

DocuSign City Council Transmittal Coversheet

File	6500
File Name	Substation Servernet Software - Subnet Solutions
Purchasing Contact	Rebecca Hunter
City Council Target Date	4/3/2018
Contract Value	\$307,980
Piggy Back Option	no
Contract Expiration	April 3, 2021
Ordinance	18-416

**CONTRACT BY AND BETWEEN
CITY OF DENTON, TEXAS AND SUBNET SOLUTIONS, INC.
(FILE 6500)**

THIS CONTRACT is made and entered into this date April 3, 2018, by and between SUBNET SOLUTIONS, INC. a corporation, whose address is #100, 4639 MANHATTAN RD, SE – CALGARY, ALBERTA – T2G 4B3, hereinafter referred to as "Contractor," and the **CITY OF DENTON, TEXAS**, a home rule municipal corporation, hereinafter referred to as "City," to be effective upon approval of the Denton City Council and subsequent execution of this Contract by the Denton City Manager or his duly authorized designee.

For and in consideration of the covenants and agreements contained herein, and for the mutual benefits to be obtained hereby, the parties agree as follows:

SCOPE OF SERVICES

Supplier shall provide products and/or services in accordance with Subnet Solutions Quote: QUO-11160-H7N4-R0, a copy of which is attached as "**Exhibit F**." The Contract consists of this written agreement and the following items which are attached hereto and incorporated herein by reference:

- (a) Special Terms and Conditions (**Exhibit "A"**);
- (b) Certificate of Interested Parties Electronic Filing (**Exhibit "B"**);
- (c) House Bill 89 Verification Form (**Exhibit "C"**);
- (d) Senate Bill 252 Certification Form (**Exhibit "D"**);
- (e) Conflict of Interest Questionnaire (**Exhibit "E"**);
- (f) Subnet Solutions Quote: QUO-11160-H7N4-R0. (**Exhibit "F"**);

These documents make up the Contract documents and what is called for by one shall be as binding as if called for by all. In the event of an inconsistency or conflict in any of the provisions of the Contract documents, the inconsistency or conflict shall be resolved by giving precedence first to the written agreement then to the contract documents in the order in which they are listed above. These documents shall be referred to collectively as "Contract Documents."

INDEMNITY

THE CONTRACTOR REPRESENTS AND WARRANTS TO THE CITY THAT THE INTELLECTUAL PROPERTY SUPPLIED BY CONTRACTOR IN ACCORDANCE WITH THE SPECIFICATIONS IN THE CONTRACT WILL NOT INFRINGE, DIRECTLY OR CONTRIBUTORILY, ANY PATENT, TRADEMARK, COPYRIGHT, TRADE SECRET, OR ANY OTHER INTELLECTUAL PROPERTY RIGHT OF ANY KIND OF ANY THIRD PARTY, AND THAT NO CLAIMS HAVE BEEN MADE BY ANY PERSON OR ENTITY WITH RESPECT TO THE OWNERSHIP OR OPERATION OF THE INTELLECTUAL PROPERTY. MOREOVER, THE CONTRACTOR DOES NOT KNOW OF ANY VALID BASIS FOR ANY SUCH CLAIMS. THE CONTRACTOR SHALL, AT ITS SOLE EXPENSE, DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS FROM AND AGAINST ALL LIABILITY, DAMAGES, AND COSTS (INCLUDING COURT COSTS AND REASONABLE FEES OF ATTORNEYS AND

OTHER PROFESSIONALS) ARISING OUT OF OR RESULTING FROM ANY CLAIM THAT THE CITY'S EXERCISE OF ITS LICENSE RIGHTS, AND ITS USE OF THE INTELLECTUAL PROPERTY, THE SUBJECT OF THIS CONTRACT, INFRINGES THE INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY, OR THE BREACH OF ANY OF REPRESENTATIONS OR WARRANTIES STATED IN THE CONTRACT DOCUMENTS. IN THE EVENT OF ANY SUCH CLAIM, THE CITY SHALL HAVE THE RIGHT TO MONITOR SUCH CLAIM OR AT ITS OPTION ENGAGE ITS OWN SEPARATE COUNSEL TO ACT AS CO-COUNSEL ON THE CITY'S BEHALF.

IN WITNESS WHEREOF, the parties of these presents have executed this agreement in the year and day first above written.

