

January 9, 2018

Fiscal Review Committee  
The Honorable Ken Yager, Chair  
The Honorable Mark White, Vice-Chair  
8<sup>th</sup> Floor, Rachel Jackson Bldg.  
320 Sixth Avenue North  
Nashville, TN 37243

To the Distinguished Members of the Fiscal Review Committee,

The Tennessee Department of Labor & Workforce Development requests an amendment to its current contract with Praeses, LLC. The contract relates to a web-based suite of regulatory software (Jurisdiction Online) which is currently in use by the Department for the inspection and licensing of boilers, elevators, and amusement devices. As the result of a recent acquisition the entity that provides this industry-standard software, Praeses Trusted Information Systems (Praeses, LLC) will be continuing its operations under the name Apteian, Inc.

The proposed amendment is intended only to change the contract over from the original legal entity name (Praeses) to the new legal entity name (Apteian). At this time we have determined no other changes are necessary to the current contract. More details about the merger are provided for your review with the enclosed submission packet. The Department is satisfied that the agreement will continue to meet our needs.

Sincerely,



Burns P. Phillips III  
Commissioner

Supplemental Documentation Required for  
Fiscal Review Committee

*Contact Name:	William Kemmer william.kemmer@tn.gov	*Contact Phone:	615-313-4714		
*Presenter's name(s):	William Kemmer william.kemmer@tn.gov				
Edison Contract Number: <i>(if applicable)</i>	56109	RFS Number: <i>(if applicable)</i>			
*Original or Proposed Contract Begin Date:	09/20/2017	*Current or Proposed End Date:	08/31/2022		
Current Request Amendment Number: <i>(if applicable)</i>	1				
Proposed Amendment Effective Date: <i>(if applicable)</i>	04/01/2018				
*Department Submitting:	Labor & Workforce Development				
*Division:	Workforce Regulations				
*Date Submitted:	01/26/2018				
*Submitted Within Sixty (60) days:	Yes				
<i>If not, explain:</i>	N/A				
*Contract Vendor Name:	Praeses, LLC (to be amended as "Aptean, Inc.")				
*Current or Proposed Maximum Liability:	\$693,350.00				
*Estimated Total Spend for Commodities:	N/A				
<b>*Current or Proposed Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)</b>					
FY:	FY:	FY:	FY:	FY	FY
\$357,350	\$84,000	\$84,000	\$84,000	\$84,000	\$84,000
<b>*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from Edison)</b>					
FY:	FY:	FY:	FY:	FY	FY
\$	\$	\$	\$	\$	\$
<b>IF</b> Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:			Contract was executed in September, with implementation currently taking place the Department has not yet made payment for FY 17.		
<b>IF</b> surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:			N/A		
<b>IF</b> Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding			N/A		

Supplemental Documentation Required for  
Fiscal Review Committee

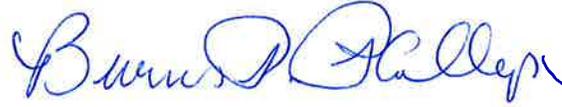
was acquired to pay the overage:			
*Contract Funding Source/Amount:			
State:	100%	Federal:	
<i>Interdepartmental:</i>		<i>Other:</i>	
If “ <i>other</i> ” please define:			
If “ <i>interdepartmental</i> ” please define:			
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
Method of Original Award: <i>(if applicable)</i>		Sole-Source Procurement	
*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?		\$693,350.00 We received pricing from the Vendor, based on fair market value.	
*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.		This was the only vendor who could provide the software necessary for Workforce Regulations in the licensing, regulation, and enforcement of boilers, elevators, and amusement equipment.	

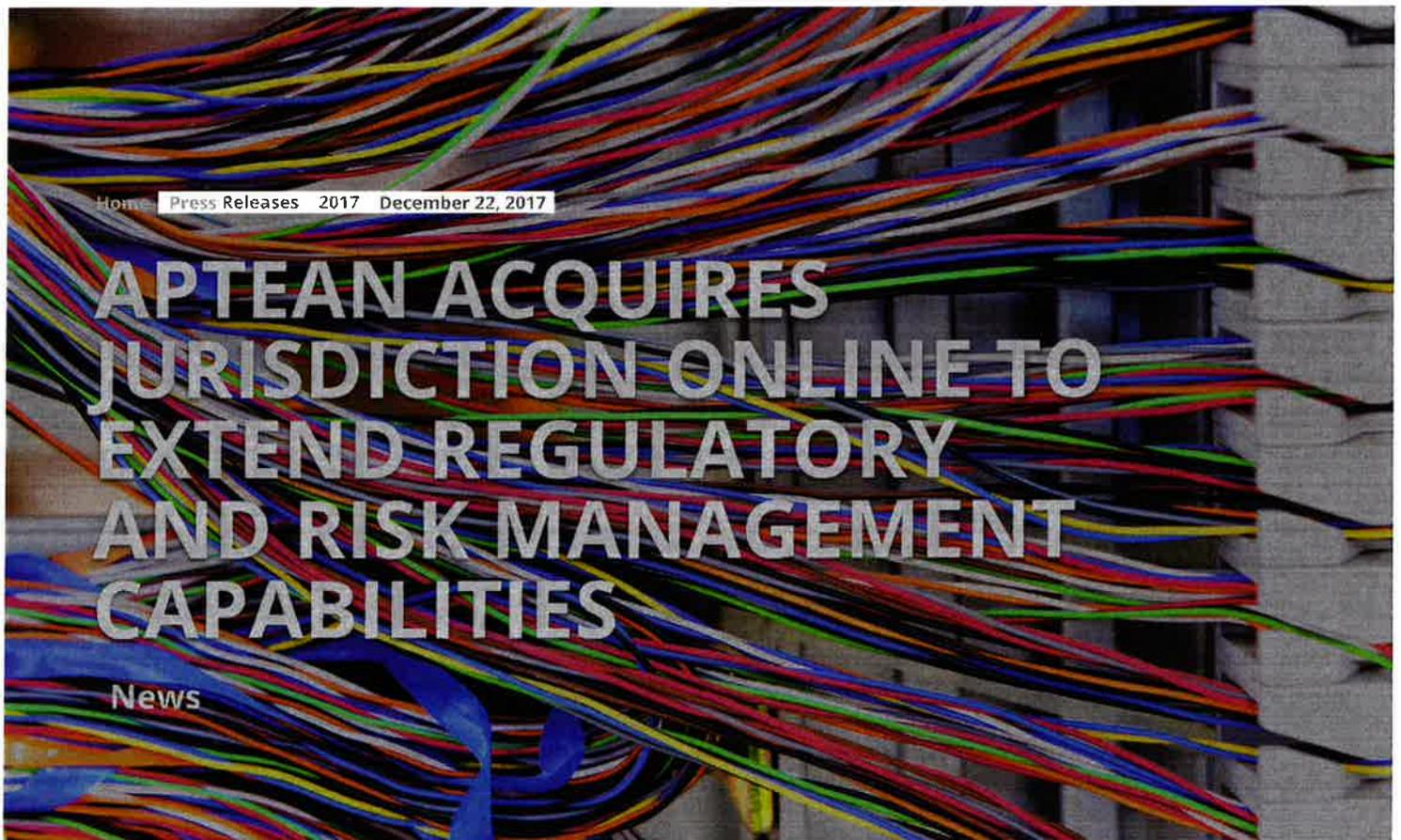
# Amendment Request

This request form is not required for amendments to grant contracts. Route a completed request, as one file in PDF format, via e-mail attachment sent to: [Agsprs.Agsprs@tn.gov](mailto:Agsprs.Agsprs@tn.gov)

<b>APPROVED</b>	
<b>CHIEF PROCUREMENT OFFICER</b>	<b>DATE</b>

<b>Agency request tracking #</b>	33701-10518	
<b>1. Procuring Agency</b>	Labor & Workforce Development	
<b>2. Contractor</b>	Praeses, LLC	
<b>3. Edison contract ID #</b>	56109	
<b>4. Proposed amendment #</b>	1	
<b>5. Contract's Original Effective Date</b>	09/20/2017	
<b>6. Current end date</b>	08/31/2022	
<b>7. Proposed end date</b>	No change	
<b>8. Current Maximum Liability or Estimated Liability</b>	\$ 693,350.00	
<b>9. Proposed Maximum Liability or Estimated Liability</b>	No change	
<b>10. Strategic Technology Solutions Pre-Approval Endorsement Request</b> <i>- information technology service (N/A to THDA)</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
<b>11. eHealth Pre-Approval Endorsement Request</b> <i>- health-related professional, pharmaceutical, laboratory, or imaging</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
<b>12. Human Resources Pre-Approval Endorsement Request</b> <i>- state employee training service</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
<b>13. Explain why the proposed amendment is needed</b>	Contractor name change from "Praeses, LLC." to "Aptean, Inc." as the result of a merger.	
<b>14. If the amendment involves a change in Scope, describe efforts to identify reasonable, competitive, procurement alternatives to amending the contract.</b>	N/A	

**Agency request tracking #****33701-10518****Signature of Agency head or authorized designee, title of signatory, and date** (the authorized designee may sign his or her own name if indicated on the Signature Certification and Authorization document)A handwritten signature in blue ink, appearing to read "Brenda D. Halley".



**Alpharetta, GA, December 22, 2017** — Aptean, a leading global provider of mission-critical enterprise software solutions, has acquired the Jurisdiction Online Division of Praeses, LLC, which offers a cloud-based suite of software products supporting regulatory and risk management workflows for many major insurance carriers and government entities.

“Jurisdiction Online provides a market-leading solution that supports the workflows of regulatory agencies and has many long-standing, loyal customers, particularly for its boiler and pressure vessel software,” said Aptean CEO Kim Eaton. “The division is a great strategic fit with our Public Sector group and we believe it offers significant growth potential among government agencies. We’re excited about the opportunity to build on the strong foundation the company has created and bring additional capabilities to Aptean.”

“Aptean offers considerable R&D and sales and marketing capabilities that should help us increase our already substantial customer base,” said Jurisdiction Online Director Jacques Couvillon, who has joined Aptean and will continue to lead the business. “We look forward to becoming part of the Aptean team and tapping into its leadership and expertise to bring our proven software solutions to customers both old and new.”

Jurisdiction Online supports regulatory code enforcement workflows, risk management workflows and jurisdictional accounting needs associated with regulatory activities. Its products are used by agencies in 31 states, more than 90 local jurisdictions and multiple Fortune 500 and private sector companies, including major insurers involved in the boiler and pressure vessel (BPV) market.

Jurisdiction Online's core BPV product supports the entire workflow – from initial permitting to recurring inspections and certification – for regulatory departments and insurance companies. The software suite also offers licensing, permitting, certification, inspection, scheduling, accounting and reporting functions for locations and regulated equipment, including explosives and mining, asbestos abatement, amusement park rides, cranes, wind turbines and elevators.

More than 40 employees of the Jurisdiction Online Division, headquartered in Shreveport, Louisiana, will join Aptean in the company's 15th acquisition since 2015. Financial terms of the sale will not be disclosed.

## ABOUT PRAESES

Offering proven and consistent business success through a unique combination of people, process, and results, Praeses is a leader in innovative software development and services. Its client base of local, national, and international organizations includes small businesses, Fortune 100 companies, state and local governments, and the Department of Defense. Employing a team of versatile professionals, Praeses offers an exceptional range of experience and expertise — aligning clients with its professionals to yield focused applications and solutions to business problems. To learn more, visit us at [www.praeses.com](http://www.praeses.com).

