City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: City Utilities - Water and Light
To: City Council
From: City Manager & Staff
Council Meeting Date: February 1, 2016
Re: Authorizing a Software Licence Agreement with AssurX, Inc.; Authorizing a Support and Consulting Services Agreement with AssurX, Inc.; and appropriating funds for AssurX Energy & Utility Enterprise Management (EUEM) software.

Executive Summary

Staff is requsting Council authorization for the City Manager to enter into a Software Licence Agreement, a Support and Consulting Services Agreement with AssurX, Inc. and appropriating funds for the AssurX Energy & Utility Enterprise Management (EUEM) software. The City of Columbia is required by the North American Electric Reliability Corporation (NERC) to document all of its policies and procedures that relate to its ongoing compliance with the reliability standards. The City is also required to document its training programs and participation by staff in those trainings to ensure continuing compliance with the NERC reliability standards. Currently staff utilizes a combination of hand written records and a Microsoft Access database as its document management system to ensure compliance with NERC standards. AssurX Energy & Utility Enterprise Management (EUEM) software was designed with the sole purpose of meeting document and training management needs. Water & Light is seeking licence and support agreements to implement the AssurX EUEM software to maintin compliance wih NERC Standards. The initial cost for this software and 1 year of support is $138,975. Ongoing annual support is currently $17,000.

Discussion

The City of Columbia is required by the North American Electric Reliability Corporation (NERC) to document all of its policies and procedures that relate to its ongoing compliance with the reliability standards. The City is also required to document its training programs and participation by staff in those trainings to ensure continuing compliance with the NERC reliability standards.

In June 2015 an RFP for NERC Reliability Standards Compliance Management Software was issued seeking software solutions to help with the increasing demands of managing the documents and training required to prove compliance. Four responces were received and evaluated. An evaluation team comprised of staff from Water & Light, IT and Finance participated in software demonstrations from the three best candidates. The team determined that the solution offered by AssurX, Inc. was the best fit for the City's needs.

Currently staff utilizes a combination of hand written records and a Microsoft Access database as its document management system to ensure compliance with NERC standards. AssurX Energy & Utility Enterprise Management (EUEM) software was designed with the sole purpose of meeting document and training management needs.

The Software Licence Agreement is for the following:
1. AssurX Energy & Utility Enterprise Management (EUEM)
   A. 5- AssurX Concurrent User Licenses
   B. 1-Form Manager
   C. 1-FDA Option
   D. 1-Records Management
   E. 1-Reports Options
   F. 1-DocuServ
   G. 1-EUEM NERC Standards Utility
   H. 1-Forms Plus
   I. 1-Microsoft SQL Server
   J. 1-Full Text Search
   K. 1-AssurX Download Site
2. 1- Corrective Action Management Solution V7
3. 1- Supplier Quality Solution V7
4. 1- Manufacturing Quality Solution V7
5. 1- Customer Quality Solution V7
6. 1- Document Management Solution V7
7. 1- Audit Management Solution V7
8. 1- CA Request Solution V7
9. 1- Management Review Solution V7
10. 1- Training Management Solution V7
11. 1- EUEM Corrective Action
12. 1- EUEM PRC-005-2 Process

Professional Services, training, onsite & remote consulting assistance include the following:
1. Onsite Training - up to 10 students
2. CATSWeb College Courses
3. Onsite Installation of CATSWeb Platform.

Water & Light is seeking licence and support agreements to implement the AssurX Energy & Utility Enterprise Management (EUEM) software which will greatly improve the management of documentation that is provided as evidence of compliance with NERC standards. Failure to comply with NERC standards can result in fines of up to $1 million per day per violation. The initial cost for this software and 1 year of support is $138,975. Ongoing annual support is currently $17,000.

Fiscal Impact

Short-Term Impact: The initial cost for this software and 1 year of support is $138,975.
Long-Term Impact: Ongoing annual support is currently $17,000

Vision & Strategic Plan Impact

City of Columbia

701 East Broadway, Columbia, Missouri 65201

Vision Impacts:
Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Strategic Plan:
Primary Impact: Infrastructure, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:
Primary Impact: Infrastructure, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

Legislative History	
Date	Action
NA	NA

Suggested Council Action

Authorize the City Manager to enter into a Software Licence Agreement, a Support and Consulting Services Agreement with AssurX, Inc. and appropriating funds for the AssurX Energy & Utility Enterprise Management (EUEM) software software.

Introduced by _____

First Reading _____ Second Reading _____

Ordinance No. _____ Council Bill No. _____ B 24-16 _____

AN ORDINANCE

authorizing an agreement with AssurX, Inc. for energy and utility enterprise management software to comply with NERC reliability standard requirements; authorizing a support and consulting services agreement with AssurX, Inc.; appropriating funds; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to execute an agreement with AssurX, Inc. for energy and utility enterprise management software to comply with NERC reliability standard requirements. The form and content of the agreement shall be substantially in the same form as set forth in "Exhibit A" attached hereto. Any actions taken by or on behalf of the City in connection with such agreement prior to the date of this ordinance are hereby approved and ratified.

SECTION 2. The City Manager is hereby authorized to execute a support and consulting services agreement with AssurX, Inc. The form and content of the agreement shall be substantially in the same form as set forth in "Exhibit B" attached hereto. Any actions taken by or on behalf of the City in connection with such agreement prior to the date of this ordinance are hereby approved and ratified.

SECTION 2. The sum of $138,975.00 is hereby appropriated from the Retained Earnings Account No. 551-0000-351.01-00 to the Software Account No. 551-7120-880.66-53 FED353.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2016.

ATTEST:

_____

City Clerk   Mayor and Presiding Officer

APPROVED AS TO FORM:

_____

City Counselor

CERTIFICATION: I certify there are sufficient funds available in the Retained Earnings
Account No. 551-0000-351.01-00 to cover the above appropriation.

_____

Director of Finance

CATSWeb® Software License Agreement

This Software License Agreement (this "Agreement") is entered into as of January 14, 2016 (the "Effective Date") by and between AssurX, Inc., a California corporation ("AssurX"), and the City of Columbia, Missouri, a Missouri municipal corporation ("Licensee").

1. ***Grant of License -*** AssurX's software product CATSWeb, together with any upgrades to the CATSWeb software, (the "Licensed Software") is licensed, not sold. In consideration of the payment by Licensee of the license fees specified in Section 9 of the Statement of Work ("SOW") attached as Attachment B to that certain Support and Consulting Services Agreement (the "SCSA") by and between the parties hereto dated as of even date herewith ("License Fees"), AssurX hereby grants Licensee a nonexclusive, nontransferable (except as set forth herein) right and license to use the Licensed Software, including all user manuals and similar reference materials, whether in printed or machine-readable form, generally furnished by AssurX with the Licensed Software (the "Documentation"), in accordance with the terms, conditions and restrictions set forth herein. Unless otherwise indicated, the term "Licensed Software" will include Documentation.

   a. Unless otherwise agreed by the parties in writing, Licensee may use a total of five (5) copies (unless rights for additional copies are purchased by Licensee) of the Licensed Software, each of which may be installed on a single server (a "Licensed Server"). Licensee may choose to deploy one (1) or more Licensed Servers in a single Production Environment. Licensee is permitted to implement one Production Environment only, unless Licensee purchases the right from AssurX to deploy its Licensed Servers in additional Production Environments. For the purposes of this Agreement, a "Production Environment" means one or more Licensed Servers that utilize the same single CATSWeb database, and that employ the functionality of the Licensed Software in the management or furtherance of Licensee's business. Licensee will also have the right to configure an additional environment as needed for disaster recovery, development, training, validation and testing purposes, each of which utilizes a single CATSWeb database, and each is referred to herein as a "Non-Production Environment." Licensee may choose to allocate its remaining Licensed Servers among its single Production Environment and such Non-Production Environments as Licensee desires.

   b. Licensee may install and use additional copies of the Licensed Software only if Licensee purchases an additional server license from AssurX for each additional copy of the Licensed Software.

   c. Licensee may make a reasonable number of archival backup copies of the CATSWeb database and the Licensed Software only for data retention, system maintenance, and repair.

   d. The Licensed Software is licensed as a "Concurrent User" license.

   e. Licensee may allow users from anywhere in the world, including third parties, to access, including remote access, and use the Licensed Software for the benefit of Licensee and its subsidiaries, joint ventures, and affiliates, provided that the Licensed Software remains in Licensee's sole possession and control.

2. ***Restrictions -*** Licensee may not rent, lease, or sublicense the Licensed Software. Licensee may not reverse engineer, decompile, or disassemble the Licensed Software for any purpose whatsoever. All rights not expressly granted in this Agreement are expressly prohibited.

3. ***Transfer and Assignment -*** Licensee may assign its rights to use the Licensed Software and this Agreement to another party, provided that (i) AssurX is notified in writing in advance of the proposed transfer, (ii) the transferee is not a then current or prospective competitor of AssurX, (iii) the transferee agrees in writing to the terms and conditions hereof, (iv) the transferee pays to AssurX a license transfer fee of $5,000, and (v) Licensee retains no copies of the Licensed Software. "Competitor" means an entity that provides a quality management or compliance software product or system. AssurX may assign or transfer this Agreement to any affiliate or to any third party that purchases all or substantially all of the equity of AssurX or assets of AssurX relating to the subject matter of this Agreement by merger or otherwise, upon written notice to Licensee. Any purported assignment, sale, transfer, delegation or other disposition by a party, except as permitted herein, will be void.

4. ***Fees, Term and Termination –*** Payments for License Fees are due in U.S. currency thirty (30) days after the date of the invoice. The term of this Agreement will begin on the Effective Date and will continue unless terminated as provided herein. AssurX may terminate this Agreement upon thirty (30) days' prior written notice to Licensee if Licensee is in material breach hereof and fails to cure that material breach within thirty (30) days following notice thereof. Upon any termination hereof, Licensee will promptly cease using and destroy all copies of the Licensed Software. The provisions of Sections 2 through 15 hereof will survive termination of this Agreement indefinitely. Notwithstanding anything herein to the contrary, after delivery and installation of the Licensed Software, Licensee will have certain rights to return the Licensed Software to AssurX, and terminate this Agreement along with the SCSA. In particular, within thirty (30) days following the Effective Date, AssurX

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will deliver and install the Licensed Software as described in the SOW. Upon completion of installation, AssurX will invoice Licensee for fifty percent (50%) of the License Fees due hereunder. Licensee will have thirty (30) days following completion of such installation to reject the Licensed Software by means of written notice to AssurX ("Rejection"). Failure to so reject the Licensed Software within such period will be deemed to be Licensee's acceptance thereof ("Acceptance"). Upon Acceptance AssurX will invoice Licensee for the remaining fifty percent (50%) of the License Fees. Upon Rejection, this Agreement will be deemed terminated, Licensee will promptly return to AssurX all copies of the Licensed Software and the Documentation in Licensee's possession, and AssurX will promptly refund to Licensee all amounts paid by Licensee for License Fees hereunder.

5. **Confidential Information**

    a. <u>Nondisclosure and Nonuse.</u> The parties to this Agreement acknowledge that they will have access to Confidential Information concerning the other party's business, customers, plans, products, technology and other information held in confidence. As used in this Agreement, "Confidential Information" means (i) the Licensed Software and the terms and conditions of this Agreement (which will be the exclusive Confidential Information of AssurX), (ii) all information, data and materials that either party (the "Receiving Party") obtains from the other (the "Disclosing Party") under this Agreement, or that the Receiving Party may have access to in connection with this Agreement, that (A) is marked as confidential, or (B) the Receiving Party should reasonably know, by its nature or the manner of its disclosure, to be confidential. The Receiving Party acknowledges and agrees that but for this Agreement, the Receiving Party would have no rights to use or access the Confidential Information. The Receiving Party agrees that it will not use the Confidential Information of the Disclosing Party for any purpose except in performance of its obligations hereunder or to exercise the rights granted to it hereunder. The Receiving Party agrees to maintain all Confidential Information in strict confidence. The Receiving Party will not, without the prior written consent of the Disclosing Party, disclose, in any manner or via any media whatsoever, any of the Disclosing Party's Confidential Information, other than to the Receiving Party's employees, manufacturing agents, resellers, consultants and contractors ("Representatives") (x) who have a specific need to know such Confidential Information in order to exercise the Receiving Party's rights hereunder, (y) who are informed of the confidential nature of the Confidential Information, and (z) who agree in writing to act in accordance with and be bound by terms and conditions at least as restrictive as the terms and conditions herein regarding the safeguarding, disclosure and restrictions on use of Confidential Information. Notwithstanding the foregoing, if a Receiving Party is required by operation of law or mandated by applicable rule or regulation, or by an order of a court or governmental or law enforcement agency or other authority, each of competent jurisdiction, to disclose Confidential Information, it is agreed that the Receiving Party will give prompt notice to the Disclosing Party. The Disclosing Party may challenge such disclosure or, failing in such challenge, attempt to secure a protective order or other appropriate confidential treatment of the Confidential Information so disclosed. Any such required disclosure will not alter the nature of the information so disclosed as Confidential Information for purposes of this Agreement.

    b. <u>Exceptions</u>. Confidential Information does not or will not include any information that is already known to Receiving Party at the time that it is disclosed to the Receiving Party, or that: (i) becomes publicly known through no wrongful act of the Receiving Party; (ii) is rightfully received from a third party without restriction on disclosure and without breach of this Agreement; (iii) is independently developed by the Receiving Party without the use of or reference to any Confidential Information of the Disclosing Party; or (iv) is approved for release by written authorization of the Disclosing Party. Only the specific information that meets such exclusions will be excluded, and not any other information that happens to appear in proximity to such excluded portions (for example, a portion of a document may be excluded without affecting the confidential nature of those portions that do not themselves qualify for exclusion).

    c. <u>Breach.</u> The Receiving Party will be responsible for any breach of this Section 5 by any of its Representatives. The Receiving Party will notify the Disclosing Party immediately upon discovery of any unauthorized disclosure or use (inadvertent or otherwise) and will, within thirty (30) days of such notice (i) use its best efforts to cure such unauthorized disclosure or use of Confidential Information, (ii) take all reasonable precautions to prevent any such unauthorized disclosure or use in the future, and (iii) cooperate in good faith with the Disclosing Party to assist the Disclosing Party to regain possession of its Confidential Information and/or to prevent further unauthorized use or disclosure.

    d. <u>Remedy.</u> In the event of a breach of Section 5, the parties agree that the non-breaching party will suffer irreparable harm and injury for which money damages will be an inadequate remedy. Therefore, upon a breach of this Section 5, the non-breaching party will be entitled to obtain, in addition to other available remedies at law or equity, immediate injunctive relief, without the necessity of proving monetary damages or posting bond or other security.

6. **Limited Warranty; Sole Remedy -** AssurX represents and warrants that (a) for a period of sixty (60) days following Acceptance, the Licensed Software will perform substantially in accordance with the accompanying Documentation, (b) as of the Effective Date, it has the right and authority to enter into and to grant the rights set forth in this Agreement, (c) AssurX will comply with all applicable local, state, federal and foreign rules and

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regulations in providing the Licensed Software to the extent it is bound by such laws, rules, and regulations, and (d) the Licensed Software will be free, at the time of installation, of any detectable computer virus, and does not contain any constraints that would restrict the use of, or access to, the Licensed Software as permitted, and for the purposes and by the users specified, under this Agreement. A "computer virus" means any harmful data, design, or routine incorporated into the Licensed Software with malicious or mischievous intent that disrupts the proper operation of a computer system, specifically excluding: (i) anything designed to prevent or inhibit unauthorized use of any software, and (ii) the use of date-limited Licensed Software, as used by AssurX in the ordinary course of its business. If a claim is made by Licensee in connection with the warranty stated above, AssurX's entire liability will be, at AssurX's option, either to (a) refund all of the License Fees paid by Licensee for the Licensed Software (excluding any fees paid for support, consulting, training or other items, if any), or (b) repair or replace the Licensed Software. The foregoing limited warranty is void if failure of the Licensed Software has resulted from accident, abuse or misapplication.

7. *Warranty Disclaimer -* THE WARRANTY SET FORTH IN SECTION 6 ABOVE IS THE SOLE AND EXCLUSIVE WARRANTY MADE BY ASSURX WITH RESPECT TO THE LICENSED SOFTWARE. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN SECTION 6 ABOVE, THE LICENSED SOFTWARE IS OTHERWISE PROVIDED "AS IS," WITHOUT WARRANTY OF ANY KIND, AND LICENSEE'S USE OF THE LICENSED SOFTWARE IS MADE STRICTLY AT LICENSEE'S OWN RISK. ASSURX HEREBY DISCLAIMS ANY AND ALL OTHER WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND TITLE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, OR TRADE USAGE.

8. *No Assurance of Regulatory or Standards Compliance -* The Licensed Software provides regulations and standards (ISO, AS, QS, 21 CFR Part 11, NERC, SEC, FRB, etc.) compliance utilities. Use of such utilities does not, however, imply or guarantee that Licensee will achieve successful compliance with any regulations or standards. Licensee acknowledges and understands that compliance is subject to external factors (e.g. usage, documentation, validation, etc.), which are beyond the scope of the Licensed Software. Further, regulations and standards are subject to change at any time, and there can be no assurance that the Licensed Software used by Licensee or provided by AssurX will reflect the most current regulations or standards. The Licensee, and not AssurX, is responsible for ensuring and validating Licensee's compliance with current regulations and standards.

9. *Limitation of Liability –* Except for gross and willful misconduct or amounts payable to third party plaintiffs pursuant to AssurX's obligations under Section 13 below, in no event will AssurX or its suppliers be liable for any special, incidental, or consequential damages whatsoever (including, without limitation, loss of business profits, business interruption, or loss of business information) arising out of this Agreement or the use of or inability to use the Licensed Software, even if AssurX has been advised of the possibility of such damages. AssurX's total liability under this Agreement, for all claims in the aggregate, will not exceed the License Fees paid by Licensee hereunder. Licensee and AssurX agree and acknowledge that the License Fees paid by Licensee to AssurX are based in part on the limited warranty and limitations of liability and remedies set forth herein.

10. *Governing Law -* This Agreement will in all respects be interpreted, construed in accordance with, and governed by the internal laws of the State of Missouri, without regard to the rules on conflict of laws. The parties exclude the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods if otherwise applicable. The place of making and the place of performance for all purposes will be Columbia, Missouri regardless of the actual place of execution or performance. In the event of any litigation between the parties, the parties stipulate that the sole and exclusive jurisdiction for such action will be in the State Courts for the County of Boone, Missouri or the United States District Court for the Western District of Missouri. Both parties agree that the above referenced courts will have personal and exclusive jurisdiction over the parties for any dispute arising out of this Agreement.

11. *NOT USED*

12. *NOT USED* .

13. *Indemnity -* AssurX will, at its own expense, defend, indemnify and hold Licensee harmless from all losses, liabilities, damages, costs and expenses (including but not limited to reasonable attorneys' fees) arising out of or in connection with any action brought by a third party against Licensee based on a claim that the use of the Licensed Software, or any part thereof, as provided to Licensee hereunder infringes any patent, trademark, or copyright, or misappropriates the trade secrets of a third party, provided that Licensee, at Licensee's expense: (a) notifies AssurX promptly in writing of any such claim; (b) supplies AssurX with all available information, assistance and authority that AssurX requires to defend or settle the claim; (c) that Licensee permits AssurX to control the defense, compromise or settlement of the claim; and (d) Licensee does not incur any cost or expense subject to this indemnity without the prior written consent of AssurX, such consent not to be unreasonably withheld.

If AssurX determines that the Licensed Software does or is likely to infringe any patent, trademark or copyright or misappropriate the trade secret of a third party, AssurX may at its option: (i) procure at no cost to Licensee the right to continue to use the Licensed Software in accordance with this Agreement; (ii) replace or modify the Licensed Software so that it no longer infringes or misappropriates, and thereafter substantially conforms, to the applicable specifications and Documentation for such Licensed Software; or (iii) terminate this Agreement and refund the License Fees paid by Licensee for the use of the Licensed Software on a prorated basis, based on a useful life of thirty-six (36) months. This Section 13 states AssurX's entire liability to Licensee for any infringement of any third party rights.

14. *General Provisions*

    a. Severability. If any provision or provisions of this Agreement are held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

    b. Effect of Waiver. The failure or decision not to exercise any right or remedy accruing to either party upon any breach or default of any provision or condition hereof will not constitute a waiver of any subsequent breach or default, and will not act to amend or negate the rights of the waiving party.

    c. Force Majeure. Neither party is responsible for delays or failure to perform any of its obligations hereunder due to causes beyond its reasonable control.

    d. Export Laws. Licensee is responsible for compliance with all applicable export or re-export control laws and regulations if it exports the Software.

    e. Headings. The headings of the several Sections of this Agreement are inserted for reference only and not intended to affect the meaning or interpretation of this Agreement.

    f. Attorney's Fees. In any action to enforce this Agreement, the prevailing party will be entitled to its attorneys' fees in addition to any other recovery awarded.

15. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior agreements, oral or written, between the parties with respect to such subject matter, and any warranty, representation, promise or condition not incorporated herein will not be binding upon either party. No modifications, renewal, extension, or waiver of this Agreement or any of its provisions will be binding unless in writing and signed by both parties. The parties acknowledge that should Licensee use its standard form purchase order or any other ordering document in any way in connection with this Agreement, or should AssurX use any form of invoice, any terms of such purchase order or other ordering document or invoice that differ from the terms of this Agreement will be deemed rejected, ineffective, and will not modify or supplement this Agreement in any way.

16. *Notices -* All notices to be given by either party to the other will be in writing and must be delivered or mailed either (i) through the U.S. Postal Service by registered mail, return receipt requested, or (ii) sent by a nationally recognized courier or overnight mail service which renders a receipt upon delivery, via overnight delivery, addressed as set forth below or such other addresses as either party may hereinafter designate by a Notice to the other. Notices are deemed delivered or given and become effective five (5) days after mailing if mailed as aforesaid and upon actual receipt if otherwise delivered.

To **AssurX**
AssurX, Inc. - Attn: Sal Lucido
18525 Sutter Boulevard, Suite 150
Morgan Hill, California 95037
(408) 778-1376 Tel
(408) 776-1267 Fax

To Licensee
City of Columbia, Missouri, Dir. of Water & Light
701 E. Broadway
Columbia, Missouri 65205
Tel
Fax

17. *Execution in Counterpart* - This Agreement may be executed in counterpart by the parties, either through original copies or by facsimile or electronic copies. An executed copy of this Agreement delivered by facsimile or electronically will constitute valid execution and delivery of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

AssurX, Inc.

By: _____

Printed Name: __John Moroney_____

Printed Title: __VP Sales_____

CITY OF COLUMBIA, MISSOURI

By: _____

Mike Matthes, City Manager

ATTEST:

By: _____

Sheela Amin, City Clerk

APPROVED AS TO FORM:

By: _____

Nancy Thompson, City Counselor

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CATSWeb® Support and Consulting Services Agreement

This Support and Consulting Services Agreement (this "Agreement") is entered into as of January 14, 2016 (the "Effective Date") by and between AssurX, Inc., a California corporation ("AssurX"), and the City of Columbia, Missouri, a Missouri municipal corporation ("Licensee").

1.   Support Services.   AssurX will provide to Licensee the following telephone, email and facsimile support services, and software upgrades, for CATSWeb software (collectively, the "Support Services") for those particular CATSWeb software products for which Licensee has purchased Support Services ("Supported Products").

   1.1   Telephone, Email, and Facsimile Support. -Telephone support may be obtained by dialing in North America (408) 778–1376,   or Ireland (Dublin +353 1 653 0350) (follow instructions for routing to CATS support). Support also may be directed to Email Address: support@assurx.com or faxed to (408) 776-1267.

   1.2   Scope of Support. Support Services covered by this Agreement include responses to issues associated with general usage of the CATSWeb system, software defects, and administration usage inquiries, so long as (1) the Supported Products remain unmodified, except as authorized or modified by AssurX, and no modifications, additions or deletions of database data via direct database access have been made unless specifically authorized in writing by AssurX, and (2)   a valid license agreement between AssurX and Licensee exists. Such Support Services do not include the following: (a) installation or maintenance of applications or devices other than AssurX products; (b) any services required due to Licensee's (i) use of the Supported Products other than as specified in the Software License Agreement by and between the parties hereto dated as of the same date hereof (the "Software License Agreement") or the applicable Documentation (as defined in the Software License Agreement) or not authorized in writing by AssurX; (ii) modification of the Supported Products by any party other than AssurX without AssurX's prior written consent, to the extent the issue or defect is caused by such modification; or (iii) combination, operation or use of the Supported Products with other third party product(s) or services not provided or authorized in writing by AssurX or specified by AssurX for use with the Supported Products; (c) product training or consulting; (d) advice, consulting or support associated with Licensee developed software including but not limited to code and stored procedures called by the Supported Products; (e) support associated with integrating CATSWeb with any system other than those systems specified in the Documentation for the Supported Products or systems approved or authorized by AssurX in writing; or (f) support associated with CATSWeb options including but not limited to the CATSWeb API, validation protocols (IQ/OQ, etc.), and CATSWeb Database Schema documentation. Although Support Services are generally limited to the current release or version of each Supported Product, AssurX will make commercially reasonable efforts to support the immediately previous version of Supported Products for a period of six (6) months following a major upgrade. In case of a problem, Licensee understands that the possible sole solution may require installation of upgrades and patches. A "major upgrade" is designated by an increment of the number to the left of the decimal point. All other upgrades (patches, etc.) are designated by an increment of the number to the right of the decimal point.

   1.3   Response Time and Scope. AssurX will use commercially reasonable efforts to respond to all requests within one (1) business day. Although the majority of Licensee inquiries may be resolved within one (1) business day, occasionally AssurX's response may not include the actual resolution to a Licensee inquiry. In cases where the response does not include an adequate final resolution, an estimated time frame and course of action to obtain a final resolution will be promptly provided to Licensee upon request.

   1.4   Software Updates and Upgrades. If, during the term of this Agreement, any Supported Product is updated or upgraded, Licensee will receive all such updates and upgrades free of additional charge. Licensee agrees that any new release, update or upgrade provided to Licensee during the term of this Agreement will be deemed "Licensed Software" under the terms and conditions set forth in the Software License Agreement.

2.0   Consulting Services. Should Licensee require consulting services or support services outside the scope described in Section 1.2 above (collectively, "Consulting Services"), Licensee may request such Consulting Services from AssurX in connection with the Supported Products or the development of materials and deliverables as set forth in an applicable statement of work ("Deliverables"). Unless otherwise agreed by the parties, Deliverables will be deemed owned exclusively by AssurX, and licensed for use by Licensee as "Licensed Software" under the terms and conditions of the Software License Agreement. Upon mutual agreement, Consulting Services will be provided at a mutually agreed rate and schedule, and, if applicable,

described in a written statement of work. The first statement of work is attached hereto as Exhibit B. However, to the extent that such Consulting Services have not been clearly specified in a mutually agreed written statement of work, AssurX reserves the right to reject any request by Licensee for AssurX to perform any specific Consulting Services, or for AssurX to accept any terms and conditions relating thereto. Unless stated otherwise in the relevant statement of work, the applicable terms and conditions of this Agreement will apply to all such Consulting Services. (Support Services and Consulting Services are sometimes referred to herein collectively as the "Services.") Sections 3, 4, 5, and 39 of Attachment A are incorporated herein by reference.

3.0   Authorized Contacts. Licensee may designate two (2) contacts (the "Authorized Contacts") as the only persons authorized to contact AssurX on its behalf for Support Services. Inquiries from the Authorized Contacts will be limited to issues concerning software usage for databases at a single location. Licensee may change the identity of the Authorized Contacts at any time by notifying AssurX in writing.

4.0   Training. All Authorized Contacts are required to have completed administration training for the Supported Products, or the equivalent training.

5.0   Term and Termination. The term of this Agreement will begin on the Effective Date, and will continue until terminated as provided in this Agreement.

      5.1   Initial Support Services Term. The initial term for provision of Support Services under this Agreement is one (1) year commencing on Acceptance (as defined in the Software License Agreement).

      5.2   Renewal Support Services Term(s). The Support Services outlined in this Agreement will continue automatically for additional one (1) year terms unless Licensee notifies AssurX in writing sixty (60) days before the end of each term of its election to terminate Support Services. Upon receiving timely notification, AssurX's obligation to deliver Support Services will terminate on the anniversary of the Effective Date. The termination of Support Services under this Agreement will not affect Licensee's obligation to pay for Consulting Services, or other AssurX products or services.

      5.3   Termination for Breach. Either party may terminate this Agreement if the other party is in material breach of this Agreement and fails to cure that material breach within thirty (30) days following receipt of such notice of such breach. Either party may terminate this Agreement immediately in the event that the other party: (a) initiates any voluntary proceeding in bankruptcy; (b) is the subject of an involuntary proceeding in bankruptcy that is not dismissed within 60 days after initiation; (c) makes any general assignment for the benefit of its creditors; (d) makes any proposal to its creditors to take or attempt to take the benefit of any legislation relating to insolvency or bankruptcy; or (e) has a receiver, trustee, or liquidator appointed for all or a substantial portion of its assets. Upon Licensee's termination of this Agreement for AssurX's material breach, AssurX will refund to Licensee any prepaid amounts for Support Services and/or Consulting Services not performed prior to the date of such termination. The provisions of Sections 5 through 17 and AssurX's exclusive ownership of all Deliverables, unless otherwise agreed by the parties hereto in writing, will survive termination of this Agreement indefinitely.

      5.4   Termination for Convenience. Consulting Services may be terminated by Licensee at any time and for any reason upon seven (7) days' written notice. If so terminated, Licensee will pay AssurX all uncontested amounts due AssurX for all Consulting Services properly rendered and expenses incurred to the date of receipt of notice of termination.

6.0   Fees and Terms.

      6.1   Fees and Payment Terms.

           (a)   Support Services. The fee for Support Services is billed as set forth in Section 9 of the SOW attached hereto as Attachment B. Fees for initial Support Services are invoiced upon the purchase of the Supported Product licenses. Upon renewal of Support Services, fees are invoiced sixty (60) days prior to the expiration of the current one-year Support Services term. Invoiced Support Services payments are due in U.S. currency forty-five (45) days after the date of the invoice. Section 6.5 of Attachment A is incorporated herein by reference.