CONTRACTOR

DocuSigned by:
A Eshpeter
BY: _____
29CEE9480FAA4F0...
AUTHORIZED SIGNATURE

Date: 3/22/2018

Name: Anthony Eshpeter

Title: Chief Technology Officer
403-270-8885

PHONE NUMBER

Anthony.Eshpeter@subnet.com

EMAIL ADDRESS

2018-321401

**TEXAS ETHICS COMMISSION
CERTIFICATE NUMBER**

CITY OF DENTON, TEXAS

DocuSigned by:
Todd Hileman
BY: _____
B776C711BA0D454...
TODD HILEMAN
CITY MANAGER

Date: 4/6/2018

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

DocuSigned by:
Jennifer Walters
BY: _____
C5BFAFC1821946D...

APPROVED AS TO LEGAL FORM:
AARON LEAL, CITY ATTORNEY

DocuSigned by:
Larry Collister
BY: _____
36A6D96FD93B4AB...

File # 6500

Exhibit A
Special Terms and Conditions

1. Total Contract Amount

The contract total for services shall not exceed \$307,980. Pricing shall be per Exhibit F attached.

2. Contract Terms

The contract term will be three (3) years, effective from date of award or notice to proceed as determined by the City of Denton Purchasing Department.

3. Frequency

Purchase orders will be issued for products and services as needed during the contract period.

Exhibit B
Certificate of Interested Parties Electronic Filing

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that the City may not enter into this contract unless the Contractor submits a disclosure of interested parties (Form 1295) to the City at the time the Contractor submits the signed contract. The Texas Ethics Commission has adopted rules requiring the business entity to file Form 1295 electronically with the Commission.

Contractor will be required to furnish an original notarized Certificate of Interest Parties before the contract is awarded, in accordance with Government Code 2252.908.

The contractor shall:

1. Log onto the State Ethics Commission Website at :
https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm
2. Register utilizing the tutorial provided by the State
3. Print a copy of the completed Form 1295
4. Enter the Certificate Number on page 2 of this contract.
5. Sign and notarize the Form 1295
6. Email the notarized form to purchasing@cityofdenton.com with the contract number in the subject line. (EX: Contract 1234 – Form 1295)

The City must acknowledge the receipt of the filed Form 1295 not later than the 30th day after Council award. Once a Form 1295 is acknowledged, it will be posted to the Texas Ethics Commission's website within seven business days.

Exhibit c

House Bill 89 - Government Code 2270

VERIFICATION

I, Anthony Eshpeter, the undersigned representative of SUBNET Solutions Inc. Company or Business name (hereafter referred to as company), being **an adult over the age of eighteen (18) years of age, verify that the company named-above, under the provisions of Subtitle F, Title 10, Government Code Chapter 2270:**

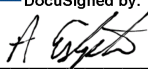
- 1. Does not boycott Israel currently; and**
- 2. Will not boycott Israel during the term of the contract the above-named Company, business or individual with City of Denton.**

Pursuant to Section 2270.001, Texas Government Code:

- 1. "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and*
- 2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.*

Anthony Eshpeter

Name of Company Representative (Print)

DocuSigned by:


Signature of Company Representative

3/22/2018

Date

Exhibit D
Senate Bill 252 -Government Code 2252
CERTIFICATION

I, Anthony Eshpeter, the undersigned representative of SUBNET Solutions Inc. (Company or business name) being an adult over the age of eighteen (18) years of age, pursuant to Texas Government Code, Chapter 2252, Section 2252.152 and Section 2252.153, certify that the company named above 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. I further certify that should the above-named company enter into a contract that is on said listing of companies on the website of the Comptroller of the State of Texas which do business with Iran, Sudan or any Foreign Terrorist Organization, I will immediately notify the City of Denton's Materials Management Department.

Anthony Eshpeter

Name of Company Representative (Print)

DocuSigned by:


29CEE9480FAA4F0...
Signature of Company Representative

3/22/2018

Date

Exhibit ^E


	CONFLICT OF INTEREST QUESTIONNAIRE -		FORM CIQ
For vendor or other person doing business with local governmental entity			
This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.			
<p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local government entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>			
1	Name of vendor who has a business relationship with local governmental entity. SUBNET Solutions Inc.		
2	<input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7 th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)		
3	Name of local government officer about whom the information in this section is being disclosed. <div style="text-align: center;"> Todd Hileman _____ Name of Officer </div> <p>This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of one percent or more? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>D. Describe each employment or business and family relationship with the local government officer named in this section. Customer </p>		
4	<input checked="" type="checkbox"/> I have no Conflict of Interest to disclose.		
5	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>DocuSigned by:  _____ Signature of Vendor doing business with the governmental entity </p> </div> <div style="width: 45%; text-align: right;"> <p>3/22/2018 _____ Date </p> </div> </div>		

EXHIBIT F

SUBNET Solutions Inc

#110, 916 – 42nd AVE SE - Calgary, Alberta - T2G 1Z2 Phone:
1-403-270-8885 - Fax: 1-403-270-9631 - Website: www.SUBNET.com



Join us for the 9th Annual
SUBNET of Things User Group Conference 2017...

