



eRPortal Software Group Software License Agreement

- 1. Software License** eRPortal Software Group, LLC, a Massachusetts Partnership, with a principal place of business at 59 Interstate Drive, West Springfield, MA 01089 (hereinafter referred to as “eRPortal”) grants to the City of Sparks, Nevada, with a principal place of business at 431 Prater Way, Sparks NV 8431 (hereinafter referred to as Customer), and Customer accepts, subject to the terms and conditions contained herein, a non-exclusive and non-transferable license to use eRPortal Software as agreed upon.
- 2. Grant of License**
- a.) Subject to the meeting of payment terms jointly agreed upon as reflected in Customer’s purchase order, eRPortal grants to Customer a non-transferable, non-exclusive license to use eRPortal Software.
- b.) Customer hereby agrees as follows:
- (i) To keep each and every item of the Software free and clear of all claims, liens and encumbrance (except those of eRPortal and/or a leasing company). Any act of Customer, voluntary or involuntary, purporting to create a claim, lien or encumbrance including assignment in bankruptcy, on any such items shall be void.
- (ii) except requested in any judicial or administrative proceeding for which Customer shall give eRPortal prompt written notice of such request in order that it may take appropriate lawful preventive action, not to reveal any information contained in the Software, or any part thereof, or any copies therefor, in any form to any party without the written consent of eRPortal.
- (iii) To take all appropriate actions by instructions, agreement or otherwise with its employees or other persons permitted access to the software to satisfy its obligations under this agreement with respect to its use, protection and security of the Software.
- (iv) To permit reasonable inquiries by eRPortal concerning Customer’s compliance herewith and to take reasonable protective measures at eRPortal’s request.
- (v) Customer’s rights to the system under this Agreement shall not be assigned, licensed or otherwise transferred voluntarily or involuntarily, except to a purchaser of all or substantially all of the outstanding stock or assets of the Customer, and who has agreed to the terms and conditions of this Agreement, without the prior written approval of eRPortal.
- 3. Use of Software** Customer is authorized to use the Software solely for its own operations at designated Facilities within the agreed upon terms and licensed users. In the event that Customer wishes to support additional sites, users, or venues of operation, the Customer must purchase additional licenses from eRPortal for each such venue.
- 4. Term of License** The license to use the Software solution shall be for an initial term of one (1) year and shall commence upon a jointly agreed date and per agreed upon payments to eRPortal. The term of the license may be renewed on an annual basis at Customer’s request.
- 5. Payment** For eRPortal’s performance of Professional Services, Customer will pay eRPortal the Professional Services fees net 30 days from the date of invoice unless otherwise stated in each Order and/or each Scope of Work. In addition, Customer will reimburse eRPortal for all reasonable and customary travel, lodging and other related expenses incurred by eRPortal or its personnel in connection with the performance of Professional Services including travel time; such expenses will only be incurred at Customer’s direction. At Customer’s request, eRPortal will provide Customer with receipts and other documentation for all such expenses. eRPortal reserves the right to stop work on any project that has invoices that are outstanding more than 90 days.

6. Copies of Program

With the exception of routine backups, Customer shall not copy the System in whole or in part. The system may be copied by eRPortal onto a designated fail-over computer for use by customer at a designated site for emergency restart or disaster recovery purposes. Customer agrees not to remove or destroy any proprietary marking or proprietary legends appearing on or contained within any licensed program or materials and Customer agrees that such proprietary marking or legends shall appear on all copies or partial copies of the License Program and Materials made by Customer.

7. Responsibility For Operating Environment

Customer assumes full responsibility for the suitability of the computer equipment and network infrastructure upon which the Software is to function. The customer also assumes responsibility for the effectiveness of the overall environment within which the software and computer systems will operate. Customer agrees to pay all negotiated expenses incurred by eRPortal relating to eRPortal's efforts to rectify problems within its Software which are determined to be the result of problems occurring outside of eRPortal's Software responsibility.

8. Applicable Taxes

Customer is exempt from all State of Nevada Sales and Use Taxes as well as Federal Excise Taxes. All other tax-related expenses are to be included in the price for services provided by eRPortal including taxes based on this Agreement for the System, its use, or for any onsite services performed in connection with this Agreement, excluding taxes based on eRPortal net income and privilege taxes, but including state withholding based on eRPortal onsite services if customer is required to withhold such state withholding income taxes.

