron in complying with its obligations under Section 8.6.

9.5   Conditions for Indemnification. The parties' indemnification obligations hereunder shall apply only if (a) the party to be indemnified (the "**indemnitee**") notifies the party obligated to indemnify them (the "**indemnitor**") in writing of a claim promptly upon learning of or receiving the same; and (b) the indemnitee provides the indemnitor with reasonable assistance requested by the indemnitor, at the indemnitor's expense, for the defense and settlement, if applicable, of any claim. The indemnitee's failure to perform any obligations or satisfy any conditions under this Section 9.5 shall not relieve the indemnitor of its obligations hereunder except to the extent that the indemnitor can demonstrate that it has been materially prejudiced as a result of such failure.

9.6   Control of Defense. After receipt of notice of a claim, the indemnitor shall be entitled, if it so elects, at its own cost, risk and expense (a) to take control of the defense and investigation of such lawsuit or action; and (ii) to employ and engage attorneys of its own choice to handle and defend the same; *provided, however,* that

the indemnitee's consent shall be required for any settlement that does not include a full release of all claims. If the indemnitor fails to assume the defense of such claim within ten (10) business days after receipt of notice of the claim, the indemnitee will (upon delivering notice to such effect to the indemnitor) have the right to undertake, at the indemnitor's cost and expense, the defense, compromise or settlement of such claim on behalf of and for the account and risk of the indemnitor; provided, however, that such claim shall not be compromised or settled without the written consent of the indemnitor. The party that assumes control of the defense of the claim will keep the other party reasonably informed of the progress of any such defense, compromise or settlement. Notwithstanding the foregoing, the indemnitee shall be entitled to conduct its own defense at the cost and expense of the indemnitor if the indemnitee establishes that the conduct of its defense by the indemnitor would reasonably be likely to prejudice materially the indemnitee due to a conflict of interest between the indemnitee and the indemnitor; and provided further that in any event, the indemnitee may participate in such defense at its own expense.

10.   Limitation of Liability

10.1   Limited Remedy. EXCEPT AS EXPRESSLY PROVIDED HEREIN, TO THE MAXIMUM EXTENT ALLOWED BY APPLICABLE LAW, IN NO EVENT SHALL SELECTRON OR ITS SUPPLIERS OR LICENSORS BE LIABLE FOR, OR BE OBLIGATED TO INDEMNIFY LICENSEE FOR, ANY LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF USE OR DATA, OR INTERRUPTION OF BUSINESS, OR FOR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES OF ANY KIND OR OTHER ECONOMIC LOSS ARISING FROM OR RELATING TO THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, EVEN IF SELECTRON HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, HOWEVER CAUSED.

10.2   Maximum Liability. Notwithstanding anything in this Agreement to the contrary or the failure of essential purpose of any limited remedy or limitation of liability, Selectron's entire liability arising from or relating to this Agreement or the subject matter hereof, under any legal theory (whether in contract, tort or otherwise), shall not exceed the amounts actually received by Selectron from Licensee hereunder in the twelve (12) months immediately preceding the action that gave rise to the claim. Licensee acknowledges that the Service Fees reflect the allocation of risk set forth in this Agreement and that Selectron would not enter into this Agreement without the limitations on liability set forth in this Agreement.

11. Term and Termination

11.1 Term. The term of this Agreement shall commence on the Effective Date and continue for an initial period of five (5) years therefrom (the "**Initial Term**"), and shall automatically renew for successive one (1) year periods unless either party notifies the other of its intention not to renew at least ninety (90) days before the end of the then-current term (collectively, the "**Term**"). If Licensee cancels prior to the end of the Initial Term of five (5) years, all fees for the Initial Term of this agreement that are unpaid will become immediately due.

11.2 Termination for Default. If either party materially defaults in any of its obligations under this Agreement, the non-defaulting party, at its option, shall have the right to terminate this Agreement by written notice to the other party unless, within sixty (60) calendar days after written notice of such default, the defaulting party remedies the default, or, in the case of a default which cannot with due diligence be cured within a period of sixty (60) calendar days, the defaulting party institutes within the sixty (60) day-period substantial steps necessary to remedy the default and thereafter diligently prosecutes the same to completion. Notwithstanding anything herein to the contrary, in the event Licensee breaches the EULA or Sections 2.2, 5 and/or 6 of this Agreement, Selectron may immediately terminate this Agreement. Licensee shall notify Selectron within twenty-four (24) hours of Licensee's becoming aware of any breach (other than by Selectron) of the terms and conditions of this Agreement, including, without limitation, any breach of Sections 2.2, 5 or 6.

11.3 Termination for Bankruptcy. Either party may terminate this Agreement if the other party (a) becomes insolvent; (b) fails to pay its debts or perform its obligations in the ordinary course of business as they mature; (c) is declared insolvent or admits its insolvency or inability to pay its debts or perform its obligations as they mature; or (d) becomes the subject of any voluntary or involuntary proceeding in bankruptcy, liquidation, dissolution, receivership, attachment, or composition, or makes a general assignment for the benefit of creditors, provided that, in the case of an involuntary proceeding, the proceeding is not dismissed with prejudice within sixty (60) days after the institution thereof.

11.4 Effect of Termination. Upon the expiration or termination of this Agreement, all rights and licenses granted to Licensee hereunder shall immediately and automatically terminate. Within ten (10) days after any termination or expiration of this Agreement, Licensee shall, at its sole expense, return to Selectron (or destroy, at Selectron's sole election) all Licensed Software and Proprietary Information of Selectron (and all copies, summaries, and extracts thereof) then in the possession or under the control of Licensee and its current or former employees. Licensee shall furnish to Selectron an affidavit signed by an officer of Licensee certifying that, to the best of its knowledge, such delivery or destruction has been fully effected. Termination of this Agreement by either party shall not act as a waiver of any breach of this Agreement and shall not act as a release of either party from any liability for breach of such party's obligations under this Agreement. Neither party shall be liable to the other for damages of any kind solely as a result of terminating this Agreement in accordance with its terms. Either party's termination of this Agreement shall be without prejudice to any other right or remedy that it may have at law or in equity, and shall not relieve either party of liability for breaches occurring prior to the effective date of such termination. Any provisions that would reasonably be expected by the parties to survive termination of this Agreement shall survive such termination, including without limitation the provisions of the EULA and Sections 1 ("Definitions"), 2.2 ("Software Restrictions"), 2.3 ("Data Restrictions"), 2.4 ("Rights in Aggregate Data"), 4 ("Fees and Payment") (with respect to amounts accrued but as-yet unpaid), 5 ("Proprietary Rights"), 6 ("Proprietary Information"), 7 ("Representations and Warranties; Warranty Disclaimer"), 8 ("Security"), 9 ("Indemnification"), 10 ("Limitation of Liability"), 11 ("Term and Termination") and 12 ("General Provisions").

12. General Provisions

12.1 Notices. Any notice, request, demand or other communication required or permitted hereunder shall be in writing, shall reference this Agreement, and shall be deemed to be properly given (on the earliest of) (a) when delivered personally; (b) when sent by facsimile, with written confirmation of receipt; or (c) upon receipt three (3) days after having been sent by registered or certified mail, return receipt requested, postage prepaid. All notices shall be sent to the address set forth on the signature page below (or to such other address as may be designated by a party by giving written notice to the other party pursuant to this Section 12.1).

12.2 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon, U.S.A., without reference to its conflicts of law provisions. The United Nations Convention on Contracts for the International Sale of Goods does not apply to and shall not

be used to interpret this Agreement. Any dispute regarding this Agreement must be brought in the state or federal courts located in Multnomah County, Oregon, U.S.A.

12.3 Construction. This Agreement has been negotiated by the parties and their respective counsel. This Agreement shall be interpreted fairly in accordance with its terms and without any construction in favor of or against either party.

12.4 Attorneys' Fees. If any legal action is brought relating to this Agreement or the breach hereof, the prevailing party in any final judgment shall be entitled to the full amount of all reasonable expenses, including all court costs and reasonable attorney fees paid or incurred.

12.5 Injunctive Relief. In the event that Licensee breaches any provision of the EULA or Sections 2, 5, or 6 or any other material provision of this Agreement, Licensee acknowledges and agrees that there may be no adequate remedy at law to compensate Selectron for such breach, that any such breach may result in irreparable harm to Selectron that would be difficult to measure; and, therefore, that upon any such breach or threat thereof, Selectron shall be entitled to seek injunctive and other appropriate equitable relief (without the necessity of proving actual damages or of posting a bond or other security), in addition to whatever remedies Selectron may have at law, in equity, under this Agreement, or otherwise.

12.6 Waiver. The waiver by either party of a breach of or a default under any provision of this Agreement, shall be in writing and shall not be construed as a waiver of any subsequent breach of or default under the same or any other provision of this Agreement, nor shall any delay or omission on the part of either party to exercise or avail itself of any right or remedy that it has or may have hereunder, operate as a waiver of any right or remedy.

12.7 Severability. If the application of any provision of this Agreement to any particular facts or circumstances shall be held to be invalid or unenforceable, then (a) the validity and enforceability of such provision as applied to any other particular facts or circumstances and the validity of other provisions of this Agreement shall not in any way be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties, and reformed without further action by the parties, to the extent necessary to make such provision valid and enforceable. Without limiting the generality of the

foregoing, Licensee agrees that Section 7.4 will remain in effect notwithstanding the unenforceability of any other provision hereof.

12.8 Independent Contractor Relationship. Selectron's relationship with Licensee will be that of independent contractor, and nothing contained in this Agreement shall be deemed or construed as creating a joint venture, partnership, or employer-employee relationship. Licensee is not an agent of Selectron and is not authorized to make any representation, contract, or commitment on behalf of Selectron, or to bind Selectron in any way. Selectron is not an agent of Licensee and is not authorized to make any representation, contract, or commitment on behalf of Licensee, or to bind Licensee in any way. Selectron will not be entitled to any of the benefits that Licensee may make available to its employees, such as group insurance, profit sharing, or retirement benefits.

12.9 Force Majeure. Except for the payment of monies due hereunder, neither party shall be responsible or have any liability for any delay or failure to perform to the extent due to unforeseen circumstances or causes beyond its reasonable control, including, without limitation, acts of God, earthquake, fire, flood, embargoes, labor disputes and strikes, riots, war, error in the coding of electronic files, Internet or other network "brownouts" or failures, power failures, novelty of product manufacture or other unanticipated product development problems, and acts of civil and military authorities; provided that such party gives the other party prompt written notice of the failure to perform and the reason therefor and uses its reasonable efforts to limit the resulting delay in its performance and to mitigate the harm or damage caused by such delay.

12.10 Public Announcements. Licensee shall cooperate with Selectron so that Selectron may issue a press release concerning this Agreement; provided, however, Selectron may not release any such press release without the prior approval of Licensee (which shall not be unreasonably withheld, delayed, or conditioned). However, without seeking prior approval in each instance, Selectron shall have the right to use Licensee's name as a customer reference, and to use Licensee's trade name on Selectron's customer lists.

12.11 U.S. Government Rights. (a) The Licensed Software is a "commercial item," as that term is defined at 48 C.F.R. 2.101, consisting of "commercial computer software" and "commercial computer software documentation," as such terms are used in 48 C.F.R.

12.212 or 48 C.F.R. 227.7202, as applicable. Consistent with 48 C.F.R. 12.212 and 48 C.F.R 227.7202-1 through 227.7202-4, the Licensed Software are licensed to any U.S. Government End Users (i) only as a commercial item and (ii) with only those rights as are granted to all other end users pursuant to the terms and conditions herein. Manufacturer is Selectron Technologies, Inc., 12323 SW 66th Avenue, Portland, OR 97223, USA. This Section, consistent with 48 C.F.R. § 12.212 and 48 C.F.R. § 227.7202 is in lieu of, and supersedes, any other Federal Acquisition Regulation, Defense Federal Acquisition Regulation Supplement, or other clause or provision that addresses United States Government rights in computer software, technical data, or computer software documentation.

(b)   The parties agree that, in the event that Licensee is a governmental entity, all other state and local governments within Licensee's state may purchase a license from Selectron to use the Licensed Software under the same terms and conditions as set forth in this Agreement by entering into a master services and hosting agreement with the same terms and conditions as set forth herein with Selectron.

12.12   Export Controls. The Licensed Software is subject to the export control laws of the United States and other countries. Licensee may not export or re-export the Licensed Software, unless Licensee has first obtained Selectron's prior written permission and the appropriate United States and foreign government licenses, at Licensee's sole expense. Licensee must otherwise comply with, and contractually require that all of its employees comply with, all applicable export control laws and regulations in the use of the Licensed Software. None of the Licensed Software may be downloaded or otherwise exported or re-exported (a) into any country for which the United States has a trade embargo, or (b) to anyone on the U.S. Treasury Department's list of Specially Designated Nationals or the U.S. Commerce Department's Denied Persons List. Licensee represents and warrants that it is not located in, under the control of, or a national or resident of any such country or on any such list. Licensee shall defend, indemnify and hold Selectron and all successors, assigns, affiliates, suppliers, and each of their officers, directors, employees, and agents harmless for, from, and against any and all claims, allegations, damages,

liabilities, and costs and expenses (including without limitation attorneys' fees and costs) arising out of Licensee's violation of such export control laws. Licensee further agrees to comply with the United States Foreign Corrupt Practices Act, as amended.

12.13   Captions and Section Headings. The captions and Section and paragraph headings used in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement.

12.14   Counterparts. This Agreement may be signed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement, and, when taken together, shall be deemed to constitute one and the same agreement. Each party agrees that the delivery of this Agreement by facsimile transmission or by PDF attachment to an e-mail transmission will be deemed to be an original of the Agreement so transmitted and, at the request of either party, the other party will confirm facsimile or e-mail transmitted signatures by providing the original document.

12.15   Modification; Subsequent Terms. No amendment or modification of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized signatory of Selectron and Licensee. To the extent that the terms and conditions of the Exhibits hereto or Exhibits to subsequent amendments or modifications of or to the Agreement ("Subsequent Terms") differ from those herein, those Subsequent Terms shall control the interpretation and any conflict resolution thereof. The terms on any purchase order or similar document submitted by Licensee to Selectron will not modify the terms and conditions of this Agreement.

12.16   Entire Agreement; Amendment. This Agreement, including the Exhibit(s) attached hereto, constitutes the entire agreement between the parties concerning the subject matter hereof, and supersedes (a) all prior or contemporaneous representations, discussions, proposals, negotiations, conditions, agreements, and communications, whether oral or written, between the parties relating to the subject matter of this Agreement, and (b) all past courses of dealing and industry custom.

In Witness Whereof, the parties have caused this Agreement to be executed by duly authorized representatives of the parties as of the Effective Date.

SELECTRON TECHNOLOGIES, INC.
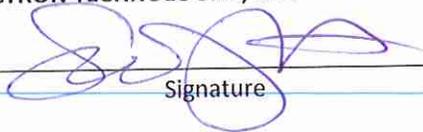
By: _____
Signature

Name: ____Todd A. Johnston____

Title: ____President____

Date: ____7-18-17____

Address: 12323 SW 66th Avenue

Portland, OR 97223

LICENSEE

By: ____John Karns____
Signature

Name: ____JOHN KARNS____

Title: ____INTERIM CITY ADMINISTRATOR____

Date: ____7-20-17____

Address: ____20 E. MAIN____

____ASHLAND OR____

____97520____

APPROVED AS TO FORM

_____
Ashland City Attorney

Date__7-21-17__

RELAY CLOUD SERVICES PAYMENTS IVR

SETUP FEES

Quantity	Item	Unit Price	Extended Price
1	Custom Real Time Integration Fee - Tyler Munis	$5,000	$5,000
1	Spanish Add On	$2,500	WAIVED
1	Partial Payment Add On	$2,500	WAIVED
1	Custom Min/Max Payments	$1,500	WAIVED
1	OpenEdge Integration Fee	$5,000	$5,000
		SETUP FEE SUBTOTAL	**$10,000**

ANNUAL FEES

Quantity	Item	Unit Price	Extended Price
1	Annual Service Fee	$6,000	$6,000
18,000	Per Call Fee*	$0.50	$9,000
12,000	Per IVR Payment Fee*	$0.25	$3,000
		ANNUAL FEE SUBTOTAL**	**$18,000**

* Estimated annual fees presented in the pricing table are based on volume estimates. Price will vary based on actual volume.

** Pricing outlined above assumes a 5 year initial contract term

RCS PAYMENT SCOPE

The Relay Cloud Services Payment system offers the ability to make payments via IVR. The following features are offered as part of the RCS Payment system:

- A customer account number is input via touchtone and validated to access payment balance data
- The system reads/ views the payment amount due and date
- The payment is collected via credit/debit card only. Partial, full and over payments are allowed.
- The system will allow for minimum and maximum payment thresholds to be established
- The system supports AVS and CVV2
- RCS sends back payment reconciliation data (amount paid, date/time, associated with account)
- A standard payment summary report is provided

Assumptions

- RCS is maintained in a multi-tenant, Software as a Service (SaaS) environment, hosted by Selectron.
- The City of Ashland is absorbing the payment fees (i.e. customers are not being charged a convenience fee to be paid to Selectron)
- The City of Ashland is responsible for all payment processing and payment gateway fees direct from OpenEdge. These fees do not flow through Selectron.
- A "call" is defined as any valid telephone connection (does not include telephony errors and no answers). A single call is up to 4 minutes in length; each subsequent period up to 4 minutes is considered an additional call.
- The City of Ashland has elected to _not_ allow transfers off of the RCS Payments IVR.

Payment Gateway Integration

- The payment gateway that RCS Payments will be integrating to is OpenEdge.

Application Database Integration

Selectron will be integrating to Tyler Munis. In order to successfully integrate in a real-time fashion with the application database, Selectron utilizes the following two types of integration:

1. A Web-Service API, exposed via HTTPs accessible without special networking considerations. Methods required include:

- GetPayment due (passing in account number, some authentication)
- ApplyPayment (passing in account number, some authentication)

2. Site-to-site pinhole tunnel that allows TCP/IP traffic between RCS and the database interface on premise

If neither of these connectivity options are available, a Selectron-defined flat file can be imported and exported   with manual reconciliation via the payment report. This is a non-realtime alternative. Please note that no VPN connectivity is permitted in the RCS multi-tenant environment.

RELAY CLOUD SERVICES OUTBOUND

SETUP FEES

Quantity	Item	Unit Price	Extended Price
1	Customer Setup *(includes Voice, Email, and SMS channels, and Static Notifications)*	$5,000	$5,000
2	Dynamic Notifications *(created by Selectron)*	$1,500	$3,000
2	Add On Spanish for Dynamic Notifications	$300	$600
1	Transfers to Relay IVR*	$1,500	Waive

	SETUP FEE SUBTOTAL	$8,600
	RCS Payment Discount	*($5,000)**
	SETUP FEE SUBTOTAL w/ Setup Fee Waived	$3,600

PRE-PAID MESSAGE BUNDLES

Quantity	Transaction Bundles		Unit Price	Extended Price
1	20,000	Delivered Messages	$6,000	$6,000
0	50,000	Delivered Messages	$10,000	$0
0	100,000	Delivered Messages	$15,000	$0

	PRE-PAID MESSAGE BUNDLE SUBTOTAL	$6,000
	Pre-Paid Messages Purchased	*20,000*
	Average Cost Per Message	*$0.30*

RCS OUTBOUND TOTAL*	**$9,600**
Includes Setup and Message Bundles	

*   *Customer Setup Fee is Waived if RCS Payment IVR is Purchased at the same time*

RCS OUTBOUND SCOPE

The Relay Cloud Services Outbound system offers the following functionality.

- English Notifications with Spanish Add On Option for Dynamic Notifications
- Static Notification: General Information/ non-account specific messages that are configured and recorded
  by the Customer.

- Dynamic Notifications: Account-specific message created by Selectron that utilizes account specific information that is accessed through flat file provided by the City of Ashland.
  Dynamic Notifications to be created for Ashland include:
  - Delinquent Account Notification with option to transfer to IVR to make payment without need to authenticate
  - Impending Shutoff Notification with option to transfer to IVR to make payment without need to authenticate
- Flat file information, consisting of call lists and account information, can be uploaded directly on the RCS website or automatically placed and uploaded via an FTP site.

- RCS Outbound has a web-based interface to configure and send messages as campaigns. Campaigns are initiated by the Customer; however Dynamic Notifications outlined above are automated by Selectron based on system data.

Outbound messages are purchased in annual message bundles. Messages, as defined by the agreement, that are not used rollover to the next qualifying renewal. The rollover messages from one period may only be used to offset overages in the next immediate period. If there are no overages from one period, the rollover messages from the prior period expire.

A qualifying renewal is one that is equal to or greater than the previous period. If customer chooses to reduce the annual plan renewal, rollover messages do not apply.

PRICING & PAYMENT INFORMATION

Pricing does not include additional application integration charges that may be required as part of this solution. This includes Application Vendor API, user, or implementation fees, additional licensing fees, or other surcharges directly or indirectly charged by or remitted to the Application Vendor.

SETUP FEE PAYMENT SCHEDULE

100%   Invoiced at time of execution of contracts

PRE-PAID CALL AND MESSAGE BUNDLE FEE SCHEDULE

100%   Invoiced 45 days upon anticipated reload of messages

Calls, as defined by the agreement, that are not used rollover to the next qualifying renewal. The rollover calls from one period may only be used to offset overages in the next immediate period. If there are no overages from one period, the rollover calls from the prior period expire.

A qualifying renewal is one that is equal to or greater than the previous period. If customer chooses to reduce the annual plan renewal, rollover calls do not apply.

PRICING SUMMARY

		RCS Payments	RCS Outbound	Total
Year 1	Setup	$10,000.00	$3,600.00	$13,600.00
	Bundles	18,000.00	6,000.00	24,000.00
				37,600.00
Year 2	Bundles	18,000.00	6,000.00	24,000.00
Year 3	Bundles	18,000.00	6,000.00	24,000.00
Year 4	Bundles	18,000.00	6,000.00	24,000.00
Year 5	Bundles	18,000.00	6,000.00	24,000.00

TAXES

Sales Tax or any other applicable taxes are **NOT** included in any of this proposal's pricing information. If taxes become applicable, these taxes will then need to be added to the proposed pricing.

PAYMENT TERMS

Terms are net 30 from date of invoice. Past due invoices are subject to a 1.5% per month late fee. All presented pricing is in US Dollars.

VENDOR INFORMATION

Selectron Technologies, Inc.
12323 SW 66th Avenue Portland, OR 97223
Ph: 503.443.1400   Fax: 503.443.2052

EXHIBIT B

Maintenance and Technical Support

This Exhibit describes the software maintenance and support services that Selectron shall provide for Licensee.

I. Definitions

Unless defined otherwise herein, capitalized terms used in this Exhibit shall have the same meaning as set forth in the Agreement.

A. **"Error"** means any failure of the Licensed Software to conform in any material respect with the Documentation.

B. **"Error Correction"** means either a bug fix, patch, or other modification or addition that brings the Licensed Software into material conformity with the Documentation.

C. **"Priority A Error"** means an Error that renders Licensed Software inoperative or causes a complete failure of the Licensed Software, as applicable.

D. **"Priority B Error"** means an Error that substantially degrades the performance of Licensed Software, as applicable, or materially restricts Licensee's use of the Licensed Software, as applicable.

E. **"Priority C Error"** means an Error that causes only a minor impact on Licensee's use of Licensed Software, as applicable.

II. Error Reporting and Resolution

A. **Error Reporting.** Selectron shall provide Licensee with telephone customer support twenty-four (24) hours per day, seven (7) days per week for the reporting of Priority A Errors, and telephone support during Selectron's normal business hours for the reporting of Priority B and Priority C Errors, in each event excluding Selectron holidays.

B. **Licensed Software Error Resolution.** Selectron shall use commercially reasonable efforts to: (a) notify applicable Vendors of all Licensed Software Errors properly reported by Licensee in accordance with Section II(A) of this Exhibit B; (b) make available to Licensee any Error Corrections that are made available by such Vendor(s) to Selectron promptly after such Error Corrections are delivered to Selectron; and (c) update Licensee with respect to the progress of the resolution of all Licensed Software Errors.

C. **Error Resolution.** Licensee shall report all Errors in the Licensed Software to Selectron in sufficient detail, with sufficient explanation of the circumstances under which the Error occurred or is occurring, and shall reasonably classify the Error as a Priority A, B, or C Error. Selectron shall use commercially reasonable efforts to correct any Error in the Licensed Software reported by Licensee, in accordance with the priority level actually assigned by Selectron to such Error, as follows:

1. **Priority A Errors.** In the event of a Priority A Error, Selectron shall, within two (2) hours of receiving Licensee's report, commence verification of the Error. Upon verification, Selectron shall use commercially reasonable efforts to resolve the Error with an Error Correction. Selectron shall use commercially reasonable efforts to provide a workaround for the Error within twenty-four (24) hours of receiving Licensee's report of such Error, and an Error Correction within forty-eight (48) hours of receiving Licensee's report. Selectron shall provide Licensee with periodic reports (no less frequently than once every eight (8) hours) on the status of the Error Correction.

