



NOVAtime Purchase Agreement
(Product Purchase; Software License Summary; Scope of Work; Pricing; Terms and Conditions)

Customer Information		Shipping Information	
Company:	City of Billings	Company:	City of Billings
Address:	2251 Belknap Ave, Billings, MT 59101	Address:	2251 Belknap Ave Billings, MT 59101
Contact:	Amanda Skewis	Contact:	Amanda Skewis
Phone:	406-657-8320	Phone:	406-657-8320
Fax:		Fax:	

Sales Representative:	Jamie Blundell	Sales Engineer:	Scott Larson
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Qty	Part#	Description	Unit Price	Amount
615	Nova5000-635	Novatime Software License - Employees	\$2.40/ee/mo	\$18,288/yr
80	Nova5000-Users	Novatime Software License – Users		Included
21	NT7000FP	NT7000 Biometric Terminal	\$2,061	\$39,159
5	NT7000FPH	NT7000 Biometric & HID Terminal	\$2,590	\$12,950
1	Gold HW Maintenance	Gold Annual Hardware Maintenance	\$7,150/yr	\$7,150/yr
1	Nova5000-DS	Implementation	\$23,970	\$23,970
1	Nova-SFTP	Novatime Hosted SFTP Site	\$50/mo	\$600/yr
200	Nova-IVR	Phone Entry IVR	\$1/ee/mo	\$2400/yr
1	PhoneLine	Phone Line	\$150/mo	\$1800/yr
200	Nova-ASM	Advanced Scheduling Manager	\$3.50/ee/mo	\$8,400/yr

- A. Pursuant to the NOVAtime Master Services Agreement attached and made a part hereof by this reference (the “MSA”), and per Section 2 thereof, NTI (as defined in the MSA) grants limited access to Customer (as defined in the MSA) and Customer agrees to abide by and is subject to the MSA and all applicable Schedules, Addendums, and Exhibits attached thereto or referenced therein, if any, in connection with Customer’s (and Customer Employees’) use of the herein described software (the “Software”); and to acquire the herein associated described hardware and equipment collectively (the “Hardware”) and services as described further herein (the Software and the Hardware are collectively referred to herein as the “Products”).
- B. Customer agrees that the acquisition and/or license(s): (i) of the Products; (ii) support and maintenance for the Products; and (iii) and training in the use and operation of the Products; and (iv) financial obligations, and non-payment of customer obligations concerning the Products are governed by the MSA.

Scope of Work

The Scope of Work (“SOW”) between **NOVAtime Technology, Inc.** ("NTI") and **City of Billings**, ("Customer") lists all Products, supplies, services, prices and payments subject to the MSA and referenced documents.

NTI will utilize its *SurePath*™ methodology to ensure successful transition from phase to phase. *SurePath*™ will also accommodate the communications, issue and risk management, and all associated change and acceptance orders.

Product and Subscription Term

Product: NOVAtime Software as a Service (Nova5000 SaaS)

Subscription Term: 5 Years

Effective Date: Date of Execution

Other: Hardware, Software, and Services (listed below)

Phase 1 - Pre-Implementation

System Parameter Discovery

Hardware Configuration and Testing

System Approval

HR Interface Testing/Certification

System Configuration & Testing

System configuration/Operation Review

Remote Pre-Install access by Customer

Payroll Interface Testing/Certification

Web Delivery of 615 NOVAtime Employee Licenses, 80 Administrative & Supervisor Licenses, 200 IVR Licenses, 200 ASM Licenses, 1 Novatime Hosted SFTP Site.

21 NT7000II Biometric Clocks will be delivered. 5 NT7000II Biometric & HID Terminals will be delivered.

Phase 2 - Implementation

NOVAtime SaaS Software

- | | |
|---------------------------------|---------------------------------------|
| ○ MS SQL Compatible Application | ○ Scheduled E-mail Reports |
| ○ Employee Scheduling | ○ Automatic Data Collection Processes |
| ○ Employee History | ○ Payroll / HRIS (Batch) Interface |
| ○ Timecard Archiving | |

NT7000II Biometric Terminals

- **Includes Five (5) Year Warranty**

System Delivery

Terminal Installation Assistance

IT Environmental Testing and Certification

Train Administrator

Train the Trainers

System Operations Follow-up

Training Plan Development & Delivery

Software Installation / Environment Testing

Program Terminals

Train Payroll/HR Departments

Train IT Personnel

Training Follow-up

System signoff

Phase 3 – Post-Implementation

System Operations Group Discussion

Implement Maintenance

Implement Other Schedules

On-Going Training Schedule Deployment

Final System Review

PIER (Post Implementation Evaluation Report)

Ongoing Software Support During Subscription Period

1. Services Provided by NTI. Provided that Customer has paid the required fees for Software support, NTI agrees to provide the following support services in connection with all Software components of the Products purchased hereunder after the Warranty Period:
 - a. Unlimited telephone support for single point of contact and/or system administrator is provided through our Premium Support option 24 hours a day, 7 days a week.
 - b. On-line support during normal business hours (Customer is required to have Internet Access).
 - c. Support services to the Core NOVAtime System, as defined in the MSA under Section 1.
2. Customer Obligations. NTI retains and reserves the right, and Customer agrees to provide to and hereby consents for NTI, direct access upon notification from NTI that such access is necessary, to the NTI database and related applications.