## ABOUT APTEAN

Aptean is a leading global provider of mission-critical enterprise software solutions. We build, acquire and integrate industry-focused solutions to support the evolving operational needs of our customers, enabling them to increase operational efficiencies and improve customer satisfaction and loyalty. To learn how Aptean can help your organization stay at the forefront of your industry, visit [www.aptean.com](http://www.aptean.com).

*Aptean is a trademark of Aptean, Inc. Praeses is a trademark of Praeses, LLC. All other company and product names may be trademarks of the respective companies with which they are associated.*

## FOR MORE INFORMATION

### Media Relations

Stephanie Zercher, Aptean

[stephanie.zercher@aptean.com](mailto:stephanie.zercher@aptean.com)

404-263-6762

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## CONTRACT AMENDMENT COVER SHEET

<b>Agency Tracking #</b> 33701-10518	<b>Edison ID</b> 56109	<b>Contract #</b> 33701-10217	<b>Amendment #</b> 1		
<b>Contractor Legal Entity Name</b> Aptean, Inc. (as amended)			<b>Edison Vendor ID</b> 169271		
<b>Amendment Purpose &amp; Effect(s)</b> Contractor name change					
<b>Amendment Changes Contract End Date:</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		<b>End Date:</b> 08/31/2018			
<b>TOTAL Contract Amount INCREASE or DECREASE per this Amendment</b> (zero if N/A):			<b>\$ 0</b>		
<b>Funding —</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
17	357,350.00				357,350.00
18	84,000.00				84,000.00
19	84,000.00				84,000.00
20	84,000.00				84,000.00
21	84,000.00				84,000.00
<b>TOTAL:</b>	<b>698,350.00</b>				
<b>American Recovery and Reinvestment Act (ARRA) Funding:</b> <input type="checkbox"/> YES <input type="checkbox"/> NO					
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.			<i>CPO USE</i>		
<b>Speed Chart</b> (optional)		<b>Account Code</b> (optional)			

**AMENDMENT 1  
OF CONTRACT 56109**

This Amendment is made and entered by and between the State of Tennessee, Department of Labor & Workforce Development, hereinafter referred to as the "State" and Aptean, Inc. (as amended herein), hereinafter referred to as the "Contractor." For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

E.12. Contractor Name. All references to "Original Legal Entity Name" shall be deleted and replaced with "New Legal Entity Name."

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective 03/15/2018. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

**IN WITNESS WHEREOF,**

**APTEAN, INC.:**

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**SIGNATURE**

**DATE**

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**PRINTED NAME AND TITLE OF SIGNATORY (above)**

**TENNESSEE DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT:**

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**BURNS P. PHILLIPS III, COMMISSIONER**

**DATE**



# CONTRACT

(fee-for-goods or services contract with an individual, business, non-profit, or governmental entity of another state)

<b>Begin Date</b> 09/20/2017	<b>End Date</b> 08/31/2022	<b>Agency Tracking #</b> 33701-10217	<b>Edison Record ID</b>
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<b>Contractor Legal Entity Name</b> Praeses, LLC	<b>Edison Vendor ID</b> 169271
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**Goods or Services Caption (one line only)**  
Software for the Inspection and Issuance of Permits for Elevators, Amusement Devices and Boilers/Pressure Vessels

<b>Contractor</b> <input checked="" type="checkbox"/> Contractor	<b>CFDA #</b>
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Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
FY 17	357,350.00				357,350.00
FY 18	84,000.00				84,000.00
FY 19	84,000.00				84,000.00
FY 20	84,000.00				84,000.00
FY 21	84,000.00				84,000.00
<b>TOTAL:</b>	693,350.00				693,350.00

**Contractor Ownership Characteristics:**

Minority Business Enterprise (MBE): African American, Asian American, Hispanic American, Native American

Woman Business Enterprise (WBE)

Tennessee Service Disabled Veteran Enterprise (SDVBE)

Tennessee Small Business Enterprise (SBE): \$10,000,000.00 averaged over a three (3) year period or employs no more than ninety-nine (99) employees.

Other: For Profit Out of State Organization

**Selection Method & Process Summary (mark the correct response to confirm the associated summary)**

Competitive Selection

Other

Praeses is the only vendor that can provide the software for the needs of the agency. They are the sole creator/owner for this service.

**Budget Officer Confirmation:** There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

*M. L. Butta 9/19/17*

**Speed Chart (optional)**

**Account Code (optional)**

**CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
DEPARTMENT OF LABOR AND WORKFORCE  
DEVELOPMENT  
AND  
PRAESES, LLC**

This Contract, by and between the State of Tennessee, Department of Labor and Workforce Development ("State") and Praeses, LLC ("Contractor" or "Praeses"), is for the provision of Jurisdiction Online Software ("JO") for Inspection and Issuance of Permits for Elevators, Amusement Devices and Boilers/ Pressure Vessels, as further defined in "SCOPE." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is a For-Profit Company.

Contractor Place of Incorporation or Organization: 330 Marshall Street, Ste., 800, Shreveport, LA 71101.  
Contractor Edison Registration ID # 169271

**A. SCOPE:**

- A.1. Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.
- A.2. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be the greater of the Term of this Contract or any other warranty general offered by Contractor, its suppliers, or manufacturers to customers of its goods or services. The goods or services provided under this Contract shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge.

Contractor represents and warrants that the State is authorized to possess and use all equipment, materials, software, and deliverables provided under this Contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to recover the fees paid to Contractor for the Defective goods or services. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

- A.3. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are Defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of services the State does not provide a notice of any Defects, the goods or services shall be deemed to have been accepted by the State.
- A.4. Definitions.

- a. **Data.** Data required by state laws and regulations to be entered into, stored in and communicated by JO as part of the State's boiler and pressure vessel safety program, elevator safety program, or amusement device program.
- b. **Inspection(s).** A physical evaluation of a Jurisdictional Object pursuant to the laws and regulations of the Jurisdiction, for the purpose of determining condition.
- c. **Insurance Carrier(s).** Insurance companies that insure, and may be responsible for inspecting, Jurisdictional Objects.
- d. **Jurisdiction Online or JO.** Internet-based Software application available to Jurisdictional authorities and Insurance Carriers involved with Jurisdictional Object Inspection and certification. JO will facilitate the State's operation of its boiler and pressure vessel safety program, elevator safety program, and amusement device safety program.
- e. **Jurisdiction Online Core Functionality.** Functionality to be provided under this Contract by the Contractor to the State in support of the State's Safety Programs. This functionality is configured to support processes defining the code enforcement activities relating to the State's Safety Programs. JO Core Functionality is described in Section A.8.
- f. **Jurisdiction Online Non-Core Functionality.** Functionality that will not be provided under this Contract by the Contractor to the State; however, the State can purchase Non-Core Functionality from the Contractor on mutually agreeable terms. JO Non-Core Functionality is described in Section A.9.
- g. **Jurisdictional Object or Object.** A boiler, pressure vessel, elevator, or amusement device that, according to state or local laws, must be periodically inspected for safety or other concerns.
- h. **Preprint.** Inspection worksheet that is pre-populated with information related to a particular location and/or its Objects.
- i. **Software.** Electronic information or coded instructions to a computer which comprise any part of JO created by the Contractor.
- j. **State Safety Programs – collectively,** the State's boiler and pressure vessel, elevator, and amusement device safety programs.
- k. **Users.** Insurance Carriers, Jurisdictions and Owners of Jurisdictional Object(s) and their employees and/or agents who are authorized to use JO.

**A.5** Security of Information.

- a. As used herein, "Data" shall be defined as the information required by state laws and regulations to be entered into, stored in and communicated by JO as part of the State's boiler and pressure vessel safety program, elevator safety program, and amusement device safety program.
- b. The Contractor shall house all Data within the United States.
- c. All confidential Data must be encrypted in transit and at rest and in accordance with FIPS 140-2.
- d. Contractor processing environment must be ISO 27000, SOC 2 Type or FedRamp certified, and contractor must provide proof of certification on an annual basis.
- e. Payment module must be PCI DSS certified and must run in a PCI-DSS compliant environment.
- f. At the term of contract, all Data shall be supplied to State on media of their choosing.
- g. At the term of the contract or as specified by the State, the contractor will destroy State Data in accordance with NIST Special Publication 800-88.

**A.6** Services.

- a. JO Core Functionality will be provided by the Contractor to the State to support the regulatory workflows of the State's Safety Programs.
- b. The Contractor will provide maintenance services for JO. Maintenance on JO is scheduled

between the hours of 2:00 AM and 4:00 AM CST on weekdays and 1:00 AM and 5:00 AM CST on weekends to the extent reasonably practicable. Availability during the maintenance window may have no notice beyond this Contract. The Contractor shall make commercially reasonable efforts to provide the State with advance notice of any outage that is scheduled to occur outside of the maintenance window.

- c. Contractor's personnel shall conduct all training on use of JO. The Contractor will provide four days of initial training at a location provided by the State. Requests for additional training or training materials will be satisfied on a time and materials basis. Fees for additional training will be negotiated as part of the request and will be paid along with reasonable expenses incurred. Training will begin at the conclusion of the core functionality development, prior to the go-live date.
- d. The Contractor will provide telephone and email support during the hours of 7 a.m. to 6 p.m. (Central time), Monday through Friday, except U.S. Federal holidays. Free support is limited to the following:

Days after rollout	Hours of free support per month
Up to 30	100
31-60	80
61-90	60
91-120	40
121-150	20
150 and above	10

- e. The State may purchase additional support under a separate agreement at mutually acceptable terms and conditions.
- f. Contractor will provide the State with a complete copy of State Safety Programs' data. The method and frequency of data transfer will be determined by mutual agreement. The State shall be responsible for providing appropriate software and hardware to enable it to use the data provided. The State agrees that the services provided under this contract are subscription services for which the Contractor, at its discretion licenses, charges and receives compensation. Therefore, the State further agrees not to make copies, other than for archival purposes, or provide the data provided hereunder in a spreadsheet or other exploitable format to any third party without the prior written consent of the Contractor.

**A.7 Contractor Fees.**

- a. The State may choose any of the JO Non-Core Functionality described in Section A.9 for an additional fee for service which shall be negotiated and set out in a separate agreement and/or statement of work for the additional functionality.
- b. Should the State request functionality or reporting not included in JO Core Functionality, the fees and reimbursable expenses for such additional IT services, consulting and/or training shall be negotiated and set out in a separate agreement and/or statement of work. Contractor's then-current Hourly Rates as approved by the United States General Services Administration (GSA) shall apply to any requests for additional configuration or customization, or any subsequent Scopes of Work (SOW) for the duration of the Contract, and during any Renewal Period(s). The Contractor's current GSA Price List is available at <http://www.gsaelibrary.gsa.gov/>.

**A.8 Jurisdiction Online Core Functionality.**

JO Core Functionality is functionality to be provided under this Contract by the Contractor to the State in support of State Safety Programs. JO Core Functionality is outlined in the following section. This functionality is configured to support processes defining the code enforcement activities relating to State Safety Programs.