9. Services

9.1 Scope of Work - From time to time, Customer and eRPortal may execute statements of work that describe the specific services to be performed by eRPortal, including any work product to be delivered by eRPortal (as executed by the parties, a "**Scope of Work**"). Each Scope of Work will expressly refer to this Agreement and will be subject to the terms and conditions contained herein.

9.2 Performance of Services - Subject to Customer's payment of the Professional Services fees set forth in each Order Form and/or each Scope of Work, eRPortal will perform the services specified in each Scope of Work (the "**Professional Services**") in accordance with the terms and conditions of this Agreement and each Scope of Work.

9.3 Changes to Scope of Work - Customer may submit to eRPortal written requests to change the scope of Services described in a Scope of Work (each such request, a "**Change Order Request**"). eRPortal will review each Change Order Request and promptly notify Customer if it believes that the Change Order Request requires an adjustment to the fees or to the schedule for the performance of the Professional Services. In such event, the parties will negotiate in good faith a reasonable and equitable adjustment to the fees and/or schedule, as applicable. eRPortal will continue to perform Professional Services pursuant to the existing Scope of Work and will have no obligation to perform any Change Order Request unless and until the parties have agreed in writing to such an equitable adjustment.

9.4 Customer Responsibilities - Customer will provide facilities for the installation of the System and shall have the following responsibilities:

- a.) Customer shall appoint personnel to a project team for the purpose of installing, learning and using the System. The project team shall comprise:

- (i) A project leader to interface with eRPortal's support staff and Customer's operations
- (ii) Key Users representing pertinent departments, including IT, if required

b.) Customer shall work with eRPortal to schedule the training of Customer personnel to be performed by eRPortal and shall supervise the testing and implementation of the System

c.) Customer will also make available to eRPortal any data, information and any other materials required by eRPortal to perform the Professional Services, including, but not limited to, any data, information or materials specifically identified in the Scope of Work or the Implementation Project Data Requirements document (collectively, "Customer Materials"). Customer will be responsible for ensuring that all such Customer Materials are accurate and complete.

9.5 **eRPortal Responsibilities** - eRPortal will provide the deliverables and the services as agreed upon.

a.) eRPortal will perform the services required under this Agreement in a manner consistent with industry standards of care and competence, and in the manner of one who is a recognized specialist in rendering these types of services.

b.) eRPortal must keep confidential any information systems and data pertaining that is made available to eRPortal in support of eRPortal's responsibilities under this Agreement.

9.6 **Relationship of the Parties** - eRPortal is performing the Professional Services as an independent contractor, is not an employee, agent, joint venturer or affiliate of Customer, and has no authority to bind Customer by contract or otherwise. eRPortal acknowledges and agrees that its personnel are not eligible for or entitled to receive any compensation, benefits or other incidents of employment that Customer makes available to its employees. eRPortal is solely responsible for all taxes, expenses, withholdings, and other similar statutory obligations arising out of the relationship between eRPortal and its personnel and the performance of Professional Services by such personnel.

10. Warranty

eRPortal warrants that all eRPortal software products meet or exceed the specifications described in User Manuals/On-Line Help. Customer shall use its best efforts to implement each Licensed Program and to assist eRPortal in researching and documenting the circumstances of program non-conformance. Should a Licensed Program not function in accordance with the User manuals/on-line help, eRPortal staff will correct non-conformances at its own expense. *In the event the licensed eRPortal software does not perform to the standards described in the User Manuals/Online after the installation of any eRPortal software/firmware/hardware update, eRPortal will support a rollback to the last compatible and fully functioning version of the eRPortal software and will attempt to troubleshoot and resolve the incompatibility, free of charge, unless it is determined that the source of the incompatibility is due to Customer owned software/firmware/hardware. In which case, it will be the Customer's responsibility to provide compatible software/firmware/hardware or otherwise continue using the last functioning version of the eRPortal software.* Should a licensed program require features, capabilities, data entry or data access functionality outside the scope of the User Manual, customers are encouraged to submit those requests to eRPortal for addition to our product development roadmap. Alternatively, eRPortal will often perform code customizations required by a particular customer. This enhancement will be done at a discounted, but agreed upon cost to the



customer. eRPortal will warranty this code to the fullest, as well as incorporate this feature or enhancement into our standard build, via configuration setting that enables or disables this feature. This approach guarantees that this feature will be fully supported going forward with all future releases.

