



MASS COMMUNICATION SERVICE LICENSE AGREEMENT

This Parlant ASP License Agreement ("Agreement") is made as of March 15, 2013 ("Effective Date") by and between Santaquin City ("City/Township"), and Parlant Technology, Inc. ("PARLANT"), (collectively the "Parties" and each individually the "Party"), whereby City/Township wishes to subscribe to PARLANT's Mass Communication Service (the "Service") in accordance with the following terms and conditions:

1. **License.** Subject to and in accordance with the terms and conditions of this Agreement, PARLANT grants to City/Township, a non-exclusive, revocable, non-transferable license to utilize the Service, provided, however, that the Service usage must be limited to City/Township use. PARLANT frequently updates and otherwise seeks to improve the Service, and reserves the right to change any aspect or feature of the Service, provided that, PARLANT shall not change any feature used by City/Township without making reasonable efforts to provide similar or enhanced functionality.

2. **License Term** (the "Term") – Check the appropriate box and verify the date that service shall begin.

☐ **A one-year term for the period commencing on July 1, 2013.**

☐ **A three-year term** for the period commencing on July 1, 2013. City/Township may terminate the contract at the end of any complete year by providing PARLANT no less than thirty (30) days written notice to terminate. Such termination shall not relieve the City/Township of the obligation to pay PARLANT for services rendered by PARLANT to City/Township up and to the date of termination.

☒ **A five-year term** for the period commencing on July 1, 2013. City/Township may terminate the contract at the end of any complete year by providing PARLANT no less than thirty (30) days written notice to terminate. Such termination shall not relieve the City/Township of the obligation to pay PARLANT for services rendered by PARLANT to City/Township up and to the date of termination.

Notwithstanding whether this is a one-year, three-year, or five-year agreement, City/Township acknowledges that the terms and conditions of the Agreement shall govern any usage of the Service by City/Township as of the Effective Date.

3. **License Fee.** In return for the provision of the Service, City/Township will pay to PARLANT an Annual Message Fee, a Set-Up Fee and a FCC Surcharge (collectively the "License Fee"). (Note: Support is included in the Annual Message Fee.)

a. **Set-up Fee:** A one-time fee in the amount of \$700.00 ("Set-up Fee"), which fee covers implementation and configuration work, initial goals and strategy planning, training, all infrastructure maintenance, data storage, and security during the Term: AND

b. **Annual Message Fee:**

- i. **For One-Year Contract:** An annual messaging fee in the amount of \$2.50 ("Per Household Price") during the Term ("Annual Message Fee"). As of the Effective Date, the total household count is 2,449 and accordingly, an Annual Message Fee of \$6,122.50 will be payable for the Term.
- ii. **For Three-Year Contract:** An annual messaging Fee in the amount of \$2.50 ("Per Household Price") per household per year ("Annual Message Fee"). Calculation of the Annual Message Fee will be based on the number of households in the City/Township for each year (as reflected by the City/Township's database), multiplied by \$2.50. Accordingly, the Annual Message Fee payable to PARLANT will be adjusted to reflect a change in the household count ("Adjusted Annual Message Fee") each year.
- iii. **For Five-Year Contract:** An annual messaging fee in the amount of \$2.50 ("Per Household Price") per household per year ("Annual Message Fee"). Calculation of the Annual Message Fee will be based on the number of households in the City/Township for each year (as reflected by


the City/Township's database), multiplied by \$2.50. Accordingly, the Annual Message Fee payable to PARLANT will be adjusted to reflect a change in the change in the household count ("Adjusted Annual Message Fee").

