



# Innovative Software Services, Inc.

P.O. Box 70 Eaton Rapids, MI 48827 Phone (517) 663-5710 Fax (517) 663-6141

December 18, 2025

Ms. Terri Soto  
605 W 4th Street  
Lorain, Ohio 44052

Dear Ms. Soto:

Thank you for allowing Innovative Software Services, Inc. the opportunity to quote CityTax EFile™ software to your city.

Innovative Software Services utilizes advanced Windows® technology in the development of software designed for state and local governments and private industry. Among our products is CityTax EFile™, the most flexible and modern income tax electronic filing software designed to integrate directly with Innovative Software Services' CityTax™ application.

Enclosed you will find several CityTax EFile™ documents for your review:

1. Quotation.
2. Service Agreement.

If you have questions or concerns, please contact me at 517-663-5710.

Sincerely,

Rick Carpenter, President



**Innovative Software Services, Inc.**

P.O. Box 70 Eaton Rapids, MI 48827 Phone (517) 663-5710 Fax (517) 663-6141

# **CityTax EFile Software City of Lorain, OH Quotation**

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*“The Local Income Tax Solution”*

Quotation  
Service Agreement

*December 18, 2025*

# CityTax EFile

**“The Local Income Tax EFile Solution”**  
**City of Lorain, OH**  
**Quotation**

<b>SOFTWARE &amp; COMPONENTS</b>	<b>Quantity</b>	<b>Price</b>	<b>Discount</b>	<b>Extended Price</b>
CityTax EFile - Maintenance & Support	Annual	\$32,625	\$0	\$32,625
CityTax EFile -Hosting	Annual	\$4,000	\$0	\$4,000
CityTax EFile - Installation and Setup	1	\$7,500	\$0	\$7,500
<b>TOTAL PRICE</b>				<b>\$44,125</b>

**\*\*Quotation valid for 90 days\*\***

## CITYTAX EFILE QUOTATION

**Seller:**

Innovative Software Services, Inc.  
157 South Main Street  
Eaton Rapids, Michigan 48827 USA

By:  Date: December 18, 2025  
Rick Carpenter, President

**Buyers:**

City of Lorain, OH  
605 W 4th Street  
Lorain, Ohio 44052 USA

Approved  
By: \_\_\_\_\_ Date: \_\_\_\_\_  
Terri Soto, Treasurer

Approved as to Form  
By: \_\_\_\_\_ Date: \_\_\_\_\_

Certification of Funds  
By: \_\_\_\_\_ Date: \_\_\_\_\_



# Innovative Software Services, Inc.

P.O. Box 70 Eaton Rapids, MI 48827 Phone (517) 663-5710 Fax (517) 663-6141

## **CITYTAX EFILE END USER LICENSE AGREEMENT**

This License Agreement (this "Agreement") is made effective as of December 18, 2025 between Innovative Software Services, Inc., of 157 South Main Street, Eaton Rapids, MI 48827, USA and City of Lorain, OH, of 605 W 4th Street, Lorain, Ohio 44052, USA.

In the Agreement, the party who is granting the right to use the licensed property will be referred to as "Innovative Software ", and the party who is receiving the right to use the licensed property will be referred to as "City of Lorain, OH ".

The parties agree as follows:

**1. GRANT OF LICENSE.** Innovative Software owns CityTax EFile software program, applications, and systems. ("SOFTWARE"). In accordance with this Agreement, Innovative Software grants City of Lorain, OH an exclusive license to use the SOFTWARE. Innovative Software retains title and ownership of the SOFTWARE.

**2. MODIFICATIONS.** Unless the prior written consent of Innovative Software is obtained, City of Lorain, OH may not modify or change the SOFTWARE in any manner except for configuration options. City of Lorain, OH may not reverse engineer, decompile, grant use of to a third party, or disassemble the SOFTWARE.

**3. DEFAULTS.** If City of Lorain, OH fails to abide by the obligations of this Agreement, Innovative Software shall have the option to cancel this Agreement by providing 30 day(s) written notice to City of Lorain, OH. City of Lorain, OH shall have the option of preventing the termination of this Agreement by taking corrective action that cures the default, if such corrective action is taken prior to the end of the time period stated in the previous sentence, and if there are no other defaults during such time period.

**4. TERMINATION.** This Agreement may be terminated by either party by providing 90 days written notice to the other party.

**5. ENTIRE AGREEMENT.** This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

## **CITYTAX EFILE END USER LICENSE AGREEMENT**

**6. AMENDMENT.** This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

**7. SEVERABILITY.** If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid or enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

**8. WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

**9. APPLICABLE LAW.** This Agreement shall be governed by the laws of the State of Ohio. The parties consent to the exclusive jurisdiction of the Courts of Lorain County for any claims arising out of or relating to this Agreement.