2. **Priority B Errors.** In the event of a Priority B Error, Selectron shall, within six (6) hours of receiving Licensee's report, commence verification of the Error. Upon verification, Selectron shall use commercially reasonable efforts to resolve the Error with an Error Correction. Selectron shall use commercially reasonable efforts to provide a workaround for the Error within forty-eight (48) hours of receiving Licensee's report of such Error, and an Error Correction within six (6) business days of receiving Licensee's report. Selectron shall provide Licensee with periodic reports (no less frequently than once every twelve (12) hours) on the status of the Error Correction.

3. **Priority C Errors.** In the event of a Priority C Error, Selectron shall, within two (2) business days of receiving Licensee's report, commence verification of the Error. Upon verification, Selectron shall use commercially reasonable efforts to resolve the Error with an Error Correction. Selectron shall use commercially reasonable efforts to provide a workaround for the Error within six (6) business days of receiving Licensee's report of such Error, and an Error Correction within three (3) weeks of receiving Licensee's report. Selectron shall provide Licensee with periodic reports on the status of the Error Correction.

EXHIBIT C

Statement of Work

Selectron
TECHNOLOGIES, INC

Statement of Work

Ashland, OR

Relay
RCS Payments
RCS Outbound

1. Overview

This Statement of Work (SOW) outlines the services provided by Selectron Technologies, Inc. (Selectron) to Ashland, OR (Ashland or Customer). The features, functionality, and services are provided through Selectron Technologies' Relay communication platform (Relay).

1.1. Revision History

Version #	Details	Date
1.0	Initial Release	6/28/2017

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2. Functionality

This section details the functionality of each application included in Relay. All functions and features are dependent upon the accessibility of Ashland's Tyler Munis application database to provide the given data to Relay.

2.1. Relay Cloud Services

Relay Cloud Services is a multi-tenant hosted application, located in Selectron's local hosting facility. The streamlined nature of the service requires a standardized approach to the service, with some configuration options as listed in this Statement of Work. Relay Cloud Services provides Ashland with a 24/7 access center for citizen payments. Relay Cloud Services will give users the option of making a payment. Payment options can include credit/debit card or e-check.

2.1.1. IVR Channel

The IVR Channel for Relay Cloud Services provides callers with an Interactive Voice Response (IVR) system for making payments over the phone. Citizens will enter an account number via touchtone and the IVR validates this against the Tyler Munis application database. Once the account is validated, the IVR will speak the total amount due. The total amount due includes an aggregate of all current and delinquent amounts owed. The caller will then be given the option of making a payment, including partial/overpayments. If no payment is due, then the IVR will speak that there is currently no payment due. Transfers will not be available from the IVR.

2.2. Relay Cloud Services Outbound

Relay Cloud Services (RCS) Outbound provides Ashland with a multi-channel outbound communication platform capable of sending Voice, SMS, and email messages to citizens. Two kinds of notifications can be sent: Targeted Notifications, which include dynamic account data and are designed to be sent to specific recipients; and Static Notifications, which do not include customer-specific data and are designed as more 'general information' style messaging. Static Notifications can be designed and recorded by Ashland staff using the web-based administration portal.

With transfers enabled, call recipients will be able to request a transfer to an external number directly from the outbound call. Each transfer made in this way is treated as an additional call and counted against Ashland's outbound message bundle. A "call" is defined as any valid telephone connection (does not include telephony errors and no answers). A single call is up to 4 minutes in length; each subsequent period up to 4 minutes is considered an additional call.

Ashland's RCS Outbound will include targeted notification messaging in the following language(s): English, Spanish.

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Dynamic Notifications require development and are designed during the implementation process. Account-specific messages created by Selectron will utilize account-specific information that is accessed through a flat file provided by the City of Ashland. This project includes the following Dynamic Notifications:

2.2.1. Bill Delinquency Notification

The Delinquency Notification is used to warn citizens that their account is delinquent. It includes the following customer-specific data: account number, delinquent amount, and due date. When a customer is contacted via phone, they will have the ability to transfer back to the IVR to make a payment without the need to authenticate.

2.2.2. Impending Shutoff Notification

The Impending Shutoff Notification is used to warn citizens that their account will be shut off very soon. It presents the following customer-specific data: account number, delinquent amount, due date, and shutoff date. When a customer is contacted via phone, they will have the ability to transfer back to the IVR to make a payment without the need to authenticate.

2.2.3. Static Notifications

Ashland will be able to send Customer-defined static notifications to citizens via phone, email, or SMS text. Ashland is responsible for defining and configuring these notifications. Training for configuring and recording static notifications will be provided at the end of the implementation process.

2.3. Payment Processing

The Relay solution can be configured to accept credit card and e-check payments, allowing citizens to make payments. The payment processing engine is a PA-DSS-Verified payment system that **does not** retain any payment information. Users will need to enter their payment information for each transaction. The system will also allow for minimum and maximum payment thresholds to be established by the City.

The Relay payment application interacts with the OpenEdge payment gateway to provide payment functionality. Users will need to authenticate and provide valid payment information in order to make a payment. Relay validates the user's payment information before passing it to the payment gateway. Relay sends back payment reconciliation data (amount paid, date/time, associated with account), and a standard payment summary report is provided.

Ashland will be able to take payments from citizens via the following payment methods:
- Credit Card

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2.3.1. Credit Card

The interactive solution accepts Visa®, MasterCard®, Discover®, and American Express®. Ashland can elect to accept all or a subset of these card types. Any credit card types not accepted by Ashland will not be accepted by the solution. The system supports AVS and CVV2. When taking a payment, Relay verifies the credit card number and expiration date. For more security, Ashland can choose to verify the card holder's zip code and/or security code. All credit card transactions are sent through the designated payment gateway.

2.4. Languages

The Customer's Relay application will be configured to support English and the following other language(s):

- Spanish

The additional language module(s) enables the solution to support non-English-language users. Additionally, all dates, numbers, ordinals, currencies, and letters are translated (and voice recorded) to the proper language.

The professionally-recorded prompts use a vocabulary and dialect predetermined by Selectron. Additions and changes to the prompts to account for regional differences are subject to time and materials billing.

Ashland will be able to define a destination for each language available on the IVR.

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3. System Integration

Depending on the implemented features, Relay requires varying levels of integration with other Ashland components. These are described in the following sections.

3.1. Application Database Interfaces

It is anticipated that Selectron will be integrating with Ashland's Tyler Munis application database. All data-based interactivity on the solution is reliant upon data being available via the application vendor APIs.

During the implementation phase, if data elements are identified as necessary but are not available via the included APIs, the project will be impacted. This may affect the implementation timeframe and will result in additional professional services fees.

3.2. Payment Gateway Interfaces

The payment processing service is PA-DSS validated and located in a PCI certified payment environment. Integration to the payment gateway initiates the collection and reconciliation of the payments being gathered by the department. It is required that the payment gateway be on the list of Selectron-certified payment gateways and that it integrates utilizing a REST/Web Service implementation.

Selectron understands that Ashland has selected OpenEdge as their payment processing vendor. If the City elects to implement a different payment gateway, it must select from the list of Selectron's approved payment gateways. Approved gateways are:

- USA ePay (AMS)
- PayFlowPro (PayPal)
- Payments Gateway (Forte)
- Invoice Cloud
- Global Gateway e4 (FirstData)
- PayPoint (FirstData)
- Simple Order (CyberSource)
- Authorize.net
- Bluefin
- BridgePay
- Converge
- Kubra
- NIC
- TrustCommerce
- Govolution
- ACI (a.k.a. Official Payments)
- Paymentus

If the Customer does not pick a vendor on this list, Selectron will work with Ashland to get the gateway of choice approved. The approval process includes additional development as well as software validation to comply with the Payment Card Industry's PA-DSS standards. This will require additional professional services costs and will impact the project timeline.

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The following payment processing fees and services are not covered by the purchase of the application:
- Transaction fees
- Merchant accounts
- Third-party payment processing services, fees, and software

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4. Deployment Model

This implementation of Relay will be deployed to Selectron's multi-tenant Relay Cloud Services environment located in Selectron's local hosting facility. Selectron's hosting facility is a co-located data center featuring keyed entry and individual server locks for security. With an RCS solution, Selectron owns all hardware and is responsible for security, ongoing maintenance, and proactive support.

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5. Administrative Tasks

This section details administrative tasks that can be performed in order to manage Relay. An administrator from Ashland will be provided with user credentials for the web application during the implementation process. Additional users can be created by the administrator as needed. Permissions can be assigned on a per-user basis; permissions govern the functionality available to a given user.

The web-based administration portal is supported on all modern, "evergreen" browsers including: Chrome, Firefox, IE10+, Microsoft Edge, and Safari.

5.1. Schedule Outbound Campaigns

Administrators can create, edit, and review outbound campaigns made using Relay Outbound. Each instance of an outbound campaign must be scheduled individually. This includes selecting the type of notification, the date/time of delivery, and (for static notifications) the configuration of the message.

The administrator will also need to upload a contact list in .csv format for the notification. The exact formatting of the .csv file will vary depending on the notification being scheduled. Selectron will provide Ashland with example .csv files for the configured notifications included in this project, as well as assistance in generating the outbound call list.

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6. Responsibilities

6.1.   Selectron Technologies, Inc.

This section outlines Selectron Technologies' responsibilities regarding service initiation and operation.

6.1.1. Provide Project Management

Selectron Technologies assigns a Project Manager to the service implementation. The Project Manager is the Customer's primary contact at Selectron Technologies and coordinates all necessary communication and resources.

6.1.2. Provide Documentation

The Project Manager provides the Customer with the following documents to help facilitate the service implementation process:

- Implementation Questionnaire- gathers critical information needed to setup and initiate the service. This includes information on the toll-free numbers, call volume, APIs, and the types of payments being gathered.
- Remote Access Questionnaire- details information needed by Selectron Technologies to remotely access the Customer's network and application database, prior to system initiation, to allow for complete system testing.
- Implementation Timetable- details project schedule and all project milestones.
- Quality Assurance Test Plan- assists the Customer in determining that the interactive solution is functioning as specified in the Contract.
- Service Acceptance Sign-off Form- indicates that the Customer has verified service functionality.

6.1.3. Perform Quality Assurance Testing

Selectron Technologies thoroughly tests all applications and integration points prior to initiation, ensuring system functionality. This includes data read from and written to the application database and the general ability for a customer to successfully access live data and complete a transaction.

6.1.4. Provide Installation and Administrative Training

Selectron will provide remote training for the Relay solution. All installation is handled by Selectron technical staff at our remote hosting facility.

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6.1.5. Provide Marketing Materials

Selectron Technologies provides marketing collateral that the Customer can use to promote the interactive solution to citizens. Marketing collateral includes a poster, tri-fold brochure, and business card; standard templates for each item are used. Collateral is provided to the Customer in PDF format (original Adobe InDesign files are provided upon request).

Marketing collateral will be provided for each department included in this project. Selectron Technologies' Project Manager will assist in gathering the correct information to be displayed on the marketing collateral. Information displayed includes the following:

- IVR phone number(s)
- Department logo (preferably in EPS format)
- Department address
- A description of functionality
- Additional contact/informational phone numbers
- Samples: where to find account/ permit/ case numbers, etc.

Any changes to the collateral that do not include the items listed above (e.g., design changes to the template) are billed on a time and materials basis. Any changes to the marketing materials after final delivery are also billed on a time and materials basis.

6.1.6. Interface Upgrades

After service initiation, Ashland's Tyler Munis database application may release new updates to their application or its interface. Upgrading the Relay interface to be compatible with any Ashland application database (or other application database software) may require professional services outside the scope of this service.

6.2. Ashland, OR

This section outlines the Customer's service implementation and maintenance requirements and responsibilities.

6.2.1. Return Questionnaires and Information

Selectron Technologies' Project Manager provides Ashland with an implementation questionnaire. The implementation questionnaire must be returned prior to developing the call flow design and the implementation timetable.

6.2.2. Provide Customer Specific Information

The following information should be supplied to Selectron Technologies, in conjunction with the Implementation Questionnaire, to help create a precisely integrated product. For further clarification on the format and detail of the following data, refer to the Implementation Questionnaire or contact your Selectron Technologies' Project Manager.

- Street names
- Observed holidays
- Extensions used for transfer functions

6.2.3. Provide Remote Network Access to Application Database(s)

In order to fully test the interactive solution, Selectron Technologies requires access to Ashland's application database(s) prior to installation. The Customer will help facilitate communication between Selectron and the database vendor.

6.2.4. Provide System Access

Selectron Technologies requires access to the Customer's network and database/ system. Changing or deleting access accounts could lead to disruption in service for the interactive solution and/or Selectron Technologies' ability to provide timely support. Please notify Selectron Technologies immediately if the accounts for the Application Database, payment gateway or network are modified. Ashland is responsible for providing Selectron with appropriate application database and payment gateway network access as defined in the System Integration section.

6.2.5. Confirm Service Functionality

Ashland, OR has 30 calendar days after service initiation to verify the functionality of the interactive solutions. Within the 30-day system acceptance period the Customer should test system functionality using the provided Quality Assurance Test Plan. Additionally, the System Acceptance Sign-off form must be sent to Selectron Technologies' Project Manager within this period.

6.2.6. Contact Customer Support

Anytime the Customer requests a significant change to their Selectron interactive solution, an authorized contact from the agency must provide acknowledgement to Selectron's Customer Support Department. A significant change is a modification that will A) change system behavior, B) allow users to change the system, or C) allow access to protected data.

EXHIBIT D

SELECTRON TECHNOLOGIES, INC.

END USER LICENSE AGREEMENT

This End User License Agreement (this "**EULA**") is part of a Master Services and Hosting Agreement (the "**Master Agreement**") between Selectron Technologies, Inc., an Oregon corporation ("**Selectron**", "**we**", "**our**", or "**us**") and the person or entity identified in the Master Agreement as the Licensee purchasing Services from us ("**Licensee**"). This EULA governs use by Licensee and all natural persons to whom Licensee provides access to the Licensed Software (each, an "**Authorized User**"). In this EULA, unless the context clearly indicates otherwise, all references to "**you**," or "**your**" means both the Licensee and the Authorized User. All capitalized terms used but not defined in this EULA have the meanings given to them in the Master Agreement.

SELECTRON PROVIDES THE LICENSED SOFTWARE SOLELY ON THE TERMS AND CONDITIONS SET FORTH IN THIS EULA AND ON THE CONDITION THAT YOU ACCEPT AND COMPLY WITH THEM. IF YOU DO NOT AGREE TO THE TERMS OF THIS EULA, SELECTRON WILL NOT AND DOES NOT LICENSE THE LICENSED SOFTWARE TO YOU, AND YOU MUST NOT USE OR ACCESS THE SOFTWARE.

1.   License Grant. Subject to your strict compliance with this EULA, Selectron hereby grants you a non-exclusive, non-transferable, non-sublicensable, limited license to use the Licensed Software solely in accordance with the Documentation, the Master Agreement, and this EULA, for Licensee's internal business purposes. The foregoing license will terminate immediately on the earlier to occur of:

(a)   the expiration or earlier termination of the Master Agreement between Selectron and Licensee; or

(b)   your ceasing to be authorized by Licensee to use the Licensed Software for any or no reason.

2.   Scope of License. Subject to and conditioned upon Licensee's timely payment of the fees set forth in the Master Agreement and your strict compliance with all terms and conditions set forth in this EULA and the Master Agreement, you have a limited right and license to:

(a)   Use and access the Licensed Software in accordance with this EULA and the Documentation, solely for Licensee's internal business purposes.

(b)   Download, display, and use the Documentation, solely in support of Licensee's use and access of the Licensed Software in accordance herewith.

(c)   Download, display, copy, use, and create derivative works of reports and structured data generated using the Licensed Software, solely for Licensee's internal business purposes.

3.   Copies. All copies of the Licensed Software and Documentation made by you:

(a)   Will be the exclusive property of Selectron;

(b)   Will be subject to the terms and conditions of the Master Agreement and this EULA; and

(c)   Must include all trademark, copyright, patent and other intellectual property rights notices contained in the original.

4.   **Use Restrictions**. You shall not, directly or indirectly:

(a)   Use the Licensed Software beyond the scope of the license granted in the Master Agreement and Section 2 of this EULA;

(b)   Copy all or any portion of the Licensed Software, except as expressly permitted in Section 2 of this EULA;

(c)   Decompile, disassemble, decode, or otherwise reverse engineer the Licensed Software, or any portion thereof, or determine or attempt to determine any source code, algorithms, methods, or techniques used or embodied in the Licensed Software or any portion thereof;

(d)   Modify, translate, adapt or otherwise create derivative works or improvements, whether or not patentable, of the Licensed Software or any part thereof;

(e)   Provide any other person, including any subcontractor, independent contractor, affiliate, service provider, or other employee of Licensee, with access to or use of the Licensed Software, except as expressly permitted by the Master Agreement or this EULA;

(f)   Distribute, disclose, market, rent, lease, lend, sell, timeshare, sublicense, assign, distribute, pledge, publish, transfer or otherwise make available the Licensed Software or any features or functionality of the Licensed Software, to any third party for any reason, whether or not over a network and whether or not on a hosted basis, including in connection with the internet, web hosting, wide area network (WAN), virtual private network (VPN), virtualization, time-sharing, service bureau, software as a service, cloud or other technology or service, except as expressly permitted by the Master Agreement or this EULA;

(g)   Use the Licensed Software for the commercial or other benefit of a third party;

(h)   Permit the Licensed Software to be used for or in connection with any facility management, service bureau, or time-sharing purposes, services, or arrangements, or otherwise used for processing data or other information on behalf of any third party;

(i)   Remove, delete, alter or obscure any trademarks or any copyright, trademark, patent or other intellectual property or proprietary rights notices, legends, symbols, or labels appearing on or in the Licensed Software, including any copy thereof;

(j)   Perform, or release the results of, benchmark tests or other comparisons of the Licensed Software with other software or materials;

(k)   Incorporate the Licensed Software or any portion thereof into any other materials, products, or services, except as expressly permitted by the Master Agreement or this EULA;

(l)   Use the Licensed Software for any purpose other than in accordance with the terms and conditions of this EULA and the Master Agreement.

(m)   Use the Licensed Software in, or in association with, the design, construction, maintenance or operation of any hazardous environments or systems, including (i) power generation systems; (ii) aircraft navigation or communication systems, air traffic control systems or any other transport management systems; (iii) safety-critical applications, including medical or life-support systems, vehicle operation applications or

any police, fire or other safety response systems; (iv) military or aerospace applications, weapons systems or environments;

(n)   Use the Licensee Data or the Licensed Software in any way that is fraudulent, misleading, or in violation of any applicable laws or regulations (including federal, state, local, and international laws and regulations), including but not limited to export or import control laws, information privacy laws, and laws governing the transmission of commercial electronic messages; or

(o)   Use the Licensed Software for purposes of competitive analysis of the Licensed Software, the development of a competing software product or service or any other purpose that is to Selectron's commercial disadvantage.

5.   **Collection and Use of Information.** Selectron may, directly or indirectly through the services of others, including by automated means and by means of providing maintenance and support services, collect and store information regarding your use of the Licensed Software, its performance, the equipment through which the Licensed Software accessed and used, such as dates and times of use by each Authorized User, activities conducted using the Licensed Software, the type of web browser used to access the Licensed Software, the operating system/platform you are using, your IP address, and your CPU speed. You agree that the Selectron may use such information for any purpose related to the Licensed Software, including but not limited to improving the performance of the Licensed Software, developing Updates, and verifying compliance with the terms of this Agreement and enforcing Selectron's rights, including all intellectual property rights in and to the Licensed Software.

6.   **Intellectual Property Rights.** You acknowledge that the Licensed Software is provided under license, and not sold, to you. You do not acquire any ownership interest in the Licensed Software under this EULA or the Master Agreement, or any other rights to the Licensed Software other than to use the Licensed Software in accordance with the license granted under this EULA and the Master Agreement, subject to all terms, conditions and restrictions contained therein and herein. Selectron reserves and shall retain its entire right, title and interest in and to the Licensed Software and all intellectual property rights arising out of or relating to the Licensed Software, subject to the licenses expressly granted in the Master Agreement and this EULA. You shall use commercially reasonable efforts to safeguard all Licensed Software (including all copies thereof) from infringement, misappropriation, theft, misuse or unauthorized access.

7.   **Login Credentials.** You, the Authorized User, shall not share or disclose your log-in credentials with or to any other individual or entity, even if such other individual is also an Authorized User. If you discover or suspect that log-in credentials of any Authorized User have been accessed or used by anyone other than the individual to whom such log-in credentials were originally granted, you will promptly notify Selectron, and Selectron shall promptly reset or provide Licensee with a means of resetting the password associated with such log-in credentials.

8.   **Export Regulation.** The Licensed Software may be subject to US export control laws, including the US Export Administration Act and its associated regulations. You shall not, directly or indirectly, export, re-export or release the Licensed Software to, or make the Licensed Software accessible from, any jurisdiction or country to which export, re-export or release is prohibited by law, rule or regulation. You shall comply with all applicable federal laws, regulations and rules, and complete all required undertakings (including obtaining any necessary export license or other governmental approval), prior to exporting, re-exporting, releasing or otherwise making the Licensed Software available outside the US.

9.   **Governing Law.** This EULA shall be governed by and construed in accordance with the internal laws of the State of Oregon without giving effect to any choice or conflict of law provision or rule (whether of the State of Oregon or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Oregon.

June 29, 2020

Bryn Morrison
20 E. Main Street,
Ashland, OR 97520

Dear Mr. Morrison,

This letter is intended to be a letter of understanding between the City and Selectron Technologies, Inc., regarding the Scope of Work and for the implementation of your Selectron system.

As accepted by the City below, this will constitute acceptance of the items within this letter, the enclosed Statement of Work and the terms and conditions currently in effect in the Professional Services Agreement, Software License Agreement and Support and Maintenance Agreement for the purchase of the Selectron Solution. If there is a conflict with a term within these documents, the order of precedence will be:

- Letter of Understanding
- Scope of Work starting on page 2 of this letter
- Statement of Work starting on page 5 of this letter
- Master Services and Hosting Agreement dated July 20, 2017

If you have any questions or concerns, please do not hesitate to contact us at your earliest convenience.

Sincerely,

Todd A. Johnston
President and CEO

Accepted By: _____
                  Authorized Representative

Date Accepted: _____

Scope of Work

One-Time Setup Fees	

One-Time Setup Fee: IVR Call Flow Modification $15,000

Selectron will provide professional services to modify the City's RCS Payments IVR Call Flow. Selectron's Project Manager will work with the City to review the IVR call flow and finalize the changes needed. Below are the changes initially identified by the City, but may change after official review with Selectron's Project Manager:

1. When the IVR answers, go immediately to "Language Selection". Remove all greetings. The City may also choose to remove "Language Selection" and go directly to "Account Number Entry".
2. Once language is selected, go directly to "Account Number Entry" on Page 2 of the call flow. Remove "Main Menu".
3. Allow the caller to transfer to Ashland Staff (541-552-2246) by pressing 0 at any point in the call flow (where logical and feasible).

Project Management	Included
Software Development	Included
Quality Assurance and Support for Go-Live	Included

One-Time Discount on Setup Fee -$15,000

Discount is only valid if the City agrees to amend/extend the existing contract term to a total of 5 years.

## Total One-Time Setup Fee	**$0**

Annual Fees (Replaces existing annual fees)

Service Fee – Includes: **$10,000**
- Up to 12,000 payment transactions annually
- Up to 12,000 transfers annually

Inbound IVR call Bundle – Includes up to 20,000 inbound IVR calls annually   **$7,000**
IVR Services are provided by the Call. A Call is defined as a successful
completed connection. A Call can be up to 4 minutes in length, with each
additional 4-minute period counted as an additional Call. Actions such as
transfer that result in multiple connected circuits are counted on the per
circuit basis and are measured for the duration of the connection including
the time after a transfer occurs.

RCS Outbound Bundle – Includes up to 20,000 outbound messages annually   **$6,000**
Outbound messages are purchased in annual message bundles. Messages, as
defined by the agreement, that are not used rollover to the next qualifying
renewal. The rollover messages from one period may only be used to offset
overages in the next immediate period. If there are no overages from one
period, the rollover messages from the prior period expire.

A qualifying renewal is one that is equal to or greater than the previous
period. If customer chooses to reduce their annual plan renewal, rollover
messages do not apply.