- c. **FCC Surcharge:** The Federal Communications Commission ("FCC") assesses a surcharge on interstate calls ("Surcharge") to support the Universal Service Fund. In accordance with FCC Guidelines set forth in Order No. 157, PARLANT passes through these Universal Service Fund costs to all customers. The City/Township agrees to pay PARLANT its portion of the Surcharge, which is proportionate to the number of interstate calls that PARLANT makes on behalf of City/Township, and PARLANT agrees to pay the City/Township's portion of the Surcharge to the FCC. PARLANT will calculate the surcharge based on the FCC annual true up rate.
 - d. **Payment Terms:** Payment is due within (30) days of invoicing.
4. **Privacy and Terms of Use.** City/Township agrees to comply with the current Terms of Use and Privacy Policy stated on the PARLANT Website at <http://www.parlant.com/>, as amended from time to time, and acknowledges its responsibility to periodically review the Terms of Use and Privacy Policy.
5. **Renewal; Termination.** City/Township may renew this Agreement by written notice to PARLANT at least thirty (30) days prior to the end of Term for subsequent renewal terms of one year each ("Renewal Term"). The terms of any renewal agreement shall be in accordance with the then-existing PARLANT standard terms, rates and charges. Either Party may terminate this Agreement in the event of a material breach by the other Party, which breach remains uncured for thirty (30) days following written notice to the breaching party. Any termination of this Agreement will not affect any rights or liabilities of either Party that accrued prior to such termination. Sections 6 and 7 shall survive any termination of this Agreement.
6. **Limitation of Warranty, Liability and Indemnities.** PARLANT makes the Service available to City/Township through requisite access protocols, but makes no representations that City/Township will be able to access the Service at any particular time or location. The Service is provided "AS IS" with no guarantee that it is error free, and PARLANT expressly disclaims all representations and warranties relating to the Service, to the maximum extent permitted by law, either expressly or impliedly, including but not limited to, the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. Neither PARLANT nor its officers, employees, agents, affiliates, partners, sponsors, or service providers, will be liable for any damages or injury caused by, and including, but not limited to, any failure of performance, error, omission, interruption, defect, delay in operation of transmission, computer virus, or line failure, with respect to the performance of the Service. In no event shall the liability of PARLANT under this Agreement, regardless of the form of action, exceed the total compensation paid by City/Township under this Agreement. IN NO EVENT SHALL PARLANT BE LIABLE TO CITY/TOWNSHIP OR ANY THIRD PARTY FOR ANY INJURY, LOSS, CLAIM, DAMAGES OR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION LOSS OF BUSINESS PROFITS, LOSS OF SAVINGS, LOSS OF BUSINESS OPPORTUNITY, LOSS OF BUSINESS INFORMATION, BUSINESS INTERRUPTION, DOWNTIME, COVER AND THE LIKE) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER BASED IN CONTRACT, TORT (INCLUDING WITHOUT LIMITATION NEGLIGENCE) OR OTHERWISE, EVEN IF PARLANT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR SHOULD HAVE FORESEEN SUCH DAMAGES. In no event will the total liability of PARLANT for any damages incurred by City/Township exceed the most recent Annual Message Fee paid under this agreement, regardless of the form of action, whether based in contract, tort, warranty, negligence, strict liability, products liability or otherwise. The existence of multiple claims will not enlarge this limit. The Parties acknowledge and agree that this Section 6 is an essential element of the Agreement and that in its absence, the economic terms of this Agreement would be substantially different.
7. **Entire Agreement Clause.** This Agreement and the accompanying Quote that was dated January 28, 2013 forms a written contract that constitutes the entirety of the agreement between the Parties. Neither Party is relying on any statement which is not set out in this agreement. The Parties agree that the only remedies available will be those set out in this agreement or a claim in damages for breach of agreement.
8. **Miscellaneous.** The laws of the State of Utah shall govern all disputes relating to this Agreement. Neither PARLANT nor City/Township shall be liable for damages for any delay or failure of delivery arising out of causes beyond its reasonable control, including, but not limited, acts of civil or military authority, fires, floods, earthquakes, storms, hurricanes or other natural disaster), hostilities, strikes, government sanctions, acts of

terrorism, riots, wars, interruption or failure of electricity or telecommunication service, or acts of God. Any notice must be given in writing and sent by certified or registered mail. This Agreement constitutes the entire understanding of the parties with respect to the subject matter herein, and may be amended only by mutual written agreement. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth above.

For: Parlant Technology, Inc.
Signed:
Print Name: John Graff
Title: President
Date:
Parlant Technology, Inc. 180 N. University Ave., Suite 500 Provo, UT 84601

For: Santaquin City
Signed: 
Print Name: JAMES E. DEGRAFFENRIED
Title: Mayor
Date: 3/19/2012
Santaquin City 45 West 100 South Santaquin, UT 84655



January 28, 2013

Proposal For: **Santaquin City**

Parlant Mass Communication Service (MCS)

Includes: Unlimited emergency and non-emergency communications using our mass communication service. Also includes unlimited surveys for resident feedback. This proposal also includes implementation and configuration services, initial training, 24 x 7 support, annual web-based refresher trainings, periodic web-based refresher training during each license term, etc.

ITEM#	DESCRIPTION	# HOUSEHOLDS	PRICE	LINE TOTAL
FIRST YEAR				
PL-ASP-CITY/OTHER	Parlant Mass Communication Service (Annual Fee)	2,449	\$1.50	\$3,673.50
PL-IMP-MCS	Implementation and Configuration Services (One-time charge)		\$500.00	\$500.00
	FCC Surcharge not to exceed \$0.07 per household. (Note: The \$0.07 is a maximum price. Actual price may be less.)	2,449	\$0.07	\$171.43
	Total Price			\$4,344.93

SECOND YEAR				
PL-ASP-CITY/OTHER	Parlant Mass Communication Service (Annual Fee)	2,449	\$1.50	\$3,673.50
	FCC Surcharge not to exceed \$0.07 per household. (Note: The \$0.07 is a maximum price. Actual price may be less.)	2,449	\$0.07	\$171.43
	Total Price			\$3,844.93

OPTION-2

Parlant MCS-9

Includes: Everything from Parlant Mass Communication Service plus: Custom City Mobile App, ability for residents to submit maintenance requests, ability for residents to pay bills from smartphone or from a tablet, ability to send alerts and news to the app, ability for residents to follow calendar of events, and more.

ITEM#	DESCRIPTION	# HOUSEHOLDS	PRICE	LINE TOTAL
FIRST YEAR				
PL-ASP-MCS9	Parlant MCS-9 Service (Annual Fee)	2,449	\$2.50	\$6,122.50
PL-IMP-MCS	Implementation and Configuration Services (One-time charge)		\$700.00	\$700.00
	FCC Surcharge not to exceed \$0.07 per household. (Note: The \$0.07 is a maximum price. Actual price may be less.)	2,449	\$0.07	\$171.43
	Total Price			\$6,993.93

SECOND YEAR				
PL-ASP-CITY/OTHER	Parlant MCS-9	2,449	\$2.50	\$6,122.50
	FCC Surcharge not to exceed \$0.07 per household. (Note: The \$0.07 is a maximum price. Actual price may be less.)	2,449	\$0.07	\$171.43
	Total Price			\$6,293.93

This price is valid through: **July 15, 2012**

If you have any questions about this proposal please contact:

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E-Mail: dan.nelson@parlant.com