




302 E Pacific | Spokane, WA 99202 | 888.534.2427

RECEIVED
October 5, 2010
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BY: 

Hello Everyone:

2010 is proving to be a great year. It began with us moving to our new location with larger training facilities and our own kitchen! We had fun showing it off during our Open House the first evening of our 2010 Conference. Version 6.0 implementations are occurring for both new and existing Clients. We expect to continue this trend in 2011. Training Classes and Workshops are as popular as ever. We thank all of you for your loyalty and support. We appreciate you.

2011 Software Service Agreement and Invoice

Your **2011 Software Service Agreement** and Invoice are enclosed. Certainly call us if you have any questions. Please sign the **Agreement** and return to BIAS by 11/30/10. Our correct address is 302 E Pacific, Spokane, WA 99202. Payment for your 2011 Software Service Invoice is due 01/25/11. The Invoice increase from 2010 is approximately 3%; very competitive in the industry.

BIAS New Permitting Module

Our Building Permit Module is available to Version 6.0 users. The Permitting application went live three months ago. This module has many powerful features with the integration to cash receipting as the top one.

BIAS Software Version 6.0

We are very proud of BIAS Software Version 6.0. Each version becomes increasingly easier to use with significant upgrades in all modules. Our 2011 BIAS Conference, 02/21/11 to 02/23/11, will feature Version 6.0 Classes and demonstrations.

2011 4th Annual BIAS Conference

The Davenport Hotel will once again be the venue for our 2011 4th Annual BIAS Conference. Two confirmed speakers are Duane Walz, Local Government Specialist and Christy Raske, CPA, Accounting Services Manager, of the WA State Auditor's Office. Duane will present: SAO Update – Annual Reporting – What's New for 2010 Reports, and Christy will conduct a custom BARS Class and Roundtable Discussion. You will receive Conference Brochures and Registration Forms shortly.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Felchlin".

Mark Felchlin
Co-Owner/Vice President



2011 Software Service Agreement

Vendor: BIAS Software

2011: City of Gold Bar

For service and support of licensed BIAS programs in 2011, the Client agrees to the following terms that are in force **upon return of signed Agreement.**

1. **Term/Fee/Conditions.** This Agreement covers the period from 01/01/2011 through 12/31/2011. All purchased modules must be covered by the Agreement. The 2011 Software Service Agreement fee for the contract period will be determined by the list price of the purchased modules and interfaces for 2011, multiplied by the current support rate (15% for modules, 7.5% for interfaces).
2. **Support Services.** Basic support services provided by the Vendor shall consist of the following:
 - a. **Unlimited Remote Support Services.** BIAS Software will provide a toll-free number and remote access software for Client use to contact any BIAS-trained operator during normal business hours (8:00 am – 5:30 pm PST), excluding major national holidays.
 - b. **Internet Connection.** The Client must provide and maintain a reliable Internet connection to allow BIAS means to properly diagnose Operator questions, to allow Client to download updates from the BIAS website and transfer required files. On-site visits required for problem resolution, due to a lack of Internet connection, will be subject to charges as listed in the **Fees and Expenses** section.
 - c. **Error Corrections.** BIAS agrees to use all diligent effort to correct verifiable and reproducible errors within a reasonable time period, after being reported to BIAS. The correction will be considered 'fixed' when the Application functions as intended.
 - d. **State and Federal Regulations.** BIAS will provide updates required to conform to State and Federal regulations, including current tax tables and W2 and 1099 forms. Programming required to conform to local government ordinances will be subject to additional charges.