Total Annual Fee – Years 1-5   **$23,000**

SELECTRON PRODUCT AND SERVICE PRICING & PAYMENT INFORMATION

PAYMENT TERMS

Receipt of a Purchase Order by the Customer will constitute acceptance of the terms and conditions utilized in the Master Services and Hosting Agreement executed with the initial purchase of your interactive system.

The term of this agreement is for 5 years beginning August 1, 2020 ending July 31, 2025. Early termination will result in the payment of all remaining fees due for the term of the agreement.

Payment Schedule
100%   Invoiced upon Purchase Order Receipt or Contract Execution

Terms are net 30 from date of invoice. Past due invoices are subject to a 1.5% per month late fee. All presented pricing is in US Dollars.

TAXES

Sales Tax or any other applicable taxes are **NOT** included in any of this proposal's pricing information. If taxes become applicable, these taxes will then need to be added to the proposed pricing.

VENDOR INFORMATION

Selectron Technologies, Inc.
12323 SW 66th Avenue,
Portland, OR 97223
Ph: 503.443.1400   Fax: 503.443.2052

Selectron

TECHNOLOGIES, INC

Statement of Work

Ashland, OR

Relay

RCS Payments
RCS Outbound

1. Overview

This Statement of Work (SOW) outlines the services provided by Selectron Technologies, Inc. (Selectron) to Ashland, OR (Ashland or Customer). The features, functionality, and services are provided through Selectron Technologies' Relay communication platform (Relay).

Selectron will provide professional services to modify the City's RCS Payments IVR Call Flow as requested by Ashland. Selectron's Project Manager will work with the Ashland staff to review the IVR call flow and identify the changes needed.

1.1.   Revision History

Version #	Details	Date
1.0	Initial Release	6/28/2017
1.1	IVR Call Flow Update	6/26/2020

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2. Functionality

This section details the functionality of each application included in Relay. All functions and features are dependent upon the accessibility of Ashland's Tyler Munis application database to provide the given data to Relay.

2.1.   Relay Cloud Services

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2.1.1. IVR Channel

The IVR Channel for Relay Cloud Services provides callers with an Interactive Voice Response (IVR) system for making payments over the phone. Citizens will enter an account number via touchtone and the IVR validates this against the Tyler Munis application database. Once the account is validated, the IVR will speak the total amount due. The total amount due includes an aggregate of all current and delinquent amounts owed. The caller will then be given the option of making a payment, including partial/overpayments. If no payment is due, then the IVR will speak that there is currently no payment due. Transfers will not be available from the IVR.

2.2.   Relay Cloud Services Outbound

Relay Cloud Services (RCS) Outbound provides Ashland with a multi-channel outbound communication platform capable of sending Voice, SMS, and email messages to citizens. Two kinds of notifications can be sent: Targeted Notifications, which include dynamic account data and are designed to be sent to specific recipients; and Static Notifications, which do not include customer-specific data and are designed as more 'general information' style messaging. Static Notifications can be designed and recorded by Ashland staff using the web-based administration portal.

With transfers enabled, call recipients will be able to request a transfer to an external number directly from the outbound call. Each transfer made in this way is treated as an additional call and counted against Ashland's outbound message bundle. A "call" is defined as any valid telephone connection (does not include telephony errors and no answers). A single call is up to 4 minutes in length; each subsequent period up to 4 minutes is considered an additional call.

Ashland's RCS Outbound will include targeted notification messaging in the following language(s): English, Spanish.

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Dynamic Notifications require development and are designed during the implementation process. Account-specific messages created by Selectron will utilize account-specific information that is accessed through a flat file provided by the City of Ashland. This project includes the following Dynamic Notifications:

2.2.1. Bill Delinquency Notification

The Delinquency Notification is used to warn citizens that their account is delinquent. It includes the following customer-specific data: account number, delinquent amount, and due date. When a customer is contacted via phone, they will have the ability to transfer back to the IVR to make a payment without the need to authenticate.

2.2.2. Impending Shutoff Notification

The Impending Shutoff Notification is used to warn citizens that their account will be shut off very soon. It presents the following customer-specific data: account number, delinquent amount, due date, and shutoff date. When a customer is contacted via phone, they will have the ability to transfer back to the IVR to make a payment without the need to authenticate.

2.2.3. Static Notifications

Ashland will be able to send Customer-defined static notifications to citizens via phone, email, or SMS text. Ashland is responsible for defining and configuring these notifications. Training for configuring and recording static notifications will be provided at the end of the implementation process.

2.3. Payment Processing

The Relay solution can be configured to accept credit card and e-check payments, allowing citizens to make payments. The payment processing engine is a PA-DSS-Verified payment system that **does not** retain any payment information. Users will need to enter their payment information for each transaction. The system will also allow for minimum and maximum payment thresholds to be established by the City.

The Relay payment application interacts with the OpenEdge payment gateway to provide payment functionality. Users will need to authenticate and provide valid payment information in order to make a payment. Relay validates the user's payment information before passing it to the payment gateway. Relay sends back payment reconciliation data (amount paid, date/time, associated with account), and a standard payment summary report is provided.

Ashland will be able to take payments from citizens via the following payment methods:
- Credit Card

2.3.1. Credit Card

The interactive solution accepts Visa®, MasterCard®, Discover®, and American Express®. Ashland can elect to accept all or a subset of these card types. Any credit card types not accepted by Ashland will not be accepted by the solution. The system supports AVS and CVV2. When taking a payment, Relay verifies the credit card number and expiration date. For more security, Ashland can choose to verify the card holder's zip code and/or security code. All credit card transactions are sent through the designated payment gateway.

2.4. Languages

The Customer's Relay application will be configured to support English and the following other language(s):

- Spanish

The additional language module(s) enables the solution to support non-English-language users. Additionally, all dates, numbers, ordinals, currencies, and letters are translated (and voice recorded) to the proper language.

The professionally-recorded prompts use a vocabulary and dialect predetermined by Selectron. Additions and changes to the prompts to account for regional differences are subject to time and materials billing.

Ashland will be able to define a destination for each language available on the IVR.

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3. System Integration

Depending on the implemented features, Relay requires varying levels of integration with other Ashland components. These are described in the following sections.

3.1.   Application Database Interfaces

It is anticipated that Selectron will be integrating with Ashland's Tyler Munis application database. All data-based interactivity on the solution is reliant upon data being available via the application vendor APIs.

During the implementation phase, if data elements are identified as necessary but are not available via the included APIs, the project will be impacted. This may affect the implementation timeframe and will result in additional professional services fees.

3.2.   Payment Gateway Interfaces

The payment processing service is PA-DSS validated and located in a PCI certified payment environment. Integration to the payment gateway initiates the collection and reconciliation of the payments being gathered by the department. It is required that the payment gateway be on the list of Selectron-certified payment gateways and that it integrates utilizing a REST/Web Service implementation.

Selectron understands that Ashland has selected OpenEdge as their payment processing vendor. If the City elects to implement a different payment gateway, it must select from the list of Selectron's approved payment gateways. Approved gateways are:

- USA ePay (AMS)
- PayFlowPro (PayPal)
- Payments Gateway (Forte)
- Invoice Cloud
- Global Gateway e4 (FirstData)
- PayPoint (FirstData)
- Simple Order (CyberSource)
- Authorize.net
- Bluefin
- BridgePay
- Converge
- Kubra
- NIC
- TrustCommerce
- Govolution
- ACI (a.k.a. Official Payments)
- Paymentus

If the Customer does not pick a vendor on this list, Selectron will work with Ashland to get the gateway of choice approved. The approval process includes additional development as well as software validation to comply with the Payment Card Industry's PA-DSS standards. This will require additional professional services costs and will impact the project timeline.

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The following payment processing fees and services are not covered by the purchase of the application:

- Transaction fees
- Merchant accounts
- Third-party payment processing services, fees, and software

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4. Deployment Model

This implementation of Relay will be deployed to Selectron's multi-tenant Relay Cloud Services environment located in Selectron's local hosting facility. Selectron's hosting facility is a co-located data center featuring keyed entry and individual server locks for security. With an RCS solution, Selectron owns all hardware and is responsible for security, ongoing maintenance, and proactive support. Ashland's solution is licensed for:

- Up to 20,000 inbound IVR calls annually. A call is defined as a successful completed connection. A Call can be up to 4 minutes in length, with each additional 4-minute period counted as an additional Call. Actions such as transfer that result in multiple connected circuits are counted on the per circuit basis and are measured for the duration of the connection including the time after a transfer occurs.