- a. The Location Module will be deployed for the State's Elevator and Boiler Safety Programs. The Location Module allows Users to create and manage the physical location of boilers, pressure vessels, and elevators. The Location Module also allows users to create and manage contacts (businesses or individuals) that serve a role at the location such as the

invoice contact, certificate contact, or primary contact. The Location Module's current features include:

1. Add a new location to the system
2. Search for existing locations, boilers, pressure vessels and elevator objects, including overdue objects
3. Generate reports from search results
4. Print an Inspection worksheet for the field inspector or third party to take with them to the Inspection to capture Inspection data
5. Edit or update location information in real time
6. Standardize submitted addresses utilizing US Postal Service Zip+4 address validation software
7. Modify Insurance for boilers or pressure vessels
  - Insurance coverage can be managed at both the location and object level. The communication of issuance of new policies and discontinuance of old coverage occurs electronically in real time.
8. Shared contacts are implemented to allow Users to associate a single contact with multiple locations, permits, invoices, etc. 'Primary', 'Owner', 'Invoice To' and 'Certificate To' contacts can be configured for each location.

b. The Object Module will be deployed for the State's Elevator and Boiler Safety Programs. The Object Module allows Users to create and manage boilers, pressure vessels, and elevators in JO. The Object Module's current features include:

1. Add a new object to a location
2. Edit or update object information
3. Ability to add object comments
4. Search for existing objects using a variety of object characteristics
5. Generate reports from search results
6. Allow inspection schedules to be added and updated
7. Add repairs, tests or variances to objects
8. Move objects from one location to another

c. The Inspection Module will be deployed for the State's Elevator and Boiler Safety Programs. The Inspection Module allows Users to create and update inspections for boilers, pressure vessels, and elevators in JO. The Inspection Module's current features include:

1. Add a new Inspection to the system
2. Search for existing Inspections in the system
3. Print completed Inspection data (forms) from the system

Examples of Inspection data supported include but are not limited to:

1. Inspector
2. Date inspected
3. Inspection type
4. Certificate posted (Y/N)
5. Tests performed
6. Conditions explained to
7. Ability to add inspection comments

d. The Violations Module will be deployed for the State's Elevator and Boiler Safety Programs. The Violations Module in JO allows violations to be added to boilers, pressure vessels, and elevators within the context of an Inspection (keyed into JO from the Inspection entry screen) or outside of the context of the Inspection (keyed into JO from the object edit screen). The Violations Module's current features include:

1. Add code violations to the system
2. Edit violations

3. Search for violations by status (open, closed)
4. Ability to add violation data
5. Ability to search and edit violation data
6. Ability to close violations upon notification from field inspector that violation issues are resolved.

Examples of violation data supported include but are not limited to:

1. Code category, and sub category
  2. Status
  3. Resolve by date
  4. Condition (optionally predefined template text)
  5. Requirement (optionally predefined template text)
  6. Comments
- e. The JO Amusement Device Module will be deployed for the State's Amusement Device Safety Program. The JO Amusement Device Module allows Users to add and manage companies that own amusement devices, add and manage the amusement devices, create events where the amusement devices will be played, and add inspections performed on the amusement devices. The JO Amusement Device Module's current features include:
1. Add a new amusement device to JO
  2. Edit or update amusement device information
  3. Ability to add a new company to JO
  4. Edit or update company information
  5. Ability to create events where amusement devices will play
  6. Ability to add inspections to amusement devices
  7. Search for existing amusement devices, companies, or events using a variety of characteristics
  8. Generate reports from search results
- f. The Accounting Module will be deployed for the State's Safety Programs. The Accounting Module allows users to perform accounts receivable functions including invoicing for fees, adding payments and associating the payment to invoices, and generating reports. The Accounting Module's current features include:
1. Add permit, license, inspection, and certificate fees
  2. Add ad hoc fees
  3. Ability to generate invoices and 2nd notice invoices
  4. Ability to enter payments for the invoices
- g. The JO Permitting Module will be deployed for the State's Elevator and Boiler Safety Programs. The Permitting Module can be utilized to register and account for new equipment being installed or changes to existing equipment currently installed in the state. The Permitting Module's current features include:
1. Ability to add a new permit to the system for boilers, pressure vessels, and elevators
  2. Search for existing permits
  3. Ability to auto-generate permit numbers
  4. Ability to apply the appropriate fees for permits
  5. Ability to associate an existing JO location to a permit
  6. Ability to search and edit permit data
  7. Ability to invoice for permits if payment not submitted with application
  8. Ability to immediately apply payment when entering new installation or alteration permit data
  9. Ability to search and edit invoices and payments associated with permits
  10. Ability to print permit letters indicating approval or rejection reasons

11. Automated management of permit status upon printing of permit letters  
The data managed in the permit module is defined during requirements gathering. JO is then configured to support these data fields during the implementation phase. Examples of permit data currently supported include but are not limited to:

1. Type
2. Permit #
3. Contractor/Installer
4. Discipline specific fields including manufacturer, specific location, machine type, power, control type, etc.

h. The JO Licensing Module will be deployed for the State's Elevator Safety Program. The Licensing Module can be used to register and account for individuals and businesses performing work in the jurisdiction for the State's Elevator Safety program. The Licensing Module's current features include:

1. Ability to enter individual, business and license application data for different license types
2. Ability to Auto-generate license numbers in State specified format
3. Ability to apply the appropriate fees to each license type
4. Ability to search and edit individual, business, and license data
5. Ability to renew licenses and update individual, business and license data
6. Ability to re-print licenses and update individual, business and license data
7. Ability to invoice for licenses (initial, renewals, replacements)
8. Ability to print renewal notification letters for licenses about to expire where applicable
9. Ability to print licenses (initial, renewals, replacements) and support of different formats for Contractor vs. Individual licenses
10. Automated management of license status, start and expiration dates
11. Restricted access to confidential data such as tax ids and date of birth
12. Ability to associate employees with employer and update

i. The JO Portal will be deployed for the State's Elevator and Boiler Safety Programs. The JO Portal connects public stakeholders to the Jurisdictions that use JO by supporting searches for publicly accessible data and allowing the public to pay Jurisdictional invoices through online payments by integrating with the State's payment processor. JO's notification services allow Jurisdictions to distribute letters, notifications, and workflow outputs such as certificates to intended recipients via email where applicable. JO's core portal configuration supports basic location searches, provides notifications for emailing correspondence, allows the public to register a user account, includes integration with the State's payment processor to facilitate online payment, and completes the payment cycle by associating online payments with the appropriate invoice and marking the invoices as paid in JO. The JO Portal's current features include:

1. Configuring the visual styles and appearance of the JO Portal to match the Department of Labor and Workforce Development website
2. Integrating the portal payment module with the State's payment vendor
3. Allowing public users to search for locations
4. Allowing public users to register and manage accounts
5. Allow registered users to search for and pay invoices. An email notification system will alert registered users that invoices have been generated and are ready to be accessed and paid online. The email will be created through JO's invoice generation process and delivered via JO notification services. Once the payment is completed online, the payment will be processed in the State's AR module in JO.
6. Allow registered users to receive and view certificates when generated. Notification services will be used to email a PDF of the current certificate (if certificate criteria is met and the State desires delivery of the certificate via email).

- j. Document Management provides the ability to upload and associate documents, pictures, etc. to locations or objects. If an object is moved from one location to another, the documents associated with the object will remain associated with the object at the new location.
- k. Additional Modules that are part of the JO Core Functionality include:
  1. Saved Queries – searches can be saved from any search page in JO in the Saved Queries area of the homepage.
  2. Contact Management – contacts can be added to the system, associated with locations, searched for, and reported on in JO.
  3. User Management – Users of the system can be added/managed by the Jurisdiction.
  4. Online Help – JO has online, context sensitive help built into the system.
- l. Additional Features and Services of Jurisdiction Online:
  1. Electronic Submission / Re-submission. Users submit data using a web browser. If the State uses the Software to reject a report or request additional information, re-submission is through the same electronic interface.
  2. Data Conversion. The Contractor will convert existing equipment, location, and contact data as well as current or open invoices for the State's boiler, elevator and amusement device units during the data conversion process.
  3. Address Validation. Object location addresses are validated and compared to the US postal service database of known addresses to ensure accuracy and consistency.
  4. Manufacturer Validation. The manufacturer data field is validated against a list of known manufacturers.
  5. Online Maps / Routes. Clicking any address provides access to online maps and routes.
  6. Support Jurisdictional Forms. JO includes information regarding the location of the Inspected Object and will display the appropriate Jurisdictional data fields for the inspector. This includes the appropriate choices for each data field in a drop down list of choices.
  7. Change History. JO includes each material change that has occurred to the data since implementation of JO, including the User and date of the change.
- m. Reporting Suite
  1. JO includes a reporting suite to extract data from the system. The output from each search page can be directed to specific summary and detail reports. This feature allows the User to generate ad hoc reports for various date ranges, equipment types, etc.
  2. The following list of reports are available within JO which the State may use as appropriate to its business rules and regulations. The Contractor reserves the right to modify this list from time to time by adding, deleting or modifying reports, in its reasonable discretion.

Generic reports available in JO	Name
10001	User Summary
10002	User Detail
10011	Location By Insurance Company Report
10014	Open Violation Detail
10015	Open Violation Summary
10021	Certificates to Print - By Jurisdiction Nbr (Number)
10022	Certificates to Print - By Location

10023	Possible Incorrect Expiration Dates
10026	Overdue Inspection List
10029	Location Summary Report
10034	Payment Detail Report
10035	Payment Summary Report
10058	Objects Due Inspection - Summary Report
10060	Inspector Statistics
10076	Receipts Summary By Company
10078	Receipts Summary By Day
10079	Invoice Detail Report
10081	Accounts Receivable
10101	Refund Detail Report
10107	Inspectors Ordered By Commission Nbr (Number)
10109	Inspectors Ordered By Company
10111	Inspectors Ordered By Name
10113	Outstanding Reprint Requests
10119	Past Due Inspections By Company-Summary Report
10131	Inspections Keyed - Detail
10133	Inspections Keyed - Summary
10139	Voided Invoice Report
10153	AR Aging Report
10165	Object Summary by Size
10167	Object Totals by Company
10174	Contact Item Change
10214	Certificate Debug Report
10232	Location Objects Detail With All Contacts Report
10235	Rejected Review Items Report
10247	Object List By Contact
10254	Fee Review Report
10284	Invoice Items by Fee Code - Detail
10285	Invoice Items by Fee Code - Summary
10290	Location Detail Report By Policy
10300	Payments Deleted Detail Report
10332	Workload Estimation
10527	Print Inspections
10546	Jurisdiction Number Allocation Report
10551	Contact Summary Report

10552	Contact Detail Report
10562	Invoice Summary Report
10563	General Ledger Invoice Adjustments
10564	General Ledger Invoice Details
10565	General Ledger Invoice Applied Payments
10566	General Ledger Invoice Accounts Receivable
10567	General Ledger Invoice Transaction Summary
10607	Review Detail Report
10608	Company Rejected Review Item Report
10609	Rejection History Report
10715	Commissions About To Expire
10778	Violation Written and Closed Summary Report
10813	Active Object Summary Report
10818	Location Detail Report By Contact
10820	Accounts Receivable - 90 Days Past Due
10829	Certificates Printed by Date
10899	Rejected Review Items Report Ordered by Company
10924	Location Snapshot Report
10938	Inspections Reviewed – Summary
11036	New Object Summary Report
11037	Jurisdiction Number Ranges
11049	Applied Payments Summary
11056	Violation Statistics
11057	Violations Keyed By User - Detail
11060	Aging Open Violations By Company
11062	Violations Keyed By User - Summary
11150	New Locations Added
11228	AR Aging Report spreadsheet
11285	Inactive Boiler Invoice Detail Report
11289	Inspection Short Form
11344	Overdue Inspection List With Contacts
11500	NB Violations Report-1012 Form
11501	NB Violations Report with Detail-1012 Form
11573	NB4 - change of insurance notification spreadsheet
11574	Inspection Metrics
11590	Receipts Detail Report
11668	Unassigned Jurisdiction Numbers

11841	Receipts by Fee Code - Detail
11842	Receipts by Fee Code - Summary
11852	BPV Deleted Comments
11872	Violation Detail - Excel Export
11876	Certificate Debug Report - Excel
11880	Jurisdictional Stewardship
11882	Locations Downloaded for Offline Work
11901	Jurisdictional Stewardship Spreadsheet
11902	Object List Report
10032/10250/11847	Location Detail Report
10830/10922/11844	Location Detail With Comments And Contacts

**A.9 Jurisdiction Online Non-Core Functionality.**

Jurisdiction Online Non-Core Functionality is functionality that will not be provided under this Contract by the Contractor to the State; however, the State can purchase Non-Core Functionality from the Contractor on mutually agreeable terms.

JO screens, workflows, and functionality can be customized to optimize the State's efficiency opportunity through the use of the system. The customization can include the setup of proprietary information and solutions to support territories, scheduling, time and expense, correspondence and custom reports, among others. Modules currently supporting these work areas are as described below. All customizations shall be agreed to by both parties and the pricing for each customization shall be detailed in a separate statement of work.

**a. Territories**

Jurisdiction-specific territory information can be managed in JO to facilitate the work planning process. This includes adding information to State Safety Programs' work planning page to allow field inspectors to search for overdue objects/locations in their territory.

**b. Scheduling**

JO's scheduling module allows Users (Inspectors or admin personnel) to schedule inspection appointments on specific dates and times for locations and equipment requiring inspection. JO's scheduling module provides an "appointment dashboard" called the Manage My Scheduled Inspections page which allows the Inspector to view their scheduled appointments, run reports for scheduled locations/objects, and launch data entry screens to key completed inspections.

**c. Time and Expense**

JO screens can be set up to allow Jurisdictional inspectors to capture their time and expenses associated with Jurisdictional servicing in a manner that will allow the data to properly transition back to the Jurisdiction's internal systems. Miscellaneous time not associated with a specific location or inspection can be entered and managed in JO.

**d. Correspondence**

It is possible, using custom JO functionality, to create custom letter

templates that support letter writing processes.

e. Custom Reports

Proprietary information can be added to standard JO reports and custom reports can be added to JO to facilitate reporting requirements. This customization allows the Users to maximize the benefit of having Jurisdictional data available from JO.

f. Citation Module

The citations module in JO allows citations to be added to a location based on business rules configured to meet the State's specifications such as overdue equipment, past due invoices, or uncorrected violations.

Module features currently include:

1. Add citations to the system
2. Edit citations
3. Search for citations by status (open, closed)
4. Ability to add citation data
5. Ability to search and edit citation data
6. Ability to close citations upon notification from field inspectors that citation issues are resolved

Examples of citation data supported include but are not limited to:

1. Civil fines
2. Penalties
3. Docketed judgements

A.10 Excluded Services.

The services described below are specifically excluded from the Jurisdiction Online Service Agreement. **The Contractor shall not provide the following:**

**1) Technical Foundation**

- a) Provide a means for Users to access the Internet or other networks.
- b) Provide the hardware/software necessary to connect to JO.
- c) Provide any software/hardware necessary to use JO.
- d) Provide a printer or supplies required to print material generated through JO.

**2) Ongoing Operations**

- a) Be responsible for gathering or distributing data from JO to third parties (Preprints).
- b) Be responsible for setting up or updating User accounts once the initial accounts, groups and Jurisdictional administrative accounts have been established.

**3) Ongoing Support**

- a) Be responsible for entering, modifying, or interpreting any data on behalf of carriers or State personnel where a method for this action is provided in JO.
- b) Be responsible for accuracy of User changes made during the data entry process.
- c) Be responsible for training Users added after the initial training unless at the time of the request, the parties have agreed on the scope of the additional training and compensation to be paid.
- d) Provide free support to Users that have not been appropriately trained.

**4) System Functionality**

- a) Be responsible to develop additional functionality not specifically mentioned in the Contract without appropriate change control, specifications and compensation, to be determined by the parties at the time any such functionality outside the scope of the Contract shall be requested.
- b) Provide alternative methods for allowing data entry.
- c) Provide alternative methods for allowing access to the data.
- d) Be responsible for attending Jurisdiction meetings related to services that are not provided by the Contractor.
- e) Provide additional reports or functionality requested by Jurisdiction that is already provided by JO in a slightly different format.
- f) Provide custom integration, except by agreement evidenced by a separate contract providing change control and compensation.
- g) Provide custom and/or electronic integration with third parties except through JO. For example, JO does not provide electronic invoicing, electronic payment, or self-serve payments except through third-party subcontractors where the Jurisdiction has specifically contracted with the Contractor for this Non-Core Functionality that is identified in Section A.9.

**5) Rules and Collection**

- a) Be responsible for updating, modifying, or creating rules and regulations for Jurisdiction or for the State's Safety Programs.
- b) Be responsible for communicating, interpreting, or enforcing State Safety Programs' laws.
- c) Be responsible for creating, collecting, or enforcing any fees for Jurisdictions.

**Hardware and Software Requirements for JO**

Personal Computer with the following software installed and running:

Microsoft Internet Explorer, ver. 8.0 or higher

Adobe Acrobat Reader, ver. 7.0 or higher

Printer Access to Internet via broadband Internet connection.

**B. TERM OF CONTRACT:**

This Contract shall be effective on 09/20/2017 ("Effective Date") and extend for a period of sixty (60) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Six Hundred Ninety-Three Thousand Three Hundred and Fifty Dollars (\$693,350.00) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.
- C.2. Compensation Firm. The payment methodology in Section C.3 of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.
- C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A "Scope".

<b>Goods or Services Description</b>	<b>Amount (per compensable increment)</b>
Elevators Implementation (One time)	\$ 130,000
Elevators Maintenance (Annual)	\$ 30,000
Amusement Devices Implementation (One time)	\$ 95,000
Amusement Devices (Annual)	\$ 30,000
Permitting & Licensing Implementation (One time) (Boilers & Elevators)	\$ 23,500
Permitting & Licensing (Boilers & Elevators - Annual)	\$ 6,000
Public Portal Fee (Annual)	\$18,000
Customizations (unknown at this time)	\$24,850

- b. Purchase orders will be issued by State according to the following Milestones for the deployment of JO for each of the State Safety Programs, including Boiler, Elevator, Amusement Device, Portal and Permitting & Licensing. :

<b>Service Description</b>	<b>Amount</b>
Project Initiation / Kickoff – Elevators	\$26,000
Gather and Document Requirements / Training – Elevators	\$19,500
UAT - Elevators	\$13,000
Data Conversion – Elevators	\$26,000
Go Live – Elevators	\$32,500
Post Implementation Review – Elevators	\$13,000

<b>Service Description</b>	<b>Amount</b>
Project Initiation / Kickoff – Amusement Devices	\$19,000
Gather and Document Requirements / Training – Amusement Devices	\$14,250
UAT - Amusement Devices	\$ 9,500
Data Conversion – Amusement Devices	\$19,000
Go Live – Amusement Devices	\$23,750
Post Implementation Review – Amusement Devices	\$ 9,500

<b>Service Description</b>	<b>Amount</b>
Project Initiation / Kickoff – Permitting	\$ 4,700
Gather and Document Requirements / Training – Permitting	\$ 3,525
UAT - Permitting	\$ 2,350
Data Conversion – Permitting	\$ 4,700
Go Live – Permitting	\$ 5,875
Post Implementation Review – Permitting	\$ 2,350

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- C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.
- C.5. Invoice Requirements. The Contractor shall invoice the State only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3., above. Contractor shall submit invoices and necessary supporting documentation, no more frequently than once a month and no later than thirty (30) days after a Milestone has been achieved to the following address:

TN Dept. of Labor and Workforce Development  
ATTN: Accounts Payable  
220 French Landing Drive -4A  
Nashville, TN 37243

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
- (1) Invoice number (assigned by the Contractor);
  - (2) Invoice date;
  - (3) Contract number (assigned by the State);
  - (4) Customer account name: TN. Dept. of Labor and Workforce Development - Workplace Regulations
  - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
  - (6) Contractor name;
  - (7) Contractor State Edison registration ID number;
  - (8) Contractor contact for invoice questions (name, phone, or email);
  - (9) Contractor remittance address;
  - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
  - (11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
  - (12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
  - (13) Amount due for each compensable unit of good or service; and
  - (14) Total amount due for the invoice period.
- b. Contractor's invoices shall:
- (1) Only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Section C;
  - (2) Only be submitted for goods delivered or services completed and shall not include any charge for future goods to be delivered or services to be performed;
  - (3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
  - (4) Include shipping or delivery charges only as authorized in this Contract.
- c. The timeframe for payment (or any discounts) begins only when the State is in receipt of an invoice that meets the minimum requirements of this Section C.5.

- C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.
- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State, any amounts that are or shall become due and payable to the State by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.
- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State, may be made by ACH; and
  - b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

**D. MANDATORY TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable state laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Julie Lee / Procurement  
Tennessee Department of Labor and Workforce Development - Workplace Regulations  
Division 220 French Landing Drive 4-B Nashville, TN 37243  
Julie.Lee@tn.gov  
Telephone # 615-532-1244  
FAX # 615-741-3002

The Contractor:

Jacques Couvillon  
330 Marshall Street, Suite 800  
Shreveport, LA 71101  
jacques.couvillon@praeses.com  
Telephone # 318-841-3133  
FAX # 318-213-8137  
Copy to: General Counsel

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.
- D.5. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.
- D.6. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.

- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the State of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment 1, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
- b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
- c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
- d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
- e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration

laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.

- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless for any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended. Except as set forth below, in no event will the Contractor be liable to the State or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental,

punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death.

- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.

- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
- b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
- c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
- d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

- D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System ("TCRS"), provides that if a retired member of TCRS, or of any

superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8- 35-101, et seq., accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.

- D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.
- D.23. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the

State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.

- D.25. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the performance of this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 407.
- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
  - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below),
  - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
  - d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
  - e. any technical specifications provided to proposers during the procurement process to award this Contract; and
  - f. the Contractor's response seeking this Contract.
- D.31. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101 et.seq., addressing contracting with persons with investment activities in Iran, shall be a material provision of this Contract. The Contractor agrees, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.
- E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All materials and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under the state or federal law shall be regarded as "Confidential Information." Nothing in this section shall permit to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of the Contract.

- E. 3. Prohibited Advertising or Marketing. The Contractor shall not suggest or imply in advertising or marketing materials that the Contractor's goods or services are endorsed by the State. The restrictions on Contractor advertising or marketing under this Section shall survive the termination of this Contract.
- E.4. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of an agency, a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
  - b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure From to Report Lobbying", in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C § 1352.

- E.5. Intellectual Property. The Contractor agrees to indemnify and hold harmless the State as well as its officers, agents, and employees from and against any and all claims or suits, which may be brought against the State concerning or arising out of any claim or an alleged patent, copyright, trade secret, other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgement, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give notice shall only relieve Contractor of its obligations under this Section to the extent the Contractor can

demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.

