



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 320 S. WALNUT ST., LANSING, MICHIGAN 48933
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **10**
 to
 Contract Number **071B5500142**

CONTRACTOR	PCC TECHNOLOGY INC
	2 Barnard Lane
	Bloomfield, CT 06002
	Raghu Chandra
	(860) 580-7514
	raghu@pcctg.com
	CV0001364

STATE	Program Manager	Various	MDOS
	Contract Administrator	Jeremy Lyon (517) 230-2858 lyonj5@michigan.gov	DTMB

CONTRACT SUMMARY

MODERNIZED UNIFORM COMMERCIAL CODE MDOS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 10, 2015	September 9, 2020	3 - 1 Year	September 9, 2023

PAYMENT TERMS	DELIVERY TIMEFRAME
NET 45	

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$3,203,617.00	\$0.00	\$3,203,617.00

DESCRIPTION

For good and valuable consideration, the parties agree that section 15.3- Transition Responsibilities, is amended to provide for a 120 Transition Period that begins on the date of execution of this Change Notice 10. All other terms not affected by this Change Notice remain.



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CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
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CONTRACT CHANGE NOTICE

Change Notice Number **9**
 to
 Contract Number **071B5500142**

CONTRACTOR	PCC TECHNOLOGY INC
	2 Barnard Lane
	Bloomfield, CT 06002
	Raghu Chandra
	(860) 580-7514
	raghu@pcctg.com
CV0001364	

STATE	Program Manager	Dawn VanAken	MDOS
		517-335-6131	
	vanakend@michigan.gov		
	Contract Administrator	Christopher Martin	DTMB
(517) 643-2833			
martinc20@michigan.gov			

CONTRACT SUMMARY

MODERNIZED UNIFORM COMMERCIAL CODE MDOS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 10, 2015	September 9, 2020	3 - 1 Year	September 9, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45			
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

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DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 9, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,203,617.00	\$33,879.00	\$3,237,496.00		

DESCRIPTION

Effective 2/26/2021, the following amendment is incorporated into this Contract per the attached SOW. This includes an upgrade/improvements to the UCC software to function with Microsoft Edge browser including scanning. This Contract is increased by \$33,879.00 for MDOS use.

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.



**MICHIGAN DEPARTMENT OF TECHNOLOGY,
MANAGEMENT AND BUDGET
IT SERVICES
STATEMENT OF WORK FOR IT CHANGE NOTICES**

Project Title: MDOS Chromium Edge App Remediations - UCC Scanning Functionality Conversion to Edge	Period of Coverage: 3/1/2021—7/1/2021
Requesting Department: UCC/Office of Business and Internal Services	Date: 2/1/2021
Agency Project Manager: Rayne Sherman	Phone: 517-275-2862 (cell)
DTMB Project Manager: Amita Das	Phone: 517-248-5372

BACKGROUND:

Microsoft is decommissