

**Meeting Date:** 10/13/2015

**Report Type:** Consent

**Report ID:** 2015-00710

**Title: Contract: Digital Signature Application**

**Location:** Citywide

**Recommendation:** Pass a Motion authorizing the City Manager or his designee to execute a contract with Silanis Technology for a three-year term with two additional one-year renewal options in an amount not-to-exceed \$436,500.

**Contact:** Shirley Concolino, City Clerk, (916) 808-5442, Office of the City Clerk; Maria MacGunigal, CIO, (916) 808-7998, Department of Information Technology

**Presenter:** None

**Department:** Information Technology

**Division:** Citywide IT Systems

**Dept ID:**

**Attachments:**

- 1-Description/Analysis
- 2-Background
- 3-ABCDs Charter 1.0
- 4-Contract

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### **City Attorney Review**

Approved as to Form  
Matthew Ruyak  
9/30/2015 3:54:24 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Maria MacGunigal - 9/29/2015 3:37:36 PM

## Description/Analysis

**Issue Detail:** The City of Sacramento is committed to adopting best practices in all business processes to meet expectations of great service to both internal and external customers. To this end, the use of an electronic/digital signature application allows for digital processing from beginning to end without the need to print paper for signing. One of the primary uses for digital signatures is for contract solicitation and contract management as described in the Automated Bids, Contracts, and Digital Signatures (ABCDs) Program Charter (Attachment B).

On January 20, 2015, the ABCDs program team, in accordance with City Code Chapter 3.64, issued Request for Proposals (RFP) No. P15071011007 for Consultant Services for Design, Implementation, and Training for Contract Solicitation, Contract Document Development and Management, and Contract Execution via Authenticated Digital Signatures. Consultants were asked to submit proposals to address one or more of the areas of expertise.

On March 6, 2015, the City received six responses to the RFP including three responses from digital signature vendors. After evaluation by a selection committee that included staff members from all four charter offices, staff concluded that the proposal submitted by Silanis Technology was the most responsive for the digital signature component of the program. The recommendation to award a contract for the contract solicitation and contract management components will be submitted to Council at a later date.

**Policy Considerations:** The recommendation in this report is in accordance with the provisions of City Code Chapter 3.64 regarding contracts for professional services.

**Economic Impacts:** Not applicable.

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** No environmental review is necessary because the recommendations in this report involve contracting for professional services and are not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

**Sustainability:** Not applicable.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** Silanis Technology's eSignLive is the software solution and contractor that rated the highest overall among the proposers. The eSignLive solution by Silanis meets the California Secretary of State regulations for secure transactions and signor authentication. System attributes such as the ability to incorporate audit trails for signing actions into the final document, integration with City systems, and ease of use for all parties including the use of mobile devices are beneficial to the City.

**Financial Considerations:** The first three years of the digital signature project are funded under the Digital Strategy project (A07000700). Funding for future fiscal years, if options are exercised, would be provided by the operating budgets of the departments utilizing the service. Purchases made after June 30, 2018, are subject to funding availability in the adopted department budgets for the applicable fiscal year.

	<b>Fee per Document</b>	<b>Document Volume*</b> <b>Purchased</b>	<b>Annual Service Fee</b>
<b>Year 1: 2016</b>	\$0.95	120,000	\$35,000
<b>Year 2: 2017</b>			\$38,000
<b>Year 3: 2018</b>			\$41,000
<b>Year 4: 2019</b>	\$0.85	50,000	\$42,500
<b>Year 5: 2020</b>	\$0.85	50,000	\$42,500
<b>Total Five-year Document Cost</b>			<b>\$199,000</b>
Implementation Costs			\$182,500
Travel Cost			\$25,000
Contingency			\$30,000
<b>Five-year Not-to-exceed Total</b>			<b>\$436,500</b>

*\*The "document volume" refers to the number of documents to be processed through e-SignLive, in each twelve (12) month period during the term.*

Costs will be allocated across all funds as part of the FY2015/16 midyear process.

**Local Business Enterprise (LBE):** Silanis Technology is not an LBE. The minimum LBE participation requirement was waived as staff determined the waiver was in the City's best interest as a result of inadequate competition in the local market for the specialized consulting services and a goal to select from the most experienced vendors in the Information Technology industry to ensure the City implements the most effective and efficient solution possible at the lowest cost.

## **Background**

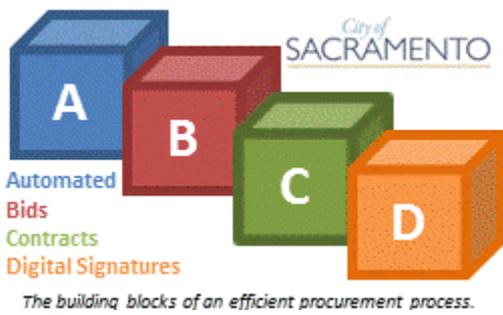
In 2010, the City of Sacramento started using mobile digital devices to conduct City business. This use prompted discussions about the use of digital signatures to reduce the reliance on the medium of paper and provide more timely service.

In August 2010, several digital signature vendors responded to a Request for Qualifications and provided demonstrations of electronic/digital signature applications.

While it was tempting to move forward with the use of digital signatures at that time, it was determined that the overlay of a digital solution on top of a manual “as is” process would not result in best practices and would not provide a worthy return on investment.

In November 2014, a citywide team of staff representing all four charter officers drafted the Automated Bids, Contracts, and Digital Signatures (ABCD) Program Charter (Exhibit B).

On March 17, 2015, City Council adopted Resolution 2015-0075 that authorized the establishment of a \$1.5 million General Fund expenditure budget for the citywide implementation of the ABCD project through the Digital Strategy capital improvement project (A07000700).



# Program Charter

## Automated Bids, Contracts and Digital Signatures (ABCDs)

*Version*                      *1.0*

*Issue Date*                *11-15-2014*

*Author*                      *Core Team Members*

## Document Approval

Responsible	Business Leads-Dennis Kauffman, Dawn Bullwinkel
Accountable	Damien Charley, Program/Project Manager
Informed	ABCD Core Team-Steve Itagaki, Mrudul Sadanandan, Deanne Neighbors, Gary O'Neill Departmental Subject Matter Experts
Endorsed	Executive Sponsors-Shirley Concolino, Howard Chan

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## 1. Document Purpose

The Program Charter serves as an overview of the ABCDs program and the projects under its umbrella. It documents the commitment expected from all stakeholder groups and individuals within a specific area of responsibility. The charter is the key governance document for this program and will form the basis for how the program is managed.

## 2. Program Summary

The Automated Bids, Contracts and Digital Signature program encompasses the identification, acquisition and implementation of a comprehensive system that provides effective and efficient management of citywide contract processing from solicitation of goods and services to contract creation, execution and management, including the use of digital signatures. The program consists of the following modules that must integrate seamlessly with each other and existing legacy systems. These modules will include a workflow component and scalability for citywide implementation.

- Solicitation
- Contract Document Development
- Contract Execution Using Digital Signatures
- Contract Process Management (CPM) System

### 2.1. Program Purpose

The City of Sacramento (City) is developing consistent operating principles, processes, procedures, standards and technologies for the solicitation and management of contracts using legally binding digital signatures within the process, as appropriate. The contract management goals are applicable to all city contracts, not just those used for procurement of goods, services and public projects.

The City currently uses digital posting for its invitations for bid (IFB), requests for information (RFI), requests for qualifications (RFQ) and requests for proposals (RFP). This program is committed to examining the entire procurement/contract process beginning with solicitation, through the management of the contract life cycle, ending with archiving the final contract in the Citywide Content Management (CCM) repository.

The **solicitation** module of this program proposes, but is not limited to:

- providing the ability to request and receive quotes, bids, RFIs, RFQs, RFPs, etc.
- assisting in the development of solicitation documents compliant with city, state and federal regulations, including scope and specifications
- effectively integrating solicitation responses into the system
- consistently applying evaluation criteria to solicitation responses including exceptions and special circumstances

The **contract document development** module of this program should include, but is not limited to:

- using a friendly interface for creation of applicable contract language and documents managed consistently by the selected contract management system
- ensuring compliance with city, state and federal regulations
- standardizing procedures to improve staff effectiveness by using a consistent citywide workflow for review of contract documents and attachments

The **digitally managed execution** (signing) module in this program should provide, but is not limited to:

- eliminating paper circulation for the solicitation and contract process for acquiring wet signatures
- removing the redundancy of maintaining both hardcopy and electronic document storage
- using a two-factor authentication strategy for documents that are legally required to be signed, per Secretary of State regulation

Attributes of the **Contract Process Management System** module are:

- efficient citywide, departmental and division level workflow options for all disciplines in the procurement and contract process
- file management of documents with version control and audit trails
- audit trail and tracking capabilities for “not to exceed” amounts
- incorporation of amendments, change orders, and supplements accountability
- automatic alerts for renewals, expirations, prevailing wage and other requirements such business operating tax, local business enterprise, insurance, and bonds.
- citywide tracking capabilities for Debarred, Terminated, or Designated Non-Responsible vendors
- integration with city applications such as eCAPS, Accela, 7i, LPC Tracker, CCM, reducing data redundancy and re-entry
- reducing manual submission of authorizing action requirements and completion of those requirements by integrating with other city systems, (examples: resolution, business operating tax certificates, insurances, bonds)
- timely and comprehensive access to information at the document level for internal and external customers

## 2.2. Program Scope

The following items are in scope for this program.

- **Best Practices Review and Recommendations for Citywide Contract Management**
  - Establishing Core Team with members from all charter offices
  - Identifying Subject Matter Experts (SMEs) in each City department
  - Mapping current procurement practices
  - Developing efficient and effective solicitation/contract process plan
  - Development of citywide standards
  - Identify and update applicable policies city codes
  - Notify Recognized Employee Organizations (REO)
- **Development of Request for Proposals (RFPs) for the following areas of expertise:**
  - Area of Expertise #1 - Solicitation
  - Area of Expertise #2 - Contract Document Development and Management
  - Area of Expertise #3 - Digital Signature Application/Authentication
  - Area of Expertise #4 - Integration Services
  - Area of Expertise #5 - Citywide Implementation Services
- **Review of Proposals**
  - Initial review by ABCDs core team
  - Offer all SMEs review of proposals
- **Evaluation of Proposals**
  - Demonstrations from firms with the top three ranked proposals in each of the five areas of expertise listed above.
  - Invite five SME members to demonstrations
  - Correlate core team and SME evaluations
- **Selection of Vendors/Consultants**
  - Identify top choice in each category
    - ◆ Qualifications
    - ◆ Cost
    - ◆ Integration with legacy systems
    - ◆ Implementation estimation
- **Identify additional BPMs to benefit from the use of the Digital Signature Application**
  - Community Development Department – Architectural and Engineering Drawings
  - Finance – Purchase Order Change Order Approvals

## Out of Scope

The following items are outside of the scope of this program. These items are specifically excluded.

- Upgrades to departmental staff computer equipment to accommodate requirements of new workflows and increase user efficiency

## 2.3. Program Objectives

The objective of this program is to implement a citywide contract process management system using best practices to eliminate redundancies, increase staff effectiveness, and improve transparency by integrating current City applications where practical and acquiring those applications that are needed.

## 2.4. Terminology

The following is a partial list of the terms and acronyms that will be commonly referenced during this program:

- **ABCDs** — Automated Bids, Contracts, and Digital Signatures
- **AW / Automated Workflow** (aka: Business Process Management (BPM)) — Automation of business processes, in whole or in part, where documents, information, or tasks are passed from one participant to another for action, according to a set of rules. A business process is a logically related set of workflows, work steps, and tasks that provide a product or service to customers. BPM is a mix of Process Management/Workflow with Application Integration technology.
- **Certificate Authority (CA)** — An entity that issues digital certificates. A digital certificate certifies the ownership of a public key by the named subject of the certificate. This allows others (relying parties) to rely upon signatures or on assertions made by the private key that corresponds to the certified public key. In this model of trust relationships, a CA is a trusted third party - trusted both by the subject (owner) of the certificate and by the party relying upon the certificate.
- **Contract** — Agreement between two or more parties, consisting of an offer, an acceptance of an offer and valid consideration. The City has specific rules (City Code; Administrative Policies; Procedures) regarding types of contracts such as those for goods, services and public projects.
- **Contract Management** — Includes solicitation, creation, negotiation, document change (amendments, supplements), analytics of budget, progress and stages of completion.
- **Digital Signature Authentication** — The word authentic basically means the owner of the document or the file is identified and trusted, and that the file they own has not been altered by anyone. The digital certificate is a piece of information that states that a web server is has been trusted by the Certificate Authority.

- **Digital Signature Types**

- **Acknowledgement:** digital stamp for audit purposes that an action was acknowledged as completed.
- **Decorative/Ornamental:** often a graphic reproduction that is pasted on a document or letter.
- **Approval:** digital stamp for audit purposes that confirms an action and has a high level of responsibility.
- **Legally Required:** requires the highest degree of digital authenticity, must meet legal standards and has the highest level of responsibility.
- **Solicitation** — Process of requesting or offering a good or service or public project. (Quote, IFB, RFP, RFQ, etc.) Also the “ask” for grants, memorandum of understanding, real property, etc.
- **Repository** — CCM is the City’s Document Management system which has a specific functionality to control the check-in/out of material, version control, and look-up against defined attributes.
- **Legacy Systems** — City applications such as eCAPS, Accela, EMC, and 311.
  - **Subject Matter Experts (SMEs)** — Departmental and division staff impacted by the various process points and knowledgeable about the ABCDs program and associated project aspects.

### 3. Program Approach

The program uses a citywide approach with the core team managing outreach to executive sponsors, SMEs, and executive team leadership. SMEs will participate as needed. As various phases and tasks occur, consultants may be required and used appropriately.

This program is divided into four Phases:

- Phase 1 – Program determination, initialization, and solicitation
- Phase 2 – Proposal review and selection, budget determination
- Phase 3 – Program detail design and implementation
- Phase 4 – Roll-out Digital Signature Application appropriately

#### 3.1. Phase 1 Program Deliverables

Deliverable	Description
Executive Team Presentation	Discussion between business leads Dennis Kauffman and Dawn Bullwinkel with executive sponsors Shirley Concolino and Howard Chan. (Accomplished)
Core Team Development	Charter Officer representation for core team members, procurement buyer and one departmental at large SME to provide high level and detail perspective. (Accomplished)
Program Charter	A document stating business need, program vision, goals and guiding principles, program governance, program schedule overview, program team, roles/responsibilities and program management standards.
Review “as is” documentation for procurement and contracting	Merging of multiple diagrams for a comprehensive graphical representation of the current city process including notations for rules, regulations and policies.
Information Gathering	Multiple surveys released to all city staff and specific outreach to SMEs as a result of surveys and direction of executive staff. (accomplished) Continued collaboration with SMEs .
Request for Proposal Development	(in progress)
Functional Requirements Document (FRD)	A document focused on the Functional requirements and design aspects of the Solicitation/Contract Management and Digital Signature applications. Included as part of the RFP document.

## 3.2. Program Organization

### City Executive Sponsors

Sponsor	Name
City Clerk	Shirley Concolino, City Clerk
City Manager	Howard Chan, Assistant City Manager

### City Core Team

Department	Name
City Manager	Dennis Kauffman, Business Lead
City Clerk	Dawn Bullwinkel, Business Lead
City Treasurer	Damien Charlèty, Program Manager
City Attorney	Steve Itagaki, Legal Advisor
Finance/Procurement	Gary O'Neill, SME Procurement
Utilities	Deanne Neighbors, SME Contracting

### 3.2.1. Program Resources

Resources other than City Staff will be determined from the proposals received for consultant services.

### 3.2.2. Escalation Procedure

Escalation will follow the program organizational chart shown above in section 3.2 of this document. Items to be escalated shall first be defined as an issue and follow the issue management process. If the program team is unable to resolve an issue with the program level, then issue is escalated to the City Executive Sponsors. If the issue is urgent, then a special meeting may be called outside of the standard program update meetings.

### 3.3. Dependencies

Dependencies can be technical or business related.

- Constant executive level commitment and support
- Business requirements match the RFP and scope of work.
- Complete capacity requirements estimates
- Competent vendor/consultant selection
- Available City funding
- System environment (hardware, network, storage, database, etc.) installed and configured

### 3.4. Program Facilities

Project Facilities are physical resources that are required to complete the project are to be determined.

### 3.5. Risk Management

Most program risks will likely have a negative impact on the program if they occur, however, a program risk can also have a positive impact on a program if it occurs. As the program progresses, more information about program risks becomes available and the decisions on how to plan for the risk become more informed.

The City Project Manager will work to ensure that all predictable risk scenarios are discussed, logged and tracked for the duration of the program.

Risk Tracking attributes include:

- Index
- Risk Name
- If this risk event occurs:
- then this will be the impact to the program:
- Comments
- Risk Classification
- Date Raised
- Raised By
- Risk Impact
  - Low
  - Medium
  - High

- Risk Probability
  - Low
  - Medium
  - High
- Risk Treatment
- Status
- Status Date
- Owner
- Classification
- Description

### 3.6. Issue Management

As the program progresses, expectations may begin to differ or the program's direction may move out of alignment with its stated objectives. Additionally, concerns may arise by one or more stakeholders around the scope, cost, timeline or other aspect of the program.

When one of these situations arises, it is important to define and address it as quickly as possible. Timely and effective issue management will help minimize the impact of these situations to the program.

The project manager and business leads will work together to ensure that all issues are discussed, logged and tracked for the duration of the program.

Issue Tracking attributes include:

- Status
  - Open
  - Resolved
  - Rejected
  - Deferred
  - Closed
- Title
- Issue No.
- Priority; indicates relative order in which issues are to be resolved
  - High (Worked first, response within two business days)
  - Medium (Worked second, response within five business days)
  - Low (Worked last, response within ten business days)
- Severity; indicates relative impact of issue and may not align with expected priority (e.g., critical severity but low priority)
  - Low
  - Normal
  - Critical
  - Blocker
  - Enhancement
- Submitted By
- Assigned To
- Target Resolution Date
- Closed (Date)

### 3.7. Communications Plan

The Communications Plan outlines the key mechanisms and timescales that will be used to communicate with all stakeholders.

- **Core Program Team Program Status Meeting**
  - Frequency – Weekly or as needed
  - Audience – Core team
  - Topics – All program related items (Pending Actions, Issues, Risks, Pending Tasks, et al)
  - Tools – Issue log, Risk log, Program Work Plan
  - Method – In person
- **Internal Management Program Status Updates**
  - Frequency – Bi-weekly
  - Audience – Executive Sponsor
  - Topics – Program status, budget, priority issues, priority risks, scope changes
  - Tool – Program status report
  - Method – email
- **Other Stakeholder Updates**
  - Frequency – As agreed upon by the core team
  - Audience – As determined
  - Topics – Program status, priority issues, priority risks, scope changes
  - Tool – Modified program status report
  - Method – Face-to-Face Meeting, email

Additionally, program status reports will be updated in the program eRoom on a weekly basis.

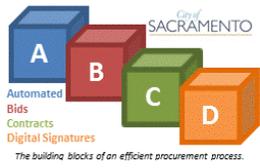
### 3.8. Quality Control Activities

Quality checks are built into every step of the program. Workshops for Requirements and Design review will allow all program team members input to the quality of the documentation, planning, and execution of deliverables.

Ease of use is a key element in determining the quality of end user interfaces. This will be a main area of focus during design and testing stages. (e.g., Design workshops, Training, UAT)

Final quality checks are built into the Milestone completion process where deliverables are reviewed against the statement of work and signed off on by the City.

Quality issues will be logged and managed in the Issues Log in the program eRoom.



## 3.9. Program Schedule

City of  
SACRAMENTO

CITY OF SACRAMENTO  
**PROFESSIONAL SERVICES AGREEMENT \***

**THIS AGREEMENT** is made at Sacramento, California, as of \_\_\_\_\_ by and between the **CITY OF SACRAMENTO**, a municipal corporation ("CITY"), and

***Silanis Technology Inc***  
*8200 Decarie Blvd, Suite 300*  
*Montreal QC, Canada H4P 2P5*  
*Phone: (514) 249-3949*

("CONTRACTOR"), who agree as follows:

- 1. Services.** Subject to the terms and conditions set forth in this Agreement, CONTRACTOR shall provide to CITY the services described in Exhibit A. CONTRACTOR shall provide said services at the time, place, and in the manner specified in Exhibit A. CONTRACTOR shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) CONTRACTOR notifies CITY and CITY agrees that such services are outside the scope of Exhibit A; (b) CONTRACTOR estimates the additional compensation required for these additional services; and (c) CITY, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor. CITY shall have no obligations whatsoever under this Agreement and/or any Supplemental Agreement, unless and until this Agreement or any Supplemental Agreement is approved by the Sacramento City Manager or the City Manager's authorized designee, or by the Sacramento City Council, as required by the Sacramento City Code.
- 2. Payment.** CITY shall pay CONTRACTOR for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to CONTRACTOR for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, CITY approves additional compensation for additional services. CONTRACTOR shall submit all billings for said services to CITY in the manner specified in Exhibit B, or, if not specified in Exhibit B, according to the usual and customary procedures and practices that CONTRACTOR uses for billing clients similar to CITY.
- 3. Facilities and Equipment.** Except as set forth in Exhibit C, CONTRACTOR shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. CITY shall furnish to CONTRACTOR only the facilities and equipment listed in Exhibit C according to any terms and conditions set forth in Exhibit C.

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\* This form to be used for all professional services, except professional services related to a construction project and professional services performed by architects, landscape architects, professional engineers, or professional land surveyors.

4. **General Provisions.** The General Provisions set forth in Exhibit D, that include indemnity and insurance requirements, are part of this Agreement. In the event of any conflict between the General Provisions and any terms or conditions of any document prepared or provided by CONTRACTOR and made a part of this Agreement, including without limitation any document relating to the scope of services or payment therefor, the General Provisions shall control over said terms or conditions.
  
5. **Non-Discrimination in Employee Benefits.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. The requirements of Sacramento City Code Chapter 3.54 are summarized in Exhibit E. CONTRACTOR is required to sign the attached Declaration of Compliance (Equal Benefits Ordinance), to assure compliance with these requirements.
  
6. **Authority.** The person signing this Agreement for CONTRACTOR hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.
  
7. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

Executed as of the day and year first above stated.

**CITY OF SACRAMENTO**  
A Municipal Corporation

**CONTRACTOR:**  
**SILANIS TECHNOLOGY INC.**

By: \_\_\_\_\_

NAME OF FIRM

98-0194060

Print name: \_\_\_\_\_

Federal I.D. No.

44570554

Title: \_\_\_\_\_

State I.D. No.

1023007

City of Sacramento Business Op. Tax Cert. No.

For: John F. Shirey, City Manager

TYPE OF BUSINESS ENTITY (check one):

\_\_\_\_\_ Individual/Sole Proprietor

\_\_\_\_\_ Partnership

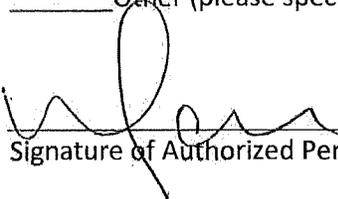
Corporation (may require 2 signatures)

\_\_\_\_\_ Limited Liability Company

\_\_\_\_\_ Other (please specify: \_\_\_\_\_)

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

  
\_\_\_\_\_  
Signature of Authorized Person

**Matthew Lane, Chief Financial Officer**

\_\_\_\_\_  
Print Name and Title

ATTEST:

N/A

Additional Signature (if required)

Assistant City Clerk

N/A

Print Name and Title

**Attachments**

*Exhibit A - Scope of Service*

*Exhibit B - Fee Schedule/Manner of Payment Exhibit C - Facilities/Equipment Provided Exhibit D - General Provisions*

*Exhibit E - Non-Discrimination in Employee Benefits*

**DECLARATION OF COMPLIANCE**

**Equal Benefits Ordinance**

Name of Contractor: **Silanis Technology Inc.**

Address: 8200 Decarie Blvd, Suite 300, Montreal QC, Canada, H4P 2P5

The above named Contractor (“Contractor”) hereby declares and agrees as follows:

1. Contractor has read and understands the Requirements of the Non-Discrimination in Employee Benefits Code (the “Requirements”) attached hereto as Exhibit E.
2. As a condition of receiving this Agreement, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento’s Non-Discrimination in Employee Benefits Code codified at Chapter 3.54 of the Sacramento City Code (the “Ordinance”).
3. Contractor understands, to the extent that such benefits are not preempted or prohibited by federal or state law, employee benefits covered by the Ordinance are any of the following:
  - a. Bereavement Leave
  - b. Disability, life, and other types of insurance
  - c. Family medical leave
  - d. Health benefits
  - e. Membership or membership discounts
  - f. Moving expenses
  - g. Pension and retirement benefits
  - h. Vacation
  - i. Travel benefits
  - j. Any other benefit offered to employees

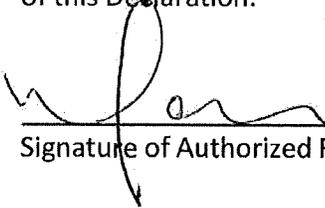
Contractor agrees that if Contractor offers any of the above-listed employee benefits, Contractor will offer those benefits, without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouses and domestic partners of such employees.

4. Contractor understands that Contractor will not be considered to be discriminating in the provision or application of employee benefits under the following conditions or circumstances:
  - a. If the actual cost of providing a benefit to a domestic partner or spouse exceeds the cost of providing the same benefit to a spouse or domestic partner of an employee, Contractor will not be required to provide the benefit, nor shall it be deemed discriminatory, if Contractor requires the employee to pay the monetary difference in order to provide the benefit to the domestic partner or to the spouse.
  - b. If Contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, if Contractor provides the employee with a cash equivalent Contractor will not be deemed to be discriminating in the application of that benefit.

- c. If Contractor provides employee benefits neither to employee's spouses nor to employee's domestic partners.
  - d. If Contractor provides employee benefits to employees on a basis unrelated to marital or domestic partner status.
  - e. If Contractor submits written evidence of making reasonable efforts to end discrimination in employee benefits by implementing policies that will be enacted before the first effective date after the first open enrollment process following the date this Agreement is executed by the City of Sacramento ("City"). Contractor understands that any delay in the implementation of such policies may not exceed one (1) year from the date this Agreement is executed by the City, and applies only to those employee benefits for which an open enrollment process is applicable.
  - f. Until administrative steps can be taken to incorporate nondiscrimination in employee benefits. The time allotted for these administrative steps will apply only to those employee benefits for which administrative steps are necessary and may not exceed three (3) months from the date this Agreement is executed by the City.
  - g. Until the expiration of a current collective bargaining agreement(s) if employee benefits are governed by such collective bargaining agreement(s).
  - h. Contractor takes all reasonable measures to end discrimination in employee benefits by either requesting that the union(s) involved agree to reopen the agreement(s) in order for Contractor to take whatever steps are necessary to end discrimination in employee benefits or by ending discrimination in employee benefits without reopening the collective bargaining agreement(s).
  - i. In the event Contractor cannot end discrimination in employee benefits despite taking all reasonable measures to do so, Contractor provides a cash equivalent to eligible employees for whom employee benefits are not available. Unless otherwise authorized in writing by the City Manager, Contractor understands this cash equivalent must begin at the time the union(s) refuse to allow the collective bargaining agreement(s) to be reopened or not longer than three (3) months after the date this Agreement is executed by the City.
5. Contractor understands that failure to comply with the provisions of Section 4(a) through 4(i), above, will subject Contractor to possible suspension and/or termination of this Agreement for cause; repayment of any or all of the Agreement amount disbursed by the City; debarment for future agreements until all penalties and restitution have been paid in full and/or for up to two (2) years; and/or the imposition of a penalty, payable to the City, in the sum of \$50.00 for each employee, for each calendar day during which the employee was discriminated against in violation of the provisions of the Ordinance.

6. Contractor understands and agrees to provide notice to each current employee and, within ten (10) days of hire, to each new employee, of their rights under the Ordinance. Contractor further agrees to maintain a copy of each such letter provided, in an appropriate file for inspection by authorized representatives of the City. Contractor also agrees to prominently display a poster informing each employee of these rights.
7. Contractor understands that Contractor has the right to request a waiver of, or exemption from, the provisions of the Ordinance by submitting a written request to the City's Procurement Services Division prior to Agreement award, which request shall identify the provision(s) of the Ordinance authorizing such waiver or exemption and the factual basis for such waiver or exemption. The City shall determine in its sole discretion whether to approve any such request.
8. Contractor agrees to defend, indemnify and hold harmless, the City, its officers and employees, against any claims, actions, damages, costs (including reasonable attorney fees), or other liabilities of any kind arising from any violation of the Requirements or of the Ordinance by Contractor.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.

  
\_\_\_\_\_  
Signature of Authorized Representative

SEP. 18, 2015  
\_\_\_\_\_  
Date

Matthew Lane  
\_\_\_\_\_  
Print Name

Chief Financial Officer  
\_\_\_\_\_  
Title

EXHIBIT A

PROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

1. **Representatives.**

The CITY Representative for this Agreement is:

***Mrudul Sadanandan, IT Manager  
Information Technology Department  
915 I Street, Third Floor, Sacramento, CA 95814  
Phone: (916) 808 7894  
Email: msadanandan@cityofsacramento.org***

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

***Tony Moncada  
Regional Sales Manager  
8200 Decarie Blvd, Suite 300  
Montreal QC, Canada, H4P 2P5  
Phone: (514) 249-3949  
Email: tony\_moncada@silanis.com***

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

2. **Insurance.** Insurance requirements are specified in Exhibit D, Section 11.

3. **Conflict of Interest Requirements.**

A. **Generally.** Under the California Political Reform Act, Government Code §§ 81000 et seq., designated employees of the CITY are required to comply with the CITY's Conflict of Interest Code. The term "designated employees" is a term of art and includes individuals who are working for contractors who are providing services or performing work for the CITY and who are considered to be "consultants" under the Political Reform Act. The term "consultant" generally includes individuals who make, or participate in making, governmental decisions or who serve in a staff capacity. Individuals who perform work that is solely clerical, ministerial, manual or secretarial are not "consultants."

