

STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF FORT BEND

AGREEMENT FOR THE COLLECTION OF DELINQUENT AD VALOREM TAXES

THIS AGREEMENT is made and entered into by and between FORT BEND COUNTY, a body corporate and politic under the laws of the State of Texas, hereinafter "County" and the law firm of LINEBARGER GOGGAN BLAIR & SAMPSON, LLP, hereinafter referred to as "Contractor." This Agreement supersedes and is in the place of any and all prior agreements for tax collection services entered by and between the parties.

SECTION I  
SERVICES PROVIDED BY CONTRACTOR

- 1.01 County enters into this Agreement with Contractor to enforce by suit or otherwise the collection of taxes, penalties and interest accrued on those taxes, owing to County and all other taxing jurisdictions whose taxes are collected by Contractor.
- 1.02 Taxes shall become subject to this Agreement upon the following dates, whichever first occurs:
- (A) On February 1 of the year in which the taxes become delinquent if a previously filed tax suit is then pending against the property subject to the tax;
  - (B) On the date any lawsuit is filed with respect to the recovery of the tax if the tax is delinquent and is required to be included in the suit pursuant to the TEXAS PROPERTY TAX CODE § 33.42(a);
  - (C) On the date of filing any application for tax warrant where recovery of the tax or estimated tax is sought and where the filing of an application for tax warrant by the Contractor is at the request of County's Tax Assessor-Collector;
  - (D) On the date of filing any claim in bankruptcy where recovery of the tax is sought;
  - (E) In the case of delinquent tangible personal property, on the 60th day after the February 1 delinquency date; or
  - (F) On July 1 of the year in which the taxes become delinquent.
- 1.03 Contractor shall notify the County Tax Assessor-Collector of any errors, double assessments or other discrepancies coming under its observation during the progress of the work, and shall intervene on behalf of the County in all suits FOR taxes hereafter filed by any taxing unit on property located within its corporate limits.
- 1.04 Pursuant to the Appraisal and Collection Technologies, LLC ("ACT") Hosting Service Agreement ("System Agreement"), which is attached hereto as Exhibit A and is hereby incorporated herein, Contractor agrees to grant to County a non-exclusive, non-assignable license to the ACT System and County accepts such license, subject to the terms set out in the System Agreement and as may be amended. The terms and restrictions of the System Agreement set forth the relative responsibilities of the Contractor, ACT and the County.
- 1.05 Contractor shall provide County with the following for the duration of this Agreement:
- A. the ACT system and services as described in the System Agreement which is attached hereto as Exhibit A at no cost to County. The ACT system shall include the software modules and hardware configuration set out in the Host Servicing Agreement, attached as Exhibit A, which sets forth the relative responsibilities of Contractor and County for any data conversion, installation, consolidations, and the terms and restrictions of the licensing and maintenance agreement.
  - B. one (1) full-time employee to work in the County Tax Assessor-Collector's Office at no cost to County;
  - C. when requested by the County Tax Assessor-Collector, one (1) part-time employee to work in the County's Tax Office at no cost to County;

- D. up to three (3) full-time temporary employees to work in the Tax Assessor-Collector's Office during the current tax collection season. The number of employees and the date of their employment will be directed by the County Tax Assessor-Collector at no cost to County.
- 1.06 County shall allow the County Tax Assessor-Collector to approve all employees provided to County under this Agreement. Contractor shall remove any employee provided to County under this Agreement immediately upon notice from the County Tax Assessor-Collector and shall replace the removed employee within five (5) business days.

## SECTION II CONTRACTOR'S COMPENSATION

- 2.01 County agrees to pay to Contractor as compensation for the services required hereunder as follows:
- A. fifteen percent (15%) of the amount of all 2000 and prior year taxes, penalties and interest subject to the terms of this Agreement as set forth in Section 1.02 above, collected and paid to the County Tax Assessor-Collector during the term of this Agreement; and
  - B. twenty percent (20%) of the amount of all 2001 and subsequent year taxes, penalties and interest subject to the terms of this Agreement as set forth in Section 1.02 above, collected and paid to the County Tax Assessor-Collector during the term of this Agreement.
- 2.02 Compensation to Contractor shall be paid monthly upon the approval of the County Tax Assessor-Collector.

## SECTION III TERM AND TERMINATION

- 3.01 This Agreement shall commence on January 1, 2021 and shall terminate on December 31, 2025.
- 3.02 This Agreement shall not automatically renew. Any renewal shall be subject to express written agreement of the parties.
- 3.03 County may terminate this Agreement by providing thirty (30) days advance notice of termination in writing to Contractor.
- 3.04 In the event of such termination by County, Contractor shall be entitled to receive and retain all compensation due up to the date of said termination.
- 3.05 Contractor shall be allotted an amount of time not to exceed six (6) months following termination of this Agreement to prosecute all pending lawsuits, judgments and bankruptcy claims filed prior thereto ("Wrap-Up Period").
- 3.06 Upon termination, Contractor shall continue to provide the ACT system and services provided under this Agreement at no cost to County for the period of time allotted in Section 3.05 for the Wrap-Up Period. At the expiration of the Wrap-Up Period, Contractor will continue to provide County the ACT system and services if an agreement with mutually agreed upon terms has been negotiated and entered into between the County and ACT.

## SECTION IV SERVICES PROVIDED BY COUNTY

In those cases where collection of taxes is enforced by suit, County agrees to furnish Contractor the name, identity, and location of necessary parties, together with the legal descriptions of the property on which the taxes are due. Contractor shall, however, advance all charges and expenses on behalf of

County, which are incurred in procuring such information. Any recovery of such expenses by County under TEXAS PROPERTY TAX CODE § 33.48 shall be paid to Contractor within thirty (30) days of collection.

## SECTION V INSURANCE

- 5.01 Prior to commencement of the Services and for the duration of the term of this Agreement, Contractor shall keep in full force and effect a policy of general liability insurance of not less than \$1,000,000.00 for each claim aggregate, which shall be approved by the Fort Bend County Risk Management Department prior to purchase. The policy shall contain a clause that the insurer will not cancel or change the insurance without first giving County ten (10) days prior written notice. The insurance shall be in a company acceptable to the Fort Bend County Risk Management Department, and a copy of the policy or certification of insurance shall be delivered to the Fort Bend County Risk Management Department as soon as available. Crime insurance shall include coverage for crimes by Contractor employees.
- 5.02 Contractor shall maintain Employee Dishonesty and, when applicable, Inside/Outside Money & Securities coverages for County-owned property in the care, custody and control of the Contractor. Coverage limits shall not be less than \$1,000,000. The policy shall include as loss payee Fort Bend County.
- 5.03 Professional Liability Insurance with limits not less than \$1,000,000.
- 5.04 County shall be named as additional insured to all required coverage with the exception of professional liability. All Liability policies including Workers' Compensation written on behalf of Contractor shall contain a waiver of subrogation in favor of County.
- 5.05 If required coverage is written on a claims-made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the contract; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning from the time that work under the Agreement is completed.

## SECTION VI INTELLECTUAL PROPERTY RIGHTS

- 6.01 County recognizes and acknowledges that Contractor owns all right, title and interest in certain proprietary software that Contractor may utilize in conjunction with performing the services provided in this Agreement. County agrees and hereby grants to Contractor the right to use and incorporate any information provided by County ("County Information") to update the databases in this proprietary software, and notwithstanding that County Information has been or shall be used to update the databases in this proprietary software, County shall have no rights or ownership whatsoever in and to the software or the data contained therein, except that County shall be entitled to obtain a copy of such data that directly relates to County's accounts at any time.
- 6.02 Contractor agrees that it will not share or disclose any specific confidential County Information with any other company, individual, organization or agency, without the prior written consent of the County, except as may be required by law or where such information is otherwise publicly available. Contractor shall have the right to use County Information for internal analysis, purposes of improving the proprietary software and database, and to generate aggregate data and statistics that may inherently contain County Information. These aggregate statistics are

owned solely by Contractor and will generally be used internally, but may be shared with Contractor's affiliates, partners or other third parties for purposes of improving Contractor's software and services.

## SECTION VII COSTS

- 7.01 County and Contractor recognize that publication costs for citations and notices of sale and title abstract costs will be incurred in the process of providing the litigation services contemplated in this Agreement. All such costs shall be billed to the County, in care of the Contractor, and Contractor will advance the payment of such costs on behalf of County. Upon recovery of such costs from the defendants or from the tax sale of defendants' property, Contractor shall be reimbursed for the advance payment. Alternatively, Contractor may arrange with the vendor or agency providing the service that actual payment of the costs of services is wholly contingent upon recovery of such costs by the County or Contractor from the defendants or from the tax sale of defendants' property. In such contingent arrangements, the County has no responsibility or liability for payment or advancement of any costs, other than forwarding to the vendor or service provider any cost amounts received from defendants or from the tax sale of defendants' property.
- 7.02 County acknowledges that Contractor may provide services, such as title research, with its own employees or with other entities or individuals who may be affiliated with Contractor; however, any charges for such services will be reasonable and consistent with the same services if obtained from a third party. Upon the recovery of such costs, the County shall (a) pay Contractor for any such costs which have been advanced by Contractor or performed by Contractor, and (b) pay any third party agency or vendor owed for performing such services.