**E.6** Personally Identifiable Information. While performing its obligations under this Contract, the Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purpose of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in such breach of any Privacy Laws. Contractor shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to its employees, agents and representatives where the purpose of such disclosure is not known to the Contractor or its employees, agents and representatives. The State reserves the right to review the Contractor's policies and procedures used to maintain the security and confidentiality of PII and the Contractor shall, and cause its employees, agents or representatives to, comply with all reasonable requests or directions from the State to enable the State to verify and/or procure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of PII.

The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of the Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to the State under this Contract or otherwise available by law.

**E.7** The State's Responsibilities.

- a. The State shall follow the user manuals provided with JO and shall use the proper protocol and priority to access customer support services provided herein.
- b. The State is solely responsible for the form, content, accuracy, completeness, and timeliness of the information it enters, or it provides for entry, into JO.
- c. The State shall reasonably fill all Freedom of Information Act or Open Records requests regarding or relating to State Safety Programs in a non-exploitable format, such as paper or protected PDF unless directed to do otherwise by a court of competent jurisdiction or other governing authority having jurisdiction over the State.

- d. The State shall take reasonable steps to maintain the confidentiality of its information, password(s) and the Contractor's proprietary Software, services and materials. The State shall immediately notify the Contractor of any unauthorized use of its registration or password(s). The State shall honor the confidential and proprietary nature of the system during the term and any renewals of this Contract and shall not, with respect to the State or to any Contractor client, on its own behalf or on behalf of any person, firm, partnership, association, corporation or business organization, entity or enterprise, or governmental jurisdiction perform services substantially similar to the services described herein, nor will it use the system for purposes other than expressly set forth herein, nor modify, sell or distribute works based on the Software or JO.

E.8 User Submissions.

- a. Contractor acts only as a venue and passive conduit for the online posting, distribution and publication of User-submitted information for State Safety Programs and is under no obligation to, and is not responsible for screening or monitoring material posted by Users.
- b. Contractor has no control over the data posted and therefore does not represent or guarantee the truthfulness, accuracy, completeness, timeliness or reliability of information or communications posted on JO by Users or endorse any opinions expressed by Users. Any reliance on material posted by other Users will be at the State's own risk.
- c. The State approves all Users authorized to post data on JO within Tennessee and assumes all risks associated with dealing with all Users it approves through JO. Because User authentication on the Internet is difficult, JO cannot and does not confirm that each User is who they claim to be.
- d. The State will take responsibility for ensuring the entry of data from inspecting agencies who are not directly responsible for entry into JO.
- e. Contractor is not and cannot be involved in User-to-User dealings or control the behavior of participants on JO.
- f. The State shall not take the following actions: infringe on another's intellectual property rights, post objectionable materials, post any advertisements, or post material that has the potential to damage or interfere with the operation of JO.
- g. If notified by a User of communications which allegedly do not conform to the terms of this Contract, the Contractor may investigate the allegation and determine in good faith and its sole discretion whether to remove or request the removal of communications which are abusive, illegal or disruptive. The Contractor reserves the right to expel Users and prevent their further access to JO for violating this Contract or the law. The Contractor may take any action with respect to User-submitted information that it deems necessary or appropriate in its sole discretion if it believes it may create liability for the Contractor or may cause the Contractor to lose (in whole or in part) the services of its ISPs or other suppliers or business of other Users or customers.
- h. JO may contain links to third party web sites. These links are provided solely as a convenience to the State and Users and not as an endorsement by the Contractor of the contents on any third-party web sites. Contractor is not responsible for the content of linked third-party sites and does not make any representations regarding the content or accuracy of materials on any third-party web sites. Users access linked third-party web sites at their own risk.
- i. Changes are periodically made to JO and may be made at any time.

E.9 Ownership of Data.

- a. The State owns the Data within JO which is posted there by the State or by an Insurance Carrier or other authorized User.
- b. Insurance Carriers may choose to post information in JO relating to Objects within Tennessee but for which information is not required by the State. An example includes the policy number of the policy of insurance issued by Insurance Carrier covering the insured Object. Such information, if posted in JO, is owned by the Insurance Carrier and not the State. The Contractor is not the owner of the data posted to JO, but is the owner of JO itself, including the patented concept it represents, the source and object code creating the Software, and the processes and training materials which are created pursuant to the JO system.
- c. The Contractor shall not sell Data without the express prior written consent of the State. However, JO is supported by subscriptions and such access for a fee shall not be deemed to be marketing or sale of the data.

E.10 Software License Warranty. Contractor grants a license to the State to use all software provided under this Contract in the course of the State's business and purposes. Notwithstanding any other terms of this Contract, if the State terminates this Contract in accordance with paragraphs D.4, D.5 or D.6, then the State shall not have a license to the JO Software, and the State shall not have the right to maintain or use an archival copy of the Software

E.11 General.

- a. The Contractor makes no claims that the materials posted on JO may be lawfully viewed or downloaded outside of the United States. Access to the materials may not be legal by certain persons or in certain countries. If the State accesses JO from outside of the United States, it does so at its own risk and is responsible for compliance with the laws of the appropriate Jurisdiction.
- b. This Contract constitutes the entire agreement between the State and the Contractor and terminates and supersedes all prior understandings or agreements with respect to the use of JO. This Contract shall not be amended, modified or extended, nor shall any waiver of any right hereunder be effective, unless set forth in a written instrument executed by both parties, specifically referencing the provision of this Contract to be amended, modified, extended or waived. The failure of either party to insist upon performance of any provision of this Contract, or to exercise any right, remedy or option provided herein, shall not be construed or deemed as a waiver of the right to assert any of the same at any time thereafter.
- c. Neither this Contract nor any interest in this Contract may be assigned by the State without the prior express written approval of the Contractor.
- d. Headings used in this Contract are provided for convenience only and shall not be used to construe meaning or intent.
- e. Each party represents to the other that it has full authority to enter into and secure performance of this Contract, and that the person signing this Contract on behalf of the party has been properly authorized to enter into this Contract. Each party further acknowledges that it has read this Contract and agrees to be bound by all of its terms, conditions, and provisions.

IN WITNESS WHEREOF,

Praeses, LLC

*Frank M. Auer*

CONTRACTOR SIGNATURE

*Frank M. Auer, CEO / General Manager*

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

TENNESSEE DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT:

*Burns P. Phillips III* 

BURNS P. PHILLIPS III, COMMISSIONER



## CONTRACT AMENDMENT COVER SHEET

<b>Agency Tracking #</b> 33701-10518	<b>Edison ID</b> 56109	<b>Contract #</b> 33701-10217	<b>Amendment #</b> 1		
<b>Contractor Legal Entity Name</b> Aptean, Inc. (as amended)			<b>Edison Vendor ID</b> 169271		
<b>Amendment Purpose &amp; Effect(s)</b> Contractor name change					
<b>Amendment Changes Contract End Date:</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		<b>End Date:</b> 08/31/2022			
<b>TOTAL Contract Amount INCREASE or DECREASE per this Amendment</b> (zero if N/A):			<b>\$ 0</b>		
<b>Funding —</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
17	357,350.00				357,350.00
18	84,000.00				84,000.00
19	84,000.00				84,000.00
20	84,000.00				84,000.00
21	84,000.00				84,000.00
<b>TOTAL:</b>	<b>698,350.00</b>				<b>698,350.00</b>
<b>American Recovery and Reinvestment Act (ARRA) Funding:</b> <input type="checkbox"/> YES <input type="checkbox"/> NO					
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.				<i>CPO USE</i>	
<b>Speed Chart</b> (optional)		<b>Account Code</b> (optional)			

**AMENDMENT 1  
OF CONTRACT 56109**

This Amendment is made and entered by and between the State of Tennessee, Department of Labor & Workforce Development, hereinafter referred to as the "State" and Aptean, Inc. (as amended herein), hereinafter referred to as the "Contractor." For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

E.12. Contractor Name. All references to "Original Legal Entity Name" shall be deleted and replaced with "New Legal Entity Name."

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective 04/01/2018. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

**IN WITNESS WHEREOF,**

**APTEAN, INC.:**

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**SIGNATURE**

**DATE**

---

**PRINTED NAME AND TITLE OF SIGNATORY (above)**

**TENNESSEE DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT:**

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**BURNS P. PHILLIPS III, COMMISSIONER**

**DATE**



# CONTRACT

(fee-for-goods or services contract with an individual, business, non-profit, or governmental entity of another state)

<b>Begin Date</b> 09/20/2017	<b>End Date</b> 08/31/2022	<b>Agency Tracking #</b> 33701-10217	<b>Edison Record ID</b>
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<b>Contractor Legal Entity Name</b> Praeses, LLC	<b>Edison Vendor ID</b> 169271
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**Goods or Services Caption (one line only)**  
Software for the Inspection and Issuance of Permits for Elevators, Amusement Devices and Boilers/Pressure Vessels

<b>Contractor</b> <input checked="" type="checkbox"/> Contractor	<b>CFDA #</b>
---	---------------

Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
FY 17	357,350.00				357,350.00
FY 18	84,000.00				84,000.00
FY 19	84,000.00				84,000.00
FY 20	84,000.00				84,000.00
FY 21	84,000.00				84,000.00
<b>TOTAL:</b>	693,350.00				693,350.00

**Contractor Ownership Characteristics:**

Minority Business Enterprise (MBE): African American, Asian American, Hispanic American, Native American

Woman Business Enterprise (WBE)

Tennessee Service Disabled Veteran Enterprise (SDVBE)

Tennessee Small Business Enterprise (SBE): \$10,000,000.00 averaged over a three (3) year period or employs no more than ninety-nine (99) employees.

Other: For Profit Out of State Organization

**Selection Method & Process Summary (mark the correct response to confirm the associated summary)**

Competitive Selection

Other

Praeses is the only vendor that can provide the software for the needs of the agency. They are the sole creator/owner for this service.

**Budget Officer Confirmation:** There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

*M. L. Butta 9/19/17*

Speed Chart (optional)

Account Code (optional)

**CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
DEPARTMENT OF LABOR AND WORKFORCE  
DEVELOPMENT  
AND  
PRAESES, LLC**

This Contract, by and between the State of Tennessee, Department of Labor and Workforce Development ("State") and Praeses, LLC ("Contractor" or "Praeses"), is for the provision of Jurisdiction Online Software ("JO") for Inspection and Issuance of Permits for Elevators, Amusement Devices and Boilers/ Pressure Vessels, as further defined in "SCOPE." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is a For-Profit Company.

Contractor Place of Incorporation or Organization: 330 Marshall Street, Ste., 800, Shreveport, LA 71101.  
Contractor Edison Registration ID # 169271

**A. SCOPE:**

- A.1. Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.
- A.2. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be the greater of the Term of this Contract or any other warranty general offered by Contractor, its suppliers, or manufacturers to customers of its goods or services. The goods or services provided under this Contract shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge.

Contractor represents and warrants that the State is authorized to possess and use all equipment, materials, software, and deliverables provided under this Contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to recover the fees paid to Contractor for the Defective goods or services. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

- A.3. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are Defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of services the State does not provide a notice of any Defects, the goods or services shall be deemed to have been accepted by the State.
- A.4. Definitions.