The CITY's Conflict of Interest Code requires designated employees, including individuals who qualify as "consultants", to file the following statements of economic interests:

- (1) An "assuming office" statement of economic interests to be filed within thirty (30) days after execution of the Agreement between the City and the CONTRACTOR;
- (2) Annual statements of economic interests while the Agreement remains in effect, to be filed not later than April 30 of each year; and
- (3) A "leaving office" statement of economic interests to be filed within thirty (30) days of completion of the contract.

The above statements of economic interests are public records subject to public disclosure under the California Public Records Act.

The CITY's Conflict of Interest Code also requires individuals who qualify as "consultants" under the Political Reform Act to comply with the conflict of interest provisions of the Political Reform Act, which generally prohibit individuals from making or participating in the making of decisions that will have a material financial effect on their economic interests.

- B. Conflict of Interest Statements.** The individual(s) who will provide services or perform work pursuant to this Agreement are "consultants" within the meaning of the Political Reform Act and the CITY's Conflict of Interest Code:  yes  no [check one]

If "yes" is checked above, CONTRACTOR shall cause the following to occur within 30 days after execution of this Agreement:

- (1) Identify the individuals who will provide services or perform work under this Agreement as "consultants";
- (2) Cause these individuals to file with the CITY Representative the "assuming office" statements of economic interests required by the CITY's Conflict of Interest Code.

Thereafter, throughout the term of the Agreement, CONTRACTOR shall cause these individuals to file with the CITY Representative annual statements of economic interests, and "leaving office" statements of economic interests, as required by the CITY's Conflict of Interest Code. The CITY may withhold all or a portion of any payment due under this Agreement until all required statements are filed.

**4. Scope of Services.**

The services provided shall be as set forth in Attachment 1 to Exhibit A, attached hereto and incorporated herein.

- 5. Time of Performance.** The services described herein shall be provided during a three (3) year term beginning on date of execution. In addition, the City has two (2) options to extend the term for up to one (1) year each, for a maximum term of five (5) years.

**SCOPE OF SERVICES**

**1. Overview**

The City of Sacramento ("CITY") Automated Bids, Contracts and Digital Signatures ("ABCDs") program encompasses the identification, acquisition and implementation of a comprehensive system that provides effective and efficient management of citywide contract processing from solicitation of goods and services to contract creation, execution and management, including the use of digital signatures. As a part of the ABCDs program, the CITY intends to utilize the e-SignLive™ E-Signature Service ("e-SignLive") by Silanis Technologies Inc. ("CONTRACTOR") as a citywide electronic signature solution. E-SignLive, which is made available via the website [www.e-signlive.com](http://www.e-signlive.com) and conforms to the proposal submitted by CONTRACTOR to City of Sacramento RFP # P15071011007, facilitates the electronic signing of documents by the CITY and its clients, customers, and other related parties. The use of e-SignLive by the CITY is governed by Silanis' e-SignLive™ e-Signature Service Terms and Conditions provided under Attachment 2 to Exhibit A hereto ("TERMS AND CONDITIONS").

**2. Services**

CONTRACTOR will provide the following services to the CITY in accordance with the TERMS AND CONDITIONS:

**A. *E-SignLive™ E-Signature Service***

CONTRACTOR will provide the CITY an acceptable level of availability and performance of e-SignLive as specified in the TERMS AND CONDITIONS. CONTRACTOR will also provide to the CITY the application, infrastructure, and operational support for the software applications and functionalities listed in the table below:

Application / Functionality	Number of Licenses or description of other scope of support
e-SignLive™*	Volume License (see Section 1 of Attachment 1 to Exhibit B)

\*Note: including all functionalities and connectors available as part of the standard setup of e-SignLive, as of the date of execution and during the term of this Agreement. Connectors offered separately from the standard setup, such as the current Equifax and Salesforce Connectors, are not included.

**(1) *Hosting Facility Service***

CONTRACTOR shall host e-SignLive provided to the CITY on the cloud, and shall assume responsibility for the computing environment supporting the hosted applications in accordance with the TERMS AND CONDITIONS.

**(2) *Operations/Monitoring Services***

Applications provided by the CONTRACTOR are supported by an automated and alert monitoring system at all times (24 hours a day, 7 days a week).

**(3) *Application Administration Services***

Applications provided under this Agreement will be the responsibility of the CONTRACTOR. CONTRACTOR will own and manage the application, related databases, supporting computing hardware, and necessary operating systems.

**(4) *Application Recovery Services***

The CONTRACTOR will provide the following Recovery Services:

- Hosting Infrastructure and environment recovery processes.
- Application recovery processes.
- Offsite data storage via media (e.g. tape) or cloud including rotation, retention, and periodic testing of data backups.

**(5) *Data/Information Security Services***

The CONTRACTOR will maintain the level of security of the applications and the CITY's data, as established in Section 4.7, Section 4.8, Section 1.1 and Schedule B of the TERMS AND CONDITIONS.

**(6) Data Storage and Retention**

The CONTRACTOR will ensure CITY data is stored and retained in accordance with Section 4.7 and Section 4.8 of the TERMS AND CONDITIONS; it being understood that CITY shall be responsible for the management of its data retention policy using e-SignLive.

**(7) Problem Management/Customer Support Service**

The CONTRACTOR shall provide problem-management support for all application services provided under this agreement in accordance with Section 8 and Schedule A of the TERMS AND CONDITIONS.

**(8) Electronic Signature Compliance with State and Federal Laws**

e-SignLive has been designed to allow (and during the term will continue to be designed to allow) CITY to comply with the requirements of (i) the US Federal Electronic Signatures in Global and National Commerce Act (ESIGN), (ii) the State statutes based on the Uniform Electronic Transactions Act (UETA) and implementing regulations that are related to an electronic signature and related to electronic delivery to users, (iii) the California Uniform Electronic Transactions Act (Cal. Civ. Code § 1633.1 et seq.), (iv) section 16.5 of the California Government Code, and (v) sections 22000-22005 of Title 2 of the California Code of Regulations. CONTRACTOR shall, during the term of this Agreement, (i) retain the services of a subcontractor that is an approved certification authority on the "Approved List of Certification Authorities", authorized to issue certificates by the California Secretary of State, pursuant to section 22003 of Title 2 of the California Code of Regulations, (the "Authorization"), or (ii) make commercially reasonable efforts to obtain this Authorization, and maintain such Authorization thereafter.

**B. E-SignLive™ Configuration Service**

CONTRACTOR shall setup e-SignLive for the CITY's use in accordance with Section 3.2 of the TERMS AND CONDITIONS. Installation and configuration of e-SignLive will be part of this phase. The following are some but not all of the activities included in this phase of the service:

- Detailed review of the City's digital signature requirements, for the purpose of configuring the E-SignLive infrastructure.
- Initial account setup and related functions.
- Introduction to the online tools from CONTRACTOR for the system support.
- Provide the administration training and online resources.

**C. CONTRACTOR Implementation Services**

CONTRACTOR shall implement e-SignLive into various CITY processes, as identified by the CITY, and in accordance with Section 4.6 of the TERMS AND CONDITIONS (hereinafter the "Implementation Services"). CONTRACTOR required *Implementation Services* will vary depending upon the process and/or application e-SignLive is being implemented in. As such, CONTRACTOR has provided three options for level of service for each implementation. See Attachment 1 to Exhibit B for Implementation Engagement costs. The CITY shall determine which level of service is required for each process and/or application integration or integration phase, if more than one process or integration is occurring simultaneously. As per Section 4.6 of the TERMS AND CONDITIONS, CONTRACTOR will provide additional Implementation Services to CITY for any one of the following levels as requested and described in one or more statement(s) of work ("SOW") executed by both parties and governed by the TERMS AND CONDITIONS:

***Level 1: Implementation Services for Interactive Mode***

Services performed by CONTRACTOR'S team of senior consultants, architects and project managers throughout development, integration and project launch.

Premium support includes:

- Solution design based on industry best practices
- Customization to meet CITY's business requirements

- Develop custom sample code to reduce integration time
- Custom technical documentation to turn CITY staff into experts
- Development assistance through Screen sharing sessions
- Overseeing the client's project activities to ensure timely delivery
- Troubleshooting and debugging
- Provide process design consultation
- Document/Form Preparation
- Dedicated Silanis point of contact
- Priority Issue escalation
- Solution Education (Technical and End User Training)

***Level 2: Implementation Services for Integration Mode -Solution Review and Design Workshop***

Consultative engagement provides the opportunity to validate the CITY's business, legal/compliance, and technical requirements with the CONTRACTOR'S team of electronic signature experts with a focus on integration planning. The session takes place virtually over the phone using web conferencing. The final deliverable from this workshop is a solution integration document.

The workshop agenda includes:

- Discovery questions and answers
- Validation of planned implementation
- Ongoing Best practices guidance
- Recommended e-signature project guidelines
- Solution Education (Technical and End User Training)

***Level 3: Custom Professional Services and Statement of Work***

Full service professional services engagement. The CITY leverages the CONTRACTOR'S development team to outsource all the customization, integration and development related to the specific e-signature project. These services can be delivered either virtually or on-site.

Professional Services from CONTRACTOR include:

- Business and technical working sessions
- Customized project requirements documentation
- Customized solution design documentation
- Detailed project activities schedule
- Customization of the solution code
- In-house Quality Assurance Testing of the solution
- Building custom adapters
- Assistance with solution deployment
- Solution education (Technical and End User Training)
- Support during your business and integration test cycles
- Dedicated Silanis point of contact for escalation of issues
- Assistance during production roll out
- Post go live support
- Project management based on standard methodology
- Access to Professional Services Assets

**D. *Return of Customer Data***

Upon termination of this agreement, CITY shall retain access to e-SignLive for a period of thirty (30) days for the purposes of downloading a copy of the CITY's data from e-SignLive in accordance with Section 4.8 of the TERMS AND CONDITIONS. After thirty (30) days from the termination of this agreement, CONTRACTOR shall have no obligation to maintain or provide any CITY data and shall thereafter, unless legally prohibited or as permitted

pursuant to Section 4.7 of the TERMS AND CONDITIONS, delete all of the CITY's data in its systems or otherwise in its possession or under its control.

### **3. Phased Implementation**

CONTRACTOR shall provide the Implementation Services listed above to implement e-SignLive into various CITY processes in accordance with Section 4.6 of the TERMS AND CONDITIONS. The CITY may choose to have CONTRACTOR implement e-SignLive into the various CITY processes in concurrent or consecutive phases, as shall be determined in a SOW executed by the parties.

### **4. Project Team**

The identification and utilization of specific key personnel through the life of the project are important factors in the execution of this Agreement. CONTRACTOR shall put together a list of personnel that will make up the project team for Implementation Services, subject to the CITY's approval. Any changes in personnel after the CITY's initial approval must be approved by the CITY in writing before the change is made.

### **5. CITY's Acceptance of Work**

At the conclusion of each phase of work of the Implementation Services, CONTRACTOR will review with the CITY the intended scope of work and deliverables set out in this document to confirm CONTRACTOR has met the defined project expectations. If the CITY believes the deliverables (see section 6) do not conform, the CITY will notify CONTRACTOR in writing within thirty (30) business days of receiving the deliverables that do not conform. CONTRACTOR will then have a reasonable period of time, based upon its severity and complexity, to correct the nonconformity.

### **6. Project Deliverables**

CITY Project Manager will work with CONTRACTOR to agree on the project approach and the steps involved. Based on the resource availability, the CITY may take over some of the task to reduce the total cost of the project as agreed in the SOW executed by the parties. This will be communicated and mutually agreed at the initial part of the project. The following are the project deliverables:

#### **E-SignLive Deliverables:**

- Online access to e-SignLive.
- Provide the Administrator account for managing the CITY Users (as defined in the TERMS AND CONDITIONS).
- Provide the contact information of the CONTRACTOR account representative.
- Provide the Best Practice documentations for e-SignLive.
- Provide access to online resource available for e-SignLive.
- Provide access to API documentation.
- Provide access to support website.
- Online Training on web tools.

#### **Implementation Services Deliverables:**

Each project assigned to CONTRACTOR Implementation Services will go through follow phases to be detailed in the applicable SOW. Each phase will include various tasks and deliverables.

1. Initiation Phase
  - a. Statement of Work documentation
2. Requirements & Planning
  - a. Business Requirements gathering & documentation
  - b. Develop the High Level Project Plan document
3. Analysis & Design
  - a. Solution Design Document
  - b. Develop the detailed Project Plan

4. Construction
  - a. Solution Development
  - b. Unit testing, Functional testing, functional testing, Fixing & updates
  - c. Deliver Solution & Source Code
  - d. Deployment instruction documentation
  - e. User Test Script
5. Delivery
  - a. Solution Deployment
  - b. User Acceptance Testing & System Integration Testing
  - c. User Training
6. Acceptance
  - a. Project Closure activities
  - b. Project Sign offs
  - c. Support handover

## TERMS AND CONDITIONS

### Silanis e-SignLive™ Electronic Signature Service Terms

This document (the “**TERMS AND CONDITIONS**”) governs the use by CITY of Silanis’ E-SignLive™ E-Signature Service (“**e-SignLive**”) which is made available via the website [www.e-signlive.com](http://www.e-signlive.com) (the “**Website**”).

#### 1.0 DEFINITIONS

The following definitions shall be used for the purposes of these TERMS AND CONDITIONS. Other terms defined in other sections shall apply to the entirety of these TERMS AND CONDITIONS:

- 1.1 “**Administrator**” means CITY’s employee or authorized agent who is designated to be the point of contact with CONTRACTOR for the management and support of e-SignLive.
- 1.2 “**Affiliate**” means any entity that controls, is controlled by or is under common control with a party to these TERMS AND CONDITIONS, where control means, for purposes of this definition, a direct or indirect ownership or control of more than 50% of the voting interests of the subject entity.
- 1.3 “**Confidential Information**” means all information disclosed by a party hereunder that (i) is in writing and marked “confidential” or “proprietary”, (ii) is disclosed orally and reduced to a writing marked “confidential” or “proprietary” promptly after the oral disclosure or (iii) by its nature or under the circumstances of its disclosure should reasonably be understood to be confidential or proprietary. Confidential Information of CITY shall include the Data, and Confidential Information of CONTRACTOR includes all specifications, designs, plans, drawings, software, data, prototypes, business plans or other business or technical information relating to e-SignLive. All information regarding the negotiations or discussions between the parties hereto with respect to the proposed transaction as well as the terms and conditions agreed to by the parties (including pricing) shall be deemed to be Confidential Information of both parties.
- 1.4 “**Data**” means any data transmitted or provided to CONTRACTOR by CITY for the purposes of effecting a Transaction, and includes all Documents signed through use of e-SignLive.
- 1.5 “**Expenses**” means any out-of-pocket costs and fees actually incurred by CONTRACTOR while providing e-SignLive or Support Services to CITY, including fees and costs related to travel, lodging, meals, and any direct administrative costs.
- 1.6 “**Malicious Code**” means viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents or programs.
- 1.7 “**Service Levels**” means CONTRACTOR’ service level commitment as set forth in **Schedule A**.
- 1.8 “**Implementation Services**” means any consulting or additional implementation or integration work performed by CONTRACTOR for CITY under these TERMS AND CONDITIONS or pursuant to a Statement of Work (“**SOW**”) signed by CONTRACTOR and CITY.
- 1.9 “**System**” means the Website, the equipment including the servers, software, and other technology used by CONTRACTOR to provide e-SignLive.
- 1.10 “**Term**” means the Initial Term (as defined in **Section 7.1** below) and all renewals thereof.
- 1.11 “**Transaction**” means the electronic processing of one or more Documents, where a “**Document**” represents any file representing a single form, document or other record capable of being viewed,

e-signed, sent or received through e-SignLive, and that is retained as a record related to the Transaction.

## 2.0 SCOPE OF AGREEMENT; MODIFICATIONS

- 2.1 Interpretation.** In these TERMS AND CONDITIONS the words “including”, “includes” and “include” mean “including (or includes or include) without limitation”. The expression “Section” or other subdivision followed by a number mean and refer to the specified Section or other subdivision of these TERMS AND CONDITIONS. Words importing the singular number only include the plural and vice versa.
- 2.2 Provision of e-SignLive.** During the Term, CONTRACTOR shall make e-SignLive available to CITY pursuant to these TERMS AND CONDITIONS and provide support services for e-SignLive in accordance with **Section 8**.
- 2.3 Modifications.** CONTRACTOR may modify the System or e-SignLive itself from time to time, in its discretion, with the purpose of improving the features, functions or performance of e-SignLive. CITY acknowledges that CONTRACTOR shall notify CITY of modifications to e-SignLive by posting a notice on the Website or by such other method as the parties may mutually agree.

## 3.0 E-SIGNLIVE

- 3.1 What It Does.** E-SignLive facilitates the electronic signing of documents between CITY and its clients whose signature on one or more Documents is required by CITY (the “Users”).
- 3.2 Creating an Account.** CITY shall provide basic registration information to create its account. After completion of the set-up, registration or configuration forms, CONTRACTOR will establish an account for e-SignLive (the “Account”) and issue CITY’s unique credentials for access to e-SignLive. CITY’s Administrator shall be responsible for establishing an access password administering the Account and maintaining the username and access password. CITY’s Administrator may assign individual usernames and passwords. CITY acknowledges that CITY is fully responsible for any access to e-SignLive through the Account, including all third party access through the Account. CITY shall ensure that each User abides by the terms and conditions of these TERMS AND CONDITIONS, and shall protect the usernames and passwords it establishes for its Account. Such usernames and passwords must not be shared with other entities or individuals, except as expressly allowed by these TERMS AND CONDITIONS.

## 4.0 LICENSE AND SERVICE TERMS

- 4.1 License to e-SignLive.** Subject to the terms and conditions of these TERMS AND CONDITIONS, CONTRACTOR will grant CITY and CITY’s Users for the Term of these TERMS AND CONDITIONS a non-exclusive, non-transferable, non-sublicensable, revocable (in accordance with these TERMS AND CONDITIONS) limited right and license to access, use and display e-SignLive solely for its internal business purposes. No other access to, or use of e-SignLive shall be made by CITY without the prior written consent of CONTRACTOR, except as expressly granted hereunder. Nothing contained herein shall limit CONTRACTOR’S right to license or otherwise distribute or make available e-SignLive, in whole or in part, to any third party except as specifically contemplated in Section 4.11.
- 4.2 Service Use Guidelines.** CITY is only permitted to use e-SignLive as contemplated in these TERMS AND CONDITIONS. CITY will not and will not permit any of the Users or any other third party to:
- (a) use e-SignLive in connection with any infringing or unlawful material;
  - (b) send any Malicious Code through e-SignLive;

- (c) reverse assemble, reverse engineer, decompile, disassemble or otherwise attempt to derive source code from e-SignLive or any component thereof;
- (d) modify, translate or create derivative works based on e-SignLive (or any component thereof);
- (e) copy or reproduce e-SignLive, System or any component thereof;
- (f) except as contemplated in Section 4.11, distribute, re-distribute, sublicense, assign, share, sell, resell, time-share, rent, lease or otherwise make e-SignLive available to any third party, or grant a security interest in e-SignLive;
- (g) interfere or attempt to interfere in any manner with the functionality or proper working of e-SignLive, or disrupt the integrity or performance of e-SignLive or any data contained therein;
- (h) publish e-SignLive or any part of e-SignLive for others to copy;
- (i) circumvent any user limits or other use restrictions that are built into e-SignLive or attempt to gain unauthorized access to any part of e-SignLive or System;
- (j) remove any proprietary notices, labels, or marks from e-SignLive or its components;
- (k) access e-SignLive or any other Confidential Information of CONTRACTOR in order to (i) build a competitive product or service; or (ii) copy any ideas, features, functions or graphics of e-SignLive, including any user interface, process and logic utilized by e-SignLive; or
- (l) perform any form of security or other vulnerability or penetration tests on the System prior to having obtained written approval from CONTRACTOR.

CITY shall immediately notify CONTRACTOR customer service of any violation of the above Service Use Guidelines, suspected or confirmed System abuse, unauthorized use or access, System vulnerability, security incident, confidentiality or privacy breach.

- 4.3 Access to e-SignLive Back-End.** CITY will be provided with login details enabling access to e-SignLive back-end which contains documents, contact information, and other Data relating to e-signatures. CITY is responsible for ensuring the security of its login details and CONTRACTOR will in no event be liable to CITY or to any third party (including CITY's Users) for unauthorized use or access to the Data through CITY's Account. CITY will notify CONTRACTOR promptly upon becoming aware of any such unauthorized access or use.
- 4.4 Contractor Internet Protocol ("IP") Address.** CITY acknowledges and agrees that it will use or otherwise rely upon CONTRACTOR'S IP addressing at CITY's own risk. CONTRACTOR expressly reserves the right to alter its IP addressing at any time with no prior notification to CITY or any other party. Even if CONTRACTOR provides CITY with its IP addressing, CONTRACTOR shall not be liable to CITY or any other party in any way for CITY's use of, or reliance upon, CONTRACTOR's IP addressing (including losses or damages resulting from the failure of CITY's firewalls or other security measures or CITY's failure to update its systems as a result of changes to CONTRACTOR's IP addresses).
- 4.5 Access to the System.** CONTRACTOR will maintain the active status of the System on the Internet, but will not be liable for any loss, cost, damage or expense resulting from or relating to CITY's loss or lack of access to e-SignLive during times CONTRACTOR may be updating or maintaining e-SignLive or during such time as the System may be inaccessible due to a Force Majeure Event or any problem attributable to CITY for any reason. CONTRACTOR will not provide CITY with

hardware or software necessary to gain access to the Internet or the System or e-SignLive. CITY is solely responsible for obtaining and maintaining any such hardware and software, for contracting with an Internet service provider, a telecommunications carrier or other service provider for services necessary to establish CITY's connection or access to the Internet and e-SignLive. CITY is also solely responsible for all its own costs, charges and expenses associated with obtaining and maintaining such hardware and software and with connecting and gaining access to the Internet, and e-SignLive.

- 4.6 Implementation Services.** At CITY's request, and upon payment of applicable Charges, CONTRACTOR shall assign a technical support consultant to provide telephone and e-mail assistance to CITY for establishing the Account and implementing e-SignLive or integrating e-SignLive to CITY's systems. CONTRACTOR will provide additional Implementation Services to CITY as requested and described in one or more SOW executed by both parties and governed by these TERMS AND CONDITIONS. In consideration for such Implementation Services, CITY shall pay CONTRACTOR: (i) a consulting fee for such Implementation Services at the rates set forth in Attachment 1 to Exhibit B (which shall be updated from time to time) and (ii) all Reimbursable Expenses incurred by CONTRACTOR in connection with such Implementation Services, in accordance with paragraph 3 of Exhibit B.
- 4.7 Storage of Data.** While CITY maintains an active Account within e-SignLive, CONTRACTOR will maintain the Data within such CITY's Account. CONTRACTOR shall maintain administrative, technical or physical safeguards to protect the security, confidentiality and integrity of the Data in its possession. CITY may retrieve and store copies of the Data at any time for storage outside of the System, and may delete or purge Data from the System. Data created through CITY and user's use of e-SignLive required for usage metrics and billing purposes may be retained by CONTRACTOR indefinitely, provided that such data shall not contain Data as defined under Section 1.4 of these TERMS AND CONDITIONS.
- 4.8 Data Preservation in the Event of Suspension or Termination.**
- (a) If these TERMS AND CONDITIONS is terminated pursuant to **Section 7**, CONTRACTOR may purge CITY's Data from the System after thirty (30) days.
  - (b) CONTRACTOR shall provide reasonable cooperation in connection with transition of e-SignLive and Data to alternate providers or technology, at its then-applicable hourly rates for professional services. CONTRACTOR may also endeavor to provide CITY unique post-suspension or post-termination assistance, but it shall be under no obligation to do so.
- 4.9 Lawful Purposes.** CITY and CONTRACTOR will comply with all laws, regulations and policies that apply to receipt or provision of e-SignLive, as applicable. CONTRACTOR will provide and CITY will use e-SignLive solely for lawful purposes. In this respect, neither CONTRACTOR nor CITY may (i) use e-SignLive to manage any illegal operations, (ii) use any type of spider, virus, worm, Trojan horse, time bomb or any other codes or instructions that are designed to distort, delete or damage the System or CITY's Data, (iii) send any unsolicited commercial communication not permitted by applicable law; (iv) permit Users to access or use e-SignLive in violation of any export embargo, prohibition or restriction, or (v) endanger any part of any system or Internet connection of CONTRACTOR or any third party.
- 4.10 City's Use of e-SignLive.** The use of e-SignLive by CITY and/or CITY's Users is subject to the following:
- (a) CITY acknowledges and agrees that nothing in these TERMS AND CONDITIONS will be considered to make CONTRACTOR a party to any Document or contract executed using e-SignLive (each, an "e-Contract") or to any Transaction, and CONTRACTOR makes no

representation or warranty regarding the Transactions sought to be effected by any e-Contract;

- (b) CITY acknowledges and agrees that CONTRACTOR maintains no control of or access to the contents of any e-Contract. The content, quality, and format of any e-Contract is completely within CITY's control;
- (c) E-SignLive may provide options designed to verify the identity of the intended recipient of an e-Contract ("**Authentication Measures**"). CITY acknowledges and agrees that CONTRACTOR:
  - (i) will apply only those Authentication Measures (if any) selected by CITY,
  - (ii) makes no representations or warranties regarding the appropriateness of such Authentication Measures, and
  - (iii) assumes no liability or responsibility for a party's inability or failure to satisfy any particular Authentication Measure;
- (d) If an e-Contract has not been completed within 30 days of being sent, the e-Contract may be deleted from the System.
- (e) CONTRACTOR assumes no liability or responsibility for a party's failure or inability to electronically sign any e-Contract within any stated period of time.
- (f) If a statute, regulation, or other rule of law requires that information relating to a Transaction or Transactions in or affecting interstate or foreign commerce be provided or made available to a "consumer" (as defined therein) in writing, and to the extent that any party to an e-Contract is deemed a "consumer," as between CONTRACTOR and CITY, CITY is solely responsible for ensuring that the use of an electronic record to provide or make available (whichever is required) such information satisfies the requirement that such information be in writing.
- (g) As between CONTRACTOR and CITY, CITY is solely responsible for ensuring that CITY's use of e-SignLive complies with all applicable laws, including any electronic signature law.
- (h) CONTRACTOR assumes no responsibility to determine whether a written consumer disclosure is required with regard to a Transaction represented by an e-Contract. Furthermore, CONTRACTOR assumes no responsibility to provide any such disclosures or to obtain any consumer consents.
- (i) CITY acknowledges and agrees that applicable electronic signature legislation may not extend to all types of agreements and documents and that certain types of agreements and documents may not be able to be legally formed through the affixing of electronic signatures; additionally, various agencies may have promulgated specific regulations that apply to electronic signatures and electronic records, and CONTRACTOR assumes no responsibility to determine whether any particular e-Contract is an exception to applicable electronic signature law or whether it is subject to any particular agency promulgations and whether it can be legally formed by electronic signatures.

**4.11 Use by City's Affiliates.** CITY may: (a) use e-SignLive for the processing of its Affiliate's business; or (b) grant to one or more of its Affiliates a non-exclusive, non-transferable, non-sublicensable limited sublicense to use and access e-SignLive solely to the same extent as granted to CITY in these TERMS AND CONDITIONS. CITY shall notify CONTRACTOR of CITY's Affiliate's intent to use e-SignLive at least 30 days prior to performing any of the foregoing clauses (a) and (b). CITY shall also ensure that each of its Affiliates using e-SignLive understands, has received a copy of, is bound by, and complies with, the terms and conditions of these TERMS AND CONDITIONS. CITY represents and warrants to CONTRACTOR that CITY is authorized to bind each of its Affiliates that uses e-

SignLive under these TERMS AND CONDITIONS. Though CONTRACTOR will solely invoice CITY for e-SignLive used by CITY and CITY's Affiliates, each of CITY's Affiliates using e-SignLive will be deemed to be "CITY" under these TERMS AND CONDITIONS and will have the same rights, limitations, remedies and obligations as CITY has under these TERMS AND CONDITIONS. CITY shall be jointly and severally responsible to CONTRACTOR for any breach of the terms and conditions of these TERMS AND CONDITIONS caused by the acts or omissions of any of CITY's Affiliates that uses e-SignLive.

- 4.12 Unsolicited Information and Opt-Outs.** E-SignLive may include the provision of communications on CITY's or CITY's clients' behalf to CITY's Users. It is CITY's responsibility to provide its Users with the ability to opt-out of communications provided by CONTRACTOR on CITY's behalf. CITY shall inform CONTRACTOR promptly if any of CITY's Users opt-out of receiving communications. Failure to comply with these responsibilities is a material violation of these TERMS AND CONDITIONS. CONTRACTOR will have no liability whatsoever for any breach of this obligation by CITY. CITY shall indemnify and hold CONTRACTOR and its Affiliates and Suppliers harmless from any and all direct, indirect or consequential claims, losses, damages, judgments, expenses and costs (including attorney's fees and expenses) arising out of CITY's failure to comply with the obligations in this Section 4.12.

## **5.0 PROPRIETARY RIGHTS**

- 5.1 Exclusive Ownership.** CITY acknowledges and agrees that e-SignLive and documentation accompanying e-SignLive are the proprietary information of CONTRACTOR or its licensors protected under Canadian and international copyright and other laws protecting intellectual property. Any and all intellectual property rights to or arising from e-SignLive and the software or technology underlying e-SignLive (including any copies, corrections, bug fixes, enhancements, modifications or new versions thereof) ("**CONTRACTOR Intellectual Property**") are and will remain the exclusive property of CONTRACTOR and its licensors. Nothing in these TERMS AND CONDITIONS intends to transfer any such CONTRACTOR Intellectual Property to CITY, or to vest any such CONTRACTOR Intellectual Property in CITY. CITY is only entitled to the limited use of the CONTRACTOR Intellectual Property rights granted to CITY in these TERMS AND CONDITIONS. Any unauthorized use of CONTRACTOR Intellectual Property is a violation of these TERMS AND CONDITIONS as well as a violation of intellectual property laws and treaties including copyright laws and/or trademark laws. All title and intellectual property rights in and to any third party content that is not contained in e-SignLive, but may be accessed through use of e-SignLive, is the property of the respective content owners and may be protected by applicable copyright or other intellectual property laws and treaties. CITY acknowledges and agrees that only CONTRACTOR will have the right to maintain, enhance or otherwise modify e-SignLive and any parts thereof. CITY agrees that it will not, either during or after the termination of these TERMS AND CONDITIONS, contest or challenge the ownership of the CONTRACTOR Intellectual Property.
- 5.2 End-User Data.** As between CITY and CONTRACTOR, CITY owns the Data. CITY hereby grants (and warrants that it has the right to grant) to CONTRACTOR, its Affiliates, licensors and Suppliers the right to access, store, process and use the Data to the extent necessary to perform e-SignLive as contemplated by these TERMS AND CONDITIONS.
- 5.3 Confidentiality; Privacy.** CONTRACTOR is committed to respecting CITY privacy and the confidentiality of CITY Data. CONTRACTOR shall hold CITY's Confidential Information in accordance with the terms of its Privacy Policy, with Section 4.7, Section 12 and Schedule B herein.
- 5.4 Suggestions.** To the extent CITY provides or otherwise communicates any suggestions, enhancement requests, recommendations or otherwise provides feedback on e-SignLive (collectively, "Comments"), CITY hereby grants CONTRACTOR a royalty-free, worldwide,

transferable, sublicensable, irrevocable, perpetual, unrestricted license to use and/or incorporate the Comments and all underlying ideas contained in the Comments into e-SignLive.

## 6.0 [DELETED]

## 7.0 SUPPORT SERVICES

- 7.1 **Service Levels.** CONTRACTOR will use commercially reasonable efforts to keep e-SignLive operational on a 24/7 basis in accordance with **Schedule A**, except for Permitted Downtime (as defined in Schedule A) or any unavailability caused by a Force Majeure Event.
- 7.2 **Named Support Contacts.** CONTRACTOR customer service and technical support are provided to CITY's named contact only. For the avoidance of doubt, CITY will be responsible for providing all support to CITY's clients and Users. CITY must provide CONTRACTOR with the name and contact information for a named contact(s) who will be the only individuals authorized to access and receive support services from CONTRACTOR. The named contact(s) within the company or organization may be changed if necessary but must be entitled to make decisions on CITY's behalf.

## 8.0 REPRESENTATIONS AND WARRANTIES

- 8.1 **Mutual Representations and Warranties.** Each party represents and warrants to the other that: (a) it does not conduct business for any unlawful or illegitimate purposes (including money laundering, purchase or sale of illegal goods or other action in violation of applicable laws); (b) it has the legal authority to enter into this Agreement and that no consent of any person or entity who is not a party to this Agreement is necessary in order for this Agreement to be fully and completely binding on the parties and their permitted successors and assigns; (c) if applicable, it is the owner or authorized licensee of the marks and logos licensed to the other party under this Agreement, (d) each person signing this Agreement on behalf of an entity is duly authorized to accept these TERMS AND CONDITIONS on such entity's behalf and to bind such entity; and (e) such entity has full power, corporate or otherwise, to enter into this agreement and perform its obligations hereunder.
- 8.2 **CITY's Representations and Warranties.** CITY represents and warrants to CONTRACTOR that: (a) the information CITY provides in connection with registration for e-SignLive is accurate and complete; (b) CITY has not falsely identified itself nor provided any false information regarding itself to gain access to and use of e-SignLive and CONTRACTOR's Confidential Information; (c) CITY's billing information is correct; and (d) CITY has assigned an authorized and qualified employee to accurately complete set-up forms, and serve as its Administrator.

## 9.0 DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY

- 9.1 **WARRANTY LIMITATIONS.** EXCEPT WHERE AN EXPRESS WARRANTY IS PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW: (i) E-SIGNLIVE IS PROVIDED "AS IS" AND THERE ARE NO WARRANTIES, CLAIMS, REPRESENTATIONS OR CONDITIONS OF ANY KIND, EXPRESSED OR IMPLIED, WRITTEN OR ORAL, ARISING BY STATUTE, OPERATION OF LAW, COURSE OF DEALING, USAGE OF TRADE OR OTHERWISE WITH RESPECT TO E-SIGNLIVE AND (ii) EACH PARTY DISCLAIMS AND EXCLUDES ANY AND ALL OTHER EXPRESS, IMPLIED AND STATUTORY WARRANTIES INCLUDING WARRANTIES OR CONDITIONS OF QUALITY, PERFORMANCE, INTEGRITY OF DATA, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS FOR USE FOR A PARTICULAR PURPOSE. WITHOUT IN ANY WAY LIMITING THE FOREGOING, CONTRACTOR FURTHER DOES NOT REPRESENT OR WARRANT THAT THE E-SIGNLIVE WILL ALWAYS BE AVAILABLE, ACCESSIBLE, UNINTERRUPTED, TIMELY, SECURE, ACCURATE, COMPLETE AND ERROR-FREE OR WILL OPERATE WITHOUT PACKET LOSS, NOR DOES CONTRACTOR WARRANT ANY CONNECTION TO OR TRANSMISSION FROM THE INTERNET. CITY ACKNOWLEDGES THAT IN USING E-SIGNLIVE, SENSITIVE CONFIDENTIAL AND/OR PROPRIETARY INFORMATION WILL TRAVEL THROUGH PUBLIC OR THIRD

PARTY INFRASTRUCTURE WHICH CONTRACTOR HAS NO CONTROL OVER AND FOR WHICH CONTRACTOR WILL BEAR NO LIABILITY. NO REPRESENTATION OR OTHER AFFIRMATION OF FACT INCLUDING MARKETING LITERATURE, COLLATERAL DOCUMENTATION OR STATEMENTS REGARDING PERFORMANCE OF E-SIGNLIVE BY CONTRACTOR WHICH IS NOT CONTAINED IN THIS AGREEMENT WILL BE CONSIDERED TO BE A WARRANTY OR REPRESENTATION AND SHOULD NOT BE RELIED UPON AND IS NOT BINDING UPON CONTRACTOR. SILANIS DOES NOT ASSUME ANY LIABILITY WITH RESPECT TO ANY THIRD PARTY HARDWARE, FIRMWARE, SOFTWARE OR SERVICES.

- 9.2 LIMITATION OF LIABILITY.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, CONTRACTOR, ITS AFFILIATES, AND/OR SUPPLIERS WILL NOT HAVE ANY LIABILITY TO CITY OR ANY OTHER PERSON OR ENTITY FOR ANY INDIRECT, RELIANCE, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES INCLUDING LOSS OF REVENUE OR PROFIT, LOSS OF OR DAMAGE TO DATA, BUSINESS INTERRUPTION, REPLACEMENT OR RECOVERY COSTS, OR OTHER COMMERCIAL OR ECONOMIC LOSS, WHETHER ARISING FROM CONTRACT, EQUITY, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR ANY OTHER THEORY OF LIABILITY, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR THEY ARE FORESEEABLE. IN NO EVENT WILL SILANIS' TOTAL AGGREGATE LIABILITY TO CITY UNDER THIS AGREEMENT IN RESPECT OF DIRECT DAMAGES EXCEED FIVE MILLION DOLLARS (\$5,000,000).

## **10.0 INDEMNIFICATION**

- 10.1 City's Indemnity.** CITY agrees to indemnify, defend and hold CONTRACTOR, its Affiliates, Suppliers, and their respective directors and officers ("**CONTRACTOR Indemnitees**") harmless from and against any and all claims, suits demands, damages, judgments, liability and costs, including reasonable attorneys' fees (collectively "**Claims and Losses**") arising out of (a) CITY's violation or breach of any term of these TERMS AND CONDITIONS or any applicable law or regulation, whether or not referenced herein, or (b) CITY's violation of any rights of any third party, or (c) CITY's misuse of e-SignLive or any CONTRACTOR Intellectual Property, or (d) CITY's negligence or the negligence of its Affiliates. Notwithstanding the above, in the event of any conflict with this paragraph and the provisions of paragraph 7 or 10 of Exhibit D of this Agreement, the provisions of paragraph 7 and 10 of Exhibit D shall govern.

## **11.0 Protection of Confidential Information**

- 11.1 Protection of Confidential Information.** Each party shall use no less than the same means it uses to protect its similar Confidential Information, but in any event not less than reasonable means, to prevent the disclosure and to protect the confidentiality of the Confidential Information of the other party. Each party agrees that it will not disclose or use the Confidential Information of the other party, except for the purposes of these TERMS AND CONDITIONS, as authorized in these TERMS AND CONDITIONS, and as provided in paragraph 7 of Exhibit D of the Agreement. While maintaining the confidentiality of CITY Confidential Information pursuant to these TERMS AND CONDITIONS, CITY hereby permits CONTRACTOR to use CITY Data for aggregation and business intelligence purposes, including for CONTRACTOR to develop new features or functionality that will benefit users of e-SignLive.
- 11.2 Protection of Data.** Without limiting the above, CONTRACTOR shall maintain appropriate administrative, physical or technical safeguards for the protection of the security, confidentiality and integrity of the Data. CONTRACTOR shall not: (i) modify the Data; or (ii) disclose the Data to third parties, except as necessary to perform e-SignLive, or as expressly permitted by CITY by these TERMS AND CONDITIONS or in writing.

**12.0 Force Majeure**

**12.1 Force Majeure.** Notwithstanding anything to the contrary CITY acknowledges and agrees that CONTRACTOR shall not be liable for any default or delay in the performance of its duties, obligations or responsibilities hereunder if and to the extent such default or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God; acts of war, terrorism, riots, civil disorders, rebellions or revolutions; strikes, lockouts or labour difficulties, Internet service provider failures, delays or availability issues (including downtime or service outages) of CITY's payment gateway service provider or any other similar or dissimilar cause beyond the control of CONTRACTOR (collectively, a "**Force Majeure Event**").

**13.0 [DELETED]**

**14.0 MISCELLANEOUS**

**14.1 [DELETED]**

**14.2 Promotional Rights.** CONTRACTOR may identify CITY as a CONTRACTOR customer, in the course of promoting and marketing e-SignLive. CITY hereby grants to CONTRACTOR the right and limited license, during the Term, to use CITY name and logo on the Website, in press releases and other marketing materials.

**SCHEDULE A**  
**SILANIS SERVICE LEVELS**

In the event that Silanis or CITY observes an Issue with e-SignLive, CONTRACTOR will provide the Service Level Response for the Defined Service Level described in the table below to find a Resolution.

“**Issue**” means any problem or failure that materially decreases the functionality or performance of e-SignLive and is caused by the software, systems, networks, other components, facilities or services that are supplied as part of e-SignLive. Issues do not include any problem or failure caused by the use or improper use or operation of software, systems, networks, other components, facilities or services that are not part of e-SignLive but are used to connect to, integrate with or otherwise make use of e-SignLive.

“**Permitted Downtime**” shall mean the following hours during which the System and e-SignLive may be unavailable due to scheduled maintenance: Saturday or Sunday, from 12:00am (midnight) to 6:00am Eastern Time, plus up to 90 minutes per month for emergency maintenance.

“**Resolution**” means a change to the application software, a change to the hosting systems, software or network, or any other change to the components, configuration or services constituting e-SignLive that resolves the Issue. Resolution also includes any testing by CONTRACTOR and CITY prior to applying the Resolution to e-SignLive.

The following conditions apply to the Service Level Response:

1. **Overall Service Level:** Except for Permitted Downtime, e-SignLive will be available 24/7/365 at least 99.999% of the time on a monthly basis, where e-SignLive is considered unavailable when e-SignLive is not accessible through the Internet for a reason other than a Force Majeure for a period of at least 5 minutes.
2. **Support and Monitoring Hours:** For Issues other than Service Level 1 Issues, support for responding to and working on Issues will be provided during normal business hours which are from 8 AM to 8 PM EST during weekdays (not including holidays). For Service Level 1 Issues, support for responding to and working on Issues will be provided on a 24 x 7 basis.
3. **Reporting of Issues:** To report an Issue, only CITY’s designated contacts may contact CONTRACTOR support by phone or email. Service Level 1 issues may be reported directly. All other Service Level Issues must include a reasonable detailed written description of the decrease in functionality or performance of e-SignLive, and the impact on the efficacy of e-SignLive.
4. **Personnel and Communication:** CONTRACTOR and the CITY will provide the necessary and appropriate personnel as required to find a Resolution. CONTRACTOR and CITY will cooperate to obtain or supply information and data, and run tests in order to assist in finding a Resolution in a timely manner. CONTRACTOR will communicate its progress on finding a Resolution to the CITY on a basis appropriate to the Service Level.

<b>SERVICE LEVELS</b>	
<b>Service Level Definition</b>	<b>Description of Service Level Response</b>
<p><b>Level 1:</b> An Issue that causes continuous disruption of e-SignLive or prevents the majority of its users from using e-SignLive.</p>	<p>CONTRACTOR shall respond to a call for an Issue within 15 minutes. Immediate attention shall be given to the reported Issue. CONTRACTOR's support personnel will verify that the Issue constitutes a Level 1 Service Level. If confirmed, CONTRACTOR' personnel shall work continuously to resolve the Issue until a temporary or permanent Resolution is found. The Resolution will be applied to e-SignLive immediately.</p>
<p><b>Level 2:</b> An Issue that causes a repeated occasional disruption of e-SignLive or prevents a limited number of users from using e-SignLive.</p>	<p>CONTRACTOR shall respond to a call or email for an Issue within 15 minutes. Attention shall be given to the reported Issue within 1 hour during business hours of receipt of CITY's written report. CONTRACTOR's support personnel will verify that the Issue constitutes a Level 2 Service Level. If confirmed, CONTRACTOR' personnel shall work continuously to resolve the Issue until a Resolution is found. The Resolution will be applied to e-SignLive immediately.</p>
<p><b>Level 3:</b> An Issue that causes an inconvenience in using e-SignLive for the majority of its users and for which there is no workaround.</p>	<p>CONTRACTOR shall respond to a call or email for an issue within 4 hours. Attention shall be given to the reported Issue within 1 hour of receipt of CITY's written report. CONTRACTOR's personnel shall use commercially reasonable efforts to resolve the Issue until a Resolution is found. The Resolution will be applied to e-SignLive within 2 business days.</p>
<p><b>Level 4:</b> An Issue that causes an inconvenience in using e-SignLive that a) affects a limited number of users; b) has a minor impact on its efficacy; or c) has a workaround.</p>	<p>CONTRACTOR shall respond to a call or email for an Issue within 1 business day. Attention shall be given to the reported Issue after receipt of CITY's written report. CONTRACTOR's personnel shall use commercially reasonable efforts to resolve the issue until the Resolution is found. The Resolution will be applied to e-SignLive during a scheduled maintenance period.</p>

## SCHEDULE B

### PRIVACY, CONFIDENTIALITY AND SECURITY

**CONTRACTOR shall maintain a comprehensive security program designed to:**

- a. Protect the security and confidentiality of the Confidential Information;
- b. Protect against any anticipated threats or hazards to the security or integrity of such information; and
- c. Protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to CITY or any of its subsidiaries, business partners, employees or customers.

**CONTRACTOR shall maintain:**

- a. Procedures and controls to authenticate and limit access to Confidential Information, whether in electronic or physical form, to authorized individuals and to immediately discontinue access by terminated or otherwise former employees;
- b. Procedures and controls to restrict access at physical locations containing Confidential Information such as buildings, computer facilities and records storage facilities;
- c. Procedures and controls for the secure installation, configuration, operation and maintenance of information systems (e.g., workstations, servers, networks and applications), including procedures for change management, patch management and vulnerability management, such as up-to-date system security software, security patches, virus definitions and firewalls;
- d. Procedures and controls for detecting, preventing and responding to attacks, intrusions or other systems failures, including actions to be taken in the event of suspected or detected unauthorized access to Confidential Information.

**CONTRACTOR shall identify:**

Reasonably foreseeable internal and external risks to the confidentiality, integrity and availability of Confidential Information that could result in the unauthorized disclosure, misuse, alteration, destruction or other compromise of such information, and design and implement safeguards to mitigate or address these risks including:

- a. Restricting access to Confidential Information to those CONTRACTOR personnel who have a business need to access it in order to provide services under these TERMS AND CONDITIONS;
- b. Implementing secure user authentication protocols and secure access control measures;
- c. Encrypting, using industry-accepted algorithms and key lengths, all Confidential Information that is stored on computer systems or media not permanently housed in a secured data center (including desktop and laptop computers, portable storage devices and removable media); and
- d. Encrypting, using industry-accepted algorithms and key lengths, all Confidential Information that is transmitted, via electronic mail or other means, over public networks (including the Internet), wireless networks or cellular networks.

**CONTRACTOR shall perform,** for personnel with access to CITY Confidential Information or providing any portion of the Services, identity verification, reference checks and criminal background checks.

**CONTRACTOR shall immediately,** but in no event more than 24 hours later, report to CITY in writing, and if required by law or regulation to any other party, any breach or suspected breach of security of the environment(s) used to provide services under these TERMS AND CONDITIONS following discovery or notification of such breach if the security, confidentiality or integrity of any CITY data or CITY Confidential Information was, or is reasonably believed to have been, compromised. CONTRACTOR shall, at no additional cost to CITY, cooperate with CITY to comply with laws and regulations relating to unauthorized use or disclosure of Personal Information and mitigate the losses that may be suffered as a result thereof, including making appropriate notifications, or providing, as approved and directed by CITY, ongoing credit or other monitoring that may be required as a result of a security breach.

**CITY shall** designate a primary and a secondary information security point of contact for all matters related to information security issues and incidents, and promptly inform CONTRACTOR should any such point of contact change.

## EXHIBIT B

### PROFESSIONAL SERVICES AGREEMENT

#### FEE SCHEDULE/MANNER OF PAYMENT

1. **CONTRACTOR's Compensation.** The total of all fees paid to the CONTRACTOR for the performance of all services set forth in Exhibit A, including normal revisions (hereafter the "Services"), and for all authorized Reimbursable Expenses, shall not exceed the total sum of \$ 436,500.00
2. **Billable Rates.** CONTRACTOR shall be paid for the performance of Services on an hourly rate, daily rate, flat fee, lump sum, or other basis, as set forth in Attachment 1 to Exhibit B, attached hereto and incorporated herein.
3. **CONTRACTOR's Reimbursable Expenses.** Reimbursable Expenses shall be limited to actual expenditures of CONTRACTOR for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by CITY.
4. **Payments to CONTRACTOR.**
  - A. Payments to CONTRACTOR shall be made within a reasonable time after receipt of CONTRACTOR's invoice, said payments to be made in proportion to services performed or as otherwise specified in Attachment 1 to Exhibit B. CONTRACTOR may request payment on a monthly basis. CONTRACTOR shall be responsible for the cost of supplying all reasonable documentation necessary to verify the monthly billings to the satisfaction of CITY.
  - B. All invoices submitted by CONTRACTOR shall contain the following information:
    - (1) Job Name
    - (2) Description of services billed under this invoice, and overall status of project
    - (3) Date of Invoice Issuance
    - (4) Sequential Invoice Number
    - (5) CITY's Purchase Order Number
    - (6) Total Contract Amount
    - (7) Amount of this Invoice (Itemize all Reimbursable Expenses)
    - (8) Total Billed to Date
    - (9) Total Remaining on Contract
    - (10) Updated project schedule. This shall identify those steps that shall be taken to bring the project back on schedule if it is behind schedule.
  - C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to CONTRACTOR for correction. CITY shall not be responsible for delays in payment to CONTRACTOR resulting from CONTRACTOR's failure to comply with the invoice format described above.

D. Requests for payment shall be sent to:

*Mrudul Sadanandan, IT Manager  
Information Technology Department  
915 I Street, 3<sup>rd</sup> Floor, Sacramento, CA 95814  
(916) 808-7894  
msadanandan@cityofsacramento.org*

5. **Additional Services.** Additional Services are those services related to the scope of services of CONTRACTOR set forth in Exhibit A but not anticipated at the time of execution of this Agreement. Additional Services shall be provided only when a Supplemental Agreement authorizing such Additional Services is approved by CITY in accordance with CITY's Supplemental Agreement procedures. CITY reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform said Additional Services.
6. **Accounting Records of CONTRACTOR.** During performance of this Agreement and for a period of three (3) years after completing all Services and Additional Services hereunder, CONTRACTOR shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of CONTRACTOR's costs for all Services and Additional Services performed under this Agreement and records of CONTRACTOR's Reimbursable Expenses, in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the CITY upon reasonable written notice.
7. **Taxes.** CONTRACTOR shall pay, when and as due, any and all taxes incurred as a result of CONTRACTOR's compensation hereunder, including estimated taxes, and shall provide CITY with proof of such payment upon written request. CONTRACTOR hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of CONTRACTOR's breach of this Section 7.

**Attachment 1 to Exhibit B  
Fee Schedule**

**1. E-SignLive™ E-Signature Service**

E-SignLive shall be provided for a fee per Document (where Document is defined under Section 1.11 of the TERMS AND CONDITIONS). City shall purchase a minimum of 120,000 Documents over the initial three-year period of the agreement ("INITIAL TERM") at the fee per Document and in Annual Service Fee listed below. If the CITY exercises its two options to extend the Agreement for one (1) year each, the CITY shall purchase a minimum of 50,000 Documents each year at the fee per Document and Annual Service Fee listed below. Annual Service Fee for the Documents Volume purchased shall be paid at the beginning of each year during the Term.

	Fee per Document	Document Volume* Purchased	Annual Service Fee
<b>Year 1</b>	\$0.95	120,000	\$35,000.00
<b>Year 2</b>			\$38,000.00
<b>Year 3</b>			\$41,000.00
<b>Year 4</b>	\$0.85	50,000	\$42,500.00
<b>Year 5</b>	\$0.85	50,000	\$42,500.00
		<b>Total Cost:</b>	<b>\$199,000.00</b>

*\*The ("Document Volume") refers to the number of Documents to be processed through e-SignLive, in each twelve (12) month period during the Term.*

*Any number of Documents that have been purchased but are unused at the end of any year will rollover to the next year for the CITY to consume.*

If the CITY uses more than the Documents Volume purchased, as listed above, additional Documents consumed will be charged based on the total volume pricing listed below for the respective year and be paid for by the City quarterly, in arrears.

	Additional Documents Range	Fee per Document
<b>Year 1</b>	Any	\$0.85
<b>Year 2</b>		\$0.85
<b>Year 3</b>		\$0.85
<b>Year 4</b>	1-50,000	0.85
	50,001-200,000	0.65
<b>Year 5</b>	1-50,000	0.85
	50,001-200,000	0.65

**2. E-SignLive Configuration Service**

CITY is subscribing to the Multi-tenant SaaS (Software as a Service) e-SignLive from CONTRACTOR. This model doesn't involve any software installation and setup. CONTRACTOR will be responsible for all the costs involved in the software setup for out of box and standard configuration as defined in Section 4.3 and Section 4.6 of the TERMS and CONDITIONS.

**3. CONTRACTOR Implementation Services**

CITY will engage CONTRACTOR for integrating e-SignLive to various CITY processes and enterprise applications. The

following is the associated fee schedule for each of the three options of levels of Implementation Service (total cost to be confirmed in a SOW executed by the parties):

<b>Implementation Service Options</b>	<b>Fees</b>	<b>Estimated Number of Units</b>	<b>Estimated Cost</b>
Level 1: Proposed Implementation Services for Interactive Mode	\$2,000.00/block of 10 hours	10 blocks	\$20,000.00
Level 2: Proposed Implementation Services for Integration Mode	\$3,000.00/design workshop	5 workshops	\$15,000.00
Level 3: Custom Professional Services and Statement of Work			
<i>Program Manager / Principal</i>	\$2,400/day or \$300/hour	20 hours	\$6,000.00
<i>Project Manager</i>	\$2,000/day or \$250/hour	60 hours	\$15,000.00
<i>Solutions Architect</i>	\$2,000/day or \$275/hour	60 hours	\$16,500.00
<i>Senior Technical Consultant</i>	\$1,600/day or \$225/hour	60 hours	\$13,500.00
<i>Technical Consultant</i>	\$1,400/day or \$175/hour	100 hours	\$17,500.00
<i>Business Analyst</i>	\$1,600/day or \$200/hour	100 hours	\$20,000.00
<i>Senior Systems Engineer</i>	\$1,600/day or \$200/hour	120 hours	\$24,000.00
<i>Systems Engineer</i>	\$1,120/day or \$175/hour	200 hours	\$35,000.00
<b>Total Estimated Cost</b>			<b>\$182,500.00</b>

#### 4. Reimbursable Expenses

All Reimbursable Expenses, including travel expenses, additional documents, additional services, or other contingencies are in addition to the Implementation Services fee identified above, and will be paid for in accordance with Exhibit B of this Agreement. CONTRACTOR will use CITY preferred vendors for travel expenses when reasonably possible. Travel costs will be coordinated and approved by the CITY's Project Manager. CITY will reimburse all preapproved Expenses as incurred and at cost without additional markup.

<b>Description</b>	<b>Estimated Costs</b>
Travel Cost	25,000
Contingency	30,000
<b>Total Estimated Costs:</b>	<b>55,000</b>

<b>DELIVERABLE ACCEPTANCE FORM</b>	
<b>Purpose:</b> The Deliverable Acceptance Form signifies sign-off of the delivered solution, it verifies what deliverables are being turned over to the CITY and that the CITY has accepted / approved those deliverables.	
<b>Date</b>	
<b>Project Name</b>	
<b>Important Notes for Completing this Document</b>	
Each section of the Deliverable Acceptance Form must be completed in full. If a particular section is not applicable to this project, then you must write <i>Not Applicable</i> and provide a reason.	

<b>LIST OF PROJECT DELIVERABLES COMPLETED</b>	
<b>Deliverables and Description of Work Completed</b>	
<b>Acceptance Response (Completed by CITY Project Manager)</b>	<input type="checkbox"/> Accepted <input type="checkbox"/> Not Accepted until below issues are addressed
<b>Issues / Comments</b>	

<b>PREPARED BY</b>	
<b>CONTRACTOR Project Manager</b>	
	(name) (signature) (date)
<b>REVIEWED BY</b>	
	(name) (signature) (date)
<b>APPROVED BY</b>	
<b>CITY Project Manager</b>	
	(name) (signature) (date)

**EXHIBIT C  
PROFESSIONAL SERVICES AGREEMENT  
FACILITIES AND EQUIPMENT TO BE PROVIDED BY CITY**

CITY shall [*check one*] \_\_\_\_ Not furnish any facilities or equipment for this Agreement; or

X furnish the following facilities or equipment for the Agreement; [*list, if applicable*]

CONTRACTOR shall be given the appropriate network access to the CITY's technical environment to accomplish the tasks listed in Attachment 1 to Exhibit A.

**EXHIBIT D**  
**PROFESSIONAL SERVICES AGREEMENT**

**GENERAL PROVISIONS**

**1. Independent Contractor.**

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither CONTRACTOR nor CONTRACTOR's assigned personnel shall be entitled to any benefits payable to employees of CITY. CITY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement, and, where applicable, CONTRACTOR shall be issued a Form 1099 for its services hereunder. As an independent contractor, CONTRACTOR hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of CONTRACTOR's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement. (As used in this Exhibit D, the term "Services" shall include both Services and Additional Services as such terms are defined elsewhere in this Agreement.)
- B. It is further understood and agreed by the parties hereto that CONTRACTOR, in the performance of its obligations hereunder, is subject to the control and direction of CITY as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by CONTRACTOR for accomplishing such results. To the extent that CONTRACTOR obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the CONTRACTOR's sole discretion based on the CONTRACTOR's determination that such use will promote CONTRACTOR's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the CITY does not require that CONTRACTOR use CITY facilities, equipment or support services or work in CITY locations in the performance of this Agreement.
- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such persons shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR. It is further understood and agreed that CONTRACTOR shall issue W-2 or 1099 Forms (or Canadian equivalent) for income and employment tax purposes, for all of CONTRACTOR's assigned personnel and subcontractors.

- D. The provisions of this Section 1 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between CITY and CONTRACTOR. CONTRACTOR may represent, perform services for, or be employed by such additional persons or companies as CONTRACTOR sees fit provided that CONTRACTOR does not violate the provisions of Section 5, below.
2. **Licenses; Permits, Etc.** CONTRACTOR represents and warrants that CONTRACTOR has all applicable licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature that are legally required for CONTRACTOR to practice its profession or provide any services under the Agreement. CONTRACTOR represents and warrants that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for CONTRACTOR to practice its profession or provide such Services. Without limiting the generality of the foregoing, if CONTRACTOR is an out-of-state corporation, CONTRACTOR warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.
  3. **Time.** CONTRACTOR shall devote such time and effort to the performance of Services pursuant to this Agreement as is necessary for the satisfactory and timely performance of CONTRACTOR's obligations under this Agreement. Neither party shall be considered in default of this Agreement, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
  4. **CONTRACTOR Not Agent.** Except as CITY may specify in writing, CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to bind CITY to any obligations whatsoever.
  5. **Conflicts of Interest.** CONTRACTOR covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of CITY or that would in any way hinder CONTRACTOR's performance of Services under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of CITY. CONTRACTOR agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY at all times during the performance of this Agreement. If CONTRACTOR is or employs a former officer or employee of the CITY, CONTRACTOR and any such employee(s) shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any CITY department, board, commission or committee.
  6. **Confidentiality of CITY Information.** During performance of this Agreement, CONTRACTOR may gain access to and use CITY information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the CITY. CONTRACTOR agrees to protect all City Information and treat it as strictly confidential, and further agrees that CONTRACTOR shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any

City Information to any third party without the prior written consent of CITY. A violation by CONTRACTOR of this Section 6 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

**7. CONTRACTOR Information.**

- A. CITY shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement, except as provided for in Section 5 of the TERMS AND CONDITIONS and applicable SOW (for Integration Service). In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONTRACTOR shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by CITY.
- B. CONTRACTOR shall fully defend, indemnify and hold harmless CITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. CITY shall make reasonable efforts to notify CONTRACTOR not later than ten (10) days after CITY is served with any such claim, action, lawsuit or other proceeding, provided that CITY's failure to provide such notice within such time period shall not relieve CONTRACTOR of its obligations hereunder, which shall survive any termination or expiration of this Agreement. In the event of any conflict with this paragraph and the provisions of Section 10 of the TERMS AND CONDITIONS, the provisions of this paragraph shall govern.
- C. All proprietary and other information received from CONTRACTOR by CITY, whether received in connection with CONTRACTOR's proposal to CITY or in connection with any Services performed by CONTRACTOR, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" or "confidential and proprietary" when it is provided to CITY, CITY shall give notice to CONTRACTOR of any request for the disclosure of such information, it being understood that specifications, documentation, guides, designs, plans, drawings, software, data, prototypes, business plans or other business or technical information relating to e-SignLive shall be deemed to be confidential and proprietary whether indicated or not at time of disclosure by CONTRACTOR.
- D. The CONTRACTOR shall then have five (5) days from the date it receives such notice to enter into an agreement with the CITY, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by CITY in any legal action to compel the disclosure of such information under the California Public Records Act. The

CONTRACTOR shall have sole responsibility for defense of the actual "trade secret" or "confidential and proprietary" designation of such information.