11. Warranty of Right to Grant License and non-Infringement

a.) eRPortal warrants that it has the right to grant a license of the software free and clear of any liens and encumbrances. Further, eRPortal warrants that the system, the License Program and the License Material do not infringe the intellectual property rights of any third party.

b.) eRPortal shall indemnify, defend, and hold harmless Customer, its officers, agents and employees from and against any and all actions, proceedings, claims of any type, losses, damages, liabilities, costs and expenses (including attorneys' fees) that allege the Software and Services provided hereunder infringes another's patent, copyright, trademark, or other proprietary right or violates another's trade secret or other contractual right of any third party. Customer agrees to notify eRPortal with prompt notice of any such action, proceeding or claim and eRPortal shall have control of the defense. eRPortal shall not settle any suit or action without the consent of the Customer. Customer reserves the right to participate in the defense at its own cost.

c.) If the Software, or any part thereof, is, or in the opinion of eRPortal may become the subject of any claim for infringement of any third party patent, trademark, copyright, trade secret, or other proprietary right, or if it is adjudicated by a court of competent jurisdiction that the Software, or any part thereof, infringes any third party patent, trademark, copyright, trade secret, or other proprietary rights of any third party, then eRPortal may, at its option and expense, either (i) procure for Customer the right to use the Software or (ii) replace or modify the Software or parts thereof, with other suitable and reasonably equivalent technology so that the Software becomes non-infringing or (iii) if it is not commercially reasonable to take the actions specified in items (i) and (ii), terminate the license for the infringing Software and return the license fee paid by Licensee for such Software.

12. Limitation of Liability

THE WARRANTIES STATED IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND CONDITIONS EXPRESSED OR IMPLIED INCLUDING, BUT NOT LIMITED TO THOSE CONCERNING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

eRPortal Software Group LLC does not warrant the functions contained in the software program or the operation of the program will be uninterrupted or error-free. In no event will Applied Software Technologies, and/or eRPortal Software Group nor its distributors and resellers be liable to you for any damages, direct or indirect, special, incidental, including any lost profit, lost savings, lost patience or other incidental or consequential damage arising out of the use of this software and its documentation, even if Applied Software Technologies and/or eRPortal Software Group has been advised of the possibility of such damage.

No limitation of liability is applicable to the following: (1) claims for personal injury or property damage caused by eRPortal while on the Customer's premises; (2) breach of the Publicity section in this Agreement.

13. Software Maintenance and Upgrades

Ongoing maintenance of the application is supplied to all on-premise software deployed customers via our annual maintenance agreement, as well as to all customers deployed via SaaS.

The Software Maintenance Agreement provides:

- (i) Software updates, including remedies and revisions to the originally purchased software program.
- (ii) Documentation updates
- (iii) Unlimited telephone support, enabling communications with an eRPortal Software Specialist during business hours of 8:30 A.M. to 6:00 P.M., Eastern Time, Monday through Friday, exclusive of holidays. eRPortal will respond to the Customer Contact by helping to identify, verify and resolve problems with the Software
- (iv) The Customer is required by the terms of this agreement to permit eRPortal to have 24/7 remote access to eRPortal software during the entire term of this Agreement, or any subsequent Software Maintenance Agreements and renewals thereof, subject to Customer's remote access security guidelines, if any.
- (v.) Costs to correct reported errors shall be borne by Customer if caused by computer equipment malfunctions, Customer's negligence or fault or failure to follow the routines or operations specified in the Software user manual or any other cause beyond eRPortal's control.
- (vi) Updates are done periodically - approximately 6 months. These include fixes, enhancements, Industry OS revision updates, etc. Major upgrades occur approx every 24 months. All associated work in delivering these upgrades and updates are included in the annual maintenance fee structure. All testing - internal and QA assurance for service packs, plus beta testing for upgrades, is done prior to the release of any update/upgrade. Moreover, these updates are done with zero to little impact to your existing operations, since all are done after hours, even those that require no off-time. Documentation is accompanied with the upgrades and no charge training is provided to all end users wishing to maximize usage and understanding of the new features.

14. Operating Environment

eRPortal commits to supporting access to the Software solution via Microsoft's Internet Explorer Browser on Windows OS devices, current versions and one level back, throughout the term of this license agreement. In addition, eRPortal agrees to support non-administrative, customer based functions such as browsing and remote ordering via alternative internet browsers, including Apple's Safari, Google Chrome, and Mozilla Firefox.

eRPortal is not responsible for preventive or corrective maintenance to the OperatingSystem Software, Computer Hardware hosting the Operating System, or the Internet Browsers deployed on the Operating Systems or Computers.