- a. **Data.** Data required by state laws and regulations to be entered into, stored in and communicated by JO as part of the State's boiler and pressure vessel safety program, elevator safety program, or amusement device program.
- b. **Inspection(s).** A physical evaluation of a Jurisdictional Object pursuant to the laws and regulations of the Jurisdiction, for the purpose of determining condition.
- c. **Insurance Carrier(s).** Insurance companies that insure, and may be responsible for inspecting, Jurisdictional Objects.
- d. **Jurisdiction Online or JO.** Internet-based Software application available to Jurisdictional authorities and Insurance Carriers involved with Jurisdictional Object Inspection and certification. JO will facilitate the State's operation of its boiler and pressure vessel safety program, elevator safety program, and amusement device safety program.
- e. **Jurisdiction Online Core Functionality.** Functionality to be provided under this Contract by the Contractor to the State in support of the State's Safety Programs. This functionality is configured to support processes defining the code enforcement activities relating to the State's Safety Programs. JO Core Functionality is described in Section A.8.
- f. **Jurisdiction Online Non-Core Functionality.** Functionality that will not be provided under this Contract by the Contractor to the State; however, the State can purchase Non-Core Functionality from the Contractor on mutually agreeable terms. JO Non-Core Functionality is described in Section A.9.
- g. **Jurisdictional Object or Object.** A boiler, pressure vessel, elevator, or amusement device that, according to state or local laws, must be periodically inspected for safety or other concerns.
- h. **Preprint.** Inspection worksheet that is pre-populated with information related to a particular location and/or its Objects.
- i. **Software.** Electronic information or coded instructions to a computer which comprise any part of JO created by the Contractor.
- j. **State Safety Programs – collectively,** the State's boiler and pressure vessel, elevator, and amusement device safety programs.
- k. **Users.** Insurance Carriers, Jurisdictions and Owners of Jurisdictional Object(s) and their employees and/or agents who are authorized to use JO.

**A.5** Security of Information.

- a. As used herein, "Data" shall be defined as the information required by state laws and regulations to be entered into, stored in and communicated by JO as part of the State's boiler and pressure vessel safety program, elevator safety program, and amusement device safety program.
- b. The Contractor shall house all Data within the United States.
- c. All confidential Data must be encrypted in transit and at rest and in accordance with FIPS 140-2.
- d. Contractor processing environment must be ISO 27000, SOC 2 Type or FedRamp certified, and contractor must provide proof of certification on an annual basis.
- e. Payment module must be PCI DSS certified and must run in a PCI-DSS compliant environment.
- f. At the term of contract, all Data shall be supplied to State on media of their choosing.
- g. At the term of the contract or as specified by the State, the contractor will destroy State Data in accordance with NIST Special Publication 800-88.

**A.6** Services.

- a. JO Core Functionality will be provided by the Contractor to the State to support the regulatory workflows of the State's Safety Programs.
- b. The Contractor will provide maintenance services for JO. Maintenance on JO is scheduled

between the hours of 2:00 AM and 4:00 AM CST on weekdays and 1:00 AM and 5:00 AM CST on weekends to the extent reasonably practicable. Availability during the maintenance window may have no notice beyond this Contract. The Contractor shall make commercially reasonable efforts to provide the State with advance notice of any outage that is scheduled to occur outside of the maintenance window.

- c. Contractor's personnel shall conduct all training on use of JO. The Contractor will provide four days of initial training at a location provided by the State. Requests for additional training or training materials will be satisfied on a time and materials basis. Fees for additional training will be negotiated as part of the request and will be paid along with reasonable expenses incurred. Training will begin at the conclusion of the core functionality development, prior to the go-live date.
- d. The Contractor will provide telephone and email support during the hours of 7 a.m. to 6 p.m. (Central time), Monday through Friday, except U.S. Federal holidays. Free support is limited to the following:

Days after rollout	Hours of free support per month
Up to 30	100
31-60	80
61-90	60
91-120	40
121-150	20
150 and above	10

- e. The State may purchase additional support under a separate agreement at mutually acceptable terms and conditions.
- f. Contractor will provide the State with a complete copy of State Safety Programs' data. The method and frequency of data transfer will be determined by mutual agreement. The State shall be responsible for providing appropriate software and hardware to enable it to use the data provided. The State agrees that the services provided under this contract are subscription services for which the Contractor, at its discretion licenses, charges and receives compensation. Therefore, the State further agrees not to make copies, other than for archival purposes, or provide the data provided hereunder in a spreadsheet or other exploitable format to any third party without the prior written consent of the Contractor.

**A.7 Contractor Fees.**

- a. The State may choose any of the JO Non-Core Functionality described in Section A.9 for an additional fee for service which shall be negotiated and set out in a separate agreement and/or statement of work for the additional functionality.
- b. Should the State request functionality or reporting not included in JO Core Functionality, the fees and reimbursable expenses for such additional IT services, consulting and/or training shall be negotiated and set out in a separate agreement and/or statement of work. Contractor's then-current Hourly Rates as approved by the United States General Services Administration (GSA) shall apply to any requests for additional configuration or customization, or any subsequent Scopes of Work (SOW) for the duration of the Contract, and during any Renewal Period(s). The Contractor's current GSA Price List is available at <http://www.gsaelibrary.gsa.gov/>.

**A.8 Jurisdiction Online Core Functionality.**

JO Core Functionality is functionality to be provided under this Contract by the Contractor to the State in support of State Safety Programs. JO Core Functionality is outlined in the following section. This functionality is configured to support processes defining the code enforcement activities relating to State Safety Programs.

- a. The Location Module will be deployed for the State's Elevator and Boiler Safety Programs. The Location Module allows Users to create and manage the physical location of boilers, pressure vessels, and elevators. The Location Module also allows users to create and manage contacts (businesses or individuals) that serve a role at the location such as the

invoice contact, certificate contact, or primary contact. The Location Module's current features include:

1. Add a new location to the system
2. Search for existing locations, boilers, pressure vessels and elevator objects, including overdue objects
3. Generate reports from search results
4. Print an Inspection worksheet for the field inspector or third party to take with them to the Inspection to capture Inspection data
5. Edit or update location information in real time
6. Standardize submitted addresses utilizing US Postal Service Zip+4 address validation software
7. Modify Insurance for boilers or pressure vessels
  - Insurance coverage can be managed at both the location and object level. The communication of issuance of new policies and discontinuance of old coverage occurs electronically in real time.
8. Shared contacts are implemented to allow Users to associate a single contact with multiple locations, permits, invoices, etc. 'Primary', 'Owner', 'Invoice To' and 'Certificate To' contacts can be configured for each location.

- b. The Object Module will be deployed for the State's Elevator and Boiler Safety Programs. The Object Module allows Users to create and manage boilers, pressure vessels, and elevators in JO. The Object Module's current features include:

1. Add a new object to a location
2. Edit or update object information
3. Ability to add object comments
4. Search for existing objects using a variety of object characteristics
5. Generate reports from search results
6. Allow inspection schedules to be added and updated
7. Add repairs, tests or variances to objects
8. Move objects from one location to another

- c. The Inspection Module will be deployed for the State's Elevator and Boiler Safety Programs. The Inspection Module allows Users to create and update inspections for boilers, pressure vessels, and elevators in JO. The Inspection Module's current features include:

1. Add a new Inspection to the system
2. Search for existing Inspections in the system
3. Print completed Inspection data (forms) from the system

Examples of Inspection data supported include but are not limited to:

1. Inspector
2. Date inspected
3. Inspection type
4. Certificate posted (Y/N)
5. Tests performed
6. Conditions explained to
7. Ability to add inspection comments

- d. The Violations Module will be deployed for the State's Elevator and Boiler Safety Programs. The Violations Module in JO allows violations to be added to boilers, pressure vessels, and elevators within the context of an Inspection (keyed into JO from the Inspection entry screen) or outside of the context of the Inspection (keyed into JO from the object edit screen). The Violations Module's current features include:

1. Add code violations to the system
2. Edit violations

3. Search for violations by status (open, closed)
4. Ability to add violation data
5. Ability to search and edit violation data
6. Ability to close violations upon notification from field inspector that violation issues are resolved.

Examples of violation data supported include but are not limited to:

1. Code category, and sub category
  2. Status
  3. Resolve by date
  4. Condition (optionally predefined template text)
  5. Requirement (optionally predefined template text)
  6. Comments
- e. The JO Amusement Device Module will be deployed for the State's Amusement Device Safety Program. The JO Amusement Device Module allows Users to add and manage companies that own amusement devices, add and manage the amusement devices, create events where the amusement devices will be played, and add inspections performed on the amusement devices. The JO Amusement Device Module's current features include:
1. Add a new amusement device to JO
  2. Edit or update amusement device information
  3. Ability to add a new company to JO
  4. Edit or update company information
  5. Ability to create events where amusement devices will play
  6. Ability to add inspections to amusement devices
  7. Search for existing amusement devices, companies, or events using a variety of characteristics
  8. Generate reports from search results
- f. The Accounting Module will be deployed for the State's Safety Programs. The Accounting Module allows users to perform accounts receivable functions including invoicing for fees, adding payments and associating the payment to invoices, and generating reports. The Accounting Module's current features include:
1. Add permit, license, inspection, and certificate fees
  2. Add ad hoc fees
  3. Ability to generate invoices and 2nd notice invoices
  4. Ability to enter payments for the invoices
- g. The JO Permitting Module will be deployed for the State's Elevator and Boiler Safety Programs. The Permitting Module can be utilized to register and account for new equipment being installed or changes to existing equipment currently installed in the state. The Permitting Module's current features include:
1. Ability to add a new permit to the system for boilers, pressure vessels, and elevators
  2. Search for existing permits
  3. Ability to auto-generate permit numbers
  4. Ability to apply the appropriate fees for permits
  5. Ability to associate an existing JO location to a permit
  6. Ability to search and edit permit data
  7. Ability to invoice for permits if payment not submitted with application
  8. Ability to immediately apply payment when entering new installation or alteration permit data
  9. Ability to search and edit invoices and payments associated with permits
  10. Ability to print permit letters indicating approval or rejection reasons

11. Automated management of permit status upon printing of permit letters  
The data managed in the permit module is defined during requirements gathering. JO is then configured to support these data fields during the implementation phase. Examples of permit data currently supported include but are not limited to:

1. Type
2. Permit #
3. Contractor/Installer
4. Discipline specific fields including manufacturer, specific location, machine type, power, control type, etc.

h. The JO Licensing Module will be deployed for the State's Elevator Safety Program. The Licensing Module can be used to register and account for individuals and businesses performing work in the jurisdiction for the State's Elevator Safety program. The Licensing Module's current features include:

1. Ability to enter individual, business and license application data for different license types
2. Ability to Auto-generate license numbers in State specified format
3. Ability to apply the appropriate fees to each license type
4. Ability to search and edit individual, business, and license data
5. Ability to renew licenses and update individual, business and license data
6. Ability to re-print licenses and update individual, business and license data
7. Ability to invoice for licenses (initial, renewals, replacements)
8. Ability to print renewal notification letters for licenses about to expire where applicable
9. Ability to print licenses (initial, renewals, replacements) and support of different formats for Contractor vs. Individual licenses
10. Automated management of license status, start and expiration dates
11. Restricted access to confidential data such as tax ids and date of birth
12. Ability to associate employees with employer and update

i. The JO Portal will be deployed for the State's Elevator and Boiler Safety Programs. The JO Portal connects public stakeholders to the Jurisdictions that use JO by supporting searches for publicly accessible data and allowing the public to pay Jurisdictional invoices through online payments by integrating with the State's payment processor. JO's notification services allow Jurisdictions to distribute letters, notifications, and workflow outputs such as certificates to intended recipients via email where applicable. JO's core portal configuration supports basic location searches, provides notifications for emailing correspondence, allows the public to register a user account, includes integration with the State's payment processor to facilitate online payment, and completes the payment cycle by associating online payments with the appropriate invoice and marking the invoices as paid in JO. The JO Portal's current features include:

1. Configuring the visual styles and appearance of the JO Portal to match the Department of Labor and Workforce Development website
2. Integrating the portal payment module with the State's payment vendor
3. Allowing public users to search for locations
4. Allowing public users to register and manage accounts
5. Allow registered users to search for and pay invoices. An email notification system will alert registered users that invoices have been generated and are ready to be accessed and paid online. The email will be created through JO's invoice generation process and delivered via JO notification services. Once the payment is completed online, the payment will be processed in the State's AR module in JO.
6. Allow registered users to receive and view certificates when generated. Notification services will be used to email a PDF of the current certificate (if certificate criteria is met and the State desires delivery of the certificate via email).