           (b)   Consulting Services. Fees for Consulting Services delivered by AssurX from its own facilities are based on an hourly rate. The fee for Consulting Services delivered by AssurX personnel at a Licensee facility is based on a daily rate for each AssurX person in attendance, with a minimum rate for each AssurX person in attendance per visit to a Licensee facility. These fees are set forth in the AssurX price list, as updated by AssurX from time to time. Fees for Consulting Services are invoiced at the end of each month. Invoiced Consulting Services payments are due in U.S. currency thirty (30) days after the date of the invoice.

6.2 <u>Fee Adjustments.</u> Licensee acknowledges that the purchase of additional AssurX product licenses during the one (1) year term of the Support Services under this Agreement will require AssurX to provide additional Support Services. Accordingly, AssurX will invoice Licensee for the additional Support Services prorated for the remaining period of the current one (1) year Support Services term.

6.3 <u>Expenses.</u> Licensee will reimburse AssurX for all reasonable and documented out-of-pocket expenses incurred in providing Services to Licensee. All expenses must be reasonable, properly documented and approved by Licensee in advance in order for AssurX to be reimbursed.

6.4 <u>Late Payments.</u> Payments not received within thirty (30) days after the due date will accrue interest at the rate of 1% per month, or the highest rate allowed by applicable law, whichever is lower.

6.5 <u>Taxes.</u> All fees charged by AssurX do not include federal, state or local taxes or any similar fees in force or enacted in the future. Licensee will be responsible for and agrees to pay all such federal, state and local taxes or any other similar fees in force or enacted in the future that are imposed on transactions involving the delivery of Services to Licensee hereunder. Licensee has advised AssurX that as a political subdivision of the State of Missouri, Licensee is exempt from the requirement to pay such taxes and fees. Upon request from AssurX, Licensee will furnish AssurX such documentation as may be necessary to allow Licensee to enjoy and utilize its tax exempt status.

6.6 <u>Reinstatement After Lapse.</u> Should Licensee allow Support Services to lapse, and then wishes to reinstate Support Services, Licensee must pay to AssurX, in addition to the normal fees payable for Support Services, 100% of the Support Service fees that would have been due during the period of lapse.

7.0 <u>Confidential Information.</u>

7.1 <u>Nondisclosure and Nonuse.</u> The parties to this Agreement acknowledge that they will have access to Confidential Information concerning the other party's business, customers, plans, products, technology and other information held in confidence. As used in this Agreement, "Confidential information" means (i) the Licensed Software and the terms and conditions of this Agreement (which will be the exclusive Confidential Information of AssurX), (ii) all information, data and materials that either party (the "Receiving Party") obtains from the other (the "Disclosing Party") under this Agreement, or that the Receiving Party may have access to in connection with this Agreement, that (A) is marked as confidential, or (B) the Receiving Party should reasonably know, by its nature or the manner of its disclosure, to be confidential. The Receiving Party acknowledges and agrees that but for this Agreement, the Receiving Party would have no rights to use or access the Confidential Information. The Receiving Party agrees that it will not use the Confidential Information of the Disclosing Party for any purpose except in performance of its obligations hereunder or to exercise the rights granted to it hereunder. The Receiving Party agrees to maintain all Confidential Information of the Disclosing Party in strict confidence. The Receiving Party will not, without the prior written consent of the Disclosing Party, disclose, in any manner or via any media whatsoever, any of the Disclosing Party's Confidential Information, other than to the Receiving Party's employees, manufacturing agents, resellers, consultants and contractors ("Representatives") (x) who have a specific need to know such Confidential Information in order to exercise the Receiving Party's rights hereunder, (y) who are informed of the confidential nature of the Confidential Information, and (z) who agree in writing to act in accordance with and be bound by terms and conditions at least as restrictive as the terms and conditions herein regarding the safeguarding and disclosure and restrictions on use of Confidential Information. Notwithstanding the foregoing, if a Receiving Party is required by operation of law or mandated by applicable rule or regulation, or by an order of a court or governmental or law enforcement agency or other authority, each of competent jurisdiction, to disclose Confidential Information, it is agreed that the Receiving Party will give prompt notice to the Disclosing Party. The Disclosing Party may challenge such disclosure or, failing in such challenge, attempt to secure a protective order or other appropriate confidential treatment of the Confidential Information so disclosed. Any such required disclosure will not alter the nature of the information so disclosed as Confidential Information for purposes of this Agreement.

7.2 <u>Exceptions.</u> Confidential Information does not or will not include any information that is already known to Receiving Party at the time that it is disclosed to the Receiving Party, or which: (i) becomes publicly known through no wrongful act of the Receiving Party; (ii) is rightfully received from a third party without restriction on disclosure and without breach of this Agreement; (iii) is independently developed by the Receiving Party without the use of or reference to any Confidential Information of the Disclosing Party; or (iv) is approved for release by written authorization of the Disclosing Party. Only the specific information that meets such exclusions will be excluded, and not

7.3   <u>Breach.</u> The Receiving Party will be responsible for any breach of this Section 7 by any of its Representatives. The Receiving Party will notify the Disclosing Party immediately upon discovery of any unauthorized disclosure or use (inadvertent or otherwise) and will, within thirty (30) days of such notice (i) use its best efforts to cure such unauthorized disclosure or use of Confidential Information, (ii) take all reasonable precautions to prevent any such unauthorized disclosure or use in the future, and (iii) cooperate in good faith with the Disclosing Party to assist the Disclosing Party to regain possession of its Confidential Information and/or to prevent further unauthorized use or disclosure.

7.4   <u>Licensee Information Access.</u> In order for AssurX to perform the Services, it may be necessary for Licensee to provide AssurX access to certain of Licensee's Confidential Information and information technology infrastructure (e.g., servers). If Licensee elects not to provide such necessary access when requested by AssurX, then AssurX will not be obligated to perform the related Services.

7.5   <u>Remedy.</u> In the event of a breach of this Section 7, the parties agree that the non-breaching party will suffer irreparable harm and injury for which money damages will be an inadequate remedy. Therefore, upon a breach of this Section 7, the non-breaching party will be entitled to obtain, in addition to other available remedies at law or equity, injunctive relief, without the necessity of proving monetary damages or posting bond or other security.

8.0   <u>AssurX Representations and Warranties.</u>

8.1   <u>Authority and Performance.</u> AssurX represents and warrants that (i) it has the legal right to enter into this Agreement and perform its obligations hereunder, and (ii) the performance of its obligations and delivery of the Services to Licensee will not violate any applicable laws or regulations, or cause a breach of any agreements with any third parties.

8.2   <u>Services Warranty.</u> AssurX represents and warrants that it will (a) perform the Services in a professional manner consistent with industry standards and in compliance with this Agreement, including all statements of work, if any; (b) comply with all applicable local, state, federal and foreign rules and regulations in providing the Services to the extent it is bound by such laws, rules, and regulations; and (c) any Deliverables and media on which any Deliverables are delivered hereunder will be free of any detectable computer viruses, and will not contain any constraints that would restrict the use of, or access to, the Deliverable as permitted, and for the purposes and by the users specified, under this Agreement. A "computer virus" will be defined as any harmful data, design, or routine incorporated into the Deliverable with malicious or mischievous intent that disrupts the proper operation of a computer system, specifically excluding: (i) anything designed to prevent or inhibit unauthorized use of any software, and (ii) the use of date-limited Supported Products, as used by AssurX in the ordinary course of its business. Notwithstanding the foregoing, AssurX assumes no responsibility for errors or inaccuracies in Licensee specifications that may necessitate corrective work to be performed by AssurX and such corrective work will be charged to Licensee at AssurX's then current rate for such Consulting Services. If AssurX fails to perform the Services as warranted, and Licensee timely reports such failure to AssurX, at AssurX's option and in its sole discretion, AssurX may elect to (i) perform such Services as warranted or (ii) not perform such Services, and refund amounts paid by Licensee for such Services. The foregoing is Licensee's sole and exclusive remedy for breach of warranty by AssurX with regard to the provision of Services.

8.3   <u>Disclaimer – No Other Warranty.</u> ASSURX DISCLAIMS ANY AND ALL OTHER EXPRESS AND/OR IMPLIED WARRANTIES WITH RESPECT TO THE SERVICES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND TITLE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE.

9.0   <u>Licensee Representations and Warranties.</u>

9.1   <u>Authority and Performance.</u> Licensee represents and warrants that (i) it has the legal right to enter into this Agreement and will continue to maintain such legal authority during the term of this Agreement, and (ii) the performance of this Agreement by Licensee will not violate or cause a breach of any agreements Licensee has entered, or will enter, into with any third parties.

9.2   <u>Breach of Representations and Warranties.</u> Without prejudice to any other rights or remedies available at law or in equity, AssurX may terminate this Agreement in accordance with Section 5 if

Licensee fails to comply with the terms and conditions set forth herein and fails to cure such breach in accordance with Section 5.3.

10.0 <u>Limitations of Liability.</u>

    10.1   <u>Personal Injury.</u> Each party (the "Visiting Party") agrees that its representatives or agents visiting the other party's (the "Hosting Party") location do so at their own risk and, therefore, the Hosting Party assumes no liability whatsoever for any harm to the Visiting Party and its representatives or agents resulting from any cause other than the negligence or willful misconduct of the Hosting Party or its employees and contractors.

    10.2   <u>Damage to Licensee Technology.</u> Except in the case of gross negligence or willful misconduct by AssurX or AssurX's subcontractors, in no event will AssurX be liable for any damage to, or loss of, any Licensee technology, Licensee data, or Licensee software or firmware.

    10.3   <u>Consequential Damages Waiver</u> Except for a party's breach of its confidentiality obligations hereunder, or a party's gross and willful misconduct, in no event will either party be liable or responsible to the other for any type of incidental, punitive, indirect or consequential damages, including, but not limited to, lost revenue, lost profits, replacement goods, loss of technology rights or services, loss of data, or interruption or loss of use of service or equipment, even if advised of the possibility of such damages, whether arising under theory of contract, tort, strict liability or otherwise.

    10.4   <u>Exclusive Remedy.</u> Except for breach of its confidentiality obligations hereunder, or its gross and willful misconduct, AssurX's entire liability and Licensee's exclusive remedy for a breach of this Agreement will be, at AssurX's option, either (1) provision of the Services which are the subject of this Agreement, or (2) refund of the amount paid by Licensee for Services not performed.

    10.5   <u>Basis of Bargain; Failure of Essential Purpose.</u> The parties acknowledge that AssurX has set its prices and entered into this Agreement in reliance upon the limitations of liability and the disclaimers of warranties and damages set forth herein, and that the same form an essential basis of the bargain between the parties hereto. The limitations and disclaimers specified in this Agreement will survive and apply even if found to have failed of their essential purpose.

11.0   <u>Indemnity.</u> AssurX will, at its own expense, defend, indemnify and hold Licensee harmless from all losses, liabilities, damages, costs and expenses (including but not limited to reasonable attorneys' fees) ("Losses") arising out of or in connection with any action brought by a third party against Licensee based on AssurX's gross negligence or willful misconduct that results in personal injury (including death) or property damage caused by AssurX pursuant to this Agreement provided that Licensee: (i) notifies AssurX promptly in writing of any such claim; (ii) supplies AssurX with all available information, assistance and authority that AssurX requests to defend or settle the claim: and (iii) that Licensee permits AssurX to control the defense, compromise, or settlement of the claim; and (iv) Licensee does not incur any cost or expense subject to this indemnity without the prior written consent of AssurX, such consent not to be unreasonably withheld. AssurX will not agree to any settlement that imposes material restrictions on Licensee in addition to those contained herein or requires that Licensee take any material action (including the payment of any money) in addition to those required herein, or make any admission of liability or other statement on behalf of Licensee, without first obtaining Licensee's written consent, which will not be unreasonably withheld. Licensee has the right to participate, at its own expense, in any such action using its own counsel. The indemnification obligations contained in this Section will not be limited in any manner whatsoever by any insurance coverage maintained by AssurX.

12.0   <u>Governing Law.</u> This Agreement will in all respects be interpreted, construed in accordance with, and governed by the internal laws of the State of Missouri, without regard to the rules on conflict of laws. The parties exclude the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods if otherwise applicable. The place of making and the place of performance for all purposes will be Columbia, Missouri regardless of the actual place of execution or performance. In the event of any litigation between the parties, the parties stipulate that the sole and exclusive jurisdiction for such action will be in the State Courts for the County of Boone, Missouri or the United States District Court for the Western District of Missouri. Both parties agree that the above referenced courts will have personal and exclusive jurisdiction over the parties for any dispute arising out of this Agreement.

13.0   NOT USED

14.0   <u>Insurance</u>

    During the term hereof AssurX will maintain at its own expense the following minimum insurance in forms and with insurance companies reasonably acceptable to Customer:

a) <u>Workers' Compensation & Employers Liability</u>.   AssurX will maintain Workers' Compensation in accordance with Missouri State Statutes or provide evidence of monopolistic state coverage. Employers Liability with the following limits: $500,000 policy limit for each accident, $500,000 policy limit for each disease, and $500,000 policy limit for each employee with a disease claim.

b) <u>Commercial General Liability</u>. AssurX will maintain Commercial General Liability at a limit of not less than $2,000,000 Each Occurrence, $3,000,000   Annual Aggregate. Coverage will not contain any endorsement(s) excluding nor limiting Product/Completed Operations, Contractual Liability or Cross Liability.

c) <u>Business Auto Liability</u>. AssurX will maintain Business Automobile Liability at a limit not less than $2,000,000 Each Occurrence. Coverage will include liability for Owned, Non-Owned & Hired automobiles. In the event AssurX does not own automobiles, AssurX agrees to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

d) <u>Professional Liability</u>. AssurX agrees to maintain Professional (Errors & Omissions) Liability at a limit of liability not less than $2,000,000 Per Claim and $2,000,000 aggregate.   For policies written on a "Claims-Made" basis, AssurX agrees to maintain a Retroactive Date prior to or equal to the effective date of this Agreement. In the event the policy is canceled, non- renewed, switched to an Occurrence Form, retroactive date advanced; or any other event triggering the right to purchase a Supplemental Extended Reporting Period (SERP) during the term of this Agreement, AssurX agrees to purchase a SERP with a minimum reporting period not less than two (2) years. The requirement to purchase a SERP will not relieve AssurX of the obligation to provide replacement coverage.

e) AssurX may satisfy the minimum liability limits required for Commercial General Liability, Professional Liability or Business Auto Liability under an Umbrella or Excess Liability policy. There is no minimum per occurrence limit of liability under the Umbrella or Excess Liability; however, the Annual Aggregate limit will not be less than the highest "Each Occurrence" limit for either Commercial General Liability, Professional Liability or Business Auto Liability. AssurX agrees to endorse Licensee as an Additional Insured on the Umbrella or Excess Liability, unless the Certificate of Insurance state the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.

f) Upon request, AssurX will provide certificates of insurance reasonably acceptable to Licensee with respect to the above insurance requirements, and with respect to Sections (c) and (d) above, naming Licensee, its officers, directors, employees and agents as additional insured. Such certificates and insurance coverage required by this Section will contain a provision that no coverage afforded under the policies will be canceled, materially changed or allowed to expire until at least thirty (30) days prior written notice has been given to Licensee. Such insurance will provide a waiver of subrogation in favor of Licensee, state that coverage is primary to any other valid insurance available to Licensee (to the extent permitted by applicable insurance law), and allow cross-liabilities and coverage regardless of fault;

g) AssurX will maintain adequate insurance coverage for subcontractors, and in the event any subcontractor(s) provide any Professional Services hereunder, AssurX will require such subcontractor(s) to maintain insurance in accordance with the requirements of this Section.