## SECTION VIII INDEMNIFICATION

- 8.01 CONTRACTOR SHALL INDEMNIFY, DEFEND AND HOLD COUNTY HARMLESS FROM EACH AND EVERY CLAIM, DEMAND, SUIT, ACTION, PROCEEDING, LIEN OR JUDGMENT INCLUDING REASONABLE ATTORNEYS FEES, CAUSED BY OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, OR IN CONNECTION WITH THE ACTS AND OMISSIONS OF CONTRACTOR, ITS AGENTS, SERVANTS OR EMPLOYEES PURSUANT TO THIS AGREEMENT.
- 8.02 Contractor shall timely report all such matters to County and shall, upon the receipt of any such claim, demand, suit, action, proceeding, lien or judgment, no later than the fifteenth day of each month, provide County with a written report on each such matter covered by this paragraph and by Section 8.03 below, setting forth the status of each matter, the schedule or planned proceedings with respect to each matter and the cooperation or assistance, if any, of County required by Contractor in the defense of each matter.
- 8.03 County shall timely forward to Contractor copies of any and all claims, demands, suits, actions, proceedings or judgments which it may receive and which it may contend is covered by this section. Thereafter, County shall fully cooperate with Contractor in its defense of each such matter.
- 8.04 Contractor's duty to defend, indemnify and hold County harmless shall be absolute. It shall not abate or end by reason of the expiration or termination of this Agreement unless otherwise agreed by County in writing. The provisions of this section shall survive the termination of the Agreement and shall remain in full force and effect with respect to all such matters no matter when they arise.
- 8.05 In the event of any dispute between the parties as to whether a claim, demand, suit, action, proceeding, lien or judgment appears to have been caused by or appears to have arisen out of or in connection with acts or omissions of Contractor, Contractor shall nevertheless fully defend

- such claim, demand, suit, action, proceeding, lien or judgment until and unless there is a determination by a court of competent jurisdiction that the acts or omissions of Contractor are not at issue in the matter.
- 8.06 In the event that any such matter being so defended by Contractor also involves any claim of negligence or wrongful action by County, County shall have the right to participate in the defense of the matter through separate counsel, such separate counsel shall be paid for by Contractor.
- 8.07 Contractor shall have full authority to resolve all matters being defended by it providing such settlement(s) shall not involve any findings adverse to County and shall not involve or require any payments or contributions by County.
- 8.08 In the event of any final judicial determination or award of any matter covered by this section, County shall be responsible to third parties, pro rata, for any negligence determined to have been caused by County. County neither waives nor relinquishes any immunity or defense on behalf of itself, its officers, employees, and agents as a result of its execution of this Agreement and performance of the covenants contained herein.
- 8.09 Contractor's indemnification shall cover, and Contractor shall indemnify County, in the manner provided for and to the extent described above, in the event County is found to have been negligent for having selected Contractor to perform the work described in this Agreement.
- 8.10 The provision by Contractor of insurance shall not limit the liability of Contractor under this Agreement.
- 8.11 Contractor shall cause all contractors and consultants who may have a contract to perform services under this Agreement, to agree to indemnify County and to hold County harmless from all claims for bodily injury and property damage that may arise from said sub-contractor or consultant's operations. Such provisions may arise from said sub-contractor or consultant's operations. Such provisions shall be in a form satisfactory to County.
- 8.12 County shall be exempt from, and in no way liable, for, any sums of money which may represent a deductible in any insurance policy. The payment of deductibles shall be the sole responsibility of Contractor providing such insurance.

#### SECTION IX NOTICE

- 9.01 Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, in a United States Post Office, addressed to the County or Contractor at the address set forth below.
- 9.02 If mailed, any notice or communication shall be deemed to be received three (3) days after the date of deposit in the United States Mail.
- 9.03 Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

A. If to Contractor:

Linebarger Goggan Blair & Sampson, LLP  
512 South Seventh Street  
Richmond, Texas 77469

B. If to County, notice must be sent to Fort Bend County and Fort Bend County Tax Assessor-Collector:

Fort Bend County  
County Judge  
401 Jackson Street  
Richmond, Texas 77469

Fort Bend County Tax Assessor-Collector  
1317 Eugene Heimann Circle  
Richmond, Texas 77469

- 9.04 Either party may designate a different address by giving the other party ten (10) days of written notice.

#### SECTION X PUBLIC CONTACT

Contact with the news media, citizens of Fort Bend County or governmental agencies shall be the sole responsibility of County. Under no circumstances, whatsoever, shall Contractor release any material or information developed in the performance of its services hereunder without the express written permission of County, except where required to do so by law.

#### SECTION XI MODIFICATIONS

This instrument contains the entire Agreement between the parties relating to the rights herein granted and obligations herein assumed. Any previous contacts and/or agreements between the parties are superseded by this Agreement. If there is a conflict between this Agreement and any previous agreement or contract, the provisions of this Agreement shall prevail. Any oral or written representations or modifications concerning this instrument shall be of no force and effect except a subsequent written modification signed by all parties hereto.

#### SECTION XII MISCELLANEOUS

- 12.01 By entering into this Agreement, the parties do not intend to create any obligations, express or implied, other than those specifically set out in this Agreement.
- 12.02 Nothing in this Agreement shall create any rights or obligations in any party who is not a signatory to this Agreement.
- 12.03 This Agreement is exempt from competitive bidding pursuant to Chapter 262, TEXAS LOCAL GOVERNMENT CODE.
- 12.04 Contractor agrees and understands that: by law, the Fort Bend County Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients; the Fort Bend County Attorney's Office does not advise or approve a contract or other legal document on behalf of any other party not its client; the Fort Bend County Attorney's Office has reviewed this document solely from the legal perspective of its client; the approval of this document by the Fort Bend County Attorney's Office was offered solely to benefit its client; Contractor and other parties should not rely on this approval and should seek review and approval by their own respective legal counsel.
- 12.05 This Agreement is not assignable, provided however, Contractor may, from time-to-time, obtain co-counsel of subcontract some of the services provided for herein to other law firms or entities. In such cases, Contractor shall retain supervisory control and responsibility for any services provided by such co-counsel or subcontractors and shall be responsible to pay any compensation due to any such co-counsel or subcontractor.
- 12.06 County acknowledges and consents to the representation by Contractor of other taxing entities that may be owed taxes or other claims and be secured by the same property as the County's claim.
- 12.07 Agreement to Not Boycott Israel Chapter 2271 Texas Government Code: By signature below, Contractor verifies that if Contractor employs ten (10) or more full-time employees and this Agreement has a value of \$100,000 or more, Contractor does not boycott Israel and will not boycott Israel during the term of this Agreement.

- 12.08 Texas Government Code Section 2251.152 Acknowledgment: By signature below, Contractor represents pursuant to Section 2252.152 of the Texas Government Code, that Contractor is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153.
- 12.09 BY ACCEPTANCE OF AGREEMENT, CONTRACTOR ACKNOWLEDGES THAT THE COUNTY IS OPPOSED TO HUMAN TRAFFICKING AND THAT NO COUNTY FUNDS WILL BE USED IN SUPPORT OF SERVICES OR ACTIVITIES THAT VIOLATE HUMAN TRAFFICKING LAWS.

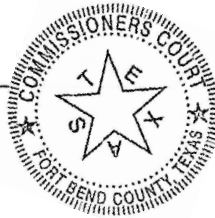
SECTION XIII  
EXECUTION

This Agreement shall not become effective until executed by all parties hereto.

FORT BEND COUNTY

*KP George*  
County Judge KP George

\_\_\_\_\_  
KP George, County Judge



12/15/2020

\_\_\_\_\_  
Date

Attest:

*Laura Richard*

\_\_\_\_\_  
Laura Richard, County Clerk

Reviewed by:

*Carrie Surratt*

\_\_\_\_\_  
Carrie Surratt, Tax Assessor-Collector

11/16/2020

\_\_\_\_\_  
Date

CONTRACTOR: LINEBARGER GOGGAN  
BLAIR & SAMPSON, LLP

*Charles Austin Sutton*

\_\_\_\_\_  
Charles Austin Sutton, Capital Partner

11/16/2020

\_\_\_\_\_  
Date

Attachment: Exhibit A – ACT Service & Support Level Specification Agreement

APPROVED AS TO LEGAL FORM:

*Roy Cordes*

\_\_\_\_\_  
Roy Cordes  
County Attorney

EXHIBIT "A"

APPRAISAL AND COLLECTION TECHNOLOGIES, L.L.C.

HOSTING SERVICE AGREEMENT

This Hosting Service Agreement is incorporated by reference into the Agreement for Tax Collection Services between Linebarger Goggan Blair & Sampson, LLP ("Firm") and Fort Bend County ("Customer"). By execution of the Agreement for Tax Collection Services, the Firm, Appraisal & Collection Technologies ("ACT") and the Customer (each a "party" and collectively, the "Parties") agree to the terms of this Hosting Service Agreement.

FORT BEND COUNTY

*KP George*  
County Judge KP George

\_\_\_\_\_  
KP George, County Judge

12/15/2020

Date

Reviewed by:

*Carrie Surratt*

\_\_\_\_\_  
Carrie Surratt, Tax Assessor-Collector

11/16/2020

Date

Attest:

*Laura Richard*

\_\_\_\_\_  
Laura Richard, County Clerk



APPRAISAL AND COLLECTION TECHNOLOGIES, L.L.C.

*Adrian Garza*

\_\_\_\_\_  
Adrian Garza, President

11/16/2020

Date

LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

*Charles A. Sutton*

\_\_\_\_\_  
Charles A. "Chip" Sutton, Capital Partner

11/16/2020

Date

**ADDITIONAL TERMS AND CONDITIONS OF THIS AGREEMENT BEGIN ON THE FOLLOWING PAGE. THIS AGREEMENT MAY CONTAIN SEVERAL ATTACHED SCHEDULES, THE PAGES OF WHICH MAY NOT BE NUMBERED.**

TABLE OF SCHEDULES

Schedule 1	Fee Schedule
Schedule 2	Service and Support Level Specification Agreement

## TERMS AND CONDITIONS

### 1. Services.

1.1. Customer's Rights to Use the Services. ACT grants Customer a limited non-exclusive, non-transferable, worldwide right and license to access and use the Services for the duration of the Term (as defined herein) solely for the purposes of tax assessment and collection by or on behalf of Customer. This right is subject to Customer's payment of all required fees described in Schedule 1 (the "Fee Schedule") attached hereto and incorporated herein and compliance with all of its obligations under this Agreement. The "Services" means the services provided by ACT that are described in Schedule 2 attached hereto and incorporated herein.

1.2. Service Levels. In providing the Services, ACT shall use commercially reasonable efforts to comply in all material respects with any service levels set forth in Schedule 2 ("Service Levels"). ACT shall not be responsible for failing to meet a Service Level to the extent the failure is caused by Customer, a third party or a force or cause beyond ACT's reasonable control.

1.3. Rights of ACT. ACT shall be free to provide Services for others on an unrestricted basis. ACT may subcontract any portion of the Services without notice, consent or any other restriction and has sole discretion in its use of subcontractors and consultants, including, but not limited to third party server hosting services.

### 2. Customer Restrictions: Proprietary and other Rights.

2.1. Restrictions. Customer shall not, and shall not permit any third party to: (i) sublicense, resell, lease, transfer or assign to any third party the Services or any associated software owned by ACT ("ACT Software") or associated software owned by a third party ("Third Party Software"); (ii) duplicate, modify or make derivative works of any ACT Software or Third Party Software; or (iii) reverse engineer, decompile, disassemble, or translate any ACT Software or Third Party Software. Customer has no rights to the source code of the ACT Software or Third Party Software. Customer may not access the Services other than as expressly provided by ACT pursuant to this Agreement. Access to the Services shall be limited by Customer to employees, contractors, consultants, representative or agents of Customer that are authorized by Customer to access and use the Services on Customer's behalf ("Authorized Users"). Customer shall be solely responsible for any activities that occur under its account with ACT, including the activities of its Authorized Users.

2.2. Data Rights. Customer grants ACT a royalty-free, non-exclusive, non-transferable, worldwide right and license to access and use in any media the data, information, trademarks and content of Customer ("Customer Data") to the extent ACT needs the Customer Data to provide the Services, to configure the format and other technical or display requirements of the Services, and to manipulate and display the Customer Data for processing transactions on behalf of Customer. The Services may be designed to collect transaction, connection and/or performance information for use by ACT ("Transaction Information"). All Customer Data and Transaction Information is and shall remain the sole and exclusive property of Customer and shall not be used by ACT for any purpose other than the performance of its obligations and exercise of its rights under this Agreement.

2.3. Privacy Policy. Customer agrees that ACT and its affiliates may use any information Customer provides to ACT, including but not limited to, the Customer Data and Transaction Information for the purposes of this Agreement and in a manner consistent with ACT's then-current Privacy Policy as set forth at [www.acttax.com](http://www.acttax.com) which may be changed by ACT without notice. Customer agrees, however, that ACT is not responsible for any information Customer provides to third parties, and that the privacy policies, if any, of such third parties will govern the use and disclosure of such information.

2.4. Acceptable Use. Customer shall comply, and shall cause its Authorized Users to comply, with the then-current Acceptable Use Policy located at [www.acttax.com](http://www.acttax.com) as it may be modified from time to time, at ACT's sole discretion without notice ("Use Policy"). ACT shall notify Customer of any Use Policy violation by Customer and Customer shall cure the violation within one business day of receipt of notice of the violation. If the violation is by an Authorized User and the violation is not cured within this timeframe, Customer shall terminate that user's access to the Service. If Customer fails to terminate the access of any Authorized User that continues to violate the Use Policy, ACT shall have the right to terminate this Agreement. Customer shall comply with all written policies related to the Service that are published or reasonably communicated by ACT and all reasonable written directives provided by ACT with respect to use of the Service that are reasonably designed by ACT to ensure efficient operation of the Service.

2.5. Proprietary Rights of ACT. The Services, the ACT Software, the Third Party Software and any trade secrets, know-how, methodologies and processes, copyrights, trademarks, patents, trade secrets, and any other

proprietary and intellectual property rights associated with or inherent in the Services, the ACT Software or the Third Party Software are and shall remain the sole and exclusive property of ACT and its third party licensors and shall not be used by Customer for any purpose other than the performance of its obligations and exercise of its rights under this Agreement.

3. Relationship Management. ACT and Customer shall each designate a representative (a "Relationship Manager") for this Agreement. Each Party shall have the right to change its Relationship Manager or designate an alternate by providing written notice to the other Party.

4. Fees, Payment, Taxes.

4.1. Fees. Customer shall pay ACT the Fees set forth in Schedule 1.

4.2. Payment. Unless this Agreement or a Schedule to this Agreement specifically provides otherwise, Customer shall pay all Fees within thirty (30) days of the date of invoice at the address specified in Schedule 1. Any Fees not paid when due shall accrue interest at a rate equal to the lesser of (i) one and one half percent (1.5%) of the invoiced amount per month or (ii) the maximum rate allowable under applicable law on all unpaid amounts. If Customer fails to pay any Fees on a timely basis, ACT may suspend Customer's access to the Services until the outstanding payment including any late charges is made in full.

4.3. Expense Reimbursement. Customer will reimburse ACT for all pre-approved out-of-pocket expenses incurred by ACT in rendering the Services, as specified in the applicable Schedule to this Agreement. Such expenses may include, but shall not be limited to, travel and travel related expenses (including transportation, lodging and meals) and costs of any tangible material acquired by ACT for Customer's benefit. Travel and mileage expenses incurred in the performance of required Services will be compensated only when approved in advance by Customer and provided that expenses comply with the current Fort Bend County Travel Policy.

4.4. Taxes. ACT recognizes that County is a body corporate and politic under the laws of the State of Texas and claims exemption from all taxes. A copy of a tax-exempt certificate will be furnished upon request.

5. Confidentiality.

5.1. Non-Disclosure Obligations. Except as is specifically required or permitted by this Agreement, neither Party shall, without the express prior written consent of the other Party, redistribute, market, publish, disclose or divulge to any other person or entity, or use or modify for use, directly or indirectly in any way for any person or entity: (i) any of the other Party's Confidential Information during the Term and for three (3) years after any end to the Term; and (ii) any of the other Party's Trade Secrets at any time during which such information shall constitute a Trade Secret (before or after the end of the Term). The Parties agree that, during the Term and thereafter, each Party will hold Confidential Information and Trade Secrets in a fiduciary capacity for the benefit of the other Party and shall not (a) directly or indirectly use, copy, reproduce, distribute, manufacture, duplicate, reveal, report, publish, disclose or cause to be disclosed, or otherwise transfer any Confidential Information or Trade Secrets of the other Party to any third party, or (b) utilize Confidential Information or Trade Secrets for any purpose, except as expressly contemplated by this Agreement or authorized in writing by the other Party. Each Party will limit the disclosure of the other Party's Confidential Information and Trade Secrets to employees, contractors or agents with a need-to-know, shall notify its employees, contractors and agents of their confidentiality obligations with respect to Confidential Information and Trade Secrets and shall require its respective employees, contractors and agents to comply with these obligations. Each Party shall be liable for any breach by any employee, contractor or agent of the confidentiality obligations contained herein.

5.2. Trade Secrets. For purposes of this Agreement the following terms shall have the following meanings: "Trade Secrets" shall mean information (including, but not limited to, confidential business information, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, lists of actual or potential customers or suppliers) that: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The Parties stipulate that the Services and the ACT Software and the Third Party Software and all intellectual property rights associated with those items shall constitute Trade Secrets of ACT and its licensors.

5.3. Confidential Information. "Confidential Information" shall mean, with respect to a Party, all valuable, proprietary and confidential information belonging to or pertaining to the Party that does not constitute a Trade Secret

of the Party and that is not generally known by or available to the Party's competitors but is generally known only to the Party and those of its employees, contractors, clients or agents to whom such information must be confided for internal business purposes. Confidential Information does not include information that: (a) was in the possession of, or was rightfully known by, the recipient thereof without an obligation to maintain its confidentiality prior to receipt from disclosing Party; (b) is or becomes generally known to the public without violation of this Agreement; or (c) is obtained by the recipient in good faith from a third Party having the right to disclose it without an obligation of confidentiality.

5.4. Required Disclosure. Notwithstanding the foregoing, either Party may disclose Confidential Information or Trade Secrets of the other Party in judicial or other government proceedings to the extent that the Party is legally compelled to do so, provided that the Party has notified the other Party in writing at least ten (10) days prior to disclosure and shall have used its best efforts to obtain, and shall have afforded the other Party a reasonable opportunity to obtain, an appropriate protective or similar order providing for the confidential treatment of the Confidential Information or Trade Secrets required to be disclosed.

5.5. Injunctive Relief. Each Party acknowledges that any unauthorized disclosure or use of the other Party's Trade Secrets or Confidential Information would be likely to injure the other Party irreparably. Each Party acknowledges that its misuse or unauthorized disclosure of the other Party's Confidential Information or Trade Secrets shall entitle the other Party to injunctive or other equitable relief.

## 6. Representations and Warranties.

6.1. ACT Representations and Warranties. ACT represents and warrants to Customer that: (i) it will provide the Services in a manner consistent with reasonably applicable general industry standards; (ii) in providing the Services, it shall comply with all applicable Federal, state and local laws and regulations ("Laws") and shall obtain all required permits and licenses; and (iii) will update the ACT Software and the Service as necessary to comply with changes mandated by legislative changes to the State of Texas Property Tax Code and administrative directives issued by the Property Tax Division of the Comptroller's Office for the State of Texas.

6.2. Customer Representations and Warranties. Customer represents and warrants to ACT that: (i) the Customer Data does not and shall not infringe on or violate any third party's intellectual property or other proprietary rights; (ii) Customer owns the Customer Data or otherwise has the right to place the Customer Data on the ACT's infrastructure in connection with the Services and to view and access the Customer Data through the Services; (iii) no further approval, authorization or consent of any governmental or regulatory authority is required to be obtained by it in order for it to enter into and perform its obligations under this Agreement; and (iv) in connection with its use of the Services, it shall comply with all Laws and shall obtain all applicable permits and licenses.

6.3. Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, ACT MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, WHETHER EXPRESS, OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR ANY WARRANTY OF NON-INFRINGEMENT EXCEPT FOR THOSE THAT REASONABLY REFLECT THE COMMITMENTS AND ASSURANCES MADE BY ACT THROUGH ITS SERVICE AND SUPPORT LEVEL SPECIFICATION AGREEMENT "SCHEDULE 2". ACT DOES NOT WARRANT THAT: (a) THE SERVICES AND ANY RELATED SOFTWARE WILL OPERATE UNINTERRUPTED; (b) SERVICE OR SOFTWARE ERRORS CAN BE CORRECTED; OR (c) THE APPLICATIONS CONTAINED IN THE SERVICES OR SOFTWARE ARE DESIGNED TO MEET ALL OF CUSTOMER'S BUSINESS REQUIREMENTS.

6.4. Internet Delays. THE SERVICES MAY BE SUBJECT TO LIMITATIONS, DELAYS AND OTHER PROBLEMS INHERENT IN THE USE OF THE INTERNET AND ELECTRONIC COMMUNICATIONS. ACT IS NOT RESPONSIBLE FOR, AND CUSTOMER RELEASES ACT FROM, ANY DELAYS, DELIVERY FAILURES OR DAMAGES RESULTING FROM SUCH PROBLEMS.

## 7. Indemnification.

7.1. ACT Indemnity. Subject to Section 8, ACT shall indemnify and hold harmless Customer and any affiliated entities and their respective officers, directors, partners, employees, shareholders and agents against any damages awarded against the Customer by a court of competent jurisdiction in connection with a final judgment or ruling that the Customer's use of, or access to, the Services infringes a United States patent, copyright or trademark of the third party that is registered as of the date ACT provides Customer with the Services, provided, that: (a) Customer gives ACT prompt notification in writing of any such infringement claim specifying in reasonable detail the

nature and all material aspects of the claim and reasonable assistance, at ACT's expense, in the defense of such infringement claim; and (b) ACT has the sole authority to defend or settle such infringement claim.

7.2. Indemnification Limitations. ACT shall have no obligation for any infringement claim arising out of or relating to: (a) use of the Services other than in accordance with the terms of this Agreement; (b) any Third-Party Software associated with the Service; or (c) use of the Services in combination with any other hardware, software or other materials where absent such combination, the Services would not be the subject of the infringement claim.

7.3. Effect of Infringement Claim. If an infringement claim is asserted or, in ACT's reasonable belief, is likely to be asserted, (a) ACT may require Customer to discontinue use of the Services immediately and Customer shall comply with such requirement; and (b) ACT will, at its sole option, either (i) procure for Customer the right to use and exercise its rights with respect to the Services as provided in this Agreement; (ii) replace the Services with other non-infringing services or modify the Services to make it not infringing while retaining substantially similar functionality; or (c) if the remedies set forth in clauses (b)(i) and (b)(ii) are not commercially feasible, as determined by ACT in its sole discretion, terminate this Agreement, in whole or in part, and pay to Licensee any prepaid Fees paid by Licensee for the infringing Services that are not provided due to the early termination.

7.4. Exclusive Remedy. THE PROVISIONS OF THIS SECTION STATE THE SOLE, EXCLUSIVE, AND ENTIRE LIABILITY OF ACT AND ITS LICENSORS TO CUSTOMER, AND IS CUSTOMER'S SOLE REMEDY WITH RESPECT TO, ANY CLAIM OF INFRINGEMENT OR MISAPPROPRIATION OR ALLEGED INFRINGEMENT OR MISAPPROPRIATION OF ANY THIRD-PARTY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY RIGHT.

8. Limitation of Liability. EXCEPT FOR DAMAGES RESULTING FROM BREACHES OF SECTION 5, ACT SHALL NOT BE LIABLE TO CUSTOMER FOR ANY INDIRECT, INCIDENTAL, SPECIAL EXEMPLARY OR CONSEQUENTIAL DAMAGES, OR FOR ANY LOSS OF PROFITS OR LOSS OF REVENUE, OR COMPUTER FAILURE. ACT SHALL NOT BE LIABLE TO CUSTOMER FOR: (I) LOST DATA; OR (II) FAILURE TO REALIZE EXPECTED SAVINGS RESULTING FROM THE USE OF THE SERVICES, EVEN IF ACT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, THIS SECTION SETS FORTH CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR ANY BREACH OF WARRANTY.

#### 9. Dispute Resolution.

9.1. Injunctive Relief. A material breach of Sections 2.1, 2.4 or 2.5 by Customer would irreparably harm ACT and, accordingly, Customer agrees that in the event of such a breach ACT shall be entitled to apply to a court of appropriate jurisdiction for injunctive relief, specific performance and/or, as the case may be, other interim measures, without the posting of any bond, to prevent or stop harm, including, but not limited to, harm relating to, trademarks, copyrights, patent rights, know-how, trade secrets or other intellectual property rights. These rights to injunctive relief are in addition to those rights specified in Section 5.5.

9.2. Arbitration. Except with respect to equitable remedies and disputes related to the sections identified in Section 9.1, the Parties agree that any dispute, claim or controversy relating in any way to this Agreement shall be fully and finally settled by binding arbitration in Austin, Texas in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association, as modified herein. The arbitration panel shall include only persons with experience in information technology or computer software licensing or implementation matters. Each Party shall choose one arbitrator, and the two arbitrators so selected shall choose the third arbitrator. Determinations of the arbitrators will be final and binding upon the Parties, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. The existence, subject, evidence, proceedings, and ruling resulting from the arbitration proceedings shall be deemed Confidential Information, and shall not be disclosed by any Party, their representatives, or the arbitrators except as ordered by any court of competent jurisdiction or as required to comply with any applicable governmental statute or regulation. The arbitrators shall apply the governing law of this Agreement (without giving effect to its conflict of law principles) to all aspects of the dispute, including but not limited to the interpretation and validity of this Agreement, the rights and obligations of the Parties, the mode of performance and the remedies and consequences of the breach of the Agreement.

#### 10. Term and Termination.

10.1. Term. The "Term" shall be the duration of ACT's obligation to provide Services to Customer. The Term shall run concurrent with the Term of the Agreement for Tax Collections Services between the Firm and the Customer.

10.2. Reserved.

10.3. Termination.

10.3.1 Termination by ACT. In addition to any other rights ACT may have under this Agreement or law, ACT may, at ACT's option, terminate this Agreement as follows: (i) upon Customer's failure to pay any Fees or other amounts it owes ACT under this Agreement; (ii) upon Customer's material breach of any of its other obligations, representations or warranties under this Agreement where the breach is not cured within thirty (30) business days after written notice of the breach is provided to Customer by ACT (provided, that if ACT determines in good faith that a breach by Customer is incurable, then the termination of the Term shall be effective immediately upon notice without a cure period); or (iii) immediately upon Customer's ceasing to do business in the normal course, becoming or being declared insolvent or bankrupt, being the subject of any proceeding relating to liquidation or insolvency which is not dismissed within ninety (90) calendar days or making an assignment for the benefit of its creditors.

10.3.2 Termination by Customer. Customer may, at Customer's option, terminate this Agreement as follows: (i) for convenience during the Initial Term of the Agreement upon ninety (90) days written notice; (ii) upon ACT's material breach of any of its other obligations, representations or warranties under this Agreement, where the breach is not cured within thirty (30) business days after written notice of the breach is provided to ACT by Customer; and (iii) immediately upon ACT ceasing to do business in the normal course, becoming or being declared insolvent or bankrupt, being the subject of any proceeding relating to liquidation or insolvency which is not dismissed within ninety (90) calendar days or making an assignment for the benefit of its creditors.

10.3.3 Migration Period. Subject to Section 10.3.4, upon the termination or expiration of the Term (other than for violation by Customer of Section 2.1, 2.4, 2.5 or 5.), Customer shall have the right, upon providing written notice to ACT, to receive Services from ACT for up to six (6) months after the termination date (the "Migration Period").

10.3.4 Effect of Termination; Customer Data. Upon the expiration or termination of the Term and after receipt of all amounts due from Customer, ACT shall return to Customer all Customer Data provided that ACT may retain any Customer Data necessary for it to continue to perform under this Agreement pursuant to any Migration Period obligations, which Customer Data will be returned to Customer at the end of the Migration Period. In addition to returning all Customer Data, ACT shall destroy any copies and shall permanently delete and destroy all electronic versions of all Customer Data, and shall ensure that if any Customer Data has been provided to a third party, such third party shall similarly destroy any copies and shall permanently delete and destroy all electronic versions of all Customer Data.

10.3.5 Effective of Termination; Fees. Upon the expiration or termination of the Term, Customer shall (i) pay ACT all amounts then due and owing to ACT, and (ii) return to ACT all proprietary materials of ACT received under this Agreement. Upon termination or expiration of the Term for any reason, in addition to other amounts payable to ACT, Customer shall pay to ACT (i) all costs associated with ACT's provision of Services during any Migration Period, and (ii) any termination fee that may be payable under the applicable Schedule to this Agreement.

10.4. Survival. Termination or expiration of the Term does not terminate other provisions of this Agreement that by their terms do not expire on termination or expiration of the Term.

11. Miscellaneous.

11.1. Entire Agreement. This Agreement and the Exhibits referencing this Agreement attached hereto and incorporated herein constitute the entire agreement between Customer and ACT with respect to the subject matter of the Agreement and supercede all prior oral negotiations and prior written agreements with respect to these matters.

11.2. Independent Contractors. Nothing in this Agreement or in the course of dealing between ACT and Customer shall be deemed to create between ACT and Customer (including their respective directors, officers, employees and agents) a partnership, joint venture, association, employment relationship or any other relationship other than an independent contractor relationship.

11.3. Use of Customer Name. ACT shall have the right to identify Customer as a customer of ACT as part of ACT's marketing efforts, including customer lists and naming Customer in press releases.

11.4. Audit Rights. ACT shall have the right during customary business hours, upon reasonable written notice and at ACT's expense, to examine Customer's books and records and use of the Services in order to audit Customer's compliance with this Agreement.

11.5. Waiver, Non-Waiver, Amendment. Failure by either Party to enforce any of the provisions of this Agreement or any rights with respect to it or the failure to exercise any option provided under this Agreement shall in no way be considered to be a waiver of that provision, right or option, or in any way affect the validity of this Agreement. No waiver of any rights under this Agreement, nor any modification or amendment of this Agreement, shall be effective or enforceable, unless it is in writing and signed by each Party.

11.6. Force Majeure. Neither Party to this Agreement, other than for payments due and payable, will be liable to the other for any failure or delay in performance under this Agreement due to circumstances beyond its reasonable control including, without limitation, Acts of God, labor disruption, strikes, lockouts, riots, acts of war, terrorist threat, epidemics, communication line failures, power failures or government action.

11.7. Governing Law. This Agreement shall be governed by the laws of the State of Texas without giving effect to any choice of law principles. The parties hereto acknowledge that venue is proper in Fort Bend County, Texas, for all legal actions or proceedings arising out of or relating to this Agreement and waive the right to sue or be sued elsewhere. Nothing in the Agreement shall be construed to waive the County's sovereign immunity. The Parties hereby acknowledge and agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

11.8. Assignment. Except as provided in this Agreement, Customer may not assign or transfer any of its rights, duties or obligations under this Agreement (whether by assignment, merger, transfer of assets, sale of stock, operation of law or otherwise) without the prior written consent of ACT and any assignment not in compliance with this Section shall be deemed void. ACT in its sole discretion may assign or transfer any of its rights, duties or obligations under this Agreement.