**10. COPYRIGHT.** The SOFTWARE (including any images, "applets", photographs, animations, video, audio, music and text incorporated into the SOFTWARE) is owned by Innovative Software or its suppliers and is protected by United States copyright laws and international treaty provisions and all other applicable national laws. Therefore, you must treat the SOFTWARE like any other copyrighted material (e.g., a book or musical recording) except that you may make copies of the software for backup or archival purposes. You may copy the user documentation accompanying the SOFTWARE.

**11. OTHER RESTRICTIONS.** City of Lorain, OH may not rent, lease or resell the SOFTWARE.

**12. NON-SOLICITATION COVENANT.** For a period of 2 years after the termination date of this agreement, Innovative Software will not directly or indirectly solicit, induce or attempt to induce any employee of City of Lorain, OH to terminate his or her employment with the City of Lorain, OH.

# CITYTAX EFILE END USER LICENSE AGREEMENT

**Licensor:**

Innovative Software Services, Inc.  
157 South Main Street  
Eaton Rapids, Michigan 48827 USA

By:  Date: December 18, 2025  
Rick Carpenter, President

**Agree To:**

City of Lorain, OH  
605 W 4th Street  
Lorain, Ohio 44052 USA

Approved  
By: \_\_\_\_\_ Date: \_\_\_\_\_  
Terri Soto, Treasurer

Approved as to Form  
By: \_\_\_\_\_ Date: \_\_\_\_\_

Certification of Funds  
By: \_\_\_\_\_ Date: \_\_\_\_\_

# **CITYTAX EFILE END USER LICENSE AGREEMENT**

## **EXHIBIT A Payment Provisions**

City of Lorain, OH will pay Innovative Software the contracted fees at the following schedule:

### **Upon Installation and Acceptance of CityTax Software:**

- CityTax EFile Software Setup – 100% (balance due)
- Annual Maintenance Agreement – 100% (see Section 2, CityTax EFile Maintenance Agreement)

### **Payment Terms**

- Payment is due upon receipt of the invoice

### **Interest Penalty on Past Due Accounts**

- An interest rate of 1.5% monthly (18% annually) will be added to an account not paid after 30 days from the invoice date.



# Innovative Software Services, Inc.

P O. Box 70 Eaton Rapids, MI 48827 Phone (517) 663-5710 Fax (517) 663-6141

## **CITYTAX EFILE ANNUAL MAINTENANCE AGREEMENT**

This Agreement is made effective as of December 18, 2025, by and between Innovative Software Services Inc., of 157 South Main Street, Eaton Rapids, Michigan 48827, USA and City of Lorain, OH, of 605 W 4th Street, Lorain, Ohio 44052, USA.

In this Agreement, the party who is contracting to receive services shall be referred to as "City of Lorain, OH", and the party who will be providing the services shall be referred to as "Innovative Software".

Innovative Software has a background in software development, consulting and support and is willing to provide services to City of Lorain, OH based on this background.

City of Lorain, OH desires to have services provided by Innovative Software.

Therefore, the parties agree as follows:

**1. DESCRIPTION OF SERVICES.** Beginning on December 18, 2025, Innovative Software will provide the following services, (collectively, the "Services"): Unlimited phone support for Innovative Software's CityTax EFile software program. Customer requested on-site support to be billed on a time and material basis at the current rate of one hundred fifty dollars (\$150.00) per hour. Services include updates of the CityTax EFile programs, applications, and systems without charge (except for shipping and handling charges). Updates are enhancements of specified software that are designed to improve or correct its performance. Changes in software configuration, vendor use patterns or an increase in vendor use are not included in updates which are available from Innovative Software at prevailing rates.

**2. PAYMENT.** City of Lorain, OH will pay a fee to Innovative Software for the Services in the amount of \$36,625 annually and may increase at a rate of not more than 3% per annum. The Maintenance Agreement shall be payable beginning on the date of installation. Upon termination of this Agreement, payments under this paragraph shall cease; provided, however, that Innovative Software shall be entitled to payments for periods or partial periods that occurred prior to the date of termination and for which Innovative Software has not yet been paid.

**3. TERM/TERMINATION.** This Agreement shall be effective for a period of one year and shall automatically renew for successive terms of the same duration, unless either party provides 90 days written notice to the other party prior to the termination of the applicable initial term or renewal term.

## CITYTAX EFILE ANNUAL MAINTENANCE AGREEMENT

**4. RELATIONSHIP OF PARTIES.** It is understood by the parties that Innovative Software is an independent contractor with respect to City of Lorain, OH, and not an employee of City of Lorain, OH. City of Lorain, OH will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of Innovative Software.

