



INVOICE

Invoice Number
4075

Invoice Details

Create Date: **6/30/2025**
Due Date: **7/15/2025**

Prepared By: **Shawn Cobarrubias**
Phone #: **714/671-1597**

Account Information

Account Name: **City of Hawthorne**
Contact Name: **Shuntell Dixon**
Phone #: **310/349-1621**

IT:
Email: **sdixon@cityofhawthorne.org**
Billing Address: **4455 W. 126th Street
Hawthorne CA 90250**

Name	Designated Caller	Maintenance Fee
Software Maintenance-LicenseTrack (07/01/2025 - 06/30/2026)	Shuntell Dixon	20,968.82
Software Maintenance-PaymentCentral		10,373.95
Software Maintenance-LicenseTrack Web Renewals		3,930.86
Software Maintenance-LicenseTrack Web Applications		1,752.70
Software Maintenance-Credit Card Connector		333.87
Software Maintenance-Cannabis Permitting (included)		0.00
PSI PayHosting - LicenseTrack™ (07/01/2025 - 06/30/2026)		1,630.19
Cloud Hosting Charge (07/01/2025 - 06/30/2026)		1,979.52
SSL-Secured Socket Layer Access (07/01/2025 - 06/30/2026)		250.00
Zip plus 4 validation service (07/01/2025 - 06/30/2026)		790.00
Optional: One user conference registration (refundable up to 30 days prior to conference)		695.00
(Should you wish an invoice for more attendees, please contact Shawn and she will be pleased to revise and reissue your invoice.)		0.00
All Refund requests must be made in writing. Those prior to 10/17/2025 will be honored less a \$50 processing fee. No refunds are available after 10/17/2025		0.00
CA Sales Tax 10.25%		0.00
We appreciate your prompt payment.	TOTAL	\$42,704.91



USAGE RIGHTS

Upon timely payment of the above total due, Customer shall be licensed to use the above identified *Progressive Solutions Inc.* software/modules for the License Term and number of Users as defined in this Order.

LICENSE TERM

License Start Date: 7/1/2025

License End Date: 6/30/2026

*Customer's License Start Date will commence no earlier than the signature date of this Order

TERMS OF USE

See Software Maintenance Agreement and Addendum - Hosted below

PAYMENT TERMS

Payment Frequency Annually

Payment Terms

The Above Total Is Due Prior to License Expiration To Avoid Cessation of Software/Services and a 25% Reinstatement Fee

EXECUTION:

To avoid conflicting terms arising out of the integration of this Agreement, resulting purchase orders, letters and confirmation, the parties agree that should any conflict arise with any other unilateral writings of either party, this Agreement shall govern. Both Parties via their signatures below or electronically hereby certify 1) they are authorized to sign this agreement and 2) each signer accepts the attached terms and conditions on behalf of the above referenced organization. The Receiving Party via their signature below or electronically hereby certifies that there are no contractual conflicts with respect to any existing city charter or similar legislation or that any conflicts have been identified, fully disclosed to Licensor in writing and such written documentation has been attached to/made a part of this agreement; further any unidentified/unincorporated legislative conflicts shall be deemed waived.

CITY OF HAWTHORNE

Signature

Date

Name

Title

PROGRESSIVE SOLUTIONS INC.

Signature

Date

Name

Title

*Please Note - To avoid late penalties and to ensure continuation of service, receipt of a signed agreement prior to expiration entitles you to a 30-day payment grace period without penalty. Please SIGN & RETURN attached Software Maintenance Agreement or remit payment, by 6/30/2025.

I. NATURE AND DURATION OF SUPPORT.

Progressive Solutions Inc., a California corporation herein after referred to as "Licensor" is in the business of providing software maintenance services (*herein after referred to as "Software Maintenance"*). Software Maintenance is intended to facilitate smooth & efficient ongoing operations of the Licensed software. Licensee as identified above as 'Account Name' desires to obtain Software Maintenance for the specified Licensed software. This Agreement provides for remote services to be performed in Orange County, California, only during normal business hours (6:30am PST to 5pm PST). Maintenance services shall start and end on the dates specified above in the section titled LICENSE TERM. Services shall expire at 5:00 PM Pacific Standard Time on the end date specified above unless renewed (*WHETHER AUTOMATIC OR MANUAL*) as set forth below. Support outside of normal business hours is available for purchase. Requests for service for which the intended result is of negligible operational benefit are not available free of additional charge under this Software Maintenance Agreement. (i.e. *Changing the name of a non-Licensor hosted server absent a hardware upgrade which consequently results in the need to reinstall/verify the SQL data base software, the operating system, the Licensed software and to update every Licensee machine that runs the Licensed software.*) Licensees that purchase after hours support will be provided with the appropriate contact information. Licensor reserves the right to prorate the software maintenance fee and provide more or less than one year of coverage so that subsequent Software Maintenance Agreements expire on the above referenced License End Date. **UNLESS WRITTEN NOTICE OF TERMINATION HAS BEEN PROVIDED BY LICENSEE TO LICENSOR NO LATER THAN 60 DAYS PRIOR TO EXPIRATION OF THIS SOFTWARE MAINTENANCE AGREEMENT, THIS AGREEMENT SHALL AUTOMATICALLY RENEW THEREAFTER FOR A PERIOD OF TIME EQUAL TO THE DURATION OF THIS AGREEMENT AT THE SPECIFIED MAINTENANCE RATES IN EFFECT AT THAT TIME FOR THE RENEWAL PERIOD. NO OTHER TERMINATION OF THE AUTOMATIC RENEWAL PROVISION IS AVAILABLE. UPON EXPIRATION OF THE LICENSED SOFTWARE, SOME OR ALL OPERATIONAL FEATURES MAY NO LONGER FUNCTION AND NO SUPPORT SHALL BE AVAILABLE. THE LICENSED SOFTWARE MAY BE REACTIVATED WITHIN 30 DAYS BY PAYMENT OF THE OUTSTANDING SOFTWARE MAINTENANCE INVOICE PLUS THE REINSTATEMENT FEE IDENTIFIED ON THE COVER PAGE OF THIS AGREEMENT.**