15.0   <u>Notices.</u> All notices to be given by either party to the other will be in writing and must be delivered or mailed either (i) through the U.S. Postal Service by registered mail, return receipt requested, or (ii) sent by a nationally recognized courier or overnight mail service which renders a receipt upon delivery addressed as set forth below or such other addresses as either party may hereinafter designate by a Notice to the other. Notices are deemed delivered or given and become effective five (5) days after mailing if mailed as aforesaid and upon actual receipt if otherwise delivered.

To AssurX
AssurX, Inc. -Attn: Sal Lucido
18525 Sutter Boulevard, Suite 150
Morgan Hill, California 95037
(408) 778-1376 Tel,   (408) 776-1267 Fax

To Licensee
City of Columbia, Missouri
Attn: Dir. of Water & Light
701 E. Broadway
Columbia, Missouri 65205

16.0   <u>Miscellaneous Provisions.</u>

16.1 Severability. If any provision or provisions of this Agreement are held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

16.2 Effect of Waiver. The failure or decision not to exercise any right or remedy accruing to either party upon any breach or default of any provision or condition hereof will not constitute a waiver of any subsequent breach or default, and will not act to amend or negate the rights of the waiving party.

16.3 Assignment. Neither party may assign its rights or delegate its duties under this Agreement, in whole or in part, without the prior written consent of the party, and any attempt to do so without such consent will be void. Notwithstanding the foregoing (i) AssurX may delegate the performance of the Services set forth in this Agreement to third parties without Licensee's consent, provided that AssurX controls, and remains responsible for, the delivery of such Services to Licensee, and such third parties agree in writing to be bound by the provisions of Section 7.0 hereof (ii) Licensee may assign its rights and delegate its duties under this Agreement in connection with a permitted assignment by Licensee pursuant to the provisions of Section 3 of the Software License Agreement, and (iii) AssurX may assign its rights and delegate its duties under this Agreement in connection with any merger to which AssurX is a party, or in connection with the sale of all or substantially all of AssurX's assets related to the Supported Products. Any attempted assignment or delegation by Licensee in breach of the foregoing requirements and restrictions may, at AssurX's sole discretion, terminate this Agreement. Section 29 of Attachment A is incorporated herein by reference.

16.4 Third Party Beneficiaries. Except as expressly provided for in this Agreement, neither AssurX nor Licensee intend to create any third party beneficiaries to this Agreement, including, but not limited to, either party's insurance providers.

16.5 Force Majeure. Neither party is responsible for delays or failure to perform any of its obligations hereunder due to causes beyond its reasonable control.

16.6 Export Laws. Licensee is responsible for compliance with all applicable export or re-export control laws and regulations if it exports any Supported Products or Deliverables.

16.7 Headings. The headings of the several sections of this Agreement are inserted for reference only and not intended to affect the meaning or interpretation of this Agreement.

16.8 Attorneys' Fees. In any action to enforce this Agreement, the prevailing party will be entitled to its attorneys' fees in addition to any other recovery awarded.

16.9 Independent Contractors. The parties to this Agreement are independent contractors. There is no relationship of partnership, joint venture, employment, franchise or agency created hereby between the parties. Neither party will have the power to bind the other or incur obligations on the other party's behalf without the other party's prior written consent.

16.10 Section 33 of Attachment A is incorporated herein by reference.

16.11 Section 34 of Attachment A is incorporated herein by reference.

16.12 Section 35 of Attachment A is incorporated herein by reference.

16.13 Section 36 of Attachment A is incorporated herein by reference.

16.14 Section 37 of Attachment A is incorporated herein by reference.

16.15 Section 41 of Attachment A is incorporated herein by reference.

17.0 Entire Agreement. This Agreement and the Software License Agreement, including Attachments A and B hereto, contain the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior agreements, oral or written, between the parties with respect to such subject matter, and any warranty, representation, promise or condition not incorporated herein will not be binding upon either party. No modifications, renewal, extension, or waiver of this Agreement or any of its provisions will be binding unless in writing and signed by both parties. The parties acknowledge that should Licensee use its standard form purchase order or any other ordering document in any way in connection with this Agreement, or should AssurX use any form of invoice, any terms of such purchase order or other ordering document or invoice that differ from the terms of this Agreement will be deemed rejected, ineffective, and will not modify or supplement this Agreement in any way.

18.0 Execution in Counterpart. This Agreement may be executed in counterpart by the parties, either through original copies or by facsimile or electronic copies. An executed copy of this Agreement delivered by facsimile or electronically will constitute valid execution and delivery of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

AssurX, Inc.

By:

Printed Name: John Moroney

Printed Title: VP sales

CITY OF COLUMBIA, MISSOURI

By: _____

Mike Matthes, City Manager

ATTEST:

By: _____

Sheela Amin, City Clerk

APPROVED AS TO FORM:

By: _____

Nancy Thompson, City Counselor

Attachment A
to
CATSWeb Support and Consulting Services Agreement

(Reader References and Incorporated Provisions)

RFP 760/2015

This Attachment A is attached to a certain CATSWeb Support and Consulting Services Agreement (the "Agreement") dated as of January 14, 2016 by and between the City of Columbia, Missouri, a Missouri municipal corporation ("Licensee") and AssurX, Inc., a California corporation ("AssurX").

Reference is made herein to a certain Statement of Work attached to the Agreement as Attachment B (the "SOW"), which SOW specifies certain Consulting Services (as defined in the Agreement) to be performed thereunder.

Reference is also made herein to that certain CATSWeb Software License Agreement (the "License Agreement") dated as of January 14, 2016 by and between Licensee and AssurX.

1. AUTHORIZATION OF SERVICES
    [See SOW]

2. SCOPE OF WORK
    [See SOW]

3. DESIGNATION OF ASSURX'S PROJECT TEAM

    All Consulting Services will be performed by AssurX or under its supervision and all personnel engaged in performing the Consulting Services will be fully qualified and, if applicable, authorized or permitted under state and local law to perform such Consulting Services.

    AssurX's designated representatives will be available to meet with Licensee at any time during the performance of the Consulting Services and will have full authority to act on AssurX's behalf on any matter related to the Consulting Services.

4. DESIGNATION OF LICENSEE'S PROJECT MANAGER

    Licensee's representative with respect to the Consulting Services to be performed under this Agreement will have complete authority to transmit instructions, receive information, interpret and define Licensee's policies and decisions and other matters pertinent to the Consulting Services.

5. RECORDS AND REPORTING

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AssurX will furnish such periodic reports as specified in the SOW pertaining to the Consulting Services undertaken pursuant to the SOW, the costs and obligations incurred or to be incurred in connection with the Consulting Services.

AssurX will maintain accounts and records, including personnel, property and financial records, adequate to identify and account for all costs pertaining to the Consulting Services and any other records as deemed necessary by Licensee to assure proper accounting for all funds provided by Licensee under the applicable statement of work. Such records will be available to Licensee or its authorized representatives, for audit purposes, and will be retained for three (3) years after completion of the applicable statement of work.

6.   TERM AND PERIOD OF SERVICE

    6.1 [See the Agreement]

    6.2 Period of Service for the Scope of Work. [See the SOW]

    6.3 Term for licenses. [See Section 2 of the Agreement]

    6.4 Term for maintenance and support. [See Sections 5.1 and 5.2 of the Agreement]

    6.5   AssurX will not increase fees for Support Services, on a year-over-year basis, by more than three percent (3%) or the corresponding increase in the CPI-U, whichever is less.

7.   DATA OWNERSHIP AND SECURITY [See Section 7.0 of the Agreement.]

8.   BINDING SUBCONTRACTORS TO DATA SECURITY STANDARDS [See Section 16.3 of the Agreement]

9.   NO HARMFUL CODE [See Section 8.2 of the Agreement]

10. SOFTWARE UPGRADES [N/A to Consulting Services; for Support Services see Section 1.4 of the Agreement]

11. SUCCESSOR SOFTWARE PRODUCTS [See Section 1.4 of the Agreement]

12. SOURCE CODE ESCROW [N/A]

13. WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE [See Sections 6, 7, and 8 of the License Agreement]

14. FINAL ACCEPTANCE TESTING [See Section 4 of the License Agreement]

15. CLOUD STORAGE [N/A]

16. DATA EXCHANGES [N/A]

17. CUSTOMIZATIONS AND MODIFICATIONS [N/A]

18. DATA CONVERSION [N/A]

19. PAYMENTS TO ASSURX [See Section 6.1(b) of the Agreement, and Sections 8 and 9 of the SOW]

20. CONTRACT AMOUNT [See Section 6.1(b) of the Agreement, and Section 9 of SOW]

21. INSURANCE [See Section 14.0 of the Agreement]

22. HOLD HARMLESS [See Section 11.0 of the Agreement]

23. PROFESSIONAL OVERSIGHT INDEMNIFICATION [See Section 14.0 of the Agreement]

24. PROFESSIONAL RESPONSIBILITY [See Section 8.2 of the Agreement]

25. CHANGES [See Section 17.0 of the Agreement, or as otherwise agreed in the SOW]

26. TERMINATION [See Section 5.3 of the Agreement]

27. SUBCONTRACTORS [See Section 16.3 of the Agreement]

28. AMENDMENT [See Section 17.0 of the Agreement]

29. SUCCESSOR AND ASSIGNS
Each party binds itself and its successors, executors, administrators and permitted assigns to the other party to the successors, executors, administrators and permitted assigns of such other party, in respect to all covenants of this Agreement.

30. NO THIRD PARTY BENEFICIARIES [See Section 16.4 of the Agreement]

31. LAW; SUBMISSION TO JURISDICTION AND VENUE [See Section 12.0 of the Agreement]

32. COMPLIANCE WITH LAWS [See Section 8.2 of the Agreement]

33. COMPLIANCE WITH EQUAL OPPORTUNITY AND NONDISCRIMINATION LAWS
AssurX will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, age, disability, or national origin. AssurX will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, age, disability, or national origin. Such action will include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including

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apprenticeship. AssurX agrees to post notices in conspicuous places in its headquarters in Morgan Hill, CA, available to employees and applicants for employment.

34. COMPLIANCE WITH AMERICANS WITH DISABILITIES ACT
AssurX will comply with all applicable provisions of the Americans with Disabilities Act and the regulations implementing the Act, including those regulations governing employment practices. Payment of funds for Consulting Services are conditional upon AssurX certifying to Licensee Manager in writing that is it complying with the Americans with Disabilities Act and 28 CFR Part 35.

35. EMPLOYMENT OF UNAUTHORIZED ALIENS PROHIBITED
AssurX will comply with Missouri Revised Statute Section 285.530 in that AssurX will not knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform Consulting Services within the state of Missouri. AssurX will, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the Consulting Services. AssurX will also sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the Consulting Services. AssurX will require all subcontractors to observe the requirements of this Section.

36. MISSOURI SUNSHINE LAW
Nothing in this Agreement will be construed to supersede, conflict with or otherwise defeat any provision of the Missouri Revised Statues Chapter 610 Governmental Bodies and Records (Missouri Sunshine Law). Should AssurX copyright any material provided to Licensee, Licensee will provide AssurX with notice of the receipt of an open records request to allow AssurX to seek to protect its copyright. NOTE: Pursuant to the provisions of Section 610.021(10) of the Missouri Sunshine Law, the Supported Products and all information relating thereto are specifically excluded from the foregoing provisions.

37. NO WAIVER OF IMMUNITIES
In no event will the language of this Agreement constitute or be construed as a waiver or limitation for either party's rights or defenses with regard to each party's applicable sovereign, governmental, or official immunities and protections as provided by federal and state constitutions or laws.

38. NOTICES [See Section 15.0 of the Agreement]

39. PRIOR BUDGET AND APPROPRIATION. Licensee represents and warrants that prior to executing any SOW pursuant to the provisions of this Section 2.0, all obligations of Licensee which require the expenditure of funds thereunder shall have been budgeted and appropriated for that purpose.

40. N/A

{00894647v3}4

41. Compliance with NERC-CIP Standards. AssurX, its agents, employees, and subcontractors will comply with NERC-CIP standards version 5, or as later amended, related to the protection of information and personnel compliance.

42. Confidentiality [See Section 7.0 of the Agreement]

43. N/A

A9DF9BCD58C849C

John Moroney

DocuSigned By: John Moroney

{00894647v3}5

AssurX ®

Statement of Work For:

City of **Columbia** MISSOURI

**AssurX Professional Services Organization
(APSO)
Implementation Assistance**

For the:

**AssurX Energy & Utilities
Enterprise Management Regulatory Compliance Tracking System
(EUEM)**

First Publication Date: 10/10/2015
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Date	Revision	Description	Author
10/10/2015	R0.1	Initial Draft	Dave Vadas
10/13/2015	R1.0	Completed initial draft and release to Sale and Utilities & Services Project Management for review prior to delivery to customer	Dave Vadas
12/2/2015	R2.0	Included sales quotation and terms to address installation and acceptance	John Moroney
12/17/2015	R3.0	Included Project Leader	John Moroney

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Table of Contents

AssurX, Inc. 18525 Sutter Boulevard, Suite 150, Morgan Hill, CA 95037 USA

1   *Introduction*

AssurX is pleased to submit to City of Columbia this Scope of Work Document (SOW) to provide implementation assistance for the AssurX Energy & Utilities Enterprise Management (EUEM) Solution. This document describes how the AssurX Out of the Box (OOB) EUEM solution enables the City of Columbia to achieve its NERC regulatory requirements.

This SOW is based upon AssurX's best understanding of the request for proposal requirements provided to AssurX and responded to on or about July 9, 2015. Those initial requirement responses are include in the appendices of the SOW for ease of reference.

This SOW is also based on the information learned during an onsite demonstration of our EUEM solution at the City of Columbia offices on August 24, 2015. That demonstration was attended by numerous City of Columbia personnel and our Misters John Moroney and Trey Kirkpatrick.

Finally, this SOW is also based upon AssurX's knowledge, experience and best practices of implementing our AssurX EUEM solution at dozens of Utilities through North America.

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2 Project Goal

The goal of the project outlined in this SOW is to implement the AssurX Out of the Box (OOB) EUEM solution, configured to support the City of Columbia specific requirements as referenced in the appendix section of this document.

The main parts to the OOB EUEM solution are:

2.1 NERC & Regional Standards Management

A set of forms/records to organize and present NERC Standards including Regional Standards.

Evidence Folders for each Requirement, to organize and manage Evidence.

A process for how to manage Standard updates & rollout of new Standards.