- j. Document Management provides the ability to upload and associate documents, pictures, etc. to locations or objects. If an object is moved from one location to another, the documents associated with the object will remain associated with the object at the new location.
- k. Additional Modules that are part of the JO Core Functionality include:
  1. Saved Queries – searches can be saved from any search page in JO in the Saved Queries area of the homepage.
  2. Contact Management – contacts can be added to the system, associated with locations, searched for, and reported on in JO.
  3. User Management – Users of the system can be added/managed by the Jurisdiction.
  4. Online Help – JO has online, context sensitive help built into the system.
- l. Additional Features and Services of Jurisdiction Online:
  1. Electronic Submission / Re-submission. Users submit data using a web browser. If the State uses the Software to reject a report or request additional information, re-submission is through the same electronic interface.
  2. Data Conversion. The Contractor will convert existing equipment, location, and contact data as well as current or open invoices for the State's boiler, elevator and amusement device units during the data conversion process.
  3. Address Validation. Object location addresses are validated and compared to the US postal service database of known addresses to ensure accuracy and consistency.
  4. Manufacturer Validation. The manufacturer data field is validated against a list of known manufacturers.
  5. Online Maps / Routes. Clicking any address provides access to online maps and routes.
  6. Support Jurisdictional Forms. JO includes information regarding the location of the Inspected Object and will display the appropriate Jurisdictional data fields for the inspector. This includes the appropriate choices for each data field in a drop down list of choices.
  7. Change History. JO includes each material change that has occurred to the data since implementation of JO, including the User and date of the change.
- m. Reporting Suite
  1. JO includes a reporting suite to extract data from the system. The output from each search page can be directed to specific summary and detail reports. This feature allows the User to generate ad hoc reports for various date ranges, equipment types, etc.
  2. The following list of reports are available within JO which the State may use as appropriate to its business rules and regulations. The Contractor reserves the right to modify this list from time to time by adding, deleting or modifying reports, in its reasonable discretion.

Generic reports available in JO	Name
10001	User Summary
10002	User Detail
10011	Location By Insurance Company Report
10014	Open Violation Detail
10015	Open Violation Summary
10021	Certificates to Print - By Jurisdiction Nbr (Number)
10022	Certificates to Print - By Location

10023	Possible Incorrect Expiration Dates
10026	Overdue Inspection List
10029	Location Summary Report
10034	Payment Detail Report
10035	Payment Summary Report
10058	Objects Due Inspection - Summary Report
10060	Inspector Statistics
10076	Receipts Summary By Company
10078	Receipts Summary By Day
10079	Invoice Detail Report
10081	Accounts Receivable
10101	Refund Detail Report
10107	Inspectors Ordered By Commission Nbr (Number)
10109	Inspectors Ordered By Company
10111	Inspectors Ordered By Name
10113	Outstanding Reprint Requests
10119	Past Due Inspections By Company-Summary Report
10131	Inspections Keyed - Detail
10133	Inspections Keyed - Summary
10139	Voided Invoice Report
10153	AR Aging Report
10165	Object Summary by Size
10167	Object Totals by Company
10174	Contact Item Change
10214	Certificate Debug Report
10232	Location Objects Detail With All Contacts Report
10235	Rejected Review Items Report
10247	Object List By Contact
10254	Fee Review Report
10284	Invoice Items by Fee Code - Detail
10285	Invoice Items by Fee Code - Summary
10290	Location Detail Report By Policy
10300	Payments Deleted Detail Report
10332	Workload Estimation
10527	Print Inspections
10546	Jurisdiction Number Allocation Report
10551	Contact Summary Report

10552	Contact Detail Report
10562	Invoice Summary Report
10563	General Ledger Invoice Adjustments
10564	General Ledger Invoice Details
10565	General Ledger Invoice Applied Payments
10566	General Ledger Invoice Accounts Receivable
10567	General Ledger Invoice Transaction Summary
10607	Review Detail Report
10608	Company Rejected Review Item Report
10609	Rejection History Report
10715	Commissions About To Expire
10778	Violation Written and Closed Summary Report
10813	Active Object Summary Report
10818	Location Detail Report By Contact
10820	Accounts Receivable - 90 Days Past Due
10829	Certificates Printed by Date
10899	Rejected Review Items Report Ordered by Company
10924	Location Snapshot Report
10938	Inspections Reviewed – Summary
11036	New Object Summary Report
11037	Jurisdiction Number Ranges
11049	Applied Payments Summary
11056	Violation Statistics
11057	Violations Keyed By User - Detail
11060	Aging Open Violations By Company
11062	Violations Keyed By User - Summary
11150	New Locations Added
11228	AR Aging Report spreadsheet
11285	Inactive Boiler Invoice Detail Report
11289	Inspection Short Form
11344	Overdue Inspection List With Contacts
11500	NB Violations Report-1012 Form
11501	NB Violations Report with Detail-1012 Form
11573	NB4 - change of insurance notification spreadsheet
11574	Inspection Metrics
11590	Receipts Detail Report
11668	Unassigned Jurisdiction Numbers

11841	Receipts by Fee Code - Detail
11842	Receipts by Fee Code - Summary
11852	BPV Deleted Comments
11872	Violation Detail - Excel Export
11876	Certificate Debug Report - Excel
11880	Jurisdictional Stewardship
11882	Locations Downloaded for Offline Work
11901	Jurisdictional Stewardship Spreadsheet
11902	Object List Report
10032/10250/11847	Location Detail Report
10830/10922/11844	Location Detail With Comments And Contacts

**A.9 Jurisdiction Online Non-Core Functionality.**

Jurisdiction Online Non-Core Functionality is functionality that will not be provided under this Contract by the Contractor to the State; however, the State can purchase Non-Core Functionality from the Contractor on mutually agreeable terms.

JO screens, workflows, and functionality can be customized to optimize the State's efficiency opportunity through the use of the system. The customization can include the setup of proprietary information and solutions to support territories, scheduling, time and expense, correspondence and custom reports, among others. Modules currently supporting these work areas are as described below. All customizations shall be agreed to by both parties and the pricing for each customization shall be detailed in a separate statement of work.

**a. Territories**

Jurisdiction-specific territory information can be managed in JO to facilitate the work planning process. This includes adding information to State Safety Programs' work planning page to allow field inspectors to search for overdue objects/locations in their territory.

**b. Scheduling**

JO's scheduling module allows Users (Inspectors or admin personnel) to schedule inspection appointments on specific dates and times for locations and equipment requiring inspection. JO's scheduling module provides an "appointment dashboard" called the Manage My Scheduled Inspections page which allows the Inspector to view their scheduled appointments, run reports for scheduled locations/objects, and launch data entry screens to key completed inspections.

**c. Time and Expense**

JO screens can be set up to allow Jurisdictional inspectors to capture their time and expenses associated with Jurisdictional servicing in a manner that will allow the data to properly transition back to the Jurisdiction's internal systems. Miscellaneous time not associated with a specific location or inspection can be entered and managed in JO.

**d. Correspondence**

It is possible, using custom JO functionality, to create custom letter

templates that support letter writing processes.

e. Custom Reports

Proprietary information can be added to standard JO reports and custom reports can be added to JO to facilitate reporting requirements. This customization allows the Users to maximize the benefit of having Jurisdictional data available from JO.

f. Citation Module

The citations module in JO allows citations to be added to a location based on business rules configured to meet the State's specifications such as overdue equipment, past due invoices, or uncorrected violations.

Module features currently include:

1. Add citations to the system
2. Edit citations
3. Search for citations by status (open, closed)
4. Ability to add citation data
5. Ability to search and edit citation data
6. Ability to close citations upon notification from field inspectors that citation issues are resolved

Examples of citation data supported include but are not limited to:

1. Civil fines
2. Penalties
3. Docketed judgements

A.10 Excluded Services.

The services described below are specifically excluded from the Jurisdiction Online Service Agreement. **The Contractor shall not provide the following:**

**1) Technical Foundation**

- a) Provide a means for Users to access the Internet or other networks.
- b) Provide the hardware/software necessary to connect to JO.
- c) Provide any software/hardware necessary to use JO.
- d) Provide a printer or supplies required to print material generated through JO.

**2) Ongoing Operations**

- a) Be responsible for gathering or distributing data from JO to third parties (Preprints).
- b) Be responsible for setting up or updating User accounts once the initial accounts, groups and Jurisdictional administrative accounts have been established.

**3) Ongoing Support**

- a) Be responsible for entering, modifying, or interpreting any data on behalf of carriers or State personnel where a method for this action is provided in JO.
- b) Be responsible for accuracy of User changes made during the data entry process.
- c) Be responsible for training Users added after the initial training unless at the time of the request, the parties have agreed on the scope of the additional training and compensation to be paid.
- d) Provide free support to Users that have not been appropriately trained.

**4) System Functionality**

- a) Be responsible to develop additional functionality not specifically mentioned in the Contract without appropriate change control, specifications and compensation, to be determined by the parties at the time any such functionality outside the scope of the Contract shall be requested.
- b) Provide alternative methods for allowing data entry.
- c) Provide alternative methods for allowing access to the data.
- d) Be responsible for attending Jurisdiction meetings related to services that are not provided by the Contractor.
- e) Provide additional reports or functionality requested by Jurisdiction that is already provided by JO in a slightly different format.
- f) Provide custom integration, except by agreement evidenced by a separate contract providing change control and compensation.
- g) Provide custom and/or electronic integration with third parties except through JO. For example, JO does not provide electronic invoicing, electronic payment, or self-serve payments except through third-party subcontractors where the Jurisdiction has specifically contracted with the Contractor for this Non-Core Functionality that is identified in Section A.9.

**5) Rules and Collection**

- a) Be responsible for updating, modifying, or creating rules and regulations for Jurisdiction or for the State's Safety Programs.
- b) Be responsible for communicating, interpreting, or enforcing State Safety Programs' laws.
- c) Be responsible for creating, collecting, or enforcing any fees for Jurisdictions.

**Hardware and Software Requirements for JO**

Personal Computer with the following software installed and running:

Microsoft Internet Explorer, ver. 8.0 or higher

Adobe Acrobat Reader, ver. 7.0 or higher

Printer Access to Internet via broadband Internet connection.

**B. TERM OF CONTRACT:**

This Contract shall be effective on 09/20/2017 ("Effective Date") and extend for a period of sixty (60) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Six Hundred Ninety-Three Thousand Three Hundred and Fifty Dollars (\$693,350.00) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.
- C.2. Compensation Firm. The payment methodology in Section C.3 of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.
- C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A "Scope".