II. LICENSEE'S RIGHTS, OBLIGATIONS & REPRESENTATIONS

a) Training for users, managers and other personnel is essential for efficient operation of the Licensed software. Licensee shall designate one employee as a primary contact for each Licensed software application. The designee must have been trained to use the Licensed software, must regularly use the system(s) and be primarily responsible for daily results/operation of the system(s). While designee may assign follow-up on a request for service to another staff member, designee must initiate contact with Licensor's support personnel and relate their questions or issues. Designee shall coordinate and/or test/verify all configurations including but not limited to: general ledger accounts, rates, rate types billing & charge groups. In addition, designee shall coordinate availability of necessary IT staff for software updates and installation (*when required by your local policy*). Licensor understands that staff turnover is inevitable. Should a change to the designee be required, a proposed designee shall meet at least one of these requirements 1) be well trained by the previous trained designee (*passage of a test on software functionality may be required*) 2) have scheduled/received onsite or remote training from Licensor at current rates or 3) agreed to regularly attend Licensor's annual user conference (*only if conference is scheduled to occur within 3 months of the proposed designee change as training is crucial to smooth operations*). Once at least one of the above conditions has been met, please contact Licensor to obtain the designee change form for subsequent submittal to Licensor. Such training is neither available nor appropriate via customer support lines. Licensee acknowledges that updates/version releases/patches made available to Licensee from time to time are an integral part of the overall performance and value of the Licensed commercial configured software. For local implementations, Licensee shall make a good faith effort to 1) install all software updates/version releases/ operating system patches in a test environment for thorough evaluation and testing prior to deployment in a production environment. And 2) install the tested upgrades/version releases/ operating system patches promptly after completion of testing occurring no later than nine (9) months from the date such updates are made available by Licensor. If the corrective nature of software upgrades are not promptly reviewed and/or the software upgrade installed shortly after notification of availability from Licensor, Licensor staff shall **NOT** provide further support (i.e. *workarounds*) relating to **any** issues where Licensor has offered Licensee a recommended resolution that requires implementation of a software update. Further as software versions older than one year are more expensive to support, when appropriate an obsolescence surcharge may be added to the next support invoice.

b) Software corrections are defined as: Licensor software updates as well as specified operating system patches. Licensee agrees to implement software corrections that have been identified as necessary by Licensor and to ensure that the requirements identified in Exhibit B: (Requirements) are met by all machines intended to execute the Licensed software. Licensee understands that software corrections are typically

implemented via new software releases. Failure to implement those identified software corrections or to maintain the specified requirements shall relieve Licensor from any and all Software Maintenance responsibilities relating to any Licensee reported issue(s) that the Licensor correction(s) was/were offered to address for local non-hosted implementations. In the event Licensee fails to implement identified software corrections, any subsequent services relating to the Licensee reported issue(s) will only be provided on an emergency time and materials basis. Unlike the business models of other providers where products become obsolete, Licensor continually improves the software and offers to schedule at least one complimentary software version upgrade each year as a component of annual software maintenance. It is highly recommended that Licensee staff regularly attend Licensor's annual user training/conferences so staff may learn of, receive training on and take full advantage of accumulated new features and functionality. It is vital that at least one Licensee staff member for each Licensed product attend Licensor's user conference at least every 5 years. Licensee representatives who insist on obtaining training via telephone support may result in Licensor passing on such training costs along via an additional increase in the Software Maintenance Agreement.

c) To the extent permitted by any pertinent transparency legislation (*such as a federal, state or local Public Records Act*), Licensee will preserve the confidential nature of the Licensed software and related media and will not make copies, including partial copies or updated versions thereof, except for internal reference, archive or backup purposes. For local implementations, Licensee is solely responsible for the backup of its data and agrees to conscientiously ensure the existence of functional daily backups for at least the last 10 business days and shall not remove or disable any SQL agent or backup plan initiated by Licensor without both notification to Licensor and at least monthly testing of any subsequently implemented alternate backup plan. If the backup plan is altered or disabled without notification to Licensor, and there is a resulting data loss, an additional charge may be incurred for requested data recovery services.

d) Licensee agrees to provide Licensor with access to the licensed software and data for the sole purpose of providing technical support. As a result, Licensee agrees to (1) maintain a working connection to the internet, (2) permit access through any router/firewall or permit a Virtual Private Network-VPN connection to Licensee's network and (3) allow access to a technical support requestor's workstation via Licensor's workstation via Licensor's licensed TeamViewer™ plugin or provide an equivalent alternative at Licensee's expense. In addition, Licensee agrees that all designated workstations shall meet at least the minimum requirements as specified in Exhibit B: (Requirements and Project Implementation Matrix) at the time of the initial implementation in order to accommodate the software version initially installed. Licensee for local implementations further agrees to have completed installation of the licensed software, the Microsoft® SQL tools and other mutually agreed requirements such as: Microsoft® Terminal Services, Citrix or other similar functionality. In the event Licensor deems such remote access necessary, Licensor shall request confirmation that required access (one of the options listed above) is available. Upon receipt of such confirmation, Licensor shall attempt remote access. If remote access is not functional despite Licensee's confirmation of functional remote access, Licensor shall provide remote access verification services free of charge for one time during each annual agreement. Should Licensee require remote access verification services in excess of the one free service, Licensor will request approval to invoice for such services at the rate in effect at the time of service prior to providing such remote access verification. In the event remote access is not and will not be available in the course of Licensor's attempt(s) to provide Software Maintenance, Licensee understands that Licensor's ability to provide support will be severely limited and an additional service surcharge may be applied to the Software Maintenance Agreement to account for the additional costs incurred to provide such additional support. Should Licensee desire emergency support, on-site support services are available at Licensor's current support rate plus expenses for each partial or full day required to provide Software Maintenance.

e) To minimize Licensee costs, to eliminate any requirement for manual update of validation and/or zip plus four (4) codes, to allow for other on line validations (such as contractor's license, sales tax permit, pet microchip owner information retrieval, etc.) and to maximize uptime of zip plus four (4) & Licensed software validations, the Licensed software should optimally be configured for secure internet access to the Licensor designated internet address. Consequently users of the Licensed software that is locally implemented may periodically obtain the latest zip plus four (4) data and validation codes. Absent this configuration, to obtain automated zip plus four (4) functionality, for local implementations, Licensee must purchase a zip plus four (4) data subscription from Licensor and designate staff to install such zip plus four (4) updates every two (2) months. Failure to promptly update zip plus four (4) data for local implementations will cause disruption of the zip plus four (4) functionality. Furthermore absent internet access or maintenance of a current data subscription from licensor, the automated validations provided at the time of installation shall cease and all such validations will need to be performed manually.

f) **Network Performance:** Licensee understands and acknowledges that network performance is solely the responsibility of Licensee. Should any questions arise as to whether a performance issue is software or network related, Licensee agrees to direct

staff, a Licensee retained consultant or Licensor (at Licensee's cost) to evaluate network/software performance. Such network evaluation shall utilize "Network Sniffer" or equivalent tools to facilitate generation of quantitative results. Licensee agrees to request & incorporate Licensor's recommendations in the network evaluation work plan. Licensee further agrees to transmit the results of such work to Licensor for review and to withhold publication of such results until after implementation of all Licensor recommendations. Requests of Licensor for performance troubleshooting (such as speed and network connection issues) in which Licensor receives prior written authorization to collect factual data and subsequently presents a determination that performance issue(s) is/are network related will be billed at the rates in effect at the time of service.

g) Licensee assumes any and all responsibility and liability for 1) any modification to the Licensed software and/or database structure not made by Licensor (i.e. changes to Crystal reports, additions or deletions of data base tables, fields, etc.) and 2) any modification to the Licensee's data which is not made by Licensor or the Licensed software. If, after providing corrective maintenance, Licensor determines that an error condition is not a Licensed software error or that the error condition results from either condition 1 or 2 above, Licensee agrees to pay Licensor for the reasonable services so provided at the rates in effect at the time of service plus reasonable expenses.

h) **Call Monitoring:** Licensee may monitor and record any calls between Licensee (including designated Sub-Agencies) and Licensor.

i) **PCI Compliance:** While Licensor's payment processing solutions are designed to CISP (Cardholder Information Security Program) & PCI (Payment Card Industry Data Security Standard) guidelines, Licensee understands that Licensor's PCI/PADSS compliance and certification does not automatically result in Licensee compliance. Licensee acknowledges that to maintain CISP/PCI compliance, Licensee must provide staff with PCI security training and ensure that staff actions maintain compliance. Licensee understands that local PCI compliance is not possible without Licensee's internal staff effort to achieve such compliance. Licensee accepts their critical role in maintaining compliance as required by Visa, MasterCard, etc. Licensor accepts responsibility for facilitating such compliance by neither encouraging the storage of credit card data via non-secured methods nor configuring the system for the express purpose of retaining such information. It is Licensee's responsibility to assure that all other 3rd party partners/vendors as well as their own internal operations staff facilitate compliance in their specific areas of process control.

j) **Software License Expiration:** Upon expiration of the software license pursuant to Section II of this agreement, Licensee shall discontinue use of Licensor's database/structure, software & related electronic forms as described in Section V-Default.

III. LICENSOR'S RIGHTS, OBLIGATIONS & REPRESENTATIONS

a) **Support Services:** During the term of this Agreement, Licensor shall make available to Licensee without additional charge any updates and/or minor enhancements to Licensed software, data or data structures, which Licensor releases. In addition, Licensor shall provide Licensee with unlimited support services (via telephone, facsimile, remote internet connection, email and/or mail communications) for ongoing problem resolution to assist the person(s) designated by Licensee (or an alternate in the absence of the designated caller). It may include but is not limited to requests for service regarding operation (including requests for assistance with workstation accessory hardware purchased from Licensor), installation, updates, administration & general technical assistance requested by Licensee's designee(s). The designee(s) shall know the Licensed software, use the Licensed software and be responsible for the results of their efforts. Such support also includes "Limited Assistance" with the items listed below, provided such assistance may be provided in fifteen (15) minutes or less:

1. Training (especially of untrained personnel), assistance with report customization and searching of data within the Licensed software, and
2. Assistance to isolate the source of problems and/or to troubleshoot difficulties **resulting from sources other than Licensor's provided products or services**, such as:
 - Virtualization and/or Remote Access configuration & setup
 - Personal Computer setup, configuration & optimization
 - Basic Microsoft Windows™ functionality
 - Personal Computer & hardware troubleshooting
 - General network support (i.e. network access, printing, backup & restores)
 - Network operating system configuration & functionality
 - Data corruption due to lack of disk space or backup failure; and
 - Loss of supervisor or other password

But expressly excludes any services or assistance relating to database or 3rd party mail services issues, unless purchased via an addendum to this agreement. "Limited Assistance" in excess of fifteen (15) minutes per call will be billed at the rate in effect at the time of service. Prior to and as a condition of Licensor's right to bill for such "Limited Assistance", Licensor shall inform Licensee that the free support is over and that any additional support will be billable. Licensor reserves the rights to: A) limit the number

and the duration of these communications and B) periodically transmit surveys to Licensee for evaluation of the software, support and other services.

b) **Maintenance Services:** Upon receipt of notification from Licensee's designated support representative(s) of an apparent error in any supported release of the Licensed software, Licensor will use commercially reasonable efforts to promptly investigate the issue and determine whether or not there is in fact an error and advise Licensee that either an error does not exist or confirm that one does exist and what if any work-around exists. Errors will be deemed to be any design or programming error in the Licensed software which prevents the Licensed software from substantially complying with the functionality as set out in the user documentation (on-line or hard-copy) delivered with the Licensed Software and which materially affects the use, function or performance of the Licensed Software. When errors are confirmed, Licensor will use commercially reasonable efforts to correct such errors and provide Licensee with a correction or service pack for the Licensed Software as soon as it is practical in Licensor's sole discretion.

c) **Assignment of Priorities for Support Issues:** New support incidents are assigned one of the following four priority levels, each with its respective standard completion target:

Call Priority	Description	Standard Completion
A - System Down	Fatal issues that result in Licensee's inability to fulfill critical business functions (i.e. those pertaining to core functionality such as billing and receipting) & that have no reasonable work-around.	Within 12 hours
B - Urgent	Serious issues significantly impacting use of Licensed software but do not prevent core functions (defined above) from being fulfilled.	Within 24 hours
C - Normal	All other issues, except those classified as D (low)	Within 36 hours
D - Low	Issues with minimal impact on operations requiring incommensurate support effort. (Work will be performed on a best efforts basis when requests with higher priorities do not take precedence.) Issues such as proposed elective configuration changes that are by nature not time-sensitive and may be undertaken as planned Licensee service initiatives outside the scope of this agreement	None

Licensee may request a ranking of the call priority when initially reporting the incident. Should there be any disagreement over the priority assigned to a particular incident, or any other aspect of its handling by Licensor's support staff, Licensee's designated representative is encouraged to speak directly to the support representative dealing with the issue in order to arrive at an acceptable solution. In cases where escalation is desired or necessary, please contact the Support Services Supervisor with any concerns you may have.

d) **Excluded Services:** Without limitation, the following services are excluded from Software Support:

1. Those required to remedy problems that stem from **changes to or defects in** the initially installed/approved system configuration or in subsequent modified/approved Licensor system configurations;
2. Those required to remedy problems which do not stem from any defect in the Licensed Software
3. Those required to remedy issues resulting from untrained or inadequately trained Licensee staff.
4. Those required remedying problems caused by:
 - a. improper use of the software
 - b. unauthorized modifications to Licensor's data structure/configuration
 - c. modifications to Licensee's data without use of Licensor approved methods (i.e. application programming interfaces-API).
5. Report rewrites requiring more than 15 minutes after approval of initial report customization(s).
6. Any & all hardware support, maintenance or troubleshooting issues, except as described in Section IV(a) regardless of the source of such hardware.

e) **Limited Warranty of Service:** Licensor warrants that all maintenance services provided hereunder will be performed in full conformity with this Software Maintenance Agreement, with the skill & care which would be exercised by those who perform similar services at the time the services are performed, and in accordance with accepted industry practice. The following actions shall void all maintenance and support obligations of this Software Maintenance Agreement:

- Use of any non-authorized application or support tool that modifies data in the database, whether created by Licensee or another party. (Licensor regularly engages in custom projects to accomplish such objectives and is pleased to do so.)
- Use or creation of any application that competes with or replaces a module available from Progressive Solutions Inc. to work with either the licensed application or the licensed application's database

In the event of a breach of the express warranties contained herein and/or in the event of non-performance and/or failure of Licensor to perform the services in accordance with

the Agreement, Licensor will, at no cost to Licensee, re-perform or perform the services so that the services conform to the warranties.

f) Nothing contained in this Agreement shall be construed to obligate Licensor to provide any services whatsoever subsequent to the expiration of this Agreement or any

IV. SUPPORT FEES AND PAYMENTS

Payment for 'Software Maintenance' services is due in advance and non-refundable. 'Software Maintenance' services will not be provided until such advance payment has been received. Licensor agrees to provide at least 90 days prior written notification prior to implementation of any annual fee change. Any annual fee change shall not become effective until the first day of any annual extension. *Maintenance for Revenue Enhancement functionality is excluded from any and all caps.*

Should Licensee terminate this agreement at any time after the most recent automatic renewal and cease all use of the Licensed software post expiration of the Licensed software, both parties agree that any billed and/or unpaid annual maintenance invoice amount submitted to Licensee prior to the automatic renewal shall be immediately due and promptly payable. If payment is not received by Licensor within 30 days from invoice date or 60 days post expiration of Licensee's right to use the licensed software (*whichever is earlier*), a late fee of 10% of the invoiced amount shall also be due and payable. If Licensee continues use of the Licensed software for more than 60 days post Licensee's right to use the software without payment and absent alternate written arrangements, Licensee shall remove the licensed software per the provisions of the Default Section (V) of this agreement.

To encourage Licensees to receive the benefits of the latest Software Maintenance Agreement, Licensor offers a 30 day Software Maintenance payment extension to Licensees that sign and return the Licensor provided Software Maintenance Agreement renewal without alternations to Licensor prior to expiration of each Software Maintenance term. Unless Licensor has received a newly signed Software Maintenance Agreement (*to extend the payment due date*) prior to the software expiration date, a reinstatement fee based of the delinquent maintenance balance (*identified on the cover page of this agreement*) shall be due for failure to tender payment either by the original expiration date or by the Licensor extended due date obtained by signing the new Maintenance Agreement. Further any payments not received by Licensor within 30 days from the invoice date, original contractually specified expiration or by any Licensor extended due date shall in addition to the reinstatement fee be subject to a finance charge of .05% per day from the support expiration date up to and including the date payment is received.

V. DEFAULT

(a) In the event Licensor or Licensee fails to exercise due care (*defaults*) with regard to its obligations under this Agreement, and has not remedied such default within 30 days after the date of written notice by the non-defaulting party, then the non-defaulting party shall be entitled to exercise any one or more of these remedies:

1. The non-defaulting party may terminate this Agreement, accelerate all amounts due and unpaid hereunder such that all amounts will become immediately due and payable.
2. **Suspension of Obligations:** The non-defaulting party may suspend performance & observance of any or all its obligations under this Agreement, without liability, until the other party's default is remedied. However, Licensee may only suspend its obligation to make payments for Software Maintenance and other Services provided a written 'Notice of Default' has been transmitted to Licensor prior to the most recent automatic renewal date. At such time as the noticed default has been remedied, such suspended payment shall be immediately released to Licensor.
3. If Licensee is the defaulting party, Licensor may allow the Licensed software to expire without demand or notice, without court order or other process of law, and without liability to Licensee for any damages occasioned by such expiration of the Licensed software.
4. The non-defaulting party may pursue any other remedy available at law or in equity, including injunctive relief. While an attempt at good faith Mediation participation per Section XI (f) of the 'Software and Services Agreement' is required in order for either party to collect any costs of litigation, therefore it is mutually agreed that any 'Notice of Default' transmitted to Licensee shall be deemed adequate notification of a Licensor claim to protect its private intellectual property per California Government Code Section 905.1 (*or similar code sections from any state where the software has been installed*).

(b) **Removal of Licensed Software:** For local implementations, upon 30 days from demand by Licensor made pursuant to the default provisions (Section V) of this agreement and/or the corresponding Software License Agreement pertaining to local licensed software implementations, Licensee shall discontinue use of Licensor's database/structure, software & related electronic forms. In addition, Licensee shall provide Licensor with written confirmation that: I) **all** previously licensed components have been erased and copies **no** longer reside on any computer system maintained or operated by: Licensee, Licensee's staff members, or Licensee authorized 3rd party vendors II) **all** backup tapes which contain a copy of Licensor's proprietary property shall be securely maintained with the same care as other confidential data and *overwritten* as part of the normal backup plan after execution of the transmitted Licensor's "Confirmation of Proprietary Rights and Destruction" III) *no attempt* shall be made to restore Licensor's proprietary property from backup tapes and IV) no breach of confidentiality relating to Licensor's intellectual property has occurred. Licensee agrees to complete and transmit Licensor's 'Confirmation of Proprietary Rights and Destruction' to Licensor within 30 days from expiration of the licensed software unless an alternative written agreement has been executed. Failure to transmit such statement prior to the 30 day due date shall result in a \$1,000 charge for each subsequent 7 day period until such statement has been provided. Should any representation provided via a transmitted 'Confirmation of Proprietary Rights and Destruction' subsequently be found not to be true, the weekly penalty provision shall apply as if the statement had not been provided until the date subsequent proof has

subsequent renewals of this Agreement. Upon expiration of this Agreement, Licensee may offer and Licensee may purchase continued Software Maintenance on a periodic basis.

been tendered which verifies that any misrepresentation (*intentional or unintentional*) has been rectified.

VI. GENERAL PROVISIONS

(a) The Licensed software is subject to design and operational changes to allow for the use of new technologies and to correct known bugs as they are brought to the attention of the Licensor, either by the Licensor's own quality-control mechanisms or by the Licensee.

(b) Licensee acknowledges that the Licensed software is of such complexity that it may have inherent defects and agrees that as Licensor's sole liability for such inherent defects and as Licensee's sole remedy for such inherent defects, Licensor will provide, during the term of this Agreement, all reasonable software maintenance services arising from a hosted and/or unaltered locally implemented version of the delivered Licensed software to correct 1) *documented programming or documentation errors reported by Licensee and* 2) *failure of the Licensed software to meet the specifications identified in the electronic documentation provided with each release of the software.*

(c) Software maintenance is offered by Licensor to ensure that Licensee receives the quality support necessary to remain a highly satisfied customer. Support is offered for Licensed software and minor modifications to forms designed and/or created by Licensor to operate with the released software. Licensor utilizes Seagate's Crystal Report Writer™ to create most reports and forms. To ensure maximum flexibility, customers have the option to independently design, create and maintain additional forms, mailings, and/or reports. Licensor's annual software maintenance does not include technical support for user written Crystal Reports™ or for minor individual modifications to accepted/completed forms that require more than 15 minutes technical support. However, Licensor is pleased to offer such support on a time expended or fixed fee basis (*should complete written specifications be available*).

(d) All documentation, programming and/or modifications shall be delivered via remote telecommunications from Licensor's place of business, to or through the Licensee's computer. Licensor shall not provide Licensee with possession of any tangible personal property such as storage media. Licensee shall reimburse Licensor for any state and/or local requirements, which Licensor must meet or obtain to provide services under this Agreement (e.g. business licenses, additional insured statements, sales tax, etc.).

(e) No action regarding services or deliverables, regardless of form, may be brought more than one (1) year after the first to occur of either 1) the conclusion of services and/or delivery of any deliverables arising from this or the Software License Agreement, or 2) such party's knowledge of the event giving rise to such cause of action. This limitation does not apply to confidentiality obligations or to software license rights.

(f) Notices: All notices and other communications required or permitted to be given or made pursuant to this Agreement shall be in writing and deemed delivered one (1) day after being sent by a nationally recognized overnight courier service or three (3) days after being sent certified U.S. mail, return receipt requested, postage prepaid. All notices will be given to the designated contact at the address indicated in this Agreement.

(g) Should any conflict arise with any other unilateral writings of either party, this Agreement shall govern. This Agreement and any written modifications, amendments or addenda, executed pursuant to this Agreement constitute the entire agreement between the parties and supersede all negotiations and other proposals, oral or

written, and all previous and current negotiations and other communications between the parties pertaining to the subject matter herein. Any payment related obligations that occur one year after execution of this agreement shall be construed in accordance with and governed by Federal or state law where any resulting action is filed. All other obligations set forth in this Agreement shall be construed in accordance with and governed by Federal law or the laws of the state in which the software is situated, except when software licenses are granted for use in the state of Louisiana or in countries such as Canada or Mexico where the laws of California will apply. When California law applies, the Court of Orange County, California shall have non-exclusive jurisdiction over all disputes relating to this Agreement. This Agreement will not be governed by the conflict of law rules of any jurisdiction or the United Nations Convention on Contracts for the International Sale of Goods, the application

of which is expressly excluded. This Agreement may be signed in several counterparts, each of which shall be deemed an original.

Any controversy or claim arising out of or relating to this Agreement or the breach thereof, **may be** settled by arbitration, if agreeable to both parties at in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

(h) Any change or revision to the terms and conditions hereof shall be made by written amendment and shall be executed by persons authorized to do so by the respective parties. No changes in specifications, requested or suggested by either party, shall be made except by written agreement of both parties.

Congress enacted the Electronic Signatures in Global and National Commerce Act (*E-Sign Act*) on June 30, 2000, to validate the legality of electronic contracts. Should either party receive a document signed with a valid electronic signature, such documents shall be accepted as if they were signed with a pen.

For this current service period, Licensee has elected to Host the licensed application using their own hardware and software licenses to enable operation of the licensed software specified above. Licensee has NOT elected Licensor's Fully Hosted Offering that includes:

- Microsoft Azure Cloud Services for the data and application
- Well known reliable uptime and monitoring.
- Secured Socket Layer encrypted communication
- Hardware that is and remains fully compliant with licensed software
- All worry free, automated Data Back-ups.
- Ability to promptly adjust computing resources to accommodate increases/decreases in citizen demand.
- Instant ability for Licensor to provide assistance as well as seamless enhancements.
- Virtually eliminating the (*cost associated with and*) burden to Licensee Information Technology staff resources!
- Vastly reduced Licensee PCI compliance burden

Definitions:

"Host Computer" means the computer(s) and associated hardware and software owned and/or operated by Licensor at Licensor's location(s), which may include the use by Licensor of one or more designated third party hardware, software and /or cloud computing service providers, on which *executable operating components* of the Licensed Software reside and that Licensor will use to provide the appropriate version(s) of the components as a Service to You. One popular component facilitates PCI compliant citizen web payments.

"File/IIS Server" means the computer(s) and associated hardware and software operated by Licensee at Licensee's designated location(s), which may include the use by Licensee of designated Licensee purchased/licensed software such as Microsoft™ SQL server, Secured Socket Layer certificates & Internet Information Server, on which Licensor's Licensed components such as the *web application/software, databases and associated files* shall reside. Licensor shall require ongoing access to Licensee's File/IIS Server to ensure quality and continuity of the Service.

1. It is understood that a Licensee is responsible to obtain/license and implement at their own cost any required Microsoft™ SQL licenses and Secured Socket Layer certificates to facilitate secure transactions. While Licensee's authorized SQL and IIS administrator(s) may have unrestricted access to the Licensor's intellectual property, web application, data structure and Licensee data, this license does not give Licensee (including their SQL administrator) any right to, and Licensee must not:

- I. use or virtualize features of the software separately without written **Licensor** permission;
- II. work around any technical restrictions or limitations in the software;
- III. make changes to any of the web application components
- IV. perform any SQL data modification transactions absent written authorization by Licensor
- V. reverse engineer, disassemble or decompile any Licensed Software or prepare derivative works thereof
- VI. make any effort to extract Licensor's proprietary 'Trade Secrets' and/or intellectual property from A) current or former Licensor employees or B) from Licensor's data structure or C) using the Microsoft SQL Management Studio.