2.2 Evidence Collection

- [ ] Non-Recurring Evidence/Document Management

- [ ] Recurring

- [ ] Reported

- [ ] Ad Hoc

2.3 Assessment-Certification Process

- [ ] AC Analysis & Review Assignment Matrices

- [ ] AC Schedules, AC Analyses, AC Reviews, AC Filing

2.4 Compliance Issues Tracking

- [ ] New process to replace legacy Issues Tracking system, leveraging several AssurX processes/projects.

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3   *Implementation Approach*

AssurX recommends project initiation through an onsite Implementation Kickoff. The output of this meeting will be a detailed implementation plan. A summary plan is attached is a starting point. This plan will also include determining what phases of the project to implement in which sequence based on the City's priorities and internal resources. Some outputs of this exercise will be scheduling:

- Training of key City staff,
- Software Installation and Testing
- Data mapping of legacy data/organization/matrices

Following the Kickoff will be a 2 day workshop, with the City of Columbia implementation team. This session will review the standard AssurX OOB EUEM solution capabilities compared to the specific City of Columbia requirements, identify gaps and necessary changes, including dashboards, reports and workflows. This will include any necessary integrations, data conversion, testing and documentation. This SOW is based on the City of Columbia's implementation of the AssurX EUEM solutions and its associated process as they presently operate Out of the Box (OOB). If the need for major modifications to those processes is uncovered during the workshop or further on during the project, AssurX reserves the option to possibly review the project scope, price and delivery.

The main parts to the solution:

3.1   NERC & Regional Standards Management

☐ A set of forms/records to organize and present NERC Standards including Regional Standards.

☐ Evidence Folders for each Requirement, to organize and manage Evidence.

☐ A process for how to manage Standard updates & rollout of new Standards.

3.2   Evidence Collection

☐ Non-Recurring Evidence/Document Management

☐ Recurring

☐ Reported

☐ Ad Hoc

3.3   Assessment-Certification Process

☐ AC Analysis & Review Assignment Matrices

☐ AC Schedules, AC Analyses, AC Reviews, AC Filing

3.4   Compliance Issues Tracking

☐ New process to replace legacy Issues Tracking system, leveraging several AssurX processes/projects.

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4 EUEM Solution Functional Overview

Please refer to the appendix section of this document which describes a high-level overview of the building blocks of the CATSWeb's platform and how those capabilities are used to rapidly configure any business process such as the ones described below in this section.

4.1 NERC Standards

The NERC Standards are documented in the AssurX solution with 4 action forms; UtilRel Standard, UtilRel Requirement, UtilRel Measure, & UtilRel Level. The City intends to assign an owner to each Standard.

4.1.1 Process Flow Diagram
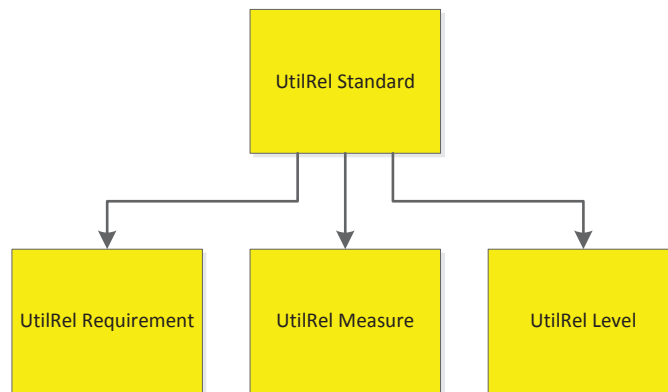
4.1.2 Implementation Steps

☐ Prepare NERC & Regional Standards Import Spreadsheet using the latest NERC Import Service Spreadsheet

☐ Customer to assigns Standard Owners in the spreadsheet

☐ Import Standards using Import Utility

4.1.3 UtilRel Standard

☐ Document NERC Standard information and provide visibility to related data. The UtilRel Standard form contains information on a NERC or Regional Standard.

4.1.4 UtilRel Requirement

☐ Document NERC Requirement information and provide visibility to related data.

4.1.5 UtilRel Measure

☐ Document NERC Measure information and provide visibility to related data.

4.1.6 UtilRel Level

☐ Document NERC Compliance Level information and provide visibility to related data.

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4.2   Evidence Folders/Compliance Framework

Evidence Folders are the central location that allows the user to gain access to all evidence associated with a given Standard & Requirement, segregated by Region, Registered Entity, & Functional Entity. The Basis for Compliance is also maintained on the Evidence Folder.

A display part on the Evidence Folder record shows all linked Evidence, as well as other display parts for visibility of evidence on other records & dashboards. Currently EUEM typically uses three subfolders to view the three different types of evidence (Non-Recurring Evidence, Recurring Evidence, & Reported Evidence), similar to the following Display Part:

For the City of Columbia implementation, we will replace this style of viewing Evidence with a combined view of all types of Evidence with a filter parameter to narrow the list to a specific type of evidence if desired, similar to the mock-up of a Display Part below:

In this manner, evidence is visible from the Evidence Folder, Standard, Requirement, and several dashboard lookups, and provides the infrastructure for easily adding additional types of evidence.

Database Views will be created to facilitate this type of evidence lookup.

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4.2.1 Process Flow Diagram
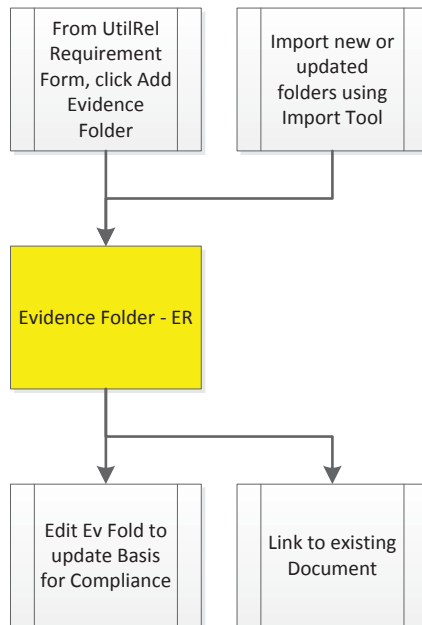
4.2.2 Implementation Steps

☐ Update Region list (ASX Regions List) to only include regional standards applicable to the City of Columbia.

☐ Update Registered Entity list (ASX - Site – Region) to only include "City of Columbia"

☐ Prepare Evidence Folder Import Spreadsheet based on top-level requirements that were included in the NERC Standards Import

☐ Customer to assigns Evidence Folder Owners in the spreadsheet

☐ Import Evidence Folders using Import Utility

☐ Update the views to show integrated evidence as described above

4.2.3 Evidence Folder – ER

☐ Virtual container for holding links to Evidence.

4.3 Non-Recurring Evidence & Document Management

The Non-Recurring Evidence Management process is used to add policies, practices, procedures, and other documentation to the Document Management system and then link these documents as evidence in the EUEM system.

The Non-Recurring Evidence Management process consists of these steps:

After a Document record is added, it can be linked as evidence. As Revisions of this Document are released they will automatically display as evidence.

AssurX's EUEM Document Management solution can be used to manage non-recurring evidence such as policies and procedures. The EUEM Document Management solution has two kinds of Documents, Controlled and Uncontrolled. Controlled Documents require signatures with each version, while Uncontrolled Documents do not.

4.3.1 Process Flow Diagram
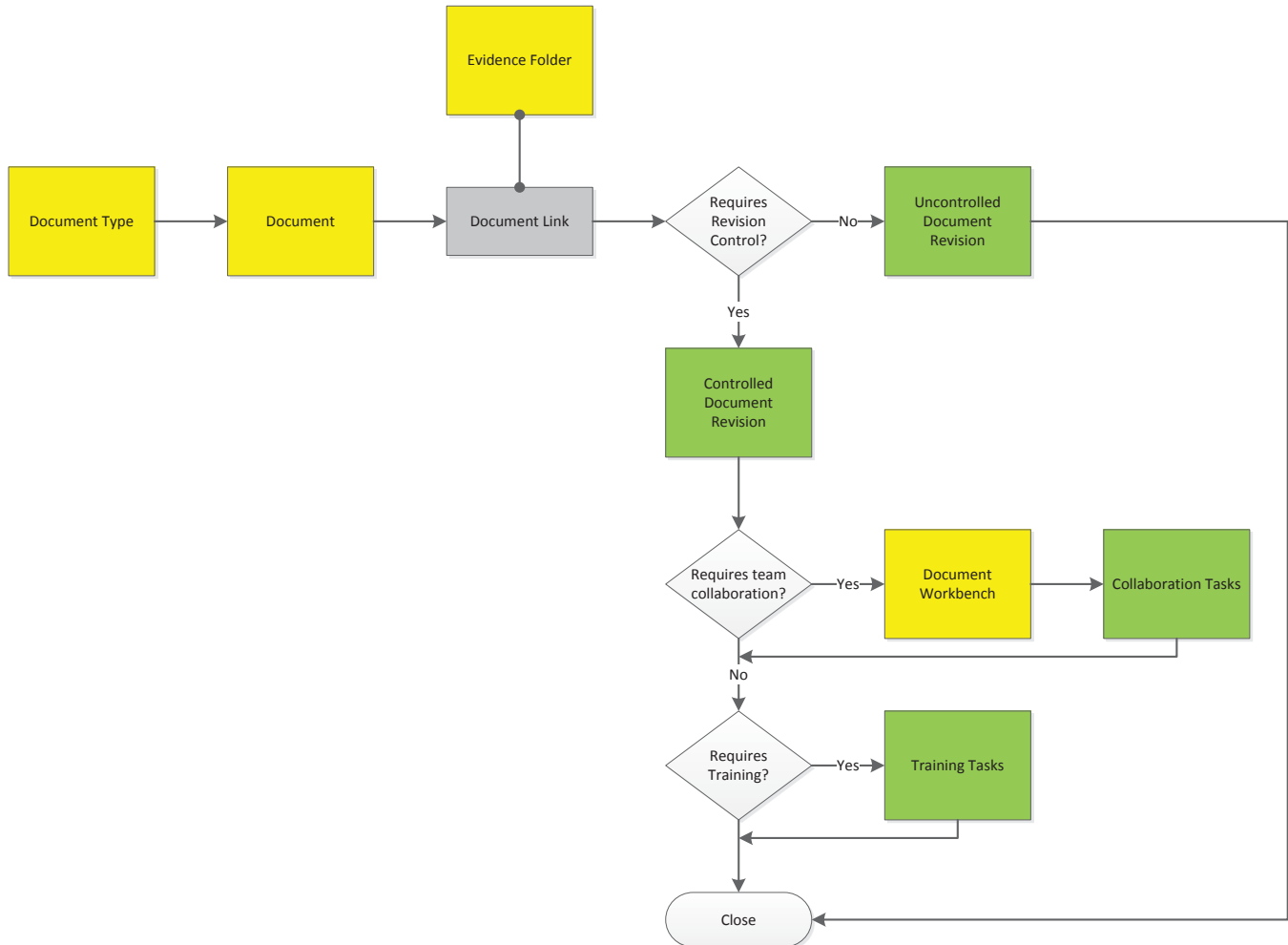
4.3.2 Implementation Steps

☐ Provide import spreadsheet for importing Document Types

☐ Optionally run import to create Document Types

☐ Add warning message to Document Collaboration "Do not attach CIP Restricted files!!!"

4.3.3 Document Type

☐ To contain metadata for Documents.

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4.3.4 Document

☐ To contain metadata for Documents. Evidence Folders are attached to the Document and inherited by all Document Revisions of that Document.

4.3.5 Document Revision

☐ To contain information pertaining to a version of a controlled document, and have the file attachment to this record.

4.3.6 Document Revision (Uncontrolled)

☐ To contain information pertaining to a version of an uncontrolled document, and have the file attachment to this record.

4.3.7 Document Workbench

☐ To provide a place to organize the workflow of a document as it is in collaboration.

4.3.8 Document Collaboration

☐ To assign a task to each member of the collaboration team.

4.4 Recurring Evidence Collection Process

Subject Matter Experts (SME's) are responsible for collecting recurring evidence on a schedule or when an event occurs. When recurring evidence is due, the person responsible for collection of the evidence shall get a notification task. This notification task will request the user to collect the evidence or confirm that there is no evidence required. The notification task should be closed after the evidence is collected, reviewed and determined to be complete.

The Recurring Evidence Management process consists of these steps:

After a Recurring Evidence Schedule has been setup, Recurring Evidence Collection Tasks which are not event-driven will be automatically generated in the system at the designated intervals.

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4.4.1 Process Flow Diagram
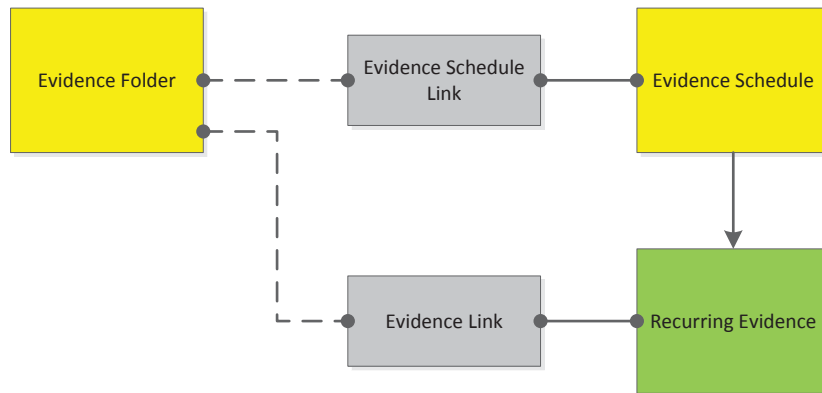
4.4.2 Implementation Steps

- ☐ Provide import spreadsheet for importing Recurring Evidence Schedules

- ☐ Create Recurring Evidence Schedules manually or via data import

- ☐ Include additional optional signature

- ☐ Change signature workflow to accommodate additional optional signature, if required

- ☐ Change signature workflow to be Serial instead of Parallel, if required

- ☐ Add filter for the additional fields to display parts showing Evidence

- ☐ Provide ability for some kind of super-user to repair incorrect evidence (TBD)

4.4.3 Evidence Schedule – ER

- ☐ Sets up a schedule & provides infrastructure for creating evidence collection tasks.

4.4.4 Recurring Evidence – ER

- ☐ Task to collect evidence.

4.5 Reported Evidence Collection Process

When a report submittal is due to a regulatory agency, the person responsible for preparation of the report will get a notification task. This notification task will request the user to prepare the report or confirm that there is no report required. The person responsible for the report can review and then attach the report in CATSWeb. The record is then edited and signatures requested of both the task assignee (responsible person/SME) and the task approver (report filer). The task assignee signs the record to indicate that the data is ready to be submitted.

The Regional Interface (task approver) is the NERC Corporate Compliance (NCC) contact, who submits the report in CATSWeb to the regulatory agency, then signs the record to indicate that the data has been filed. This signature causes the notification task to become closed, indicating that the reported evidence is reviewed, determined to be complete, and filed.

The Reported Evidence Management process consists of these steps:

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After a Reported Evidence Schedule has been setup, Reported Evidence Collection Tasks which are not event-driven will be automatically generated in the system at the designated intervals.