**5. EMPLOYEES.** Innovative Software's employees, if any, who perform services for City of Lorain, OH under this Agreement shall also be bound by the provisions of this Agreement.

**6. INTELLECTUAL PROPERTY.** The following provisions shall apply with respect to copyrightable works, ideas, discoveries, inventions, applications for patents, and patents (collectively, "Intellectual Property"):

*a. Consultant's Intellectual Property.* Innovative Software personally holds an interest in the Intellectual Property that is described on the attached Exhibit A and which is not subject to this Agreement.

*b. Development of Intellectual Property.* Any improvements to Intellectual Property items listed on Exhibit A, further inventions or improvements, and any new items of Intellectual Property discovered or developed by Innovative Software (or Innovative Software's employees, if any) during the term of this Agreement shall be the property of Innovative Software, subject to City of Lorain, OH's right to acquire such Intellectual Property on terms agreeable to Innovative Software and City of Lorain, OH. City of Lorain, OH will not acquire shop rights or an interest in any way in such Intellectual Property by virtue of the development, experimentation, or adaptation for manufacture, sale, or use.

**7. CONFIDENTIALITY.** Innovative Software recognizes that City of Lorain, OH has and will have the following information:

- Business affairs
- Process information
- Customer lists

and other proprietary information (collectively, "Information") which are valuable, special, and unique assets of City of Lorain, OH. Innovative Software agrees that Innovative Software will not at any time or in any manner, either directly or indirectly, use any Information for Innovative Software's own benefit, or divulge, disclose, or communicate in any manner any Information to any third party without the prior written consent of City of Lorain, OH. Innovative Software will protect the Information and treat it as strictly confidential. A violation of this paragraph shall be a material violation of this Agreement.

## CITYTAX EFILE ANNUAL MAINTENANCE AGREEMENT

**8. UNAUTHORIZED DISCLOSURE OF INFORMATION.** If it appears that Innovative Software has disclosed (or has threatened to disclose) Information in violation of this Agreement, City of Lorain, OH shall be entitled to an injunction to restrain Innovative Software from disclosing, in whole or in part, such Information, or from providing any services to any party to whom such Information has been disclosed or may be disclosed. City of Lorain, OH shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.

**9. CONFIDENTIALITY AFTER TERMINATION.** The confidentiality provisions of this Agreement shall remain in full force and effect after the termination of this Agreement.

**10. NOTICES.** All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

IF for City of Lorain, OH:

Terri Soto, Treasurer  
City of Lorain, OH  
605 W 4th Street  
Lorain, Ohio 44052

IF for Innovative Software:

Innovative Software Services, Inc.  
Rick Carpenter, President  
157 South Main Street  
Eaton Rapids, Michigan 48827  
USA

Such address may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

## **CITYTAX EFILE ANNUAL MAINTENANCE AGREEMENT**

**11. ENTIRE AGREEMENT.** This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

**12. AMENDMENT.** This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

**13. SEVERABILITY.** If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

**14. WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

**15. APPLICABLE LAW.** This Agreement shall be governed by the laws of the State of Ohio. The parties consent to the exclusive jurisdiction of the Courts of Lorain County for any claims arising out of or relating to this Agreement.

**16. PUBLIC RECORDS.** Notwithstanding any language contained herein, the Parties agree that the City of Lorain, OH's obligations under Ohio's public record law shall not be impeded. Further, Innovative Software shall retain records arising from or related to this Agreement for a period of six (6) years following the termination of this Agreement.

# CITYTAX EFILE ANNUAL MAINTENANCE AGREEMENT

**Agree To:**

City of Lorain, OH  
605 W 4th Street  
Lorain, Ohio 44052

Approved

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Terri Soto, Treasurer

Approved as to Form

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

Certification of Funds

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

**Party providing services:**

Innovative Software Services Inc  
157 South Main Street  
Eaton Rapids, Michigan 48827

By:  Date: December 18, 2025  
Rick Carpenter, President

# **CITYTAX EFILE ANNUAL MAINTENANCE AGREEMENT**

## **EXHIBIT A Intellectual Property**

Innovative Software Services CityTax EFile software program, applications, and systems, the City of Lorain, OH may not edit, modify or merge into other software materials, the computer software programs, applications and systems purchased from Innovative Software other than as intended. Such modifications by the City of Lorain, OH will immediately invalidate Innovative Software's obligation to support the City of Lorain, OH's affected programs, applications and systems, unless Innovative Software has been advised of the proposed modifications, in writing, prior to the modification of the system and has agreed, in writing, to support the modified programs, applications and systems.