- E. The parties understand and agree that any failure by CONTRACTOR to respond to the notice provided by CITY and/or to enter into an agreement with CITY, in accordance with the provisions of subsection C, above, shall constitute a waiver by CONTRACTOR of confidentiality rights regarding the information designated "trade secret" or "confidential and proprietary" by CONTRACTOR, and such information shall be disclosed by CITY pursuant to applicable procedures required by the Public Records Act.
8. **Standard of Performance.** CONTRACTOR shall perform all Services required pursuant to this Agreement in the manner and according to the standards currently observed by a competent practitioner of CONTRACTOR's profession in California. All products of whatsoever nature that CONTRACTOR delivers to CITY pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in CONTRACTOR's profession, and shall be provided in accordance with any schedule of performance specified in Exhibit A. CONTRACTOR shall assign only competent personnel to perform Services pursuant to this Agreement. CONTRACTOR shall notify CITY in writing of any changes in CONTRACTOR's staff assigned to perform the Integration Services required under this Agreement, prior to any such performance. In the event that CITY, at any time during the term of this Agreement, desires the removal of any person assigned by CONTRACTOR to perform Integration Services pursuant to this Agreement, because CITY, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, CONTRACTOR shall remove such person immediately upon receiving notice from CITY of the desire of CITY for the removal of such person.
9. **Term; Suspension; Termination.**
- A. This Agreement shall become effective on the date that it is approved by both parties, set forth on the first page of the Agreement, and shall continue in effect as provided under Section 5 of Exhibit A hereto.
  - B. CITY shall have the right at any time to temporarily suspend CONTRACTOR's performance hereunder, in whole or in part, by giving a written notice of suspension to CONTRACTOR. If CITY gives such notice of suspension, CONTRACTOR shall immediately suspend its activities under this Agreement, as specified in such notice. Suspension of e-SignLive will not entitle CITY to a refund for any amounts prepaid for e-SignLive and CITY shall pay CONTRACTOR the reasonable value of Services rendered by CONTRACTOR prior to such suspension.
  - C. CITY shall have the right to terminate this Agreement at any time by giving a written notice of termination to CONTRACTOR. If CITY gives such notice of termination, CONTRACTOR shall immediately cease rendering Services pursuant to this Agreement. If CITY terminates this Agreement:
    - (1) CONTRACTOR shall, not later than five (5) days after such notice of termination, deliver to CITY copies of all information prepared pursuant to this Agreement, as applicable.

(2) Termination of the Agreement without cause will not entitle CITY to a refund for any amounts prepaid for e-SignLive and CITY shall pay CONTRACTOR the reasonable value of Services rendered by CONTRACTOR prior to termination; provided, however, CITY shall not in any manner be liable for lost profits that might have been made by CONTRACTOR had the Agreement not been terminated or had CONTRACTOR completed the Services required by this Agreement. In this regard, CONTRACTOR shall furnish to CITY such financial information as in the judgment of the CITY is necessary for CITY to determine the reasonable value of the Services rendered by CONTRACTOR. The foregoing is cumulative and does not affect any right or remedy that CITY may have in law or equity.

D. Without limiting other remedies, CONTRACTOR may terminate this Agreement by providing CITY with written notice upon the occurrence of any of the following:

- (1) CITY's breach of any of CITY's representations, warranties or obligations in this Agreement which remain uncured to CONTRACTOR's satisfaction within thirty (30) days of CITY receiving written notice thereof describing the breach.
- (2) CITY fails to pay any proper invoice within thirty (30) days after it is due.
- (3) CITY files for municipal bankruptcy, pursuant to Chapter 9 of the United States Bankruptcy Code.

E. CONTRACTOR shall not be liable in respect of any damage caused by the termination of this Agreement pursuant to Section 9 (D). Upon termination of this Agreement, access to e-SignLive (and access to the System) will terminate. Upon termination of this Agreement CITY shall pay CONTRACTOR the reasonable value of Services rendered by CONTRACTOR prior to such termination. Termination of this Agreement pursuant to Section 9 (D) however and whenever occurring will not prejudice or affect any right of action or remedy which will have accrued to CONTRACTOR up to and including the date of such termination.

## 10. Indemnity.

Indemnity: CONTRACTOR shall defend, hold harmless and indemnify CITY, its officers and employees, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by CITY's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Agreement by CONTRACTOR, any sub-consultant, subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or

damage to property to the extent arising from the sole negligence or willful misconduct of CITY, its agents, servants, or independent contractors who are directly responsible to CITY, except when such agents, servants, or independent contractors are under the direct supervision and control of CONTRACTOR. Liabilities arising out of contractual or other economic damages or regulatory penalties shall be subject to the limitations provided under Section 9.2 of the TERMS AND CONDITIONS. In the event of any conflict with this paragraph and the provisions of Section 10 of the TERMS AND CONDITIONS, the provisions of this paragraph shall govern.

- A. Insurance Policies; Intellectual Property Claims: The existence or acceptance by CITY of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of CITY's rights under this Section 10, nor shall the limits of such insurance limit the liability of CONTRACTOR hereunder. This Section 10 shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 7.B., above. The provisions of this Section 10 shall survive any expiration or termination of this Agreement.

- 11. Insurance Requirements.** During the entire term of this Agreement, CONTRACTOR shall maintain the insurance coverage described in this Section 11.

Full compensation for all premiums that CONTRACTOR is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by CONTRACTOR under this Agreement. No additional compensation will be provided for CONTRACTOR's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the CITY.

It is understood and agreed by the CONTRACTOR that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the CONTRACTOR in connection with this Agreement.

- A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of CONTRACTOR, its sub-consultants, and subcontractors, products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors, and premises owned, leased, or used by CONTRACTOR, its sub-consultants, and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage, and personal injury, with limits of not less than one million dollars (\$1,000,000) per accident. The policy shall provide coverage for owned, non-owned, and/or hired autos as appropriate to the operations of the CONTRACTOR.

No automobile liability insurance shall be required if CONTRACTOR completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement."      (CONTRACTOR initials)

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the CITY. If no work or services will be performed on or at CITY facilities or CITY Property, the CITY Representative may waive this requirement by selecting the option below:

Workers' Compensation waiver of subrogation in favor of the CITY is not required.            (CITY Representative initials)

No Workers' Compensation insurance shall be required if CONTRACTOR completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance."                      (CONTRACTOR initials)

- (4) Professional Liability Insurance providing coverage on a claims made basis for errors, omissions, or malpractice with limits of not less than one million (\$1,000,000) dollars. Professional Liability (Errors and Omissions) insurance:  
Is

Is not  [check one] required for this Agreement.

If required, such coverage must be continued for at least three year(s) following the completion of all Services and Additional Services under this Agreement. The retroactive date must be prior to the date this Agreement is approved or any Services are performed.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of CONTRACTOR, its sub-consultants, and subcontractors; products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors; and premises owned, leased, or used by CONTRACTOR, its sub-consultants, and subcontractors.
- (2) Automobile Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Except for professional liability, CONTRACTOR's insurance coverage, including excess insurance, shall be primary insurance as respects CITY, its officials, employees, and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees, or volunteers shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees, or volunteers.
- (3) Coverage shall state that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A: VI.

Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the CITY in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) CONTRACTOR shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in Exhibit A. Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) For all insurance policy renewals during the term of this Agreement, CONTRACTOR shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento

c/o Ebix RCS

Reference #: (This number will be provided by EBIX after Agreement approval.)

PO Box 257

Portland, MI 48875-0257

Insurance certificates also may be faxed to (770) 325-3340, or e-mailed to:

CertsOnly-Portland@ebix.com

- (3) The CITY may withdraw its offer of contract or cancel this Agreement if the

certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to CONTRACTOR or cancel the Agreement if the insurance is canceled or CONTRACTOR otherwise ceases to be insured as required herein.

12. **Equal Employment Opportunity.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:
- A. Compliance With Regulations: CONTRACTOR shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations".
  - B. Nondiscrimination: CONTRACTOR, with regards to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
  - C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR's obligation under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
  - D. Information and Reports: CONTRACTOR shall provide all reasonable information and reports, related to CONTRACTORS' performance of its obligations under this Agreement, required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall, insofar as they are related to CONTRACTORS' performance of its obligations under this Agreement, permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the CITY to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the CITY, and shall set forth what reasonable efforts it has made to obtain the information.
  - F. Sanctions for Noncompliance: In the event of noncompliance by CONTRACTOR with the nondiscrimination provisions of this Agreement, the CITY shall impose such sanctions as it may determine to be appropriate including, but not limited to:
    - (1) Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies;
    - (2) Cancellation, termination, or suspension of the Agreement, in whole or in part.

- E. Incorporation of Provisions: CONTRACTOR shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as the CITY may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request CITY to enter such litigation to protect the interests of CITY.
13. **Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CONTRACTOR, and by CITY, in accordance with applicable provisions of the Sacramento City Code.
14. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
15. **Waiver.** Neither CITY acceptance of, or payment for, any Service or Additional Service performed by CONTRACTOR, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.
16. **Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
17. **Assignment Prohibited.** The expertise and experience of CONTRACTOR are material considerations for this Agreement. CITY has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on CONTRACTOR under this Agreement. In recognition of this interest, CONTRACTOR shall not assign any right or obligation pursuant to this Agreement without the written consent of the CITY. Any attempted or purported assignment without CITY's written consent shall be void and of no effect. Notwithstanding the foregoing, the CONTRACTOR may assign this Agreement to one of its Affiliates (as defined under Section 1.2 of the Terms and Conditions), its successors or any entity acquiring all or substantially all of the assets of the CONTRACTOR. CITY'S consent shall not be unreasonably withheld.
18. **Binding Effect.** This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 17, above.
19. **Use Tax Requirements.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Agreement and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.
  
- B. Sellers Permit: For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, Contractor and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to the City. Contractor and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to the City.
  
- C. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

## **EXHIBIT E**

### **REQUIREMENTS OF THE NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE INTRODUCTION**

The Sacramento Non-Discrimination In Employee Benefits Code (the "Ordinance"), codified as Sacramento City Code Chapter 3.54, prohibits CITY contractors from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees.

### **APPLICATION**

The provisions of the Ordinance apply to any contract or agreement (as defined below), between a CONTRACTOR and the City of Sacramento, in an amount exceeding \$100,000.00. The Ordinance applies to that portion of a contractor's operations that occur: (i) within the City of Sacramento; (ii) on real property outside the City of Sacramento if the property is owned by the CITY or if the CITY has a right to occupy the property; or (iii) at any location where a significant amount of work related to a City contract is being performed.

The Ordinance does not apply: to subcontractors or subcontracts of any Contractor or contractors; to transactions entered into pursuant to cooperative purchasing agreements approved by the Sacramento City Council; to legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the CITY; where the requirements of the ordinance will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement; to permits for excavation or street construction; or to agreements for the use of CITY right-of-way where a contracting utility has the power of eminent domain.

### **DEFINITIONS**

As set forth in the Ordinance, the following definitions apply:

"Contract" means an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the CITY or to be paid out of moneys deposited in the treasury or out of the trust money under the control or collected by the CITY. "Contract" also means a written agreement for the exclusive use ("exclusive use" means the right to use or occupy real property to the exclusion of others, other than the right reserved by the fee owner) or occupancy of real property for a term exceeding 29 days in any calendar year, whether by singular or cumulative instrument, (i) for the operation or use by others of real property owned or controlled by the CITY for the operation of a business, social, or other establishment or organization, including leases, concessions, franchises and easements, or (ii) for the CITY's use or occupancy of real property owned by others, including leases, concessions, franchises and easements.

“Contract” shall not include: a revocable at-will use or encroachment permit for the use of or encroachment on CITY property regardless of the ultimate duration of such permit; excavation, street construction or street use permits; agreements for the use of CITY right-of-way where a contracting utility has the power of eminent domain; or agreements governing the use of CITY property that constitute a public forum for activities that are primarily for the purpose of espousing or advocating causes or ideas and that are generally protected by the First Amendment to the United States Constitution or that are primarily recreational in nature.

“Contractor” means any person or persons, firm partnership or corporation, company, or combination thereof, that enters into a Contract with the CITY. “Contractor” does not include a public entity.

“Domestic Partner” means any person who has a currently registered domestic partnership with a governmental entity pursuant to state or local law authorizing the registration.

“Employee Benefits” means bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; pension and retirement benefits; vacation; travel benefits; and any other benefit given to employees. “Employee benefits” shall not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state.

#### **CONTRACTOR’S OBLIGATION TO PROVIDE THE CITY WITH DOCUMENTATION AND INFORMATION**

Contractor shall provide the CITY with documentation and information verifying its compliance with the requirements of the Ordinance within ten (10) days of receipt of a written request from the CITY. Contractors shall keep accurate payroll records, showing, for each CITY Contract, the employee’s name, address, Social Security number, work classification, straight time pay rate, overtime pay rate, overtime hours worked, status and exemptions, and benefits for each day and pay period that the employee works on the CITY Contract. Each request for payroll records shall be accompanied by an affidavit to be completed and returned by the Contractor, as stated, attesting that the information contained in the payroll records is true and correct, and that the Contractor has complied with the requirements of the Ordinance. A violation of the Ordinance or noncompliance with the requirements of the Ordinance shall constitute a breach of contract.

#### **EMPLOYER COMPLIANCE CERTIFICATE AND NOTICE REQUIREMENTS**

- (a) All contractors seeking a Contract subject to the Ordinance shall submit a completed Declaration of Compliance Form, signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance shall be made a part of the executed contract, and will be made available for public inspection and copying during regular business hours.
- (b) The Contractor shall give each existing employee working directing on a CITY contract, and (at the time of hire), each new employee, a copy of the notification provided as Attachment “A.”
- (c) Contractor shall post, in a place visible to all employees, a copy of the notice provided as Attachment “B.”



**YOUR RIGHTS UNDER THE CITY OF SACRAMENTO’S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE**

On ..... (date), your employer (the “Employer”) entered into a contract with the City of Sacramento (the “CITY”) for ..... (contract details), and as a condition of that contract, agreed to abide by the requirements of the CITY’s Non-Discrimination In Employee Benefits Code (Sacramento City Code Section 3.54).

The Ordinance does not require the Employer to provide employee benefits. The Ordinance does require that if certain employee benefits are provided by the Employer, that those benefits be provided without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouse or domestic partner of employees.

The Ordinance covers any employee working on the specific contract referenced above, but only for the period of time while those employees are actually working on this specific contract.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to

employees (Employee Benefits does not include benefits that may be preempted by federal or state law.)

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, or in the application of these employee benefits, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of the Ordinance, and after having exhausted all remedies with your employer,

You May . . .

- **Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:**

City of Sacramento  
Procurement Services Division  
915 I Street, Second Floor  
Sacramento, CA 95814

- **Bring an action in the appropriate division of the Superior Court of the State of California against the Employer and obtain the following remedies:**

- **Reinstatement, injunctive relief, compensatory damages and punitive damages**
- **Reasonable attorney's fees and costs**

**YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION  
IN EMPLOYEE BENEFITS CODE**

If your employer provides employee benefits, they must be provided to those employees working on a City of Sacramento contract without discriminating between employees with spouses and employees with domestic partners.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to

employees If you feel you have been discriminated against by your employer . . .

**You May . . .**

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento  
Procurement Services  
Division 915 I Street,  
Second Floor  
Sacramento, CA 95814

- Bring an action in the appropriate division of the Superior Court of the State of California against the employer and obtain reinstatement, injunctive relief, compensatory damages, punitive damages and reasonable attorney's fees and costs.

**Discrimination and Retaliation Prohibited.**

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of this Ordinance . . .

**You May Also . . .**

Submit a written complaint to the City of Sacramento, Contract Services Unit, at the same address, containing the details of the alleged violation.

# Nonresident Withholding Allocation Worksheet

**2015**

**587**

The payee completes this form and returns it to the withholding agent.

**Part I Withholding Agent**

Withholding agent's name

CITY OF SACRAMENTO

Address (apt./ste., room, PO Box, or PMB no.)

915 I STREET

City (If you have a foreign address, see instructions.)

SACRAMENTO

State  
CA

ZIP Code  
9 5 8 1 4

**Part II Nonresident Payee**

Payee's name

Silanis Technology Inc.

SSN or ITIN  FEIN  CA Corp no.  CA SOS file no.  
98-0194060

Address (apt./ste., room, PO Box, or PMB no.)

8200 Decarie Suite 300

City (If you have a foreign address, see instructions.)

Montreal

State  
QC

ZIP Code  
H 4 P 2 P 5

Nonresident payee's entity type: (Check one)

- Individual/sole proprietor  Corporation  Partnership  Limited liability company (LLC)  Estate or trust

**Part III Payment Type**

Nonresident payee: (Check one)

- Performs services totally outside California (no withholding required, skip to Certification of Nonresident Payee)  Provides goods and services in California (see Part IV, Income Allocation)
- Provides only goods or materials (no withholding required, skip to Certification of Nonresident Payee)  Provides services within and outside California (see Part IV, Income Allocation)
- Other (Describe) \_\_\_\_\_

If the nonresident payee performs all the services within California, withholding is required on the entire payment for services unless the payee is granted a withholding waiver from the Franchise Tax Board (FTB). For more information, get FTB Pub. 1017, Resident and Nonresident Withholding Guidelines.

**Part IV Income Allocation**

Gross payments expected from the withholding agent during the calendar year for:

	(a) Within California	(b) Outside California	(c) Total payments
1 Goods and services:			
Goods/materials (no withholding required) .....	_____	_____	_____
Services (withholding required) .....	_____	_____	_____
2 Rents or lease payments .....	_____	_____	_____
3 Royalty payments .....	_____	_____	_____
4 Prizes and other winnings .....	_____	_____	_____
5 Other payments .....	_____	_____	_____
6 Total payments subject to withholding.	_____	_____	_____
Add column (a), line 1 through line 5 .....	_____	_____	_____
Nonresident withholding threshold amount: ...	\$1,500.00		
Backup withholding threshold amount: .....	\$0.00		

**Certification of Nonresident Payee**

Under penalties of perjury, I certify that the information provided on this document is true and correct. If the reported facts change, I will promptly inform the withholding agent.

**Sign Here**

Print or type payee's name	Telephone ( )
Payee's signature	Date
Print or type representative's name and title Matthew Lane, Chief Financial Officer	Telephone (514) 337-5255
Authorized representative's signature	Date 09/23/2015

**Certificate of Foreign Status of Beneficial Owner  
 for United States Tax Withholding**

OMB No. 1545-1621

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.  
 ▶ Give this form to the withholding agent or payer. Do not send to the IRS.

**Do not use this form for:**

- A U.S. citizen or other U.S. person, including a resident alien individual . . . . . **W-9**
- A person claiming that income is effectively connected with the conduct of a trade or business in the United States . . . . . **W-8ECI**
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . **W-8ECI or W-8IMY**
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . **W-8ECI or W-8EXP**

**Note:** These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.

- A person acting as an intermediary . . . . . **W-8IMY**

**Note:** See instructions for additional exceptions.

**Part I Identification of Beneficial Owner** (See instructions.)

<b>1</b> Name of individual or organization that is the beneficial owner <b>Silanis Technology Inc.</b>	<b>2</b> Country of incorporation or organization <b>Canada</b>
<b>3</b> Type of beneficial owner: <input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Disregarded entity <input type="checkbox"/> Partnership <input type="checkbox"/> Simple trust <input type="checkbox"/> Grantor trust <input type="checkbox"/> Complex trust <input type="checkbox"/> Estate <input type="checkbox"/> Government <input type="checkbox"/> International organization <input type="checkbox"/> Central bank of issue <input type="checkbox"/> Tax-exempt organization <input type="checkbox"/> Private foundation	
<b>4</b> Permanent residence address (street, apt. or suite no., or rural route). <b>Do not use a P.O. box or in-care-of address.</b> <b>8200 Decarie, Suite 300</b>	
City or town, state or province. Include postal code where appropriate. <b>Montreal, Quebec H4P 2P5</b>	Country (do not abbreviate) <b>Canada</b>
<b>5</b> Mailing address (if different from above)	
City or town, state or province. Include postal code where appropriate.	Country (do not abbreviate)
<b>6</b> U.S. taxpayer identification number, if required (see instructions) <b>98-0194060</b>	<b>7</b> Foreign tax identifying number, if any (optional)
<input type="checkbox"/> SSN or ITIN <input checked="" type="checkbox"/> EIN	
<b>8</b> Reference number(s) (see instructions)	

**Part II Claim of Tax Treaty Benefits** (if applicable)

**9 I certify that (check all that apply):**

a  The beneficial owner is a resident of **Canada** within the meaning of the income tax treaty between the United States and that country.

b  If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c  The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d  The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e  The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, \$500,000.

**10 Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article \_\_\_\_\_ of the treaty identified on line 9a above to claim a \_\_\_\_\_ % rate of withholding on (specify type of income): \_\_\_\_\_  
 Explain the reasons the beneficial owner meets the terms of the treaty article: \_\_\_\_\_  
 \_\_\_\_\_

**Part III Notional Principal Contracts**

**11**  I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

**Part IV Certification**

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- 1 I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,
- 2 The beneficial owner is not a U.S. person,
- 3 The income to which this form relates is (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income, and
- 4 For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

**Sign Here** ▶ **E-SIGNED by Andrea Conrad**  
 on 2014-01-27 15:11:28 GMT **CONTROLLER**  
 Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY) Capacity in which acting

NO 1023007

PLEASE PRINT OR TYPE

BUSINESS ACTIVITY INFORMATION				
BUSINESS NAME (DBA NAME USED TO IDENTIFY YOUR BUSINESS) <b>Silanis Technology Inc</b>			NEW OR CHANGES? <input checked="" type="checkbox"/> NEW <input type="checkbox"/> CHANGES	STARTING DATE <b>08/26/2015</b>
BUSINESS PHONE NO. ( ) <b>514-337-5255</b>	OWNER/CORPORATION PHONE NO. ( )		OWNERSHIP TYPE <input type="checkbox"/> SOLE <input type="checkbox"/> LC <input checked="" type="checkbox"/> CORPORATION <input type="checkbox"/> TRUST <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> OTHER	
EMAIL ADDRESS <b>andrea_conrad@silanis.com</b>		WEB SITE ADDRESS <b>Silanis.com</b>		
STATE CERT./LICENSE NO.	EXP. DATE	FEDERAL ID NO. <b>98-0194060</b>	STATE EMPLOYER ID NO. <b>44570554</b>	NO. OF EMPLOYEES <b>0</b>
BUSINESS DESCRIPTION <b>Software Vendor - Electronic Signature software</b>				
BUSINESS LOCATION ADDRESS <b>8200 Decarie blvd, Montreal , Quebec , H4P-2P5</b>				
BUSINESS ZONED: <input checked="" type="checkbox"/> COMMERCIAL OR <input type="checkbox"/> RESIDENTIAL HOME OCCUPATION PERMIT # _____ (CHECK ONE)				
OWNER/CORPORATION ADDRESS (STREET NAME AND NO., SUITE NO., CITY, STATE, ZIP CODE) <b>8200 Decarie blvd, Montreal , Quebec , H4P-2P5</b>				
IF CORPORATION: NAME/ADDRESS TO RECEIVE LEGAL DOCUMENTS <b>Silanis Technology Inc.</b>				
MAILING ADDRESS (WHERE YOU WANT US TO MAIL THE BUSINESS TAX CERTIFICATE OR OTHER CORRESPONDENCE) <b>8200 Decarie blvd, Montreal , Quebec , H4P-2P5</b>				

CONTACT INFORMATION			
OWNER OR CORPORATE OFFICERS' NAME & TITLE (STATE CONTRACTOR, SEE BELOW*) 1) <b>Matthew Lane</b>	RELATIONSHIP TO COMPANY <b>CFO</b>	SOCIAL SECURITY NO. <b>274 489 913</b>	CA DRIVER'S LICENSE <b>N/A</b>
2)			
3)			
*STATE CONTRACTOR LICENSE NO.			

BUSINESS LICENSE TAX CALCULATION		RESOURCE INFORMATION
GROSS RECEIPTS – estimated for the first year or actual for renewal	\$ <b>35,000</b>	Please note: Once you are registered, the City's Economic Development Department will send you business resource information by e-mail or mail.
GROSS PAYROLL – estimated for the first year or actual for renewal	\$ <b>0</b>	
# OF YEARS LICENCED WITH THE STATE		
# OF RENTAL UNITS (IF APPLICABLE)		
# OF PROFESSIONAL EMPLOYEES		

I declare under penalty of perjury that to my knowledge all information contained on this application is true and correct. This tax certificate is for revenue purposes only and does not imply conformance with applicable city codes and ordinances. You are advised to check your proposed business location and structure with the City Planning Division for compliance with zoning codes and the Building Inspections Division for compliance with building codes.

SIGN HERE *ALDO PERCEBALLI* **ALDO PERCEBALLI** CONTROLLER September 11<sup>th</sup> 2015

<b>TEMPORARY CERTIFICATE</b> Not valid more than 45 days from validation date  Your Business Tax Certificate will be sent to you approximately two weeks.  This certificate must be renewed annually	<b>VOID IF NOT CITY OF SACRAMENTO VALIDATED</b>  SEP 25 2015  PAID	<b>FOR OFFICIAL CITY USE ONLY</b>	
		TAX	\$ <b>40-</b>
		BIA	\$
		HOP	\$
		DUP/PEN	\$
		Dis. Access Fee	\$ 1.00
		TOTAL	\$ <b>41-</b>
		BY	<b>JAC</b>

#7486619-909-09/25/15-BUSINESS TA 41.00



Creechurch International Underwriters Ltd.  
 550-55 University Avenue | Toronto ON M5J 2H7  
 1701-2001 McGill College Avenue | Montreal QC H3A 1G1  
 1511-701 West Georgia Street | Vancouver BC V7Y 1C6  
 P 1-877-814-7778 | [www.creechurch.com](http://www.creechurch.com)

## CERTIFICATE OF INSURANCE

Date: Friday, September 25, 2015

**Certificate Holder:**

City of Sacramento  
 915 I Street, Third Floor  
 Sacramento, CA 95814

This is to certify that the policy of insurance listed below has been issued to the noted Named Insured for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policy described herein is subject to all of the terms, exclusions and conditions of such policy. Limits shown may have been reduced by paid claims.

Named Insured:	Silanis Technology Inc.
Address:	300-8200 boul Décarie Montréal QC CANADA H4P 2P5
Policy Period:	From: 09 Aug 2015 To: 09 Jul 2016
Policy Number:	19001300
Limit of Liability:	\$ 5,000,000 per Occurrence
General Aggregate Limit:	Not Applicable
Products/Completed Ops Aggregate:	\$ 5,000,000
Personal Injury Limit:	\$ 5,000,000
Non Owned Automobile Limit:	\$ 2,000,000
Tenant's Legal Limit:	\$ 500,000 any one premise
Medical Payments Limit:	\$ 25,000 per person/per Accident
Deductible:	\$ 1,000 per Occurrence
Type of Policy:	Commercial General Liability Insurance (Occurrence Base)
Broker:	Lemieux, Ryan & Associés
Insurer:	Lloyd's Underwriters
Additional Insured:	City of Sacramento, its officials, employees, officials, and volunteers

This policy includes SEF 94, 96, & 99, Employers Liability - \$1,000,000 Sub Limit, Contractual Liability, Cross Liability and Severability of Interest.

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by the policy above.

**IMPORTANT:** If the certificate holder is an additional insured and subrogation is waived subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement.

The Insurer will endeavour to mail to the Certificate Holder, 30 days written notice of cancellation of the policy, should the Insurer cancel this policy, but assumes no responsibility for failure to do so.

Authorized Insurer's Representative  
 Creechurch International Underwriters Ltd.

Attached to and forming part of Policy No. 19001300

**Endorsement # 19**

**Additional Insured - Waiver of Subrogation (GL1101)**

Named Insured: **Silanis Technology Inc.**

Effective Date: 24 Sep 2015

It is hereby understood and agreed that the following person or entity is added as an Additional Insured under this policy but only to the extent the Insured would have been liable and coverage would have been afforded under the terms and conditions of this Policy had such **Action** been made against the Named Insured.

**Additional Insured**

City of Sacramento its officials, employees, officials, and volunteers

915 I Street, Third Floor

Sacramento, CA 95814

The above mentioned extension of coverage shall not apply to any **Action** which includes allegations or facts indicating actual or alleged independent or direct liability on the part of any such person or entity named above.

It is a condition precedent to liability under the above mentioned extension of coverage that such entity named above shall prove to the Insurers' satisfaction the extent of any **Action** arising out of the Insured's conduct as described above.

It is further understood and agreed that this policy does not apply to any other liability of the Additional Insured and this inclusion shall not serve to increase the Insurer's Limits of Liability.

Furthermore, the Insurer will endeavor to give this Additional Insured thirty (30) days written notice of cancellation should the Insurer cancel this policy however assumes no responsibility for failure to do so.

With respect to any claims or **Actions** under this policy, we agree to waive any rights of subrogation that we may have under this policy provided that:

- 1) The insured has waived such rights of subrogation in a contract or agreement entered with the Additional Insured prior to the **Occurrence**, and provided that;
- 2) This waiver shall apply in favour of the person or entity named above.

However, this waiver does not apply to any claims, **Actions**, loss, costs or defense expenses arising solely out of the negligence of the person or entity named above.

**All other terms and conditions remain unchanged.**



\_\_\_\_\_  
Authorized Insurer's Representative  
Creechurch International Underwriters Ltd.

24 Sep 2015

\_\_\_\_\_  
Date