4.5.1 Process Flow Diagram
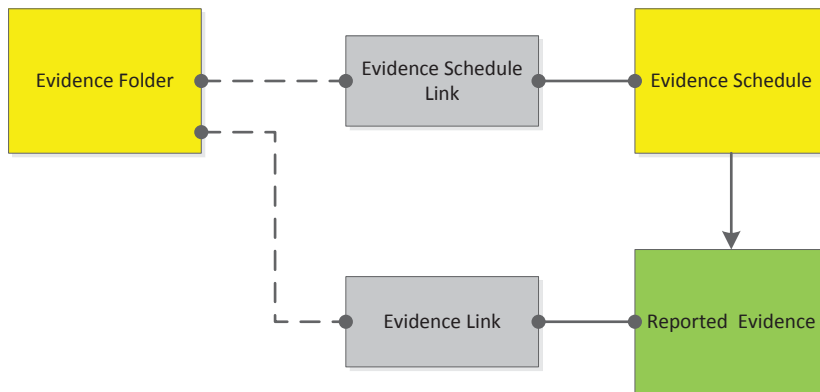
4.5.2 Implementation Steps

☐ Provide import spreadsheet for importing Reported Evidence Schedules

☐ Create Reported Evidence Schedules manually or via data import

4.6 Ad Hoc Evidence

Ad Hoc Evidence is a lightweight means of getting evidence into the AssurX system and associating it with Evidence Folders without requiring signatures.

4.6.1 Implementation Steps

☐ Install Forms

☐ Provide import spreadsheet for importing Ad Hoc Evidence

4.7 Assessment-Certification Process

The Assessment-Certification process is used to perform self-certifications against the actively monitored list of Standards that NERC and the Regions send out each year. It also provides a means to perform self-assessments of any Standards within a year.

The Assessment-Certification Management process is managed from the Assessment-Certification Management – ER Dashboard, and consists of these steps:
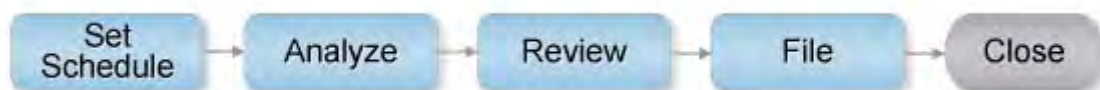
After an Assessment-Certification Schedule has been setup and started, Analysis records are created. The Analysis records are processed, followed by Review of the records and a Filing task.

Schedules

Schedules are set for Standards that need to be self-certified or self-assessed for each Region and Registered Entity within the company. After a schedule is setup, the status of the schedule must be changed to "Completed" to begin Assessment-Certification.

Analyses

After Schedules are setup and completed, Analysis records are generated. Each Analysis record is assigned to a Subject Matter Expert, assigning them responsibility for reviewing evidence at the Requirement level for the reported period. For compliance issues that are found during the analysis and need to be addressed, Compliance Issues Tracking records can be created and tasks associated with them.

Reviews

After the Analysis records have all been completed and approved, a Review record is assigned to a line manager or standard owner, assigning them responsibility for reviewing all analyses associated with the Standard.

Filing

After the Review record is complete and approved, a Filing task is assigned to a compliance person for closure. The designated assignee for the Registered Entity will self-certify using the regional portal (for self-assessments, the certification Filing step is skipped).

Closure

After the Filing task is complete and approved the scheduled item is closed. After all scheduled items are closed the Schedule itself is closed.

4.7.1 Process Flow Diagram

```
┌──────────────┐          ┌──────────────────┐
│  A-C Schedule │──────────│ A-C Schedule Item│
└──────────────┘          └──────────────────┘
        │
        ▼
┌──────────────┐    ┌──────────────┐    ┌──────────────────┐
│  A-C Analysis │───▶│ A-C Action Plan│──│ A-C Action Plan Task│
└──────────────┘    └──────────────┘    └──────────────────┘
        │
        ▼
┌──────────────┐
│  A-C Review   │
└──────────────┘
        │
        ▼
┌──────────────┐
│  A-C Filing   │
└──────────────┘
```
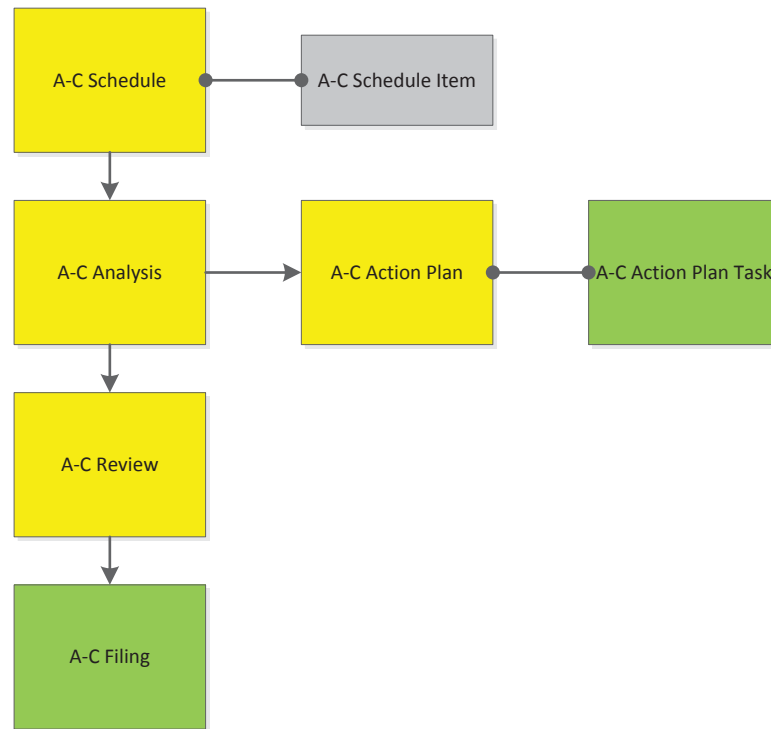
4.7.2 Assessment-Certification Schedule – ER

☐ The AC Schedule provides infrastructure for managing annual compliance assessments and certifications for a time period.

4.7.3 Assessment-Certification Analysis – ER

☐ Task for a user to review evidence associated with a given Standard Requirement, guides them to update the Basis for Compliance statements in the Evidence Folders, and attest to the compliance.

4.7.4 Assessment-Certification Review – ER

☐ Task for a user to review completed Analysis records and/or evidence associated with a given Standard and attest to the compliance.

4.7.5 Assessment-Certification Filing – ER

☐ Task for a user to file with the Region.

4.7.6 Assessment-Certification Action Plan – ER

☐ The AC Action Plan provides a place to document and track activities related to an EUEM item.

4.7.7 Assessment-Certification Action Plan Task – ER

☐ The AC Action Plan Task is used with the AC Action Plan for tracking activities associated with a plan.

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4.8 Assignment Management

The Assignment Management Process provides the infrastructure for managing who Assessment-Certification tasks are going to be assigned to, who needs to approve the completed task and who is assigned the filing task. The Analysis Assignments and Review Assignments are both matrices (Action/Sub form). Convenient bulk updates of Assignees and/or Approvers are built into the action forms.

4.8.1 Process Flow Diagram
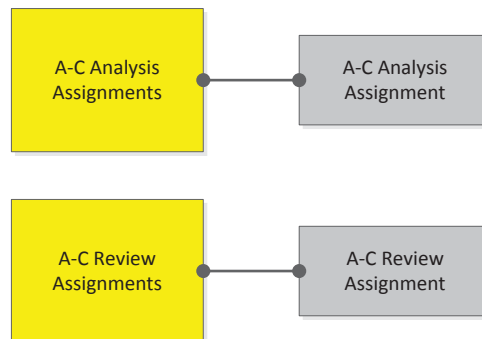
4.8.2 Implementation Steps

☐ Provide import spreadsheet(s) for importing Assignment records

☐ Optionally run import to create Assignment related records

4.8.3 Assessment-Certification Analysis Assignments – ER

☐ Action record to hold assignment Subforms for a given Region and Registered Entity.

4.8.4 Assessment-Certification Analysis Assignment – ER

☐ Contains individual Analysis assignments.

4.8.5 Assessment-Certification Review Assignments – ER

☐ Action record to hold assignment Subforms for a given Region and Registered Entity.

4.8.6 Assessment-Certification Review Assignment – ER

☐ Contains individual Review assignments.

4.9 Evidence Folder Link Maintenance Process

When NERC updates the Standards and Requirements, the new Standard, Requirement, Measure, & Level records are added or imported. Then Evidence Folders are added or imported for these new records. Very often existing evidence and related records that were linked to the previous iteration of the Standard will now be linked to the new Evidence Folder.

The Evidence Folder Link Maintenance Process is an Administrator feature that facilitates this update.

Evidence Folder Link Maintenance - ER #5486

Jump To [▼] ▶

Preliminary Details

FROM	TO
From Ev Fold ID 5101	**To Ev Fold ID** 5102
From Basis For Compliance Sample Basis for Compliance text.	**To Basis For Compliance** Sample Basis for Compliance text.

NOTE: Clicking Update Basis for Compliance button will append the contents of the FROM Basis for Compliance to the end of the TO Basis for Compliance.

[**Update Basis for Compliance**]

Linked Documents	Linked Documents

Doc ID	Doc Type	Doc Subtype	Doc Title
5662	RSAW		NUC RSAW 2015

Doc ID	Doc Type	Doc Subtype	Doc Title
5662	RSAW		NUC RSAW 2015

NOTE: Clicking Update Doc Links button will add links to Documents that are not already linked to.

[**Update Document Links**]

Linked Evidence Collection Schedules	Linked Evidence Collection Schedules

Schedule ID	Schedule Type	Title
5513	Recurring Evidence - ER	NUC Submittals
5533	Reported Evidence - ER	NUC Reports

Schedule ID	Schedule Type	Title
5513	Recurring Evidence - ER	NUC Submittals
5533	Reported Evidence - ER	NUC Reports

NOTE: Clicking Update Schedule Links button will add links to Schedules that are not already linked to.

[**Update Schedule Links**]

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4.9.1 Process Flow Diagram
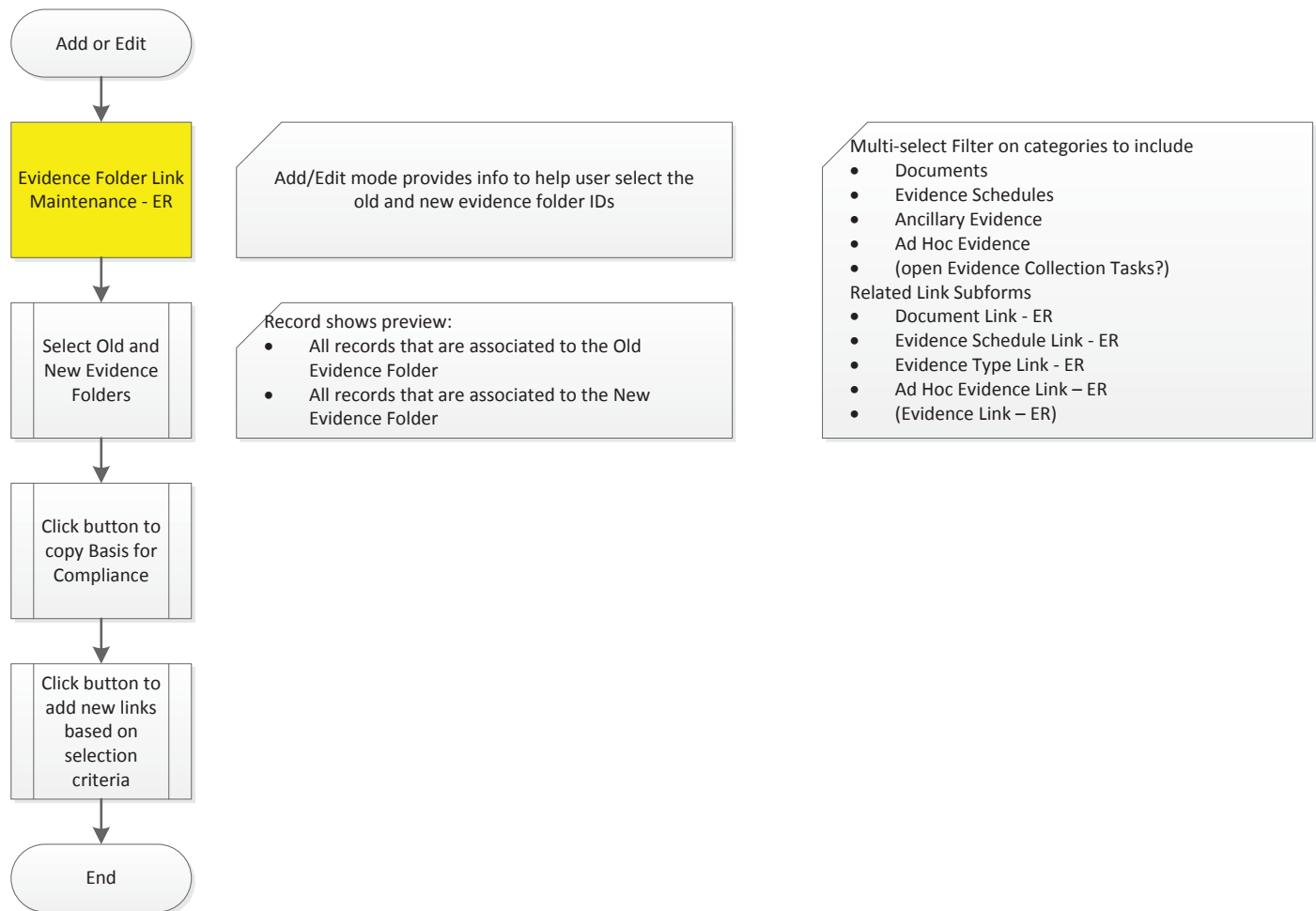
4.9.2 Evidence Folder Link Maintenance – ER

☐ Provide a means of adding or deleting Evidence Folder links to existing records based on certain criteria.