11.9. Notice. All notices or other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) five (5) calendar days after being deposited in the United States Mail, postage pre-paid, or (c) two (2) calendar days after being deposited for delivery with a nationally recognized overnight delivery service, such as Federal Express, (with written confirmation of receipt) and addressed or sent, as the case may be, to the appropriate addresses set forth on the first page of this Agreement (or to such other addresses as a Party may designate by notice to the other Party). All notices to ACT shall be addressed to the attention of the Chief Executive Officer with a copy delivered to Lineberger Goggan Blair & Sampson, L.L.P. (the "Firm"), to the attention of the Chief Operating Officer, at P.O. Box 17428, Austin, Texas 78760-7428 (or such other address as ACT or the Firm may designate by notice to the other Party).

11.10. Severability. If any provision of this Agreement is held invalid or unenforceable, the provision shall be deemed modified only to the extent necessary to render it valid or eliminated from this Agreement, as the situation may require, and this Agreement shall be enforced and construed as if the provision had been included in this Agreement as modified in scope or applicability or not been included, as the case may be.

11.11. No Third Party Beneficiaries. This Agreement inures to the benefit of ACT and Customer only and no third party shall enjoy the benefits of this Agreement or shall have any rights under it except as is expressly provided in this Agreement.

11.12. Headings. The headings preceding the text of the paragraphs of this Agreement have been inserted solely for convenience of reference and neither constitute a part of this Agreement nor affect its meaning, interpretation or effect.

11.13. Interpretation; Order of Precedence. In the event of any discrepancy or conflict between the terms of the Agreement and the terms of any Schedule, the terms of this Agreement shall control. This Agreement and any Schedule hereto shall prevail over any additional, conflicting, or inconsistent terms or conditions which may appear on any purchase order or other document issued by Customer.

11.14. Export Controls. Customer agrees to comply fully with all relevant export laws and regulations of the United States including but not limited to the U.S. Export Administration Regulations (collectively, "U.S. Export Controls").

**SCHEDULE 1**  
**Fee Schedule**

The Annual Service Fee during the term of this Hosting Service Agreement is \$450,800.00 ("Annual Service Fee"). The Annual Service Fee includes other modules in addition to the ACT Tax Collection System (TCS) software. Those modules available at no additional cost include TaxLedge (entity remittance software), Permits (TABC beer and liquor fees) and Special Inventory Tracking (SIT).

**Agreement for Tax Collection Services: Suspension of Annual Service Fee:**

Notwithstanding the provisions of this Schedule 1, the Annual Service Fee shall be suspended and shall not accrue or be due and payable by Customer so long as the Agreement for Tax Collection Services remains in full force and effect. However, in the event the Agreement for Tax Collection Services is terminated for any reason whatsoever, Customer may receive the ACT Services for up to six (6) months from date of such termination, at no additional cost.

ACT is further entitled to additional fees as follows:

1.) a minimum conversion fee of \$2,500 for any future conversions of taxing units within the County, with the final rate to be negotiated between the Customer and ACT.

The Customer will pay for local network equipment and local costs necessary to facilitate the Customer's connection to the System, including but not limited to routers, hubs and data transmission lines, but not including all computers, printers, or monitors or the repair or replacement of any computers, printers or monitors.

Under the terms of this Agreement, no payment will be due by Customer. User requested system alterations:

All requests by Customer for modifications, enhancements or other changes to the ACT System (as defined in the Service and Support Level Specification Agreement attached to the Agreement as Schedule 2 (the "SSLSA")) shall be evaluated by ACT and processed in accordance with the Change Control Procedures set forth at Schedule C of the SSLSA. If the Customer request is approved in accordance with such Change Control Procedures, ACT will determine if the request is billable. Customer acknowledges that any request determined to be billable will be charged at the following rates:

<u>Rate Classification</u>	<u>Hourly Rate</u>
Principal	\$195.00
Project Manager	\$150.00
Senior Analyst	\$115.00
Developer	\$ 95.00
Quality Assurance / Trainer	\$ 75.00
 Mileage	 Rates as set by the current County Travel Policy.
Airfare	Rates as set by the current County Travel Policy.
Per Diem	Rates as set by the current County Travel Policy.

Schedule 2

Service and Support Level Specification Agreement

(attached)

**Schedule 2**

**Appraisal & Collection  
Technologies  
(ACT)**

**Service & Support  
Level Specification  
Agreement**

Fort Bend County

Tax Office

Richmond, Texas

## **Service and Support Level Specification Agreement**

### **County Tax Office**

#### **1. INTRODUCTION**

##### **1.1. Purpose and Objectives**

This Service and Support Level Specification Agreement is made pursuant to the "Hosting Service Agreement" between Appraisal and Collection Technologies (ACT) and Fort Bend County Tax Office (CTO), the Client.

The purpose of the Service Level Agreement is to identify current and projected levels and qualifications of support staff, hardware and software components, systems support service levels including the roles, responsibilities and response times between ACT and CTO for change management, version control, security, problem source identification and resolution, back-up/recovery and disaster recovery, help-desk, user training, system enhancement development, system configuration and operations and upgrades.

##### **1.2. Definitions**

"ACT" means Appraisal and Collection Technologies LLC, a wholly owned entity of Linebarger Goggan Blair & Sampson, LLP. All references to ACT herein include ACT personnel and ACT management.

"ACT System" or "System" means the Appraisal and Collection Technologies Tax Collection System, developed by ACT for use by a current tax office (software and hardware) including all upgrades and modifications. The ACT System Service Components are listed in Section L.

"ACT System Source Code" means the programs and database objects that make up the ACT System.

"ACTEVAL" means that particular portion of the ACT System where CTO testing data resides and is manipulated

"ACTPROD" means that particular portion of the ACT System where the CTO live data resides and is manipulated.

## ACT Service Level Agreement

"ACT User Manual" means a set of instructions designed to teach persons to use the ACT System and as used herein refers to those instructions embedded within the ACT System contained help functionality.

"CAD" means the County Appraisal District.

"Change Control Procedures" means the process to be followed when software or hardware changes are required to the ACT System.

"Client Manager" means the ACT resource responsible for managing the relationship between the client and ACT.

"Client Preferences" means those settings within the ACT System which can be managed by CTO and serve to alter the ACT System's behavior.

"Data Fix" means the insertion or correction of data directly in the Primary System via specialized tools. A Data Fix bypasses all ACT System controls, audits, and edits.

"Entitlements" means security settings within the ACT System that serve to enable a user to perform specific operations.

"Global Code Preferences" means those settings which are configurable within the ACT System, but are intended to be managed by ACT and not CTO.

"Hardware" means any and all computer components installed by ACT at CTO facilities to operate the System.

"Help Desk Services" mean the specified support services provided by ACT to CTO to facilitate understanding in operating and executing the delivered Services.

"Hosting Service Agreement" means the Agreement executed between CTO and ACT that provides the license for the ACT System to CTO, to which the Service and Support Level Specification is Exhibit B.

"Metrics" means the numeric criteria against which performance under this Agreement are to be measured.

"Normal Business Hours" means 7:00 AM to 6:30 PM CST Monday through Thursday and 7:00 AM to 6:00 PM CST Friday, except published holidays.

"Object Fix" means computer code changes to the ACT System Source Code designed to create or alter the ACT System functionality.

"Peak Business Periods" means end of tax year processing periods, end of fiscal year processing periods, month end close processing periods, certified tax billing processing periods and any other time designated as critical by CTO.

## ACT Service Level Agreement

"Primary System" means the ACTPROD portion of the ACT System.

"PRC" means the internal ACT Problem, Request and Control system utilized to manage the software development life cycle. All Software Problems and Software Change Requests are entered into this system for resolution control.

"Problem Escalation" means the procedure for alerting and notifying increasingly senior members of ACT of the non-resolution of problems.

"Problem Management" means the procedures for providing support and problem resolution services to CTO.

"Problem Priority" means the method used to define the urgency of a reported issue or change.

"Services" mean the work that ACT performs for CTO.

"Service Availability" means the times and periods that ACT will make their Services available to CTO.

"Service Component" means a divisible and identifiable part of the overall Services to be delivered.

"Service review meetings" mean meetings that are held between ACT and CTO specifically to discuss issues arising from the delivery of the Services including the performance of the Service delivery.

"Software Change Request" means new system design to support business requirements not currently supported by ACT System functionality.

"Software Problem" means existing ACT System functionality not working as it was originally intended to function as documented in the ACT User Manual.

"Standby System" means the copy of ACTPROD that is replicated at the ACT Disaster Recovery Site.

"System Availability" means the ability of CTO to process transactions and access data.

"Test System" means an environment where user testing can occur without impact to the Primary System. The main component of the Test System is ACTEVAL.

## **ACT Service Level Agreement**

### **2. SCOPE OF WORK**

#### **2.1. Services**

Services to be delivered under this Agreement are set forth in Schedule A.

#### **2.2. Services Availability**

The availability, operational reliability, and response times of the Services to be delivered and disaster recovery procedures are set forth in Schedule B.

#### **2.3. Changes to Services**

Change Control Procedures are described in Schedule C.

### **3. PERFORMANCE, TRACKING AND REPORTING**

#### **3.1. Key Personnel Changes**

ACT will notify CTO within (3) days of changes to any ACT Resources that could potentially affect the delivery of Services to CTO.

#### **3.2. Services Availability Monitoring**

The methodology to be used to monitor Services Availability is set forth in Schedule D.

#### **3.3. Services Level Reporting**

The content and schedule of Services Level reports are set forth in Schedule E.

#### **3.4. Services Review Meetings**

Services review meetings to discuss such items as Services performance levels, Software Problems, proposed Software Change Requests and administrative issues will be held on an as-needed basis with ACT at CTO.

### **4. PROBLEM MANAGEMENT**

#### **4.1. Help Desk Services**

Schedule F provides information on ACT's Help Desk Services and support procedures.

## **ACT Service Level Agreement**

### **4.2. Problem Escalation & Priority Resolution**

Schedule G details the Problem Escalation procedure. Schedule H details Software Problem definitions and resolution time frames. Schedule J contains a sample of ACT's Software Problem resolution request form.