EXHIBIT 2: HOSTING-LICENSEE'S RIGHTS, OBLIGATIONS & REPRESENTATIONS

VII. Disparage Licensor in any way when Licensor is not the first direct support contact and is not provided with immediate remote access to the data and software. (This typically occurs when internal Licensee staff delays Licensor's ability to provide quality, prompt resolution to issues that may arise.)

It is agreed that in the event Licensor obtains documentation of Licensee engaging in any of the above activities, Licensee shall be deemed in Default and Licensor at his sole option may either terminate the software/service and or revise the remaining terms of service especially the amount due.

2. To the extent permitted by any pertinent transparency legislation (*such as a federal, state or local Public Records Act*), Licensee will preserve the confidential nature of the Licensed software, 'Confidential Information', and related media. Further, Licensee shall not transfer or make copies, including partial copies or updated versions thereof, except for internal reference, archive or backup purposes. For Licensee hosted implementations, Licensee is solely responsible for backup of Licensor's database/data structures (*including Licensee's data within*) and agrees to conscientiously ensure the existence of functional daily backups for at least the last 10 business days and shall not remove or disable any SQL agent or backup plan initiated by Licensor without notification to Licensor and at least monthly testing of any subsequently implemented alternate backup plan. If the backup plan is altered or disabled without notification to Licensor, and there is a resulting data loss, an additional charge may be incurred for requested data recovery services.

3. Because of the confidential nature of the goods and services supplied under this Agreement, it is agreed that the Licensee will not sell, give, or lease the software or related 'Confidential Information' (*to the extent permitted by a pertinent federal, state or local Public Records Act*) about any of the 'Confidential Information' or capabilities of the provided software to any other firm or person or group without the express written approval of Licensor or make any use thereof other than as expressly permitted under this Agreement. Licensee will further use its **best efforts** to maintain the security thereof. It is mutually understood that since 1979 Licensor has made a substantial investment to produce and refine the product(s) licensed via this agreement. Should Licensee provide or allow any unauthorized third party access to any Licensor's 'Confidential Information' and/or 'Trade Secrets' Licensee may have obtained, Licensee shall be liable for damages. In addition Licensee agrees not to contest or do or aid others in contesting or doing anything which impairs the validity of any proprietary and intellectual property rights, title or interest of Licensor in and to any of Licensor's software. It is agreed, however, that such information and capabilities which Licensee can show to be in its possession prior to receipt of any disclosure by Licensor shall not be subject to the provisions of this section.

4. Should Licensee anticipate termination of software maintenance (*and use of a Licensed application*), Licensee shall either extract all required Licensee data from Licensor's data structures as Excel, csv or flat files (*to prevent theft of code that resides within Licensor's database*) via any readily available tools **prior** to expiration of the relevant application's software maintenance or authorize specific data extraction services from Licensor for a nominal fee (*these services reduce the chances of confidentiality breaches*) **prior** to destruction of the locally implemented licensed software and data structure. In addition, Licensee shall provide Licensor with written confirmation that previously licensed

components have been erased and copies are no longer on Licensee's computer or backup tapes. Licensee agrees that the software/components furnished by Licensor and all copies and versions thereof made by the Licensee are and shall remain the sole property of Licensor.

5. Master Account Data (*Account number, Name, addresses, and other related fields*), Contacts (people or entities associated with master accounts), Notes (*dated staff comments about accounts*), Payments (*dated payment detail for each account*) Permits (*subsidiary taxes related to a master account*), photos and scanned documents are the exclusive property of Licensee. Log files, configurations, indices, data values generated automatically by the Licensed software and all other data are the exclusive property of Licensor. When Licensee data is not hosted by Licensor and resides on a Licensee device, access to, management and control of access to Licensor's database/data structures (*and Licensee's data within*) shall be the sole obligation and responsibility of Licensee.
6. Customization of the Licensed software shall be limited to modifications and enhancements that will not limit Licensor's ability to support the product through standard releases. Licensee shall only access Licensor's database structure via the Licensed software, via an Applications Programming Interface (API) obtained from Licensor, via a file backup utility or using Open Database Connectivity (ODBC) standards via a Licensor created/managed reader user where rights have been set by Licensor. Licensed functionality shall include the ability to access/export Licensee owned data as defined in the paragraph above. Licensor does not store scanned documents within the Licensed data structure; thus for local implementations all such documents are available to Licensee at any time. As data integrity is essential, Licensee agrees that "write access" to Licensed data structures other than via a Licensed API shall not be permitted without Licensor's written approval.
7. Training for users, managers and other personnel prior to going live is essential for efficient operation of the Licensed software. Licensee will designate one employee as a primary contact for each Licensed software application. The designee must have been trained to use the Licensed software, must regularly use the system(s) and be primarily responsible for daily results/operation of the system(s). Once system is used for live daily activities, designee may assign follow-up on a request for service to another staff member. However, designee must initiate contact with Licensor's support personnel and relate their questions or issues. Designee shall coordinate and/or test/verify all configurations including but not limited to: general ledger accounts, rates, rate types billing & charge groups. In addition, designee shall coordinate availability of necessary IT staff for software updates and installation (*when required by Licensee's local policy*).
8. Neither Licensee nor Licensor wish to incur additional time, effort &/or costs for Licensor to get staff back up to speed with Licensee's data migration. Should Licensee purchase data migration services for any product, Licensee acknowledges that data migrations are a cooperative effort that without committed & conscientious cooperation, any data migration will be needlessly delayed. Up to 30 hours of Licensor effort are included with each purchased/authorized migration. To date most previous migrations have been fully accommodated within those 30 hours. However, when Licensee staff or contractors delay migration and/or add requirements for customized data modification/cleanup not part of the approved specifications, such additional services

EXHIBIT 2: HOSTING-LICENSEE'S RIGHTS, OBLIGATIONS & REPRESENTATIONS

will be provided post approval and billed either on a time and materials basis (*at the rate in effect at the time of service-Currently \$195/hour*) or via a fixed price quote. Licensee accepts full responsibility to provide:

- a. For each Licensed software product a designated contact who has been directed by management to devote time to this project as a high priority, is intimately familiar with the existing data/software/operations and has been empowered to make decisions regarding implementation, configuration and forms design.
 - b. Licensor with one balance calculation (*or one balance due amount*) for all accounts with non-zero balances that Licensee desires to migrate. (*Experience migrating other systems has taught us that many other systems have more than one way to calculate a "true" balance which may or may not correlate with historical financial transactions.*)
 - c. **Complete and consolidated** migration data to Licensor transmitted in their entirety **at one time** in a consistent computer readable format (*with understandable field labels which clearly identify the field contents*). Unless otherwise mutually agreed in writing, non-address data will be transferred as is without manipulation or alteration.
 - d. Notification to Licensor that Licensee's migrated data is either available or has been transmitted to Licensor.
 - e. Functional remote desktop sharing as described in the "*Most Cost Effective Access*" below which may be initiated by Licensee's designated staff members at their workstation **at least until the go live date and for the duration of any approved customization projects**. This functionality is essential to facilitate efficient review of the data by Licensee and to provide instruction on the Licensed software by Licensor.
 - f. Review of the migrated data and notification to Licensor in writing of any data/configuration issues relating to each 1st data migration no later than either: 1) 30 days from the day Licensor has notified Licensee that the 1st migrated data became available for Licensee review or 2) Licensee prior to the go live date provides Licensor with a written acknowledgment that Licensee has completed their review and accepted the data as migrated by Licensor.
 - g. Prompt verification that requested corrections have been completed to Licensee's written specifications or automatic acceptance of any corrections absent written documentation to the contrary 7 days from the date Licensee was notified of the availability of any specific correction.
If after the 30 day review period (*or receipt of written acceptance by Licensor*) Licensee requests program or data changes that could have been requested during review of the 1st migrated data, upon mutual written agreement Licensor shall respond and correct such issues on a time and materials basis. Licensee agrees that addition of calculations (*especially balance*), form revisions, migration data (*such as additional records or tables not originally provided*) or changes to the format of the migration data may result in a delay of product implementation and shall result in additional time and materials charges. In the unlikely event any previously reported issues resurface, such reoccurrence(s) shall be corrected without additional charge.
9. All implementations shall automatically receive software corrections. Software corrections are defined as: Licensor software updates as well as specified operating system patches. Licensee agrees to implement software corrections that have been identified as necessary by Licensor and to ensure that the

requirements are met by all devices intended to execute the Licensed software. Failure of Licensee to implement those identified software corrections or to maintain the specified requirements shall relieve Licensor from any and all 'Software Maintenance' responsibilities relating to any Licensee reported issue(s) that the Licensor correction(s) was/were offered to address. In the event Licensee fails to implement identified software corrections, any subsequent services relating to the same Licensee reported issue(s) will only be provided on an emergency time and materials basis. It is highly recommended that Licensee staff regularly attend PSI annual user training/conferences so staff may learn of, receive training on and take full advantage of accumulated new features and functionality. It is vital that at least one Licensee staff member for each Licensed product attend a PSI user conference at least every 5 years.

h. Licensee may use remote assistance technologies to share an active session with Licensor without obtaining any additional licenses for the software. Remote assistance allows a support technician to connect directly to a user's computer, usually to report/correct problems. Other than for one initial remote local server access attempt, Licensee acknowledges that Licensor in the interest of providing the most cost effective offering has **not** included costs in this agreement for further testing of any remote access method(s) to be provided to Licensor. Licensee agrees to provide Licensor with access to the Licensed software and data for the sole purpose of providing local server technical support & services in one of these ways:

10. **Most Cost Effective Access:** In the interest of security of locally hosted implementations, Licensor strongly recommends providing Licensor with local server access via terminal services, virtual private network (VPN), remote desktop connection (RDC) and/or Licensee provided connectivity such as Citrix Remote Access. Licensee is expected to provide prompt & efficient distribution of security requirements, user-names, access rights and passwords. Licensor shall provide one incident of up to 4 hours of server related remote access support per year. This incident may include up to one application relocation to another server. To ensure Licensee's costs are minimized, all access rights listed below shall be tested by Licensee's designee prior to distribution of any security configurations/requirements, usernames & passwords to Licensor. Further such access rights shall be maintained at least until the go live date and for the duration of any approved customization projects. After such initial implementation(s), any Licensee transmission of remote access information to Licensor shall also be tested by Licensee's designee as described above prior to distribution to Licensor. Licensor expects that under no circumstances should any Licensee site connectivity attempts require more than 15 minutes of Licensor's staff time. Licensor requires access rights solely for maintenance of the licensed application(s) and data structures.

These access rights must be provided by Licensee:

- Connection to Licensee designated "File/IIS Server" via a mutually agreed Connection
- Connection to Licensee designated SQL Server
- Access to functional SQL tools (with Local administrative rights) for data flow, backing up, adding & deleting users, restoring & configuring of Licensor's data structures.
- IIS management rights for any web implementations
- Web implementations must allow SQL connectivity to source data
- Creation of subfolders within the PSI directory

EXHIBIT 2: HOSTING-LICENSEE'S RIGHTS, OBLIGATIONS & REPRESENTATIONS

- Saving of files in the PSI folder & all subdirectories
- Transferring and saving FTP files from Licensor designated server location to Licensee Server(s)
- Transferring and saving files from: Licensor designated server location to Licensee Server(s)

A. Access Testing Required: Licensee requires Licensor's assistance to effect the requirements listed above.

B. Least Cost Effective Access: is defined as obtaining access and/or assistance from Licensee's designee which generally requires in excess of 15 minutes where Licensor support services are delayed until such time as Licensee's designee is both available and willing to assist with any required support. Such cases shall be deemed a billable incident. Other than for the first attempted connection attempt, each such subsequent incident that covers a specific deliverable is available at a flat cost of \$999. The fee is the same no matter how much time is required to resolve the specified issue. In the event billable incidents have been incurred, have been billed and are outstanding at the time when service renewal invoices are created, only a Licensor fully hosted offering will be available for the subsequent renewal offering.

11. In order to be able to meet the above requirements for local implementations, Licensee agrees a) to maintain a working connection to the internet, b) to permit Terminal Services, Virtual Private Network-VPN or similar access to Licensor's network through any router/firewall and c) to permit Licensor access to a technical support requestor's workstation via Licensor's "Share desktop facility", Microsoft®'s Remote Desktop, Microsoft®'s Netmeeting®, Gotomeeting.com or Citrix. In addition, Licensee agrees that all designated workstations shall meet at least the minimum requirements (specified via the <http://progressivesolutions.com> link in the footer referred to as RequirementsExhibit B;) at the time of the initial implementation in order to accommodate the version of the application initially installed. Licensee further agrees to have completed installation of the Microsoft® SQL tools and other mutually agreed requirements such as: Microsoft®'s Terminal Services, VPN, Remote Desktop, Netmeeting® or other similar functionality. Upon request and once appropriate user privileges are available, Licensor shall install the licensed software.