4.10 CIP Version 5 Compliance

The EUEM CIP Version 5 process manages:

- Asset & Change Management

    o BES Cyber Systems, Cyber Assets, Security Perimeters, Asset Group

- Access Management

    o Access Roles and Users
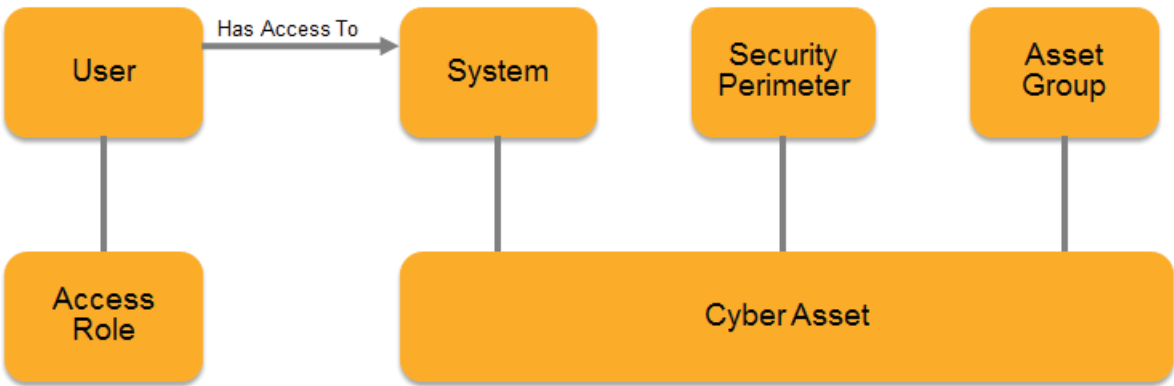
4.10.1 CIP System Asset Change Task
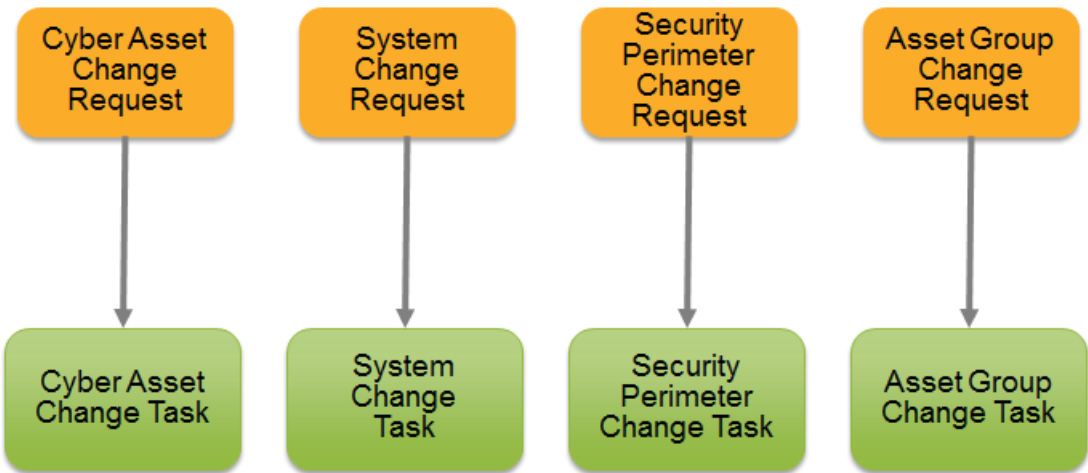
CIP Cyber Asset Change Task - ER #1110

CYBER ASSET CHANGE REQUEST DETAILS			
New Cyber Asset?	No	Change Class	Normal
Cyber Asset ID	8813	Change Type	Modification
CYBER ASSET CHANGE DETAILS			
Classification	BES Cyber Asset	(New) Classification	BES Cyber Asset
Cyber Asset Type	Relay	(New) Cyber Asset Type	Relay
Cyber Asset Name	ACC Router	(New) Cyber Asset Name	ACC Router
Cyber Asset Description	Acme Control Center Router located in the Server Room	(New) Cyber Asset Description	Acme Control Center Router located in the Server Room
Impact Rating	Medium	(New) Impact Rating	High
Registered Entities	ACME	(New) Registered Entities	ACME
Facility	Acme Control Center	(New) Facility	Acme Control Center
Location	Server Room	(New) Location	Server Room
Is TFE in force?		(New) Is TFE in force?	Yes
Applicable TFE		(New) Applicable TFE	123-NPCC-321
Cyber Asset Owner Dept	Compliance	(New) Cyber Asset Owner Dept	Compliance
Cyber Asset Owner	Kathy Wagner	(New) Cyber Asset Owner	Kathy Wagner
Cyber Asset Approvers	Kathy Wagner	(New) Cyber Asset Approvers	Kathy Wagner
Related IDs		(New) Related IDs	

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4.10.2 CIP Access Change Request
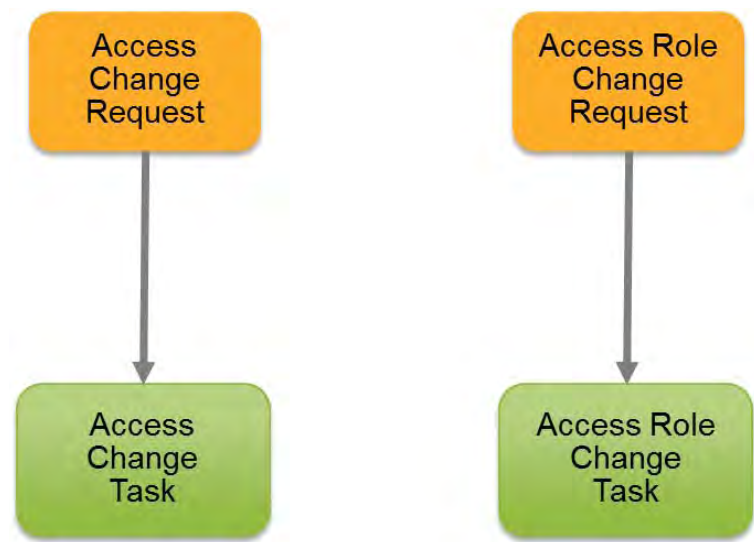
Add Subform Record
CIP Access Change Request - ER #8856

USER ACCESS REGISTER						
INSTRUCTIONS:						
1. Select Filter Criteria						
2. Select updated Access Levels for user by checking or unchecking Access Levels for each System desired						
Revoke All?	No					
User ID	8838	**First Name**	Kathy	**Middle Name**	Ann	**Last Name**	Wagner

REQUESTED ACCESS			
FILTER CRITERIA	System Type	System Name	Level Name
▼ Registered Entities ☑ ACME ☐ CMP ☐ MEPCO ☐ NYSEG ☐ RE1 ☐ RE2 ☐ RGE (ACME) [Clear] [Apply]	BES Cyber System	ACC Control Room	☐ Administrator ☑ Full Control ☐ Read Only
		ACC Office	☑ Administrator ☑ Full Control ☐ Guest Access ☐ Read Only
		ACC Server Room	☐ Administrator ☐ Full Control ☑ Read Only
		Acme East Substation BCS	☐ Restricted ☐ Unrestricted
▼ System Types ☑ BES Cyber System ☐ Other System Type (BES Cyber System) [Clear] [Apply]		Acme North Substation BCS	☐ Restricted ☐ Unrestricted
		Acme South Substation BCS	☐ Restricted ☐ Unrestricted
		Acme West Substation BCS	☐ Restricted ☐ Unrestricted

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4.11 Data Management Process

Data Management includes Data Import, Export, Import Spreadsheet storage, & Import Spreadsheet creation assistance. A Data Import form can be used to import CATSWeb records using an Excel spreadsheet.

4.11.1 Data Management Dashboard

4.11.2 Set Up a Data Export Job

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4.11.3 Select and Filter Specific Desired Data Extract Records

4.11.4 The Data Output

4.12 EUEM Corrective Action Process

The EUEM Corrective Action Process is a solution that works with other EUEM solutions. It includes a corrective action workflow to manage corrective actions, corrective action tasks, optional corrective action investigation tasks, and optional corrective action plan tasks. Additional documentation is available with the solution package.

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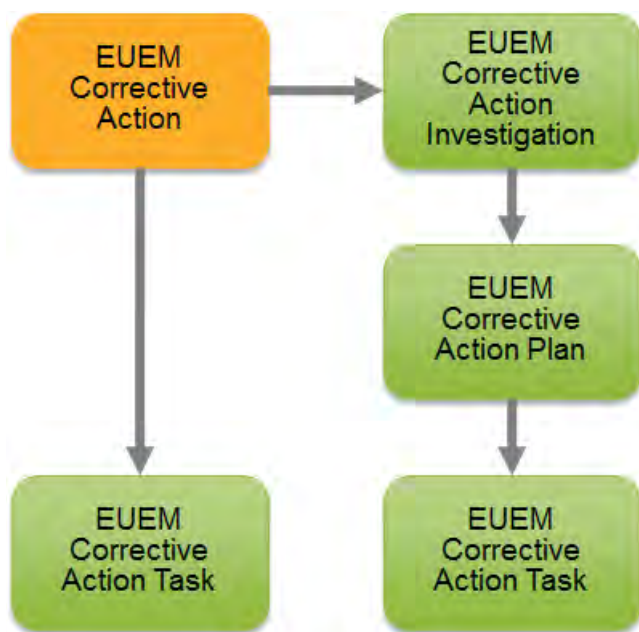
4.13 NERC Standards Update Service

The NERC Standards Update Service provides, on a monthly schedule, an import spreadsheet which includes updates to NERC Standards.

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5 Dashboards

5.1 Reliability Compliance - ER

The Reliability Compliance dashboard provides visibility of the NERC & Regional Standards and allows the user to add a new standard.

Charts at the bottom of the screen provide visibility to activities relating to compliance with those standards.
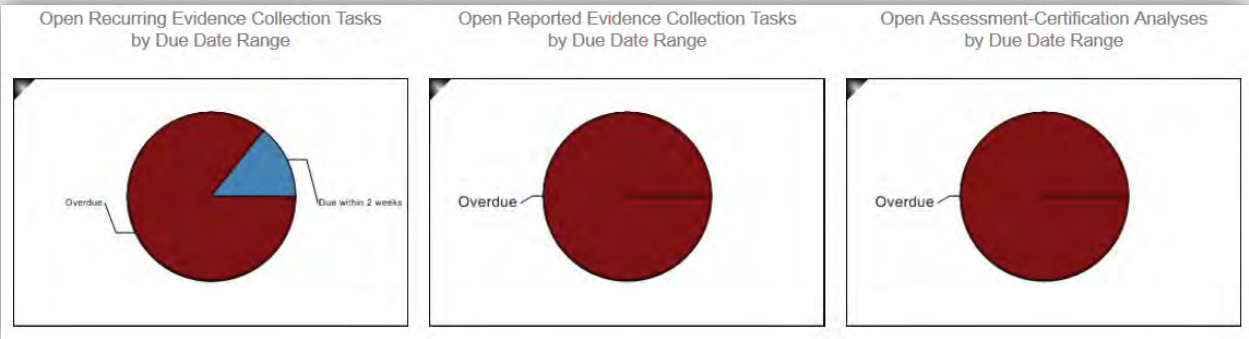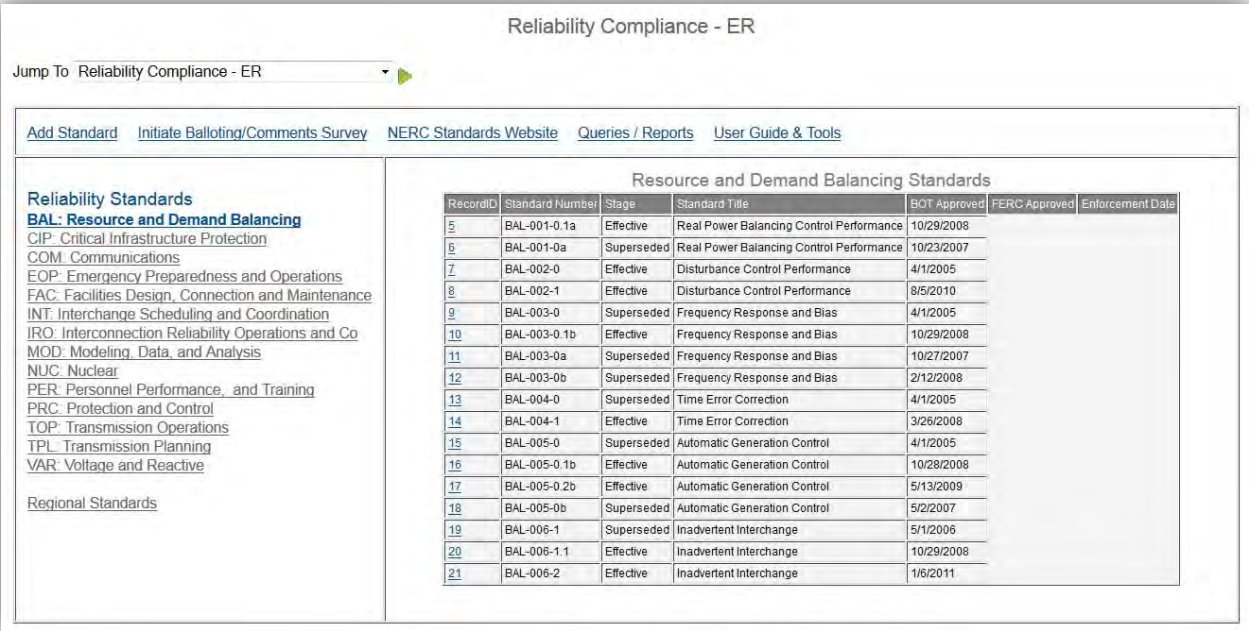
5.2 My Home Page - ER

This is intended to be the home page for all users. It provides focused information on the activities that the user is assigned.

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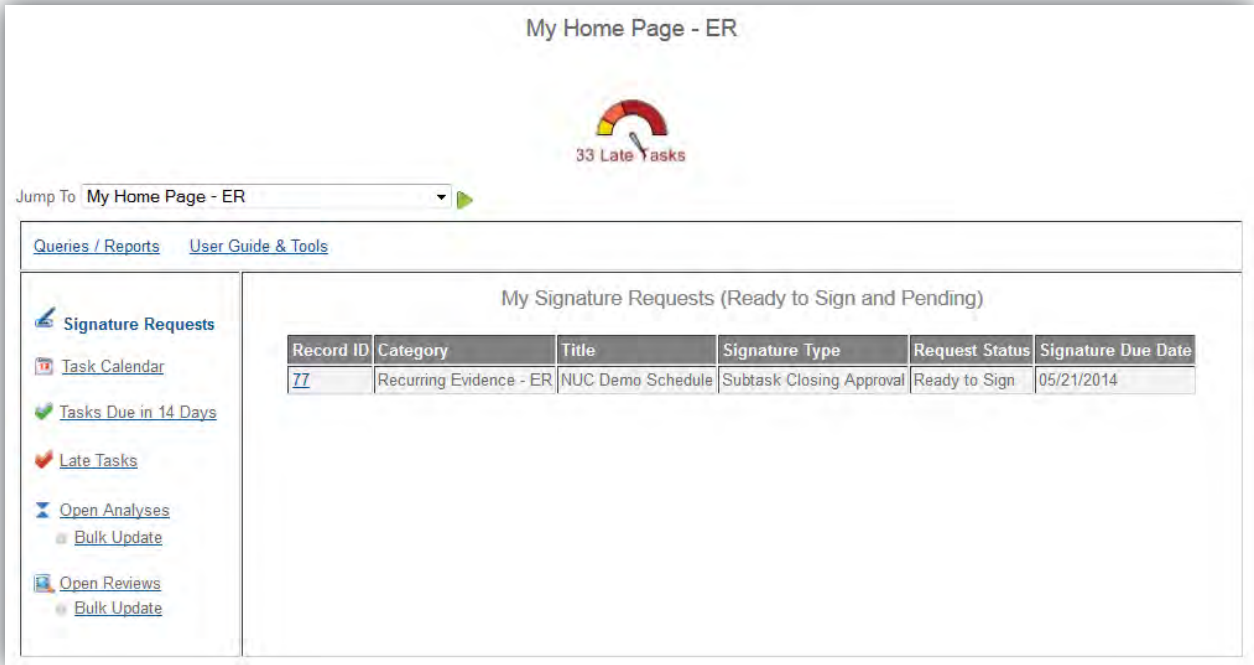
5.3 Compliance Management - ER

The Compliance Management - ER dashboard provides visibility to open compliance tasks for all users.