### **4.3. Data Backup & Retention**

Schedule I details ACT's System backup and retention policy for CTO data.

### **4.4. Contact Information**

Schedule K contains ACT production support contact information.

### **4.5. ACT System Service Components**

Schedule L itemizes the ACT System Service Components.

## **5. CTO DUTIES AND RESPONSIBILITIES**

5.1. CTO will ensure that ACT has timely access to appropriate CTO personnel and will arrange for ACT to have suitable and safe access to the CTO facilities and systems.

5.2. CTO will ensure that ACT has timely access to any areas where ACT equipment (including peripheral hardware or connections) is housed to ensure agreed upon levels of service.

## **6. SCHEDULES**

SCHEDULE A	Services
SCHEDULE B	Services Availability
SCHEDULE C	Change Control Procedure
SCHEDULE D	Services Monitoring and Performance Measurement
SCHEDULE E	Service Level Reporting
SCHEDULE F	Support and Help Desk Services
SCHEDULE G	Problem Escalation
SCHEDULE H	Software Problem Priority Resolution Matrix

## ACT Service Level Agreement

SCHEDULE I	System Backup
SCHEDULE J	Problem Report and Correction Form
SCHEDULE K	ACT Production Support Contact Information
SCHEDULE L	ACT System Service Components

### 7. SCHEDULE A SERVICES

Schedule A provides a detailed list of the Services that are to be delivered to CTO and identifies CTO's responsibilities to receive these Services.

CTO owns and shall maintain exclusive control of all of its records stored in the ACT System including data imported from external sources. ACT has no rights to CTO data but may gain access by complying with established Open Record Request procedures directed to the CTO Public Information Officer. ACT may utilize the CTO data stored within the ACT system as necessary to perform the services.

CTO will provide access to necessary resources and information in a timely manner to support ACT in delivering these Services.

#### 7.1. ACT Responsibilities

ACT shall provide technical and analytical support for processing and reporting performed in any ACT System Service Component installed at CTO during the term of the Contract.

Current Business Areas include:

- a) Assessment & Freeze Processing
- b) Current and Delinquent Billing
- c) Electronic Batch & Online Payments
- d) Special Transaction Processing (such as reversals, returned items, agricultural-rollbacks, pro-rations & transfers)
- e) Batch & Online Receipting
- f) Refund Processing & Check Generation
- g) Collection & Monthly Reporting
- h) Jurisdictional Disbursement Processing
- i) Litigation Status Management
- j) Certified Tax Year and Annual Fiscal Rollover
- k) Hotel and Dealer Sales Filings
- l) In-bound and Outbound Data Exchange
- m) Master Data & Client Preference Maintenance
- n) User Security Management
- o) And any other processes or functions performed in ACT not itemized above

## ACT Service Level Agreement

### 7.2. ACT Supplied Hardware and Third Party Software

- (a) ACT will be responsible for maintaining all Oracle components including product upgrades.
- (b) ACT will manage, acquire and administer all licenses and maintenance agreements related to the Oracle software toolset and ACT related hardware.
- (c) ACT will maintain the current level of hardware infrastructure and backup equipment to minimize downtime to CTO.
- (d) ACT will maintain hardware infrastructure for that hardware provided by ACT and the broadband connection between the hardware and the ACT facilities. CTO will be responsible for the maintenance of all other hardware owned by CTO and peripheral devices used by the ACT System throughout CTO operations. The management and maintenance of the CTO network and servers will be the responsibility of CTO.
- (e) A SOC 1, Type II examination will be performed by an independent consulting firm annually.

### 7.3. ACT Help Desk

ACT shall maintain and manage a Help Desk to support users at CTO.

### 7.4. Consolidation of New Jurisdictions

ACT will provide the necessary software and hardware (System) modifications to support the collection of ad valorem taxes for new jurisdictions consolidating into the CTO. ACT will perform data conversion activities in conjunction with CTO resources. ACT agrees to perform all necessary data conversion at a cost not to exceed the amount reflected in the Hosting Service Agreement (Schedule 1 - Fee Schedule).

ACT may bill additional annual charges for a new jurisdiction, which uses or whose tax collection attorneys use a delinquent tax software system that does not presently interface with the ACT System, at a cost not to exceed the amount reflected in the Hosting Service Agreement (Schedule 1 - Fee Schedule).

### 7.5. System Modifications

CTO will make any request for System modifications in writing with sufficient specificity to identify the exact change being requested and the reason the change is necessary or desirable. CTO shall complete the ACT supplied template (see Schedule J) as well as other documents to complete the specification for the enhancement.

## ACT Service Level Agreement

As requested by CTO, ACT shall work with CTO to implement other ACT System Service Components offered by ACT not currently installed at CTO.

ACT will maintain core development of application fixes and enhancements to the ACT System Source Code.

Reports used across clients developed within the ACT System will remain the responsibility of ACT.

CTO will develop and maintain user requested reports using an ad hoc reporting tool provided and licensed by ACT. ACT will be available to aid in this effort as needed. However, joint CTO and ACT report development using an ad hoc reporting tool will be mutually agreed upon in advance by both parties.

ACT System Object Fix(es) will follow the procedures outlined in Schedule C.

### 7.6. System Configuration Management

ACT shall maintain distribution rules, rates and commissions for TaxLedge as follows: CTO will deliver to ACT complete data for all changes in writing. These changes will then be inserted into the ACT System by ACT and approved by CTO before production usage.

ACT shall manage Global Code Preferences used throughout the ACT System.

CTO will maintain the CTO client Preferences code set. ACT shall support CTO in this activity as requested by CTO.

ACT will provide support to aid CTO in performing business requirements analysis and assisting in the specifications documentation of Software Change Requests.

ACT shall manage on-line system change request documentation. CTO approved requested updates shall be provided to ACT in writing (See Section J). While ACT cannot guarantee incorporation of all requested changes into the ACT System, each written request will be addressed in writing within a timely manner. (See Section H for response time.)

### 7.7. Security Administration

ACT shall add and maintain any CTO required security roles based on specifications supplied by CTO for the ACT System.

CTO shall setup and maintain User IDs for the ACT System. CTO, or ACT upon direction from CTO, shall assign users to roles.

## **ACT Service Level Agreement**

CTO shall assign Entitlements to users for the ACT System.

As ACT enhances front-end security functionality to allow for CTO personnel to assume more security related responsibilities, CTO shall assume these responsibilities, with ACT training and / or assistance as needed.

### **7.8. Training**

ACT shall provide continuing product training as requested by CTO. ACT System training will be performed via Webinar. To ensure effective training, coordination of dates and class size will be agreed upon in advance by ACT and CTO. For any training to be provided on-site, CTO will provide facilities and required equipment to support the training.

Unless otherwise agreed between the parties, third party vendor training for CTO is the responsibility of CTO.

## **8. Schedule B SERVICES AVAILABILITY**

Schedule B provides a list of the times and periods when the ACT System will be available to CTO.

Access to the ACT System should be available at all times except when essential maintenance to hardware or software is required. If it becomes necessary to interrupt service during Normal Business Hours, prior notification to and approval from CTO is required unless the situation is critical in nature and could cause more damage if not handled immediately. As much as possible, interruptions will be scheduled to minimize any impact on users.

### **8.1. System Availability**

ACT commits to 99% ACT System Availability during Normal Business Hours. ACT shall also provide this level of System Availability during Peak Business Periods. Upon request, ACT shall provide monthly reports summarizing System Availability and downtime using ACT provided system utilities. ACT will notify CTO of any unscheduled outage and resolve the issue as quickly as possible.

### **8.2. ACT Personnel Availability**

CTO will provide ACT reasonable notice when ACT support is required outside Normal Business Hours. ACT will provide support as required under these situations.

### **8.3. Scheduled System Downtime**

Scheduled downtime will be conducted outside Normal Business Hours and Peak Business Periods.

## ACT Service Level Agreement

Scheduled downtime will occur on a weekly basis on Mondays from 5:00 AM – 5:30 AM CST. This scheduled downtime is required to conduct a weekly cold backup.

Planned downtime outside the Scheduled System Downtime may be necessary. ACT shall provide ten (10) days advance written notice to CTO, unless the maintenance is deemed critical to system stability.

If CTO requires System Availability during ACT Scheduled System Downtime, CTO shall provide ACT with eight (8) days advance written notice. ACT shall strive to fulfill these requests.

### 8.4. Unplanned System Downtime

Upon identification or notification by CTO of an unscheduled event that reduces System Availability, ACT shall begin problem source identification and troubleshooting the problem within a 15-minute timeframe. ACT shall use all means at its disposal to keep CTO updated as to the status of the problem and the estimated time of the return of System Availability.

### 8.5. Back-Up Procedures

Backup procedures are performed as defined in Schedule I.

### 8.6. Disaster Recovery / Hardware Failure

**Physical Redundancy:** CTO's Primary System is replicated at the ACT Disaster Recovery Site (Standby System).

**Power Redundancy:** CTO is responsible for providing power to the CTO facilities and all equipment housed within it. The ACT Primary System is housed in a facility in San Antonio, Texas. This facility is equipped with a stand-by generator with sufficient capacity to continue to operate in the event of a power grid outage.

A fail-over to the Standby System will be initiated and managed by ACT. ACT will work to re-route CTO to the Standby System. CTO will provide technical assistance as needed.

Once the defect is cured on the Primary System, ACT will have 5 business days to restore Services on the Primary System by reloading its data from the Standby System

### 8.7. Disaster Types

**Level 1 Disasters** are defined as having low data impact, possibly high operations impact, but no continuity issues. These disasters do not put data that is on the database at risk. Level 1 disasters include:

**Failure of the Router:** ACT will troubleshoot and if it is determined that a new

## ACT Service Level Agreement

router is necessary, one of ACT's backup routers will be dispatched with an appropriately trained technician to install the new equipment.

**Level 2 Disasters** are defined as having medium to high data impact, possibly high operations impact, and potential continuity issues. ACT will focus to minimize data loss. Level 2 disasters include:

**Failure of the main CTO Primary System:** Should a failure of the Primary System occur, the un-posted Data Guard logs would be posted to the Standby System that would become the Primary System. CTO would begin to receive Services from the Standby System.