Quote

Date	Quote #
MAR/02/2018	QUO-11160-H7N4-R0

Bill To Address:
Denton Municipal Electric Mark Zimmerer 1671 Spencer Road Denton, Texas, USA, 76205 Phone: 1-940-349-7169 Fax: 1-940-349-7334

Ship To Address:
Denton Municipal Electric Mark Zimmerer 1671 Spencer Road Denton, Texas, USA, 76205 Phone: 1-940-349-7169 Fax: 1-940-349-7334

Terms	Rep	P.O. #	Ship Via
Net 30	Sue Spate		FEDEX

Ln #	Qty	Part #	Description	Unit Price	Ext Price
1	66	SUBP-218	SubstationSERVER.NET - SubstationSERVER.NET v2.0 v2.19 <i>Option Set 3 includes: 50,000 Points / 100 Ports / All Standard Client and Server Protocols</i> <i>Also Includes:</i> Calculator SEL Data Logger Channel Redundancy System Redundancy Price reflects 10% software discount. List Price: \$4,200 USD Discounted pricing is based on purchasing the license quantities identified in this quotation within a 3 year time frame.	\$ 3,780.00	\$ 249,480.00
2	13	SUBP-284	SubSTATION Explorer 2015 Price reflects 10% software discount. List Price: \$5,000 USD Discounted pricing is based on purchasing the license quantities identified in this quotation within a 3 year time frame.	\$ 4,500.00	\$ 58,500.00

66 SUBP-415 SubSTATION Server 2.XX - Standard Software INCL INCL Support

Includes six years of Minor Release Updates, Help

<i>Desk for Critical Bug Fixes, and Software Hot Fix Updates from date of SubSTATION Server 2.0</i>				
4	13	SUBP-286	SubSTATION Explorer 2015 - Standard Software Support <i>Includes Minor Release Updates, Help Desk for Critical Bug Fixes, and Software Hot Fix Updates of SubSTATION Explorer 2015 from release date until June 2020</i>	INCL INCL
5	66	SUBP-443	SubSTATION Server Substation Edition Option Set 3 - Full Continuous Current Evolution Program including Major Single Version Upgrade <i>Includes Major Version Upgrades, Priority Help Desk Support, Patch Management Email Bulletins and SUBNET Continuous Current Incentive Plan for the term of July 1, 2017 to June 30, 2018.</i> <i>Initial enrollment in SUBNET's CCE program (15% value add), this will enable FREE upgrades or license transfers as well as accumulated CCE engineering hours, patch management notification, training tour incentives, software service bulletins and priority help desk support.</i> <i>Discounted pricing is based on purchasing the license quantities identified in this quotation within a 3 year time frame.</i>	\$ 513.00 \$ 33,858.00
6	13	SUBP-410	SubSTATION Explorer - Substation Edition - Full Continuous Current Evolution Program including Major Single Version Upgrade. <i>Includes Major Version Upgrades, Priority Help Desk Support, Patch Management Email Bulletins and SUBNET Continuous Current Incentive Plan for the term of July 1, 2017 to June 30, 2018.</i> <i>Initial enrollment in SUBNET's CCE program (15% value add), this will enable FREE upgrades or license transfers as well as accumulated CCE engineering hours, patch management notification, training tour incentives, software service bulletins and priority help desk support.</i> <i>Discounted pricing is based on purchasing the license quantities identified in this quotation within a 3 year time frame.</i>	\$ 675.00 \$ 8,775.00
7	1	SPECIAL NOTE	SPECIAL NOTE DETAILS: <i>As a valued SUBNET customer and as part of your commitment to purchase the licenses described in this quotation, we are offering our Continuous Current Evolution (CCE) program FREE of charge for the first year. This program will ensure that you have the extra support infrastructure in place to ensure the success of your project.</i> <i>This represents a 15% value with the following benefits;</i> <i>Priority Help Desk Support Major Version Upgrade at no additional charge Software Hot Fix Updates Operating System Updates Software Service Bulletins SUBNET Patch Management Bulletin Access Patch Management Email Notification Service and Updates Software License Portability to New Operating Systems</i>	(\$ 42,633.00) (\$ 42,633.00)

*Software License Portability to New Hardware
Training Tour Incentives
FREE System Engineering/Technical Services hours*

PURCHASE ORDERS MUST REFERENCE QUOTE #: QUO-11160-H7N4-R0

All Prices are in USD Dollars, Shipping is extra.