The Evidence Folders link provides a filterable data table of all Evidence Folder records.

The Applicable Standards link provides a filterable data table of all Standard records.

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5.4 Document Management

The EUEM Document Management dashboard is to view and manage all Non-Recurring Evidence.
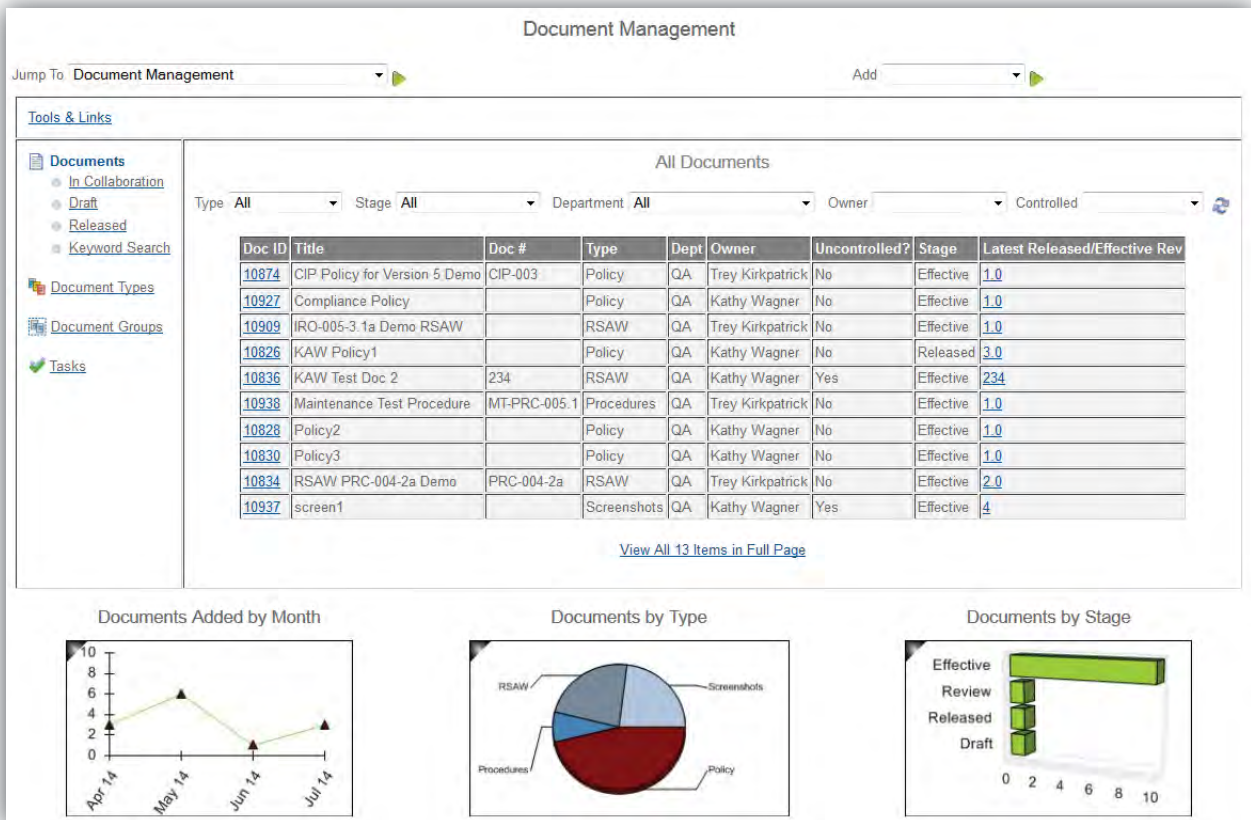
5.5 Non-Recurring Evidence Management - ER

The Non-Recurring Evidence Management dashboard is another way to view Documents and related records from a EUEM perspective.

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5.6   Recurring Evidence Management - ER

The Recurring Evidence Management dashboard provides visibility of Recurring Evidence Schedules, Tasks, and collected Evidence.

The Task Calendar includes both existing Evidence Collection Tasks as well as the next Scheduled Collection Task.

5.7   Reported Evidence Management - ER

The Reported Evidence Management dashboard provides visibility of Reported Evidence Schedules, Tasks, and collected Evidence.

The Task Calendar includes both existing Evidence Collection Tasks as well as the next Scheduled Collection Task.

5.8 Assessment-Certification Management - ER

The Assessment-Certification Management dashboard provides visibility into assessment & certification compliance activities.

Note: The Periodic/Annual Review process, Self-Certification process, and Audit/Spot Check process are now part of the Assessment-Certification process.

5.9 Assignment Management - ER

The Assignment Management dashboard provides access to Analysis & Review Assignment matrices for Administrators.

5.10 EUEM Corrective Action Dashboard

The EUEM Corrective Action Dashboard is part of the EUEM Corrective Action solution.

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6 Assumptions, Prerequisites, Understanding and Deliverables

6.1 Assumptions, Prerequisites and Understandings

This Statement of Work is based on the following Assumptions and Prerequisites:

- This SOW is based on the City of Columbia's implementation of the AssurX EUEM solution and its associated process as they presently operate Out of the Box (OOB). If the need for major modifications to those processes is uncovered during the workshop or further on during the project, AssurX reserves the option to review the project scope, price and delivery.

- The CATSWeb forms and their associated User Interface workflows will follow APSO best practices utilizing the AssurX Rapid Application Development methodology (ARAD) as outlined in this SOW.

- An important aspect of AssurX's involvement in this project is that the customer is relying on AssurX to use its CATSWeb implementation knowledge to optimize the end-user interface experience and usability of the processes.

- The majority of the process configurations will be performed by AssurX personnel in their local AssurX offices and then transferred to the customer's development environment by way of the CATSWeb Forms Manager and Upsize Wizard.

- Each assigned AssurX engineer will be provided access to the Customer's CATSWeb development environment in order to make minor configuration changes and perform remote testing of the CATSWeb processes during the configuration.

- The customer will assign one lead contact to act as the sole coordination interface with the assigned AssurX lead project engineer. The customer may assign as many individuals as it would like to be part of the definition and configuration effort. Our project schedule included in this SOW is not dependent upon the customer supplying any additional resources outside of the project lead. If the situation arises during the course of the project that City of Columbia must replace its originally assigned project lead with another individual, the customer agrees that the impact on the project will be evaluated by AssurX regarding project scope, timeline and pricing and changes may be forthcoming as a result.

- Any required validation protocol processes, user guides, help files or training materials required to train personnel will be produced by the customer and not included in this SOW.

- CATSWeb will not be integrated with any other external system under this SOW.

6.2 Deliverables

The tangible deliverables at the completion of the project as specified in this document are as follows:

- An operational Out of the Box (OOB) implementation of the AssurX Energy & Utilities Enterprise Management (EUEM) Solution on the City of Columbia's OnPremise CATSWeb production environment.

7 Process Configuration Methodology Overview

The process will be configured using the AssurX Rapid Application Development (ARAD) methodology. ARAD is designed to be a lightweight iterative configuration method that minimizes configuration cost and time to production.

Since CATSWeb consists of building blocks that are snapped together much like Lego's, we have developed the ARAD method to center on short interval process configuration iteration steps. The customer is provided the first iteration for testing and providing feedback for improvements of the second and final iteration.

ARAD consists of the following steps"

1. Project Kick-Off and Detailed Process Review (DPR)

2. Story Board Session

3. Customer Review - Iteration 1

4. Customer Review - Iteration 2

5. Final Acceptance

7.1 Step I - Project Kick-Off and Detailed Process Review (DPR)

The Detailed Process Review consists of a series of meetings typically lasting approximately 1-2 days. These meetings are preferably held as virtual Web meetings to minimize cost and expense of all team members traveling to a common location. These meetings are organized and lead by the AssurX project lead and typically include the customer's Compliance team, SME representatives and IT representatives. The focus of these meetings is to discuss in great detail the entire set of needs and requirements for the business process.

7.2 Step II - Story Board Session

After the DPR, AssurX configures the initial set of forms in CATSWeb. Upon creation of initial forms a storyboard session is conducted with the customer's team that consists of AssurX individuals walking through the forms and verbally illustrating how the workflow will be configured to operate.

7.3 Step III – Customer Review - Iteration 1

The first iteration consists of configuring the workflow automation as discussed in the Story Board Session. The customer's team is then supplied the process on their CATSWeb development environment and is asked to exercise the processes and record any alterations necessary for the process to operate as envisioned. The time to perform this review typically is 1-5 days. The customer would record the desired alterations and reviews them with the assigned project lead.

7.4 Step IV – Customer Review - Iteration 2

AssurX addresses those alterations identified in iteration 1 and provides the second iteration of the processes. The customer's team then repeats exercising of the processes, recording any additional alteration requests, and again AssurX reworks the process accordingly. The customer's team is again supplied the process on their CATSWeb development environment and is asked to exercise the processes and record any final alterations that may be necessary. The time to perform this review typically is 1-5 days.

AssurX anticipates that the second iteration change requests of the processes for final acceptance shall require only minor modifications.

7.5 Step V – Final Acceptance & Move to Production

AssurX implements the final requested changes and installs the process into the customer's CATSWeb development environment for sign-off. Upon final sign-off, AssurX will script up and move the processes to the customer's production environment.

8   Schedule & Pricing & Personnel

8.1   Schedule

We estimate the chronological time to complete the effort as defined in this SOW to be approximately 10 - 11 chronological weeks after receipt of order and the project is scheduled.

Actual project scheduling may occur up to 2 weeks after AssurX confirmation of order receipt. Although we anticipate adequate engineering capacity at this time, all delivery commitments are contingent upon receipt of prior orders and are subject to confirmation upon receipt of written purchase order.

The chronological estimate is based upon our experience of configuring similar processes for other AssurX customers. The schedule does not include any elements or chronological time for City of Columbia to develop procedures, help files, video files, training materials, user training or any other items that City of Columbia personnel may require in order to fulfill internal quality system requirements prior to deploying into production. Additionally it does not factor in variables outside of our control such as personal schedule availability, development environment problems, acts of nature, waiting on required information, task sign-off, etc.

8.2   Pricing & Terms

The execution of the scope of work identified in this proposal will be performed in accordance with the CATSWeb® Support & Services Agreement in force between AssurX, Inc. and the City of Columbia. All prices are in USD currency and are based upon the AssurX Sales Quotation (Section 9).

Payment terms for the AssurX EUEM Software and Installation Services portion are as follows:

- Installation Services net 30 days of completion.
- EUEM Software net 30 days from acceptance as defined in Section 6 of the Software License Agreement.

Payment terms for the AssurX Professional Services portion are as follows:

- 20% of complete order at receipt and confirmation of order.

- 35% upon installation of Iteration 1 on the City of Columbia CATSWeb Development environment.

- 35% upon installation of Iteration 2 on the City of Columbia CATSWeb Development environment.

- 10% upon Final Acceptance on the City of Columbia Production environment.

All invoices are payable net 30 days. Any required travel and living expenses are not included in this SOW and will be billed at cost. Pricing does not include any applicable local, state or federal taxes.

8.3   AssurX Personnel

The AssurX Project Leader will be Trey Kirkpatrick, the VP of Energy & Utilities. Trey will identify and coordinate any needed AssurX personnel as needed during this SOW.

9   *Sales Proposal*

			AssurX, Inc.
AssurX	**PRICING PROPOSAL - AssurX EUEM OnPremise**		18525 Sutter Boulevard, Suite 150
			Morgan Hill, CA 95037
			Tel: 408.778.1376 Fax: 408.776.1267
			www.assurx.com
			Revision 2.1

Company: City of Columbia, MO   **Date: December 2, 2015**
Company Contact: Melissa Pasley   **Proposal Effectivity: 90 days**

AssurX Contact: John J Moroney , VP of Sales
Phone: (408) 778-1376 X741 | Email: jmoroney@assurx.com

1.0	EUEM Application Software & Licensing	Qty	Unit price	Investment
	AssurX Concurrent User Licenses	5	$10,000	$50,000
	AssurX Energy & Utility Enterprise Management (EUEM) Including:	1	$20,000	$20,000
	Form Manager	1	Included	
	FDA Option	1	Included	
	Records Management	1	Included	
	Reports Options	1	Included	
	DocuServ	1	Included	
	EUEM NERC Standards Utility	1	Included	
	Forms Plus	1	Included	
	Microsoft SQL Server Version Only	1	Included	
	Full Text Search	1	Included	
	AssurX Download Site	1	Included	
	Sub-Total Application Software			**$70,000**

2.0	Available Processes and Optional Components	Qty	Unit Price	Investment
	Corrective Action Management Solution V7	1	Included	
	Supplier Quality Solution V7	1	Included	
	Manufacturing Quality Solution V7	1	Included	
	Customer Quality Solution V7	1	Included	
	Document Management Solution V7	1	Included	
	Audit Management Solution V7	1	Included	
	CA Request Solution V7	1	Included	
	Management Review Solution V7	1	Included	
	Training Management Solution V7	1	Included	
	EUEM Corrective Action	1	Included	
	EUEM PRC-005-2 Process	1	Included	
	Sub-Total Optional Components and Software			**$0**

3.0	Professional Services - Training, Onsite & Remote Consulting Assistance	Units	Unit Price	Investment
	Onsite Training - up to 10 students:			
	Administration/Configuration Part I (Units = Per Day)	0	$2,145	$0
	Administration/Configuration Part II (Units = Per Day)	0	$2,145	$0
	CATSWeb College Courses			
	CATSWeb College - Basic (Per Person) (Units = Per Day)	5	$935	$4,675
	CATSWeb College - Basic - Additional Students (Per Person) (Units = Per Day)	5	$660	$3,300
	Professional Services			
	Onsite Installation of CATSWeb Platform (2 systems)	0	$9,950	$0
	APSO Time and Material Services (Units = Per Hour) - Onsite Requirements Workshop	16	$250	$4,000
	APSO Time and Material Services (Units = Per Hour)	160	$250	$40,000
	Sub-Total Professional Services			**$51,975**

4.0	TOTAL for AssurX EUEM System			**$121,975**

5.0	Annual Support, Maintenance, and Upgrades	Qty	Unit Price	Investment
	Based on AssurX software license and options cost	20%		$14,000
	EUEM NERC Standards Update Service	1	$3,000	$3,000
	Sub-Total Support, Maintenance, and Upgrades			**$17,000**

General Notes, Terms and Conditions:
Prices are quoted in U.S. Dollars, subject to change after proposal expiration, and do not include any applicable sales or value-added taxes
Prices are in effect for 30 days after receipt of signed order or corporate purchase order if executed & received before proposal expiration
Payment terms are net 30 days.
Standard availability or delivery of Software is two weeks after receipt of the order.

Professional Services, Training & Consulting:
Proposed Professional Services do not include reasonable travel and living expenses.
Onsite APSO requires a minimum of two days onsite.
Customer and AssurX will agree to a mutually acceptable schedule for implementing professional services but at least 30 days advanced notice
Onsite Training is for a maximum of 10 people.

Software:
Reports Option support limited to supplied view and data links.

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John Moroney
DocuSigned By: John Moroney