- 15. Documentation** eRPortal shall provide Customer with two(2) printed software user manuals per site. If the Customer requires additional software user manuals, they may be purchased from eRPortal at the then prevailing price.
- 16. Ownership** eRPortal will exclusively own all rights, title and interest in and to any software programs or tools, utilities, technology, processes, inventions, devices, methodologies, specifications, documentation, techniques and materials of any kind used or developed by eRPortal or its personnel in connection with performing Professional Services (collectively “**eRPortal Materials**”), including all worldwide patent rights (including patent applications and disclosures), copyright rights, moral rights, trade secret rights, know-how and any other intellectual property rights therein. Customer will have no rights in the eRPortal Materials except as expressly agreed to in writing by the parties. Nothing in the Agreement or the Scope of Work will be deemed to restrict or limit eRPortal’s right to perform similar services for any other party or to assign any employees or subcontractors to perform similar services for any other party.
- 17. Right to Source Code** eRPortal agrees to keep a current version of all present and future source code for its Software as included on this Agreement in escrow. If eRPortal shall cease conducting business, become insolvent, make a general assignment for the benefit of its creditors, file a petition for bankruptcy, or has involuntary bankruptcy filed against it, Customer may choose to be a beneficiary of this code in escrow only if the beneficiary agreement fee of \$1000 is paid.
- 18. Governing Law** The interpretation and validity of this Agreement and the rights of the parties shall be governed by the laws of the Commonwealth of Massachusetts.
- 19. Continued Operability; No Harmful Code** eRPortal warrants that the Software shall not install, nor permit any other party to install, any timer, key lock, “back door”, or any other means or device that allows unauthorized access to and/or compromises the Customer’s computers, networks or databases. eRPortal warrants that it has used commercially reasonable efforts to cause the Software to be free of any known computer virus or harmful, malicious, or hidden program, data, or other computer instructions whose purpose is to disrupt, damage, or interfere with the use of computer and telecommunications software or hardware for their normal purposes.
- 20. Publicity and Use of Name** Neither party shall use the name of the other without the prior written consent of an authorized representative of the party. Customer also requires that its name not be used in connection with any advertisement, press release, or other form of business promotion or publicity, or refer to this Agreement or products and /or services provided hereunder, without its prior written approval.
- 21. Attorneys Fees.** The prevailing Party in any suit under this Agreement shall recover all reasonable costs, expenses and reasonable attorney fees incurred in such action.
- 22. Severability.** In the event that any provision or provisions shall be held to be unenforceable, those provisions shall in good faith be renegotiated to be enforceable and shall reflect as closely as possible the intent of the original provisions of this Agreement. Such negotiations shall not affect the enforceability of the remainder of the Agreement.



23. Force Majeure. Non-performance of either party shall be excused to the extent that performance is rendered impossible by acts of God, strike, fire, flood, earthquake, governmental acts or orders or restrictions, failure of suppliers, or any other reason when failure to perform is beyond the control non-performing party.

24. No Waiver. The waiver by either party of a breach of any provision of this Agreement or the failure by either party to exercise any right hereunder shall not operate or be construed as a waiver of any subsequent breach of that right or as a waiver of any other right.

25. External Audits and Investigations. To the extent required by applicable law or any successor statutes or regulations, until the expiration of five (5) years after the furnishing of Software and Services pursuant to this Agreement, eRPortal shall make available, upon written request of the Customer, or any of their duly authorized representatives, the Agreement, and books, documents and records of eRPortal that are necessary to verify or certify the nature and extent of eRPortal invoiced charges for software and/or services furnished to Customer.

26. Entire Agreement; Amendments. This Agreement, including the Exhibits which are incorporated herein, constitutes the whole and entire Agreement between the parties with respect to the subject matter hereof and no oral or written commitments not referenced herein shall apply. Any amendment or modification to this Agreement shall be effective only if reduced to writing and signed by duly authorized representatives of eRPortal and Customer.

The customer acknowledges that they have read this agreement, including all printed language; that s/he understands it and agrees to be bound by the terms set forth herein; and that s/he further agrees that it is the complete and exclusive statement of the agreement between the parties with regard to the subject matter hereof; and that it supersedes all prior proposals oral or written and all other prior communications between the parties relating to the subject matter of this agreement.

eRPortal Software Group, LLC _____

City of Sparks, Nevada _____
A Municipal Corporation

BY: Edward Garibian _____

BY: Geno R. Martini _____

SIGNATURE: _____

SIGNATURE: _____

TITLE: CEO _____

TITLE: Mayor _____

DATE: _____

DATE: _____

APPROVED AS TO FORM

City Attorney

ATTEST

Teresa Gardner, City Clerk