The features described below connect via the Internet to Licensor's computer systems automatically, without separate notice to Licensee. To minimize Licensee costs, to eliminate any requirement for manual update of validation and/or zip +4 codes, to allow for other on line validations (such as contractor's license, garage permit jurisdiction validation, sales tax permit, pet microchip owner information retrieval etc.) and to maximize uptime of zip +4 & Licensed software validations, devices intended to execute the Licensed software should optimally be configured for internet access to the Licensor designated internet (IP) address. Consequently locally implemented users of the Licensed software with an active (*non-expired*) agreement shall receive the latest zip +4 validations from Licensor's web service. Licensee Furthermore absent internet access, automated validations (including web citizen payment processing) shall cease and all such validations will need to be performed manually.

12. Licensee understands and acknowledges that internet/network performance is solely the responsibility of Licensee. Should any questions arise as to whether a performance issue is software or

network related, Licensee agrees to direct staff, a Licensee retained consultant or Licensor (at Licensee's cost) to evaluate network/software performance. Such network evaluation shall utilize "Network Sniffer" or equivalent tools to facilitate generation of quantitative results. Licensee agrees to request & incorporate Licensor's recommendations in the network evaluation work plan. Licensee further agrees to transmit the results of such work to Licensor for review and to withhold publication of such results until after implementation of all Licensor recommendations.

13. Licensee has no obligation to give Licensor any suggestions, comments or other feedback ("Feedback") relating to the Licensed software. However, any Feedback Licensee voluntarily provides may be used in Licensor Products, marketing, related specifications and/or other documentation (collectively, "Licensor Offerings") which in turn may be relied upon by other third parties to develop their own products, services or technology ("Third Party Products"). Accordingly, if Licensee gives Licensor Feedback on any version of Materials or Licensor Offerings to which they apply, Licensee agrees: (a) Licensor may freely use, reproduce, license, distribute, and otherwise commercialize Licensee's Feedback in any Licensor Offering; (b) Licensee may also grant third parties, without charge, only those patent rights necessary to enable Third Party Products to use, implement or interface with any specific parts of a Licensor Product that incorporate Licensee's Feedback; and (c) Licensee will not give Licensor any Feedback (i) that Licensee has reason to believe is subject to any patent, copyright or other intellectual property claim or right of any third party; or (ii) subject to license terms which seek to require any Licensor Offering incorporating or derived from such Feedback, or other Licensor intellectual property, to be licensed to or otherwise shared with any third party.
14. While Licensor's software payment processing solutions are designed to CISP (*Cardholder Information Security Program*) & PCI (*Payment Card Industry Data Security Standard*) guidelines, Licensee understands that Licensor's PCI/PADSS compliance and certification does not automatically result in Licensee compliance. Licensee acknowledges that to maintain CISP/PCI compliance, Licensee must provide staff with PCI security training and ensure that staff actions maintain compliance. Licensee understands that local PCI compliance is not possible without Licensee's internal staff effort to achieve such compliance. Licensee accepts their critical role in maintaining compliance as required by Visa, MasterCard, etc. Licensor accepts responsibility for facilitating such compliance by neither encouraging the storage of non-secured credit card data nor configuring the system for the express purpose of retaining non-secured private information. It is Licensee's responsibility to assure that all other 3rd party partners/vendors as well as their own internal operations staff facilitates compliance in their specific areas of process control.
15. **WebApplication/Database Removal:** Upon expiration of the software license, Licensee shall discontinue use of Licensor's web application, database/structure & related electronic forms. Licensee shall provide Licensor with written confirmation that: 1) **all** previously licensed database components have been erased and copies **no** longer reside on any computer system maintained

EXHIBIT 2: HOSTING-LICENSEE'S RIGHTS, OBLIGATIONS & REPRESENTATIONS

or operated by: Licensee, Licensee's staff members, or Licensee authorized 3rd party vendors II) **all** backup tapes which contain a copy of Licensor's proprietary property shall be securely maintained with the same care as other confidential data and *overwritten* as part of the normal backup plan after execution and transmission of Licensor's 'Confirmation of Proprietary Rights and Destruction' document III) *no attempt* shall be made to restore Licensor's proprietary property from backup tapes and IV) no breach of confidentiality relating to Licensor's intellectual property has occurred. Licensee agrees to complete and transmit Licensor's 'Confirmation of Proprietary Rights and Destruction' to Licensor within 30 days from expiration of the licensed software unless an alternative mutually agreed written agreement has been executed. Failure to transmit such statement prior to the 30 day due date shall result in automatic renewal of this agreement from the termination date Licensee provided in writing to Licensor or the expiration date whichever is most appropriate. In such case an invoice for annual support shall be issued from the date of expiration as if the software had not been terminated. In this case the invoice shall become immediately due and payable upon receipt. Should any representation provided via a transmitted 'Confirmation of Proprietary Rights and Destruction' subsequently be found not to be true, the automatic renewal provision of this paragraph shall apply as if the statement had not been provided until the date subsequent proof has been tendered which verifies that any misrepresentation (*intentional or unintentional*) has been rectified.

16. Non-Interference/Non-Solicitation/"Trade Secrets": Each party agrees that, during the period that Licensor is providing services hereunder ("Services Period") and for a period of twelve (12) months following the termination of such work ("Post Services Period"), neither party will, except with the other party's prior written approval, directly or indirectly through a third party, solicit, hire or contract with any employee, agent or staff member of such other party ("the Retained Party") directly or indirectly for any position where the loyal and complete fulfillment of its duties would likely require "the Retained Party" to reveal, make judgment on, or otherwise use, any confidential business information or trade secrets of Licensor to which "the Retained Party" had access (especially internal unpublished software support concepts).

If Licensee has breached the above restriction by retaining (*hiring or contracting with*) an individual in a position in or under the direction of any department where one or more staff members utilize Licensor's software, Licensee shall at Licensor's sole option shall forfeit the above identified license for use of Licensor's software upon Licensor's providing written notification of said license termination to Licensee. Under no circumstances shall any retained individual divulge Licensor 'Trade Secrets'. Any damages paid under this clause shall only be for breach of this non-interference/non-solicitation clause. Such damages paid shall not waive any other remedies that may exist under any other statute for misappropriation of Licensor's 'Trade Secrets'.