Sub Total	\$ 307,980.00
Sales Tax	\$ 0.00
Shipping	
Total	\$ 307,980.00

**SUBNET QUOTATION
TERMS AND CONDITIONS (City of Denton)**

Feb 2018

Unless otherwise agreed by SUBNET Solutions Inc. ("SUBNET") in writing, the terms and conditions of this SUBNET Quotation will govern the sale of any license for the use of the software, any sale of hardware described herein or any SUBNET services to be provided hereunder. SUBNET hereby objects to any additional, conflicting or different terms that may be proposed by you, or if you are authorized by SUBNET to resell such software, hardware or services, your customer, or set out in any purchase order or other document provided by you, or your customer, and no terms or conditions included in any such documents shall apply to the software, hardware or services to be provided or performed hereunder. This SUBNET Quotation may only be accepted within forty-five (45) days from its date by: (i) providing SUBNET with a purchase order or other confirming document, (ii) receiving, downloading or installing the applicable software, hardware or service, (iii) activating the applicable key for the applicable software, hardware or service, or (iv) arranging for or using the applicable software, hardware or service. The availability and features of SUBNET's offered hardware, software and services and the fees and pricing related thereto beyond this date are subject to change without notice. By accepting this SUBNET Quotation, you are accepting the scope, milestones and deliverables (namely, hardware, software and services) as set out herein. This SUBNET Quotation may not be accepted after such date. The agreement created by the acceptance of this SUBNET Quotation is between you and SUBNET. Unless otherwise defined herein, all capitalized terms herein will have the same meaning as ascribed to them in the SUBNET Software License Agreement.

For the purposes of this SUBNET Quotation and unless stated otherwise: "hardware" shall mean the hardware and systems specified in this SUBNET Quotation, including without limitation any accessories, enclosed documentation and embedded software; "maintenance and support services" means the annual maintenance and support services described in the Continuous Current Evolution Program description (a copy of which is available at www.subnet.com/salesorderterms); "professional services" means the training, consulting, and any other services to be provided by SUBNET hereunder as specified in this SUBNET Quotation, other than maintenance and support services; "services" means maintenance and support services and professional services; and "software" shall have the meaning ascribed thereto in the SUBNET Software License Agreement (a copy of which is available at www.subnet.com/salesorderterms). By accepting delivery of software, hardware or services, you agree to be bound by these terms and conditions. All orders are subject to you advising SUBNET of the requirement for, and SUBNET's ability to obtain, on appropriate terms and within a reasonable amount of time, any export license or permit required by applicable government law or regulation. SUBNET shall have the right to cancel any order at any time if you fail to agree to these terms and conditions or materially breach same (including, without limitation, by failing to pay any amounts when due).

Reselling:

Notwithstanding any other term herein, where it is indicated on this SUBNET Quotation that you will be reselling the software, hardware or services to be provided or performed hereunder to the third party indicated on this SUBNET Quotation (your customer), such software, hardware or services are provided to you solely for delivery to your customer at the location indicated on this SUBNET Quotation and on the strict condition that your customer first agrees to all of the terms and conditions of this SUBNET Quotation, and the agreements and other documents incorporated by reference herein, without change. As you are reselling such software, hardware and services to your customer, you shall have no right to use same, other than the limited right to transfer same to your customer in accordance with this SUBNET Quotation. Your customer must accept these terms before the software will be enabled or the hardware or services will be provided.

Software:

By executing and returning this SUBNET Quotation, you acknowledge and agree that the software provided to you hereunder is subject to, and governed by, the terms and conditions of this SUBNET Quotation and the SUBNET Software License Agreement, including, without limitation, all of the rights, restrictions, indemnities, disclaimers and limitations contained therein. The SUBNET Software License Agreement forms part of and is hereby incorporated into, this SUBNET Quotation. These license terms must be accepted before the software will be enabled.

The software is subject to and provided with SUBNET's Five-Year Signature Image Software Warranty (a copy of which is available at www.subnet.com/salesorderterms). This warranty shall be exclusive and in lieu of all other representations, warranties or conditions, whether statutory, express or implied (including representations, warranties or conditions of merchantability, fitness for particular purpose, uninterrupted use and representations, warranties or conditions arising from course of performance or dealing or usage of trade). These warranty terms must be accepted before the software will be enabled. You must notify us in writing of any bug or defect that you find within the hardware, software or services within ten (10) days of receipt of such hardware, software or service. Such notice shall specify the bug or defect identified and provide sufficient detail to enable SUBNET to recreate same. You will be deemed to have accepted such hardware, software or service if you fail to provide such notice within such period.

Additional Software Terms

(substation/enterprise/developer/evaluation):

In addition to the terms of the SUBNET Software License, the following terms apply to the software versions as noted: You may only use the Software in the manner and to the extent specified in this SUBNET Quotation and the SUBNET Software License Agreement. The rights and limitations for use of the software depend upon the license type. Substation edition software may only be used in a single remote substation whereas enterprise edition software may only be used to manage multiple remote substations providing centralized control capability. Unless otherwise specifically agreed by SUBNET in writing, such as in an Enterprise License Agreement, substation edition software is licensed for use only on the hardware and with the operating system for which it is first installed. You may only change, modify or upgrade such hardware or operating system with SUBNET's prior approval. Substation edition software may only be used to communicate and/or interface with other substation devices located within that substation and any devices installed on feeders that directly connect such substation to an adjoining substation. Devices within any other adjoining substations are not included with a substation edition license.

A separate substation edition license is required for each individual substation. If you wish to use the software to communicate and/or interface with substation devices within multiple substations the applicable enterprise edition license of the software is required. Developer edition software may only be used for configuration development and testing. You may not install or use such software in a production environment. Developer edition software may be moved from one hardware to another hardware, provided always that you permanently remove such software from the hardware from which it was moved.

Where you are granted an evaluation license, such software is provided for evaluation purposes only. You may not use such software for any other purpose. You may not install or use such software in a production environment. Notwithstanding any other provision herein (including in the SUBNET Software License) (i) such software is provided on a strictly "as is", "with all faults" basis and without representation, warranty or condition of any kind, express or implied, and (ii) IN NO EVENT SHALL THE TOTAL AND CUMULATIVE LIABILITY OF SUBNET IN RESPECT OF SUCH SOFTWARE EXCEED ONE HUNDRED (\$100) DOLLARS. You acknowledge that such Software shall only operate for the period of time authorized by its installation key, after which time the Software shall cease to

function. You agree to not rely on the continued availability for use of the Licensed Software for any purpose whatsoever. You may be asked to evaluate a test or beta version of software. Where you are asked to evaluate software, such software may be provided to you for evaluation prior to its commercial release and may have bugs, errors or defects in same. You agree to provide SUBNET with any data, comments or feedback that you may have in respect of such test or beta software and that SUBNET is and shall remain free to use such data, comments and feedback without limitation and without any need to account to you or anyone else, to provide you or anyone else with any notice, or to obtain your or any other consent. Such software is provided under the terms of this Sales Quotation and the SUBNET Software license as evaluation software and all terms related to evaluation licenses herein shall apply to all test or beta versions of the software.

Services:

SUBNET shall provide to you the professional services selected on this SUBNET Quotation. By executing and returning this SUBNET Quotation, you acknowledge and agree that any professional services to be provided to you hereunder are subject to, and governed by, the description of work provided in the SUBNET Quotation, including the hours, rates, personnel, time schedule and any other charges that may apply to delivery of these services. These terms must be accepted before we can provide you with any professional services.

SUBNET shall provide to you the maintenance and support services selected on this SUBNET Quotation. By executing and returning this SUBNET Quotation, you acknowledge and agree that the maintenance and support services provided to you hereunder are subject to, and governed by, the terms and conditions contained herein.

Unless otherwise specified herein, SUBNET shall perform such services in a manner consistent with the degree of care and skill ordinarily exercised in the software industry in Canada and the United States. SUBNET shall reperform (or, at SUBNET's option, pay a third party to reperform) any defective services (including services performed in conjunction with SUBNET's software) at no cost upon receipt of notice detailing the defect(s) within ninety (90) days of performance of the original Services. Such obligation shall not apply to the extent that the defect arises as a result of: (i) your decision not to comply with the reasonable advice of SUBNET in respect of the services; (ii) SUBNET'S reliance on incorrect information provided by you; (iii) your (including your personnel's) failure to promptly perform its responsibilities as set out herein. All other representations, warranties and conditions concerning the services, including those which may be implied by law, are hereby disclaimed.

Generally, for services performed on a time and expense basis, charges shall include time and expenses incurred in the previous calendar month and for services performed on a fixed-price basis, charges shall include the price of major deliverables substantially completed in the previous calendar month. SUBNET's working hours are typically 8 hours per day. SUBNET personnel are not to work beyond this without approval from SUBNET's project manager. This policy is to ensure that SUBNET personnel are able to consistently deliver high value services in a safe and effective manner. Additional charges may result from modifications to the desired services or from unforeseen conditions.

Unless either party gives written notice of non-renewal within thirty (30) days before the last day of the then applicable term, annual maintenance and support services shall automatically renew for additional one (1) year periods.

Confidentiality:

Neither of us shall disclose to any third party, and each of us shall keep strictly confidential, the confidential information of the other that is disclosed by, or on behalf of, the other to us in the course of the performance of the services, protecting the confidentiality thereof with at least the same level of efforts that it employs to protect the confidentiality of its own proprietary and confidential information of

like importance to it and in any event, by reasonable means. Each of us may, however, disclose the confidential information of the other to those of our respective personnel engaged in the performance of the services, and with a need to know, provided that such personnel: (i) are directed to treat such confidential information confidentially and not to use such confidential information other than as permitted hereunder and (ii) are subject to a legal duty to maintain the confidentiality thereof. Neither of us shall use the confidential information of the other except solely as necessary in and during the performance of the services, or as expressly licensed by the other. The City of Denton is a governmental entity and information is subject to the Freedom of Information Act.

Hardware:

By executing and returning this SUBNET Quotation, you acknowledge and agree that any third party hardware provided to you hereunder is subject to, and governed by, the documentation provided by the third party that specifies the terms and conditions for the use of their hardware and other equipment. SUBNET assumes no responsibility for the operation of third party hardware or other equipment delivered under this order and all such issues must be addressed by you directly with the third party hardware supplier. When applicable, SUBNET shall provide you with one (1) copy of related instructions. You may not reproduce such instructions. Where available, you may order additional copies from SUBNET. All instructions and related documentation shall be in English. Although SUBNET or its representatives may from time to time provide translations of such instructions and documentation as a courtesy, the English version shall govern in the event of, and SUBNET shall not be liable for, any discrepancies.

Shipping:

SUBNET shall pack and ship software and hardware according to its standard procedures, and all shipments shall be sent to you using SUBNET's standard freight forwarder or carrier. You shall pay for any increased costs due to special packing, shipment (including freight forwarders or carriers required by you) or insurance requests, as well as any detention charges. All shipments are made Incoterms EXW (ex works). In any event, acceptance shall be deemed to have occurred no later than thirty (30) days after shipment. You may not return any shipment without prior written consent of SUBNET.

Delivery:

Generally, hardware is delivered within 10-12 weeks after receipt of your request for same. The dates on which the software, hardware, and services specified hereunder will be delivered to you are approximate, and are based in part upon the prompt receipt of all necessary information from you. They do not constitute a contractual obligation.

Fees and Taxes:

In addition to the fees payable for the hardware and your license to use the software as set out herein, you acknowledge that service, support and maintenance fees may be payable in respect of the provision of services (including, development, installation, support or maintenance services). Travel Expenses are billed at actual cost. Typically, such fees are set out herein. If they are not set herein, then SUBNET's then current standard pricing shall apply. The fees payable for the hardware, software and services do not include any applicable sales, use, excise, value-added or other taxes or duties; you are responsible for paying same. All prices are quoted and all payments shall be made in the currency specified in the SUBNET Quotation; where no such currency is specified, then such prices and payments will be deemed to be in US Dollars.

Payment Terms:

Payment terms are net thirty (30) days from the date of invoice. Any change in these payment terms must be agreed to in writing by SUBNET before the sales invoice is issued. SUBNET may, at its sole discretion, impose a late charge equal to the lesser of 1.5% per month (18% per annum) or the highest applicable rate allowed by law on all amounts not paid when due. Any payment made by you will be applied to the oldest amounts due before being applied to current invoices. Notwithstanding the foregoing, your failure to pay amounts due will be deemed a material breach of this SUBNET Quotation, and any acceptance by SUBNET of late payments will not be deemed a waiver of such breach. To the extent allowed by law, SUBNET will be entitled to recover all costs incurred in collecting amounts due from you, including without limitation, legal fees and other costs (including without limitation, disbursements).

International Customers: Additional Terms

Notwithstanding any other provision herein (including in the SUBNET Software License), where Software, Hardware or Service are delivered outside of Canada or the United States of America, the following terms shall apply: (i) unless otherwise specifically stated in the SUBNET Quotation, all Software, Hardware and Services are provided only upon receipt, in full, by SUBNET of the payment for same. Should an international client wish to obtain other payment terms, please contact SUBNET directly to discuss establishing appropriate credit. All licenses, sales and services will be provided in compliance with all applicable Canadian and United States of America export control laws, as such, you may be required to provide additional documentation to show that you and the ultimate users of the Software, Hardware and Services are permitted to receive same. All documents and communications with SUBNET, including all legal agreements, shall be in English unless otherwise specifically agreed to, in writing, by us. Deliveries shall be made IncoTerms EXW (Exworks). SUBNET requires the use of the customer's freight forwarder and customs broker to handle shipping, insurance, import duties, local taxes, etc. All offsite Services are provided during SUBNET's normal business hours in Alberta, Canada. Any inconsistent or conflicting terms shall be resolved in favour of this section.

Negotiated Agreements:

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Miscellaneous:

This SUBNET Quotation shall be governed by and construed in accordance with the laws of the State of Texas and the federal laws of United States applicable therein, excluding its conflict of laws provisions and without regard to the United Nations Convention on Contracts for the International Sale of Goods or like convention, if applicable. The courts in Denton County, Texas shall have non-exclusive jurisdiction over all disputes relating to this Agreement. Each of the parties hereto irrevocably attorns and consents to the jurisdiction of such courts.

Any notice pursuant to this SUBNET Quotation shall be deemed given when sent by registered mail (return receipt requested), overnight delivery or fax (receipt confirmed) to an authorized officer at the address or fax number provided on the SUBNET Quotation or, if no such address or fax number is provided, at the registered headquarters of the other party. No failure or delay by either party in exercising any right or remedy, or insisting upon strict compliance by the other party with any obligation in this SUBNET Quotation, shall constitute a waiver of any right thereafter to demand exact compliance herewith. The invalidity, in whole or part, of any provision in this SUBNET Quotation shall not affect the remainder of such provision or any other provision and, where possible, shall be replaced by a valid provision that affects as close as possible the intent of the invalid provision. Neither party shall be liable for failure to perform or delay in performance of any obligation under this SUBNET Quotation (except payment of amounts already due and owing) where such failure or delay results from any event beyond its reasonable control.

Any modification of this SUBNET Quotation must be in a writing signed by an authorized officer of SUBNET. SUBNET is an independent contractor; nothing in this Agreement shall be construed to create a partnership, joint venture, or agency relationship between the parties. This Agreement is an agreement between the parties, and confers no rights upon any of the respective employees, agents, or contractors or any other person. Neither party may assign this SUBNET Quotation nor delegate any of its duties, in whole or in part, without the prior written consent of the other party, which consent shall not be unduly withheld, delayed or conditioned.

Certificate Of Completion

Envelope Id: DC938EBB28AC4BD8832E3CB8AD31C901	Status: Completed
Subject: Please DocuSign: City Council Contract 6500 - Subnet Solutions - REVISED	
Source Envelope:	
Document Pages: 19	Signatures: 7
Certificate Pages: 6	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Rebecca Hunter
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	901B Texas Street
	Denton, TX 76209
	rebecca.hunter@cityofdenton.com
	IP Address: 129.120.6.150

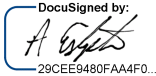
Record Tracking

Status: Original	Holder: Rebecca Hunter	Location: DocuSign
3/22/2018 8:55:15 AM	rebecca.hunter@cityofdenton.com	

Signer Events

Signer Events	Signature	Timestamp
Rebecca Hunter rebecca.hunter@cityofdenton.com Assistant Purchasing Manager City of Denton Security Level: Email, Account Authentication (None)	Completed Using IP Address: 129.120.6.150	Sent: 3/22/2018 9:01:36 AM Viewed: 3/22/2018 9:01:44 AM Signed: 3/22/2018 9:03:07 AM