<b>Goods or Services Description</b>	<b>Amount (per compensable increment)</b>
Elevators Implementation (One time)	\$ 130,000
Elevators Maintenance (Annual)	\$ 30,000
Amusement Devices Implementation (One time)	\$ 95,000
Amusement Devices (Annual)	\$ 30,000
Permitting & Licensing Implementation (One time) (Boilers & Elevators)	\$ 23,500
Permitting & Licensing (Boilers & Elevators - Annual)	\$ 6,000
Public Portal Fee (Annual)	\$18,000
Customizations (unknown at this time)	\$24,850

- b. Purchase orders will be issued by State according to the following Milestones for the deployment of JO for each of the State Safety Programs, including Boiler, Elevator, Amusement Device, Portal and Permitting & Licensing. :

<b>Service Description</b>	<b>Amount</b>
Project Initiation / Kickoff – Elevators	\$26,000
Gather and Document Requirements / Training – Elevators	\$19,500
UAT - Elevators	\$13,000
Data Conversion – Elevators	\$26,000
Go Live – Elevators	\$32,500
Post Implementation Review – Elevators	\$13,000

<b>Service Description</b>	<b>Amount</b>
Project Initiation / Kickoff – Amusement Devices	\$19,000
Gather and Document Requirements / Training – Amusement Devices	\$14,250
UAT - Amusement Devices	\$ 9,500
Data Conversion – Amusement Devices	\$19,000
Go Live – Amusement Devices	\$23,750
Post Implementation Review – Amusement Devices	\$ 9,500

<b>Service Description</b>	<b>Amount</b>
Project Initiation / Kickoff – Permitting	\$ 4,700
Gather and Document Requirements / Training – Permitting	\$ 3,525
UAT - Permitting	\$ 2,350
Data Conversion – Permitting	\$ 4,700
Go Live – Permitting	\$ 5,875
Post Implementation Review – Permitting	\$ 2,350

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- C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.
- C.5. Invoice Requirements. The Contractor shall invoice the State only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3., above. Contractor shall submit invoices and necessary supporting documentation, no more frequently than once a month and no later than thirty (30) days after a Milestone has been achieved to the following address:

TN Dept. of Labor and Workforce Development  
ATTN: Accounts Payable  
220 French Landing Drive -4A  
Nashville, TN 37243

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
- (1) Invoice number (assigned by the Contractor);
  - (2) Invoice date;
  - (3) Contract number (assigned by the State);
  - (4) Customer account name: TN. Dept. of Labor and Workforce Development - Workplace Regulations
  - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
  - (6) Contractor name;
  - (7) Contractor State Edison registration ID number;
  - (8) Contractor contact for invoice questions (name, phone, or email);
  - (9) Contractor remittance address;
  - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
  - (11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
  - (12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
  - (13) Amount due for each compensable unit of good or service; and
  - (14) Total amount due for the invoice period.
- b. Contractor's invoices shall:
- (1) Only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Section C;
  - (2) Only be submitted for goods delivered or services completed and shall not include any charge for future goods to be delivered or services to be performed;
  - (3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
  - (4) Include shipping or delivery charges only as authorized in this Contract.
- c. The timeframe for payment (or any discounts) begins only when the State is in receipt of an invoice that meets the minimum requirements of this Section C.5.

- C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.
- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State, any amounts that are or shall become due and payable to the State by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.
- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State, may be made by ACH; and
  - b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

**D. MANDATORY TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable state laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Julie Lee / Procurement  
Tennessee Department of Labor and Workforce Development - Workplace Regulations  
Division 220 French Landing Drive 4-B Nashville, TN 37243  
Julie.Lee@tn.gov  
Telephone # 615-532-1244  
FAX # 615-741-3002

The Contractor:

Jacques Couvillon  
330 Marshall Street, Suite 800  
Shreveport, LA 71101  
jacques.couvillon@praeses.com  
Telephone # 318-841-3133  
FAX # 318-213-8137  
Copy to: General Counsel

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.
- D.5. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.
- D.6. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.

- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the State of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment 1, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
- b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
- c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
- d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
- e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration

laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.

- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless for any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended. Except as set forth below, in no event will the Contractor be liable to the State or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental,

punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death.

- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.

- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
- b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
- c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
- d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.

- D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System ("TCRS"), provides that if a retired member of TCRS, or of any

superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8- 35-101, et seq., accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.

- D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.
- D.23. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the

State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.

- D.25. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the performance of this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 407.
- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
  - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below),
  - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
  - d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
  - e. any technical specifications provided to proposers during the procurement process to award this Contract; and
  - f. the Contractor's response seeking this Contract.
- D.31. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101 et.seq., addressing contracting with persons with investment activities in Iran, shall be a material provision of this Contract. The Contractor agrees, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.
- E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All materials and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under the state or federal law shall be regarded as "Confidential Information." Nothing in this section shall permit to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of the Contract.

- E. 3. Prohibited Advertising or Marketing. The Contractor shall not suggest or imply in advertising or marketing materials that the Contractor's goods or services are endorsed by the State. The restrictions on Contractor advertising or marketing under this Section shall survive the termination of this Contract.
- E.4. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of an agency, a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
  - b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure From to Report Lobbying", in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C § 1352.

- E.5. Intellectual Property. The Contractor agrees to indemnify and hold harmless the State as well as its officers, agents, and employees from and against any and all claims or suits, which may be brought against the State concerning or arising out of any claim or an alleged patent, copyright, trade secret, other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgement, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give notice shall only relieve Contractor of its obligations under this Section to the extent the Contractor can

demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.

- E.6 Personally Identifiable Information. While performing its obligations under this Contract, the Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purpose of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in such breach of any Privacy Laws. Contractor shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to its employees, agents and representatives where the purpose of such disclosure is not known to the Contractor or its employees, agents and representatives. The State reserves the right to review the Contractor's policies and procedures used to maintain the security and confidentiality of PII and the Contractor shall, and cause its employees, agents or representatives to, comply with all reasonable requests or directions from the State to enable the State to verify and/or procure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of PII.

The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of the Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to the State under this Contract or otherwise available by law.

- E.7 The State's Responsibilities.
- a. The State shall follow the user manuals provided with JO and shall use the proper protocol and priority to access customer support services provided herein.
  - b. The State is solely responsible for the form, content, accuracy, completeness, and timeliness of the information it enters, or it provides for entry, into JO.
  - c. The State shall reasonably fill all Freedom of Information Act or Open Records requests regarding or relating to State Safety Programs in a non-exploitable format, such as paper or protected PDF unless directed to do otherwise by a court of competent jurisdiction or other governing authority having jurisdiction over the State.

- d. The State shall take reasonable steps to maintain the confidentiality of its information, password(s) and the Contractor's proprietary Software, services and materials. The State shall immediately notify the Contractor of any unauthorized use of its registration or password(s). The State shall honor the confidential and proprietary nature of the system during the term and any renewals of this Contract and shall not, with respect to the State or to any Contractor client, on its own behalf or on behalf of any person, firm, partnership, association, corporation or business organization, entity or enterprise, or governmental jurisdiction perform services substantially similar to the services described herein, nor will it use the system for purposes other than expressly set forth herein, nor modify, sell or distribute works based on the Software or JO.

E.8 User Submissions.

- a. Contractor acts only as a venue and passive conduit for the online posting, distribution and publication of User-submitted information for State Safety Programs and is under no obligation to, and is not responsible for screening or monitoring material posted by Users.
- b. Contractor has no control over the data posted and therefore does not represent or guarantee the truthfulness, accuracy, completeness, timeliness or reliability of information or communications posted on JO by Users or endorse any opinions expressed by Users. Any reliance on material posted by other Users will be at the State's own risk.
- c. The State approves all Users authorized to post data on JO within Tennessee and assumes all risks associated with dealing with all Users it approves through JO. Because User authentication on the Internet is difficult, JO cannot and does not confirm that each User is who they claim to be.
- d. The State will take responsibility for ensuring the entry of data from inspecting agencies who are not directly responsible for entry into JO.
- e. Contractor is not and cannot be involved in User-to-User dealings or control the behavior of participants on JO.
- f. The State shall not take the following actions: infringe on another's intellectual property rights, post objectionable materials, post any advertisements, or post material that has the potential to damage or interfere with the operation of JO.
- g. If notified by a User of communications which allegedly do not conform to the terms of this Contract, the Contractor may investigate the allegation and determine in good faith and its sole discretion whether to remove or request the removal of communications which are abusive, illegal or disruptive. The Contractor reserves the right to expel Users and prevent their further access to JO for violating this Contract or the law. The Contractor may take any action with respect to User-submitted information that it deems necessary or appropriate in its sole discretion if it believes it may create liability for the Contractor or may cause the Contractor to lose (in whole or in part) the services of its ISPs or other suppliers or business of other Users or customers.
- h. JO may contain links to third party web sites. These links are provided solely as a convenience to the State and Users and not as an endorsement by the Contractor of the contents on any third-party web sites. Contractor is not responsible for the content of linked third-party sites and does not make any representations regarding the content or accuracy of materials on any third-party web sites. Users access linked third-party web sites at their own risk.
- i. Changes are periodically made to JO and may be made at any time.

E.9 Ownership of Data.

- a. The State owns the Data within JO which is posted there by the State or by an Insurance Carrier or other authorized User.
- b. Insurance Carriers may choose to post information in JO relating to Objects within Tennessee but for which information is not required by the State. An example includes the policy number of the policy of insurance issued by Insurance Carrier covering the insured Object. Such information, if posted in JO, is owned by the Insurance Carrier and not the State. The Contractor is not the owner of the data posted to JO, but is the owner of JO itself, including the patented concept it represents, the source and object code creating the Software, and the processes and training materials which are created pursuant to the JO system.
- c. The Contractor shall not sell Data without the express prior written consent of the State. However, JO is supported by subscriptions and such access for a fee shall not be deemed to be marketing or sale of the data.

E.10 Software License Warranty. Contractor grants a license to the State to use all software provided under this Contract in the course of the State's business and purposes. Notwithstanding any other terms of this Contract, if the State terminates this Contract in accordance with paragraphs D.4, D.5 or D.6, then the State shall not have a license to the JO Software, and the State shall not have the right to maintain or use an archival copy of the Software

E.11 General.

- a. The Contractor makes no claims that the materials posted on JO may be lawfully viewed or downloaded outside of the United States. Access to the materials may not be legal by certain persons or in certain countries. If the State accesses JO from outside of the United States, it does so at its own risk and is responsible for compliance with the laws of the appropriate Jurisdiction.
- b. This Contract constitutes the entire agreement between the State and the Contractor and terminates and supersedes all prior understandings or agreements with respect to the use of JO. This Contract shall not be amended, modified or extended, nor shall any waiver of any right hereunder be effective, unless set forth in a written instrument executed by both parties, specifically referencing the provision of this Contract to be amended, modified, extended or waived. The failure of either party to insist upon performance of any provision of this Contract, or to exercise any right, remedy or option provided herein, shall not be construed or deemed as a waiver of the right to assert any of the same at any time thereafter.
- c. Neither this Contract nor any interest in this Contract may be assigned by the State without the prior express written approval of the Contractor.
- d. Headings used in this Contract are provided for convenience only and shall not be used to construe meaning or intent.
- e. Each party represents to the other that it has full authority to enter into and secure performance of this Contract, and that the person signing this Contract on behalf of the party has been properly authorized to enter into this Contract. Each party further acknowledges that it has read this Contract and agrees to be bound by all of its terms, conditions, and provisions.

IN WITNESS WHEREOF,

Praeses, LLC

*Frank M. Auer*

CONTRACTOR SIGNATURE

*Frank M. Auer, CEO / General Manager*

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

TENNESSEE DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT:

*Burns P. Phillips III* 

BURNS P. PHILLIPS III, COMMISSIONER