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- e. **Program Updates.** As part of this agreement, the Client will have access to the BIAS website for periodic software updates. The Client is responsible for keeping their BIAS applications up-to-date. Updates are identified in the digits to the right of the decimal point (0.XX).
3. **Exceptions** – the following services and issues are **not** covered by or included in the Service Agreement:
- a. **Significant Program Upgrades.** Significant program upgrades are identified by version numbering changes in digits to the left of the decimal point (X.00). These upgrades, due to their complexity, are subject to additional fees.
 - b. **New Products.** New module releases along with the associated training and implementation costs.
 - c. **Misuse.** Service or support required resulting from deliberate misuse of licensed modules.
 - d. **On-Site Services.** On-site support and training will be charged at the current fee schedule, if required. Please refer to **Section 7**.
 - e. **Balanced Books.** On-site or off-site services for balancing Client books are outside this agreement and subject to our standard Fee Schedule.
 - f. **Key Personnel Replacement and “New User Training”.** Qualified training for new users is very important. BIAS Software will require “New User Training” in key positions including Finance Directors, Utility Billing Clerks and Payroll Clerks. Clients with excessive turnover will also be required to receive additional training. Please see the **Fees and Expenses** section for “new user training” options.
 - g. **Extended or Emergency Technical Support.** BIAS Software will charge standard professional service rates when the Client is not properly staffed or trained and must complete time-consuming support issues such as payroll or utility billing.
 - h. **Third-Party Hardware or Software.** BIAS Software is not responsible for supporting or maintaining any software or hardware not supplied by the Vendor. BIAS Software does not guarantee compatibility with printers, hardware or third-party software.
 - i. **Data Integrity.** Power outages, surges, spikes, brownouts and other changes in the electrical current may corrupt and damage data. BIAS Software assumes no liability for any data corruption or loss due to inadequate protection, lack of data backups, or computer system malfunctions.
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- j. **Security of Financial Information.** It is understood that the security of financial information stored within the Bars Integrated Accounting System, (BIAS,) (Hereinafter referred to as the "Program,) or generated by the Program and stored in an electronic or paper format, is the sole responsibility of the Client and its related entities and affiliates. BIAS Software or its assignees shall not be held responsible for the theft, misappropriation, loss, or misuse of personal or entity related financial information, utility billing records, or any other financial information stored in Client controlled electronic media or physical storage locations. Client acknowledges that Client is solely responsible for the Client's security procedures, including but not limited to password security, encryption of sensitive information, background checks, proper handling of payroll ACH files, physical custody of cash, internal audit procedures and processes, annual reporting, and proper training in security and backup procedures. In addition, the Client and its related entities and affiliates agree to indemnify and hold harmless BIAS Software or its assignees from all costs, damages, expenses, and attorneys' fees incurred in an event of any security breach, theft, misappropriation, loss, misuse of personal or entity related financial information, or other related incident.
4. **Custom Modifications.** Custom modifications requested will be considered. A quote for programming and training for these modifications will be provided to the Client. BIAS Software will make a reasonable and good faith effort to comply with such requests but shall retain sole discretion to decide whether and when such services can be provided.
5. **Cooperation of Client.** The Client agrees to promptly notify BIAS following the discovery of any error(s). Upon discovery of an error(s), the Client agrees, if requested, to submit application data to aid in the diagnosis and correction of the error(s). BIAS Software shall treat all Client data as confidential.
6. **Fees and Expenses.** Licensee agrees to pay incurred fees for those items and/or services excluded from the Service Agreement when services are rendered and the expenses invoiced.
- a. **Fee Schedule – Subscriber Services**
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- **Professional Services** for Clients with a signed 2011 Software Service Agreement:

- ❖ \$95 per hour

b. **Fee Schedule – Non-Subscriber Services**

- **Professional Services** for Clients without a signed 2011 Software Service Agreement:

- ❖ \$190 per hour, (with a minimum cost of \$190 per incident), plus 50% of the proposed 2011 Software Service Agreement fee.
- ❖ Any previous gap(s) in Annual Service Agreement purchases must be paid to receive updates and the option to purchase future annual Service Agreements.

c. **“New User Training”** BIAS has two options for “new user training”.

Option 1 - \$895 includes:

- I. New User Processing Guides.
- II. 2 Full-Days of training at BIAS’ Spokane Headquarters.
- III. 6 Months “New User Support”.

Option 2 - \$1,595 includes:

- I. All features in **Option 1**.
- II. 1 Full-Day of training at the Client’s site, including all out-of-pocket expenses.

7. **On-Site Services.** In addition to the Professional Services fees mentioned in Section 6, services at the Client’s site will be subject to the following charges:

- a. **Travel by Car** - Federal mileage reimbursement rate (Currently 50 cents/mile).
- b. **Travel by Air** – Costs as incurred.
- c. **Travel Time** – Billed at \$47.50 per hour one way.
- d. **Lodging** – Costs as incurred.
- e. **Per Diem** – Based on Federal Per Diem Rates for the Client’s locale.

8. **Exceptions to Charges for On-Site Services.** If on-site services are required, there is no charge for technical support provided the following conditions are met:
- The 2011 Software Service Agreement is paid in full.
 - It is determined the Software caused the error.
 - The Operator was adequately trained by BIAS.
9. **Billing.** All Client invoices, for products or service, are due upon receipt. They are past due 30 days after the invoice date. BIAS may, at its option, charge all invoices 30 days past due and older an interest rate of one and one-half percent (1½%) per month (18% per Annum) or, if less, the highest rate allowed by applicable law from the date such fee or charge first became past due. Invoices sixty (60) days past due may be declared delinquent and BIAS may, at its option, put support services on hold. Accounts on hold may receive none of the support services listed in section 2 until all past due and delinquent invoices are paid in full.
10. **Use and Restrictions.** Vendor has sole and exclusive ownership of all right, title and interest in and to all error corrections, enhancements, upgrades and new products subject to the conditions of the License Agreement.
11. **Priority for Services:** Current agreement subscribers will receive priority over non-subscribers.



2011 Software Service Agreement

Your signature is deemed acceptance of this agreement.

Date _____

Client Name _____

Signature _____

Title: _____

BIAS Software
302 E Pacific
Spokane, WA 99202

Date _____ September 29, 2010 _____

Signature _____ Mark Felchlin _____

Co-Owner/Vice President