

SERVICES AGREEMENT

This Services Agreement is entered into on [_____] ("Effective Date") by and between **RECTRAC, LLC d/b/a VERMONT SYSTEMS**, a Delaware limited liability company having its principal address at 12 Market Place, Essex Junction, VT 05452 ("VS," "Licensor," "we," "our," or "us") and the customer identified in Section 1 below ("Customer," "Licensee," "you" or "your") (each a "Party," and, collectively, the "Parties"). This Services Agreement, including all attachments, schedules, exhibits or Addenda referenced herein, shall collectively comprise the "Agreement" between you and us. Terms not defined below shall have the meanings as set forth in Section 1 of the Terms of Service.

1. CUSTOMER INFORMATION

Customer Name (Legal Entity)		Doing Business As (if applicable)
City of Merced, CA		
Office Address		
678 W. 18th Street, Merced, CA 95340		
Business Address (if business is located somewhere other than the office address)		
Customer's General Contact (for all matters under the Agreement)	General Contact Phone	General Contact Email
Michelle Reid	(209) 385-6895	reidm@cityofmerced.org
Customer's Billing Contact (for billing matters under the Agreement)	Billing Contact Phone	Billing Contact Email
Michelle Reid VS Customer Lead	(209) 385-6895 VS Lead Phone	reidm@cityofmerced.org VS Lead Email
Dave Wirtz	802-276-5447	davew@VermontSystems.com

2. TERM OPTIONS

Initial Term: 36 months. The Initial Term will commence on the first day of the month in which the software is implemented and will end 36 consecutive months later. This does not apply to the COLT increase.

Renewal Term(s): 12 months. Unless Customer provides written notice of cancellation at least 90 days prior to the end of the annual maintenance cycle, the Agreement will automatically renew for another 12-month term. **MIDTERM CANCELATIONS WILL NOT BE ACCEPTED.**

Software Maintenance and Support fees are billed annually and will become effective on your choice of **January 1, May 1, July 1, or October 1**. Our goal is to closely align the term with our Annual Maintenance cycle. The first year's invoice will be **prorated**, in your favor, **based** on the date you select below.

Please choose from the following Annual Maintenance Billing Dates:

- January 1
- May 1
- July 1
- October 1

***Note:** Only the first year of the maintenance subscription will be prorated. The prorated date will be from the first day of the month the software goes live to the Annual Maintenance Billing Cycle Date you choose.

3. SERVICES & FEES

Services and Fees are set forth in Attachment 1. All Fees will be due 30 days following invoice receipt.

3.a TAX EXEMPTION. The customer needs to mark the appropriate box.

<input type="checkbox"/> YES	Yes, we are exempt. <u>If yes, please provide a certificate or other documentation.</u>
<input checked="" type="checkbox"/> NO	No, we are not exempt.

4. PAYMENT SERVICES

<input checked="" type="checkbox"/>	Included	Customer is selecting VS to provide Payment Services and will enter into a separate Sub-Merchant Agreement with us, as the payment facilitator.
<input type="checkbox"/>	Not Included	Customer will be handling its own payment processing and payment services on its own or through another third-party payment services provider. We consider these services to be Third-Party Services for which we are not responsible or liable.

5. HOSTING

<input type="checkbox"/>	Customer Is Hosting Its Own Data	Customer is choosing to host its own data locally, on its own servers. VS is not liable for loss of Customer Data or any liability resulting from Customer's decision to host its own data.
<input checked="" type="checkbox"/>	VS Is Hosting Customer Data	VS is hosting Customer Data on VS-controlled servers. Terms relate to Data Hosting will apply.

6. TERMS OF SERVICE

Customer has received, understands and agrees to the VS Terms of Service.

7. PRIVACY & SECURITY

Customer has received, understands and agrees to the VS Privacy Policy.

8. ADDITIONAL ADDENDA

The following Addenda are included and made part of this Agreement:

- Terms of Service
- Service Level Agreement
- Hosting Addendum
- PayTrac Addendum
- Quote No. _____

Customer has read, understands and agrees to the terms of the Agreement as set forth herein on this ____ day of _____, 20XX ("Effective Date").

Customer:	Vermont Systems:
City of Merced, CA	RecTrac, LLC d/b/a Vermont Systems
By: D. Scott McBride Its: City Manager Date:	By: Patrick Hayden Its: President Date:

APPROVED AS TO FORM:
Craig Cornwell
City Attorney, City of Merced