- Up to 20,000 outbound messages annually. Additional message bundles can be purchased if needed.

- Up to 12,000 payment transactions annually

- Up to 12,000 transfers annually

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5. Administrative Tasks

This section details administrative tasks that can be performed in order to manage Relay. An administrator from Ashland will be provided with user credentials for the web application during the implementation process. Additional users can be created by the administrator as needed. Permissions can be assigned on a per-user basis; permissions govern the functionality available to a given user.

The web-based administration portal is supported on all modern, "evergreen" browsers including: Chrome, Firefox, IE10+, Microsoft Edge, and Safari.

5.1.   Schedule Outbound Campaigns

Administrators can create, edit, and review outbound campaigns made using Relay Outbound. Each instance of an outbound campaign must be scheduled individually. This includes selecting the type of notification, the date/time of delivery, and (for static notifications) the configuration of the message.

The administrator will also need to upload a contact list in .csv format for the notification. The exact formatting of the .csv file will vary depending on the notification being scheduled. Selectron will provide Ashland with example .csv files for the configured notifications included in this project, as well as assistance in generating the outbound call list.

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6. Responsibilities

6.1. Selectron Technologies, Inc.

This section outlines Selectron Technologies' responsibilities regarding service initiation and operation.

6.1.1. Provide Project Management

Selectron Technologies assigns a Project Manager to the service implementation. The Project Manager is the Customer's primary contact at Selectron Technologies and coordinates all necessary communication and resources.

6.1.2. Provide Documentation

The Project Manager provides the Customer with the following documents to help facilitate the service implementation process:

- Implementation Questionnaire- gathers critical information needed to setup and initiate the service. This includes information on the toll-free numbers, call volume, APIs, and the types of payments being gathered.
- Remote Access Questionnaire- details information needed by Selectron Technologies to remotely access the Customer's network and application database, prior to system initiation, to allow for complete system testing.
- Implementation Timetable- details project schedule and all project milestones.
- Quality Assurance Test Plan- assists the Customer in determining that the interactive solution is functioning as specified in the Contract.
- Service Acceptance Sign-off Form- indicates that the Customer has verified service functionality.

6.1.3. Perform Quality Assurance Testing

Selectron Technologies thoroughly tests all applications and integration points prior to initiation, ensuring system functionality. This includes data read from and written to the application database and the general ability for a customer to successfully access live data and complete a transaction.

6.1.4. Provide Installation and Administrative Training

Selectron will provide remote training for the Relay solution. All installation is handled by Selectron technical staff at our remote hosting facility.

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6.1.5. Provide Marketing Materials

Selectron Technologies provides marketing collateral that the Customer can use to promote the interactive solution to citizens. Marketing collateral includes a poster, tri-fold brochure, and business card; standard templates for each item are used. Collateral is provided to the Customer in PDF format (original Adobe InDesign files are provided upon request).

Marketing collateral will be provided for each department included in this project. Selectron Technologies' Project Manager will assist in gathering the correct information to be displayed on the marketing collateral. Information displayed includes the following:

- IVR phone number(s)
- Department logo (preferably in EPS format)
- Department address
- A description of functionality
- Additional contact/informational phone numbers
- Samples: where to find account/ permit/ case numbers, etc.

Any changes to the collateral that do not include the items listed above (e.g., design changes to the template) are billed on a time and materials basis. Any changes to the marketing materials after final delivery are also billed on a time and materials basis.

6.1.6. Interface Upgrades

After service initiation, Ashland's Tyler Munis database application may release new updates to their application or its interface. Upgrading the Relay interface to be compatible with any Ashland application database (or other application database software) may require professional services outside the scope of this service.

6.2. Ashland, OR

This section outlines the Customer's service implementation and maintenance requirements and responsibilities.

6.2.1. Return Questionnaires and Information

Selectron Technologies' Project Manager provides Ashland with an implementation questionnaire. The implementation questionnaire must be returned prior to developing the call flow design and the implementation timetable.

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6.2.2. Provide Customer Specific Information

The following information should be supplied to Selectron Technologies, in conjunction with the Implementation Questionnaire, to help create a precisely integrated product. For further clarification on the format and detail of the following data, refer to the Implementation Questionnaire or contact your Selectron Technologies' Project Manager.

- Street names
- Observed holidays
- Extensions used for transfer functions

6.2.3. Provide Remote Network Access to Application Database(s)

In order to fully test the interactive solution, Selectron Technologies requires access to Ashland's application database(s) prior to installation. The Customer will help facilitate communication between Selectron and the database vendor.

6.2.4. Provide System Access

Selectron Technologies requires access to the Customer's network and database/system. Changing or deleting access accounts could lead to disruption in service for the interactive solution and/or Selectron Technologies' ability to provide timely support. Please notify Selectron Technologies immediately if the accounts for the Application Database, payment gateway or network are modified. Ashland is responsible for providing Selectron with appropriate application database and payment gateway network access as defined in the System Integration section.

6.2.5. Confirm Service Functionality

Ashland, OR has 30 calendar days after service initiation to verify the functionality of the interactive solutions. Within the 30-day system acceptance period the Customer should test system functionality using the provided Quality Assurance Test Plan. Additionally, the System Acceptance Sign-off form must be sent to Selectron Technologies' Project Manager within this period.

6.2.6. Contact Customer Support

Anytime the Customer requests a significant change to their Selectron interactive solution, an authorized contact from the agency must provide acknowledgement to Selectron's Customer Support Department. A significant change is a modification that will A) change system behavior, B) allow users to change the system, or C) allow access to protected data.

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AMENDMENT NO. 1

to

SELECTRON TECHNOLOGIES, INC. MASTER SERVICES AND HOSTING AGREEMENT

between

SELECTRON TECHNOLOGIES, INC.,

a domestic business corporation**,**

(**"*Selectron*"**)

and

THE CITY OF ASHLAND,

an Oregon municipal corporation,

(**"*City*"**)

for

access to and use of certain software and materials.

RECITALS

A. The City and Selectron previously entered into a Master Services and Hosting Agreement effective July 20, 2017 (the "Agreement").

B. The City and Selectron now wish to amend the Agreement to: replace the Scope of Work, reduce the annual cost of services to the City, extend the initial term, and include a provision about Cyber Liability Insurance coverage.

AGREEMENT

NOW THEREFORE, in consideration of the mutual benefits and obligations set forth herein, the parties agree as follows:

1. Delete Exhibit "A," Scope of Work agreed upon July 20, 2017, and replace it with Revised Exhibit "A," Scope of Work dated June 29, 2020, which is attached hereto and incorporated herein by this reference.

2. Delete Subsection 11.1, Term, in its entirety and replace it as follows:

11.1 Term. This term of this Agreement shall commence on October 1, 2020, and shall continue in full force and effect until June 31, 2025. This Agreement may be terminated by either party upon not less than sixty (60) days written notice to the other party.

3. Add the following new Subsection 12.17 to the Agreement as follows:

12.17 Cyber Liability Insurance Coverage: Selectron shall obtain and maintain throughout the term of this Agreement, at Selectron's sole expense, Cyber Liability and Technology Errors & Omissions insurance coverage with limits of not less than $1,000,000 (one million U.S. dollars) per occurrence covering all costs and expenses arising directly or indirectly out of Selectron's actions and services under this Agreement for any of the following:

12.17.1   Breach, access to, or disclosure of any confidential or personal information, including but not limited to, personal identifying information, financial account

details, protected health information (PHI), passwords, or any other type of non-public information; and

12.17.2 The loss of, damage to, corruption of, inability to access, or manipulation of data; and

12.17.3 Any damages for notification costs, credit monitoring expenses, forensic expenses, public relations expenses, or any other loss; any damage to City's hardware or software; or related costs or expenses; and

12.17.4 Loss of use of City's data, hardware, or software.

4. This Amendment No. 1 is effective October 1, 2020.

5. Except as specifically modified by this Amendment No. 1, the terms and conditions of the Agreement remain in full force and effect. In the event of a conflict between any of the terms in the Agreement and this Amendment No. 1, this Amendment No. 1 shall control.

IN WITNESS WHEREOF the parties have caused this Amendment No. 1 to be signed in their respective names by their duly authorized representatives as of the dates set forth below:

CITY OF ASHLAND, OREGON   **SELECTRON TECHNOLOGIES, INC.**

By: _____   By: _____
      Adam Hanks
      Interim City Administrator   Printed Name: _____

Date: _____   Title: _____

                                               Date: _____