Additionally, Customer agrees to use the SMARThelp online assistance designed to pinpoint where the Customer (or its Employees) is situated within the SaaS system and to guide Customer in navigating the desired avenue or path within the system.

3. Limitation on Support Obligation. NTI's support obligations are limited, excluded, or otherwise restricted pursuant to the terms defined in the MSA.
4. Renewal Option. Subject to Customer compliance with and performance under the MSA, the NTI Software Support services shall continue and Customer shall pay for such services at the rate and time duration as listed on the Summary for successive one-year periods unless Customer notifies NTI in writing no later than thirty (30) days prior to the termination of the last year of software support (or of each succeeding anniversary date thereafter) that Customer intends to terminate the NTI services.

Pricing Overview

Fixed, One-time Charges:

Implementation fee	\$ 23,970
21 NT7000 FP Clocks	\$ 43,281
5 NT7000 FPH Clocks	\$12,950

Total: One-time Charges **\$80,201**

Recurring, Annual Charges:

NOVAtime 5000 SaaS _615_ Employees	\$ 2.40 pepm (per employee per month), Billed \$17,712/yr, Annually in Advance
<u>1</u> Novatime Hosted SFTP	\$50 per month, Billed \$600 per year annually in advance
<u>200</u> Phone Entry IVR	\$1 pepm, Billed \$2,400/yr annually in advance
<u>1</u> Phone Line	\$150/mo, Billed \$1800/yr annually in advance
<u>80</u> Supervisors/ Administrators	Included
<u>200</u> Advanced Scheduling	\$3.50 pepm, Billed \$8,400/yr annually in advance.
Annual Hardware Maintenance	\$7,150/yr, Billed Annually in Advance

Total: Recurring Charges **\$38,062.00 per year**

Variable Professional Services TBD (See Table 1)
(Implementation, Training,
documentation, etc.)

Customer agrees that pricing quote is valid through Jan 31, 2020.

1. Corporate Approval. All orders, SOW, and Customer Transactions (defined in the MSA) are subject to the approval of the NOVAtime Technology Inc. (“NTI”) Corporate Office in California and are non-cancelable and non-refundable.
2. Title and Delivery.
 - a. All Products will be delivered by NTI to Customer.

- b. NTI agrees to use commercially reasonable efforts to fill orders placed by Customer in accordance with Customer's requested delivery schedule for such Products.
 - c. NTI shall have no liability whatsoever for delays in delivery due to *force majeure* or causes beyond its control. See Section XXII of the MSA for further provisions.
3. Restocking Fee. Customer agrees that if any portion or the entirety of the Product ordered is returned to NTI, with or without NTI's prior consent, Customer shall pay a restocking fee equal to twenty percent (20%) of the Purchase Price of such returned Product(s) in addition to Customer's obligation to pay the entirety of the Product ordered as the same are non-cancelable and non-refundable.
4. Warranty. Subject to the MSA, NTI warrants that all NTI Products shall be free from defects in materials and workmanship for a period of ninety (90) days from the date of installation and all Products shall be free of defects for a period of ninety (90) days from date of acquisition (the "Warranty Period"). This warranty is extended to the original Customer only and is subject to all the conditions and limitations, in addition to Section the MSA, as follows:
- a. Any part(s) found to be defective (except as specifically excluded below) shall be replaced or repaired by NTI, without charge to the Customer for parts or labor, subject to and provided that the Product has been used in accordance with the NTI manual and has not been subject to any Customer or nonaffiliated NTI third party mishandling, neglect, misapplication, overburdening, abuse or tampering. NTI shall pay for the shipment of the Product(s) from NTI if the defect is covered by warranty; otherwise Customer is responsible and shall pay all shipment and repair costs. Customer is responsible for all shipment costs from Customer to NTI.
 - b. Only NTI and its designated personnel are authorized to make repairs or replacements under this warranty, and made, if applicable or appropriate, only after NTI is notified in writing of and determines that the repair requirement resulted from defective materials or workmanship covered under this warranty.
 - c. In the event a defective Product cannot be repaired or replaced and such defect is material to the operation of the Product in accordance with its specifications, NTI agrees to refund to Customer the Purchase Price paid by Customer for such defective Product. The non-repaired/defective Product must be timely returned to NTI. See Sections XIII and XIV of the MSA for further provisions.
 - d. THE REMEDIES OF REPAIR, REPLACEMENT OR REFUND SET FORTH HEREIN SHALL BE CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES IN THE EVENT OF A CUSTOMER EXERSIZED REMEDY OR A BREACH OF THIS WARRANTY. See Section XII of the MSA for further provisions.

The above Warranty shall not apply to any Product(s) or parts thereof in the event of:

- (i) Damage, defects or malfunctions resulting from misuse, accident, neglect, tampering unusual physical or electrical stress or causes other than normal and intended use (including modification or replacement of any NTI components on any boards supplied with the Products or any use that is inconsistent with any user documentation);
- (ii) Failure of the Customer to provide and maintain a suitable installation and maintenance environment for the Products; (iii) Malfunctions resulting from the use of non-NTI approved supplies with the Product; or (iv) Any defect not promptly communicated in writing to NTI prior to the expiration of the Warranty Period. No representation or other affirmation of fact including, but not limited to, statements regarding capacity, suitability for use or performance of the Product(s) shall be or deemed to be a warranty or representation by NTI for any purpose whatsoever or impose any NTI liability or obligation whatsoever. Further, this Warranty does not cover or apply to batteries, bar code wands, bulbs, distribution boxes, light bulbs, or third-party software contained in, or associated with, the Products, the same of which are provided by NTI to Customer in "AS IS" condition without any warranty, expressed or implied.

5. Termination

If either party materially breaches the NPA, the other party may give the breaching party written notice of the breach. The notice shall specify the details of the alleged breach of the NPA. If the breaching party does not cure the breach within 90 days, the non-breaching party may terminate the NPA. Customer may terminate the NPA if it does not appropriate funding to continue the NPA or related services. To so terminate, Customer must give NTI written notice of the non-appropriation at least 90 days before the next annual billing following the non-appropriation.

Billing Overview

NTI invoicing will be as follows:

Year 1: \$118,263.00

- \$82,784.10 Due Upon Contact Execution
- \$23,652.60 Due 45 Days from Date of Execution
- \$11,826.30 Due 90 Days from Date of Execution

Year 2: \$38,062.00

- \$38,062.00 Due on 1st Year Anniversary from Contract Execution.

Year 3: \$38,062.00

- \$38,062.00 Due on 2nd Year Anniversary from Contract Execution.

Year 4: \$38,062.00

- \$38,062.00 Due on 3rd Year Anniversary from Contract Execution.

Year 5: \$38,062.00

- \$38,062.00 Due on 4th Year Anniversary from Contract Execution.

Payment Terms - Detail

-Initial Payment: Initial payment shall be for **\$82,784.10 is due upon contract execution**. NTI has agreed to begin implementation while this initial deposit is pending. **\$23,652.60** is due 45 Days from Date of Execution. **\$11,826.30** is due 90 Days from Date of Execution.

-Ongoing Fees - Years 2 through 5: This NPA shall have a term of 5 years unless it is extended or terminated. Reoccurring costs are guaranteed at the same rate in years 2 through 5. The cost is **\$38,062.00** (Annual Vendor Hosting Fee and Annual Hardware Maintenance) per year.

All fees and charges due per NPA are non-cancelable and any Customer deposits or payments to NTI are nonrefundable, except as otherwise specified in this NPA SaaS Agreement. NTI's fees and charges are exclusive of all applicable taxes, levies, or duties imposed by all governmental taxing authorities. Customer shall be fully responsible for payment of all such taxes, levies, and duties even if such amounts are not listed on any NTI ordering document, SOW, or NPA. Customer must reimburse NTI for all reasonable expenses incurred relating to providing the NTI services or Product(s).

Customer agrees that all monetary obligations and payments under this NPA SaaS Agreement preferably shall be made by electronic funds transferred through the Automated Clearing House network (ACH). Customer authorizes NTI to bill such ACH: (i) at the time that Customer orders any NTI Product(s) or services, and for all Products and services set forth in the NPA, the ordering document, and/or SOW and (ii) at the time of any renewal, for the amount charged for any renewal Subscription Term(s) as set forth herein. Customer will have the option of being invoiced and paying by check if desired.

Corporate Approval. All orders, SOW and Customer Transactions (defined in the NPA SaaS Agreement) are subject to NTI's approval at its Corporate Office in California and are non-cancelable and non-refundable. However, no invoices for transactions shall be accepted by the customer unless the work order or other billable event is mutually agreed upon in writing and the written agreement shall include an estimate of all anticipated costs.

MSA.

This NPA is subject to the provisions, agreements, and understandings per the MSA attached hereto and made a part hereof by reference.

Customer acknowledges and agrees that this NPA [which is understood to be a material part of the Customer Transaction (as defined in the MSA)] and the MSA shall not be binding on NTI until signed and authorized by NTI and delivered to Customer. The MSA, as well as this NPA, constitutes the entire understanding of the parties with respect to the purchase/acquisition of the Products and the providing of services, and shall govern in the event any inconsistent terms and conditions as set forth in any Customer purchase order, confirmation, or memorandum, unless specifically agreed to differently or to the contrary signed and authorized by NTI representative.

NOVAtime Technology Inc.

Customer: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Signature: _____

Signature: _____