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Anthony Eshpeter Anthony.Eshpeter@subnet.com Chief Technology Officer SUBNET Solutions Inc. Security Level: Email, Account Authentication (None)	 Using IP Address: 172.58.28.132	Sent: 3/22/2018 9:03:10 AM Viewed: 3/22/2018 9:03:48 AM Signed: 3/22/2018 9:07:41 AM
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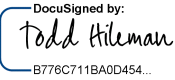
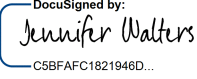
Electronic Record and Signature Disclosure:
Accepted: 3/22/2018 9:03:48 AM
Withdrawn: 3/22/2018 9:07:42 AM
ID: 0345afe7-2d78-4a7a-a6bd-bd58a4596651

Larry Collister larry.collister@cityofdenton.com First Assistant City Attorney City of Denton Security Level: Email, Account Authentication (None)	 Using IP Address: 129.120.6.150	Sent: 3/22/2018 9:07:44 AM Viewed: 3/26/2018 10:45:40 AM Signed: 3/26/2018 10:45:51 AM
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Electronic Record and Signature Disclosure:
Accepted: 9/26/2017 12:27:28 PM
ID: 01f5f868-f109-4e29-ad49-21db9046c882

Rebecca Hunter rebecca.hunter@cityofdenton.com Assistant Purchasing Manager City of Denton Security Level: Email, Account Authentication (None)	Completed Using IP Address: 129.120.6.150	Sent: 3/26/2018 10:45:54 AM Viewed: 4/6/2018 9:00:59 AM Signed: 4/6/2018 9:01:23 AM
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Electronic Record and Signature Disclosure:
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Signer Events	Signature	Timestamp
<p>Todd Hileman Todd.Hileman@cityofdenton.com City Manager City of Denton Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Accepted: 7/25/2017 9:02:14 AM ID: 57619fbf-2aec-4b1f-805d-6bd7d9966f21</p>	<p>DocuSigned by:  B778C711BA0D454...</p> <p>Using IP Address: 65.35.65.107</p>	<p>Sent: 4/6/2018 9:01:27 AM Viewed: 4/6/2018 9:02:21 AM Signed: 4/6/2018 9:02:26 AM</p>
<p>Jennifer Walters jennifer.walters@cityofdenton.com City Secretary City of Denton Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p>DocuSigned by:  C5BF AFC1821946D...</p> <p>Using IP Address: 129.120.6.150</p>	<p>Sent: 4/6/2018 9:02:28 AM Viewed: 4/9/2018 2:27:57 PM Signed: 4/9/2018 2:28:22 PM</p>

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
<p>Sherri Thurman sherri.thurman@cityofdenton.com Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<div style="border: 2px solid blue; padding: 5px; text-align: center; font-weight: bold; color: blue;">COPIED</div>	<p>Sent: 3/22/2018 9:07:43 AM</p>
<p>Jane Richardson jane.richardson@cityofdenton.com Assistant City Secretary City of Denton Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<div style="border: 2px solid blue; padding: 5px; text-align: center; font-weight: bold; color: blue;">COPIED</div>	<p>Sent: 4/6/2018 9:01:26 AM Viewed: 4/6/2018 9:32:55 AM</p>
<p>Jennifer Bridges jennifer.bridges@cityofdenton.com Procurement Assistant City of Denton Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<div style="border: 2px solid blue; padding: 5px; text-align: center; font-weight: bold; color: blue;">COPIED</div>	<p>Sent: 4/9/2018 2:28:26 PM Viewed: 4/10/2018 8:02:33 AM</p>

Carbon Copy Events	Status	Timestamp
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Jane Richardson
jane.richardson@cityofdenton.com
Assistant City Secretary
City of Denton
Security Level: Email, Account Authentication
(None)
Electronic Record and Signature Disclosure:
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Sent: 4/9/2018 2:28:28 PM

Laura Cheek
laura.cheek@cityofdenton.com
Security Level: Email, Account Authentication
(None)
Electronic Record and Signature Disclosure:
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Sent: 4/9/2018 2:28:30 PM

Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	4/9/2018 2:28:30 PM
Certified Delivered	Security Checked	4/9/2018 2:28:30 PM
Signing Complete	Security Checked	4/9/2018 2:28:30 PM
Completed	Security Checked	4/9/2018 2:28:30 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none"> •Allow per session cookies •Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

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