**Failure of an application server:** There are multiple application server instances that facilitate CTO access to the Primary System. If one instance fails, the user would be required to restart the application which would redirect the user to the other application server instance.

**Level 3 Disasters** are defined as having high data impact, high operations impact and business continuity issues. Level 3 Disasters include: Major damage/loss of building and infrastructure, chemical or biological incident that makes the building inhospitable to employees, and a meteorological event that makes access to the building impossible for employees.

Whenever CTO cannot obtain Services from the Primary System and ACT determines that continued attempts to cure the cause of the Service interruption is not timely, ACT will utilize the Standby System to continue Services to CTO.

## 9. SCHEDULE C CHANGE CONTROL PROCEDURES

Schedule C provides information on the change control procedures to be followed for Software Problem or CTO requested changes to the ACT System.

### 9.1. Software Design Change Requests

CTO Software Change Requests shall be delivered to ACT in writing for consideration. (See Section J)

CTO shall provide a written specification identifying details of the requested change and reason for the change. CTO shall make key personnel available to discuss the requested change.

ACT shall evaluate the Software Change Request and perform a cost benefit impact analysis considering the CTO requirements as well as the impact on other ACT clients. ACT may share Software Change Request information with other clients.

If impact analysis yields a potential conflict with other clients, ACT will work with CTO (and all clients) to resolve in a mutually beneficial manner.

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After CTO and ACT approve a Software Change Request, a target availability date will be scheduled that is agreed upon by parties and takes into consideration development and internal test timeframes.

After ACT develops and internally tests an Object Fix as necessary to meet the objectives of the Software Change Request, ACT will migrate the Object Fix(es) to the Test System on a regular basis, unless a CTO emergency requires sooner action. In this environment, CTO will have the opportunity to test the Object Fix.

If an Object Fix involves a CTO specific object, for example, a tax statement, testing is limited to CTO.

CTO has the right to test any Object Fix and provide written test results to ACT in three (3) business days.

If CTO identifies a Software Problem, ACT will remediate the Object Fix and re-test before re-migrating it to the Test System.

If Software Change Request functionality or Software Problem(s) are identified during testing that were not in the original request scope, a new Software Change Request will be required and a new schedule of development will need to be discussed and agreed upon.

Once CTO verifies that the Software Change Request performs as expected, including successful execution of relevant transactions in the Test System to ensure no corruption of non-related functions, ACT shall migrate the Object Fix to the Primary System.

CTO will have the option to test all Object Fix(es) before migration to the Primary System.

ACT will not be obligated to approve any change request that ACT reasonably believes (i) does not conform to generally accepted industry standards or best practices, (ii) could adversely impact or materially degrade the performance of the ACT System, (iii) could adversely impact ACT's ability to meet its service level commitments or other obligations under this agreement, or (iv) could adversely impact other clients that use the ACT System. If ACT declines to approve a change request for any of these reasons, it will work with CTO in an effort to revise the change request in a mutually acceptable manner.

The ACT System warranty shall extend to all additions and modifications to the ACT System by ACT unless the modification has been requested by CTO and ACT has advised against the modification because of associated risks in so doing.

## ACT Service Level Agreement

### 9.2. Software Problems

CTO shall provide ACT detailed information when reporting a Software Problem. Examples of relevant information include the date and time the problem occurred, a detailed description of the issue in terms of impact on business processing, the process that was being performed within the ACT System when the error occurred, system error message received and the user ID operating the system. This information will be captured using the PRC form or a document template of similar nature which must be approved by CTO. (See Schedule J.)

Software Problems will be assigned a priority and resolved within the timeframe outlined in Schedule H.

Once ACT develops and internally tests the Object Fix for a Software Problem, ACT will migrate the Object Fix to the Test System. This migration will occur on a schedule outside Normal Business Hours.

Within three (3) days of the migration, CTO shall verify that the Object Fix is operating as needed. Unless a written notice of exception is received from CTO, ACT shall migrate the Object Fix to the Primary System after Normal Business Hours, following CTO's three day review period.

If continued Software Problem(s) are identified with a particular Object Fix, ACT will correct and re-test before migrating the Object Fix back to the Primary System.

### 9.3. CTO Testing Timeframe

Time is of the essence in resolving Software Problems. CTO will test an Object Fix in the Test System according to the CTO test plan in accordance to the timeframes listed below:

Software Problem: three (3) working business days.

Software Change Request: three (3) working business days, unless otherwise agreed upon by CTO and ACT.

ACT shall migrate Object Fix or Data Fix to the Primary System unless a written exception is received from CTO.

ACT shall migrate Object Fix(es) to the Test System on a schedule. Exceptions to this practice would occur if a CTO generated high priority Object Fix is ready for CTO review.

CTO shall be provided three (3) days to test, i.e. Tuesday through end-of-day Thursday any object fixes before migration. CTO shall notify ACT in writing of a defect in any PRC by 4 PM Thursday. Unless CTO has notified ACT of a defect, ACT shall migrate these Object Fix(es) into the Primary System, also on a scheduled basis, after Normal Business Hours.

**10. SCHEDULE D SERVICE MONITORING AND PERFORMANCE MEASUREMENT**

Schedule D provides detailed information on the monitoring of Services delivered to CTO and the Metrics and other means to be applied to measure the performance of the Services delivered.

**10.1. Performance Monitoring**

ACT shall have tools in place to be used to analyze performance issues.

CTO users who experience ACT System performance issues shall report such issues to CTO and ACT. ACT shall investigate reported performance issues. If the problem is identified as an ACT issue, performance tuning results and targets will be reviewed and approved and Object Fix(es) made as necessary.

If, after ACT investigation, ACT believes the underlying cause of the issue originates with CTO, the issue shall be turned over to CTO for further review or jointly reviewed by ACT and CTO.

Parties will review any non-compliance with performance expectations.

**10.2. Software Problems**

ACT commits to deliver within the specified timeframes. Schedule H outlines the delivery timeframe for Software Problem resolution. Processes covered under each Problem Priority level are outlined in Schedule H.

CTO will provide appropriate and timely turnaround to support ACT problem resolution efforts and timeframes listed in Schedule H.

**10.3. Software Enhancements**

ACT commits to deliver within the negotiated target dates associated with Software Change Requests.

**10.4. Hardware Failure**

Timeframes for recovery in the event of hardware failures are specified in Schedule B.

**10.5. Remote Access to System**

ACT cannot guarantee performance or response times on network links for which ACT has no control. As such, ACT does not guarantee response time performance Metrics for remote users, i.e. those defined as users accessing the System outside the CTO network. (CTO Branches are considered inside the

## ACT Service Level Agreement

CTO network.)

### 11. SCHEDULE E SERVICE LEVEL REPORTING

Schedule E provides information on the service level reporting provided by ACT.

#### 11.1. Reporting

Within five (5) days of the receipt of a request from CTO, ACT shall provide CTO a summary listing of all open work orders (PRCs) including Software Problems, Software Change Requests and performance or hardware issues.

The report shall identify:

1. PRC identification number
2. PRC reported date
3. Original and current problem target completion date
4. Problem description
5. Current PRC status
6. Completion date

#### 11.2. PRC System

ACT and CTO shall use ACT'S PRC system to manage and report Software Problems, Software Change Requests and Data Fix(es). PRC reports shall be updated and enhanced periodically by agreement of the parties.

#### 11.3. Other Reports

ACT and CTO shall agree to other reporting requirements as needed.

### 12. SCHEDULE F SUPPORT & HELP DESK SERVICES

Schedule F provides information on the Support & Help Desk Services available from ACT. CTO shall have completed the CTO annual authorized personnel form which lists those individuals from CTO who are authorized to communicate work request to ACT.

#### 12.1. Help Desk Operation

ACT will staff a help desk with knowledgeable Tax System personnel and be available for assisting CTO from 7:00 AM through 6:30 PM CST Monday through Thursday and 7:00 AM through 6:00 PM CST Fridays, excepting holidays.

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### 12.2. Problem Reporting

CTO shall communicate ACT System issues pursuant to internal CTO procedures. At the option of CTO, these issues will be presented to ACT via the ACT supplied Problem Report and Correction Form (see schedule J) or through the use of an internally developed CTO document that supplies the same information. The form will contain the problem description, who reported the issue and contact information, resolution priority, requested target date and backup documentation. ACT will review the form for completeness and assess the target date for feasibility. Once this process is complete, the unit of work will be assigned a PRC identification number, discussed in ACT's daily operational meeting, and sourced to an ACT resource for further review.

If a Data Fix is requested, CTO shall submit a work order to ACT with a proactive request for the Data Fix or if this is not the case, and a Data Fix is deemed necessary, ACT must have written approval from CTO before a Data Fix will be made to the Primary System.

For smaller (fewer than 10 minutes), non-critical type requests, such as cancelling a scheduled production job, CTO may submit an oral request to ACT. This type of request does not require backup documentation, a work order, or a PRC.

Critical priority items (i.e. AAA as defined in Section H) that affect System Availability or cause processing delays shall be directly communicated (verbally) by CTO to ACT. A PRC will be generated by ACT to track the issue.

### 12.3. Service Delivery

ACT can be available outside Normal Business Hours to perform emergency production support services. Contact information for ACT will be provided to CTO.

## 13. SCHEDULE G PROBLEM ESCALATION

Schedule G provides information on the Problem Escalation procedure to be applied to the Services.

### 13.1. Notification

ACT shall be notified of all Software Problems, no matter the level of priority via submission of a problem report (see schedule J).

### 13.2. Status Reporting and Escalation

## ACT Service Level Agreement

ACT shall contact CTO on a regular basis (at minimum every four (4) hours) during periods when System Availability is reduced to provide information related to the actions being taken to resolve the issue as timely as possible. In the event that an incident is not being resolved within the agreed timeframes, escalation procedures are outlined below.

ACT's Problem Escalation process assigns timeframes to contact varying management levels within ACT based on the severity of the problem and the amount of time the issue remains unresolved.

The Position levels 2, 3 and 4 configuration of timeframes outlined below shall apply when ACT exceeds the expected delivery timeframe (See Schedule H).

Resolution timeframes below are measured in hours and business days.

Problem Level	Position 1 (ACT Support / Help Desk)	Position 2 (Client Manager)	Position 3 (ACT Director)	Position 4 (President)
Priority AAA	15 minutes	1 hour	4 hours	1 day
Priority AA	1 hour	2 days	3 days	4 days
Priority A	4 hours	5 days	10 days	20 days
Priority B / Enhancements	8 hours	5 days	15 days	30 days

For example, ACT shall resolve a AAA (commonly known as "triple A") development/hardware issue within 15 minutes of the occurrence or missed deadline. If the item remains unresolved, the Client Manager shall be contacted. If, after one additional hour, the item remains unresolved or open, the Director of ACT shall be contacted and they must resolve the issue within four (4) hours. If the item still remains open, ACT's President shall be contacted for final resolution within one day.

### 14. SCHEDULE H PROBLEM PRIORITY RESOLUTION MATRIX

Schedule H provides information on the Problem Description and Issue Resolution to be applied to the Services.

Resolution timeframes below are measured in hours and business days unless otherwise noted.

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Priority	Resolution Timeframe (or as noted above)	Business Process Scope / Impact	Resolution Timeframe Calculation
Priority AAA Critical – Hardware	48 hours	a) Hardware/database/NetApp failure. -A work-around does not exist. -Process delays are not acceptable.	<b>Start Time:</b> Within 15 minutes of notification to ACT on-site Support/Help Desk. <b>End Time:</b> Introduction of fix to the production environment.
Priority AAA Critical - Software	72 hours	a) Posting of payments. b) Generating receipts. c) Generation of bills. d) Disbursement of funds. -A work-around does not exist. -Process delays are not acceptable.	<b>Start Time:</b> Within 1 hour of notification to ACT on-site Support/Help Desk. <b>End Time:</b> Introduction of fix to the test bed environment.
Priority AA High	10 days	a) Generation of refunds. b) Processing of CAD data. c) Posting of transfers & returned items. d) Monthly closeout. -A work-around may be available, but it is time intensive, or no work-around exists. -Process delays likely.	<b>Start Time:</b> Within 3 days of notification to ACT on-site Support/Help Desk. <b>End Time:</b> Introduction of problem to the test bed environment.
Priority A Medium	30 days	a) Cosmetic change to external reports or documents. b) Other items not listed above will be jointly defined by the CTO and ACT. -A feasible work-around is available to be performed on a limited basis. -Minimal process delays when work-arounds are in place.	<b>Start Time:</b> Case by case basis - dependent on complexity of issue. <b>End Time:</b> Introduction of problem to the test bed environment.
Priority B Low	60 days	a) Cosmetic change to reports or documents.	<b>Start Time:</b> Case by case basis - dependent on complexity of issue.

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		<p>b) Other items not listed above will be jointly defined by CTO Management and ACT Group.</p> <p>-A feasible work-around is available.</p> <p>-No process delays.</p>	<p><b>End Time:</b> Introduction of fix to the test bed environment.</p>
Enhancements	Case by Case Basis	<p>-CTO and ACT will mutually agree upon enhancement priority and delivery dates.</p>	<p><b>Start Time:</b> Case by case basis - dependent on complexity of change request.</p> <p><b>End Time:</b> Introduction of change to the test bed environment.</p>

**15. SCHEDULE I SYSTEM BACKUP**

All data shall be kept on the Primary System and shall be available on-line. When backup copies are made, they serve as a snapshot of the entire database. Each additional backup contains the previous history in addition to any changes to data since the prior backup. This procedure is in compliance with the State Comptroller's "Retention Section For Records Common to All Local Governments", Part 5: Electronic Data Processing Records. Should the Comptroller's requirements change, record retention schedule will be modified to remain in compliance with the State Comptroller's guidelines.

The schedule outlined below may be modified upon agreement between the parties.

15.1. Daily backups

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Server: Oracle DB Storage Server (Primary System)  
Type: Full backup  
Schedule: Monday: 5:00 am (cold backup snapshot)  
Tuesday – Saturday: 5:00 a.m. (hot backup snapshot)  
Monday – Saturday: 9:00 p.m. (snapshot backup to tape)  
Contents: Production Environment for TCS, Tax Ledge, SIT and Hotel:  
All Data, Archive Logs, and Bin Directories (programs and  
software on database server)  
Media: Disk & Tape (copying snapshots to tape media)  
Retention: 30 days

Server: Oracle DB Server; Oracle APP Servers  
Type: Full & Incremental Backup  
Schedule: Full Backup – Friday – 9:00 p.m.  
Incremental Backup – Monday – Thursday – 9:00 p.m.  
Contents: Operating System, Program files, Scripts, etc.  
Media: Disk  
Retention: 30 days

### 15.2. Monthly Backups

Server: Oracle DB Storage Server (Primary System)  
Type: Full Backup  
Schedule: Morning of the first business day of the new month  
prior to CTO  
1:00 am. Should  
day, the  
complete.  
Contents: 1) Production Environment for TCS, Tax Ledge,  
SIT and Hotel on  
Oracle DB Storage Server  
2) SPOOL (USR2SPOOL) & IMAGES  
(USER2HCTAX) volumes  
on Oracle DB Storage Server  
Media: Tape  
Retention: 12 months

### 15.3. Standby System

Server: Oracle DB Storage Server  
Type: Full Backup

## ACT Service Level Agreement

Schedule: Monday: Weekly 1:00 a.m. (cold backup snapshot)  
Contents: CTO Production Environment data for TCS, Tax Ledge, SIT and Hotel  
Media: Disk  
Retention: 30 days

16. SCHEDULE J PROBLEM REPORT AND CORRECTION FORM

Schedule J contains ACT's standard form to report problems and request fixes.

**Create a PRC**

PRCs are used to report system bugs or enhancement requests. To submit a new PRC to ACT, please fill in the fields below, then click the Submit button.

\* indicates a required field

ACT Version: ACT 7.0	Date Required:	<input type="text"/>
* Client Name: <input type="text" value="Make a selection"/>	Person Reporting:	<input type="text"/>
Affected Account Number:	* Type: <input type="text" value="Make a selection"/>	<input type="text"/>
Date Needed(MM/DD/YYYY):	Priority:	3 <input type="text"/>
Additional Documentation Follows? <input type="checkbox"/>	Screen Name:	<input type="text"/>
* E-Mail Address of Person Reporting:	<input type="text"/>	
Supervisor E-Mail Address:	<input type="text"/>	

\* Brief Description of Requested Change Characters: 0 / 1000

The change description is limited to 1,000 characters; characters beyond this limit will be removed.

17. SCHEDULE K ACT PRODUCTION SUPPORT CONTACT INFORMATION

During Normal Business Hours the ACT Help Desk can be reached by email at [acthelp@lgbs.com](mailto:acthelp@lgbs.com) or by calling (877) 422-8829 or (210) 403-8670. Outside of Normal Business Hours critical problems can be reported to the ACT Help Desk by email at [acthelp@lgbs.com](mailto:acthelp@lgbs.com).

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### 18. SCHEDULE L ACT SYSTEM SERVICE COMPONENTS

This schedule describes the Service Components of the ACT System.

#### 18.1. Base Tax Collection System

- Billing
- Collections
- Records Maintenance
- Reports and Correspondences

#### 18.2. TaxLedge System

- Refund Check Processing
- Disbursements
- Bank Reconciliation

#### 18.3. Special Inventory Tax System

- Escrowing and Billing
- Collections
- Reports and Correspondences
- Integrated with Taxledge to Process Disbursements

#### 18.4. Licensing and Permits System

- Permit Issuance and Renewal
- Receipt Issuance
- Billing & Collections
- Reports and Correspondences
- Integrated with Taxledge to Process Disbursements

#### 18.5. Hotel Motel Occupancy Tax System

- Filings & Billing
- Collections
- Reports and Correspondences

#### 18.6. Offline Remittance Capture System

- Local Payment Processing & Receipt Generation
- Data Import to ACT System Post Failure Resolution

## **ACT Service Level Agreement**

### **18.7. Other Subsidiary Systems**

- Customer Service
- Appraisal District
- Lockbox
- Mortgage Company
- Litigation and Enforcement
- Internet
- Appraisal District
- Image Integration

### **18.8. ACT software enables the following functions:**

- Current and Delinquent Tax Collection
- Concurrent Collection of Multiple Taxing Authorities
- Supplements and Adjustments Processing (HB1010 Support)
- Online and Batch Payment Processing
- Refunds – (Requested, Automatic, Litigated and Prior Year)
- Special Exemptions
- Returned Mail Processing
- Jurisdiction Control
- Comments, Notes and Event Tracking
- Change Logging
- Delinquent Attorney Support
- Security and Recoverability
- Comprehensive Audit Trail
- Extensive Reporting System
- FTP Report Processing
- Tax Ceiling Management
- TIF / TIRZ processing
- Internet Payment by credit card
- Check & Document Imaging
- Internet Portfolio of Accounts
- Installment Contracts and Quarterly Payment Plans
- Ad Hoc Reports
- Lien Management
- In Bound and Outbound Data Exchange

### **18.9. Oracle Discoverer**

In addition to the ACT System, the Oracle Discoverer application, developed by Oracle Corporation, shall be utilized for user defined reporting purposes. Oracle Discoverer is an intuitive ad hoc query, reporting, analysis, and web-publishing tool that allows business users at all levels access to information from databases. Discoverer's intuitive user interface guides the end user through the entire process of building and publishing sophisticated reports and graphs. Users can quickly and easily choose from multiple charting and layout options to rapidly create a visual representation of their query results.

# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
 Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY  
 CERTIFICATION OF FILING**

**1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**  
 Linebarger Goggan Blair & Sampson LLP  
 Richmond, TX United States

**Certificate Number:**  
 2020-691234

**Date Filed:**  
 11/18/2020

**2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**  
 Fort Bend County, Texas

**Date Acknowledged:**  
 12/16/2020

**3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.**  
 DTax Fort Bend County, Texas  
 Delinquent Ad Valorem Tax Collection Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

**5 Check only if there is NO Interested Party.**

**6 UNSWORN DECLARATION**

My name is \_\_\_\_\_, and my date of birth is \_\_\_\_\_.

My address is \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.  
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in \_\_\_\_\_ County, State of \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.  
(month) (year)

\_\_\_\_\_  
 Signature of authorized agent of contracting business entity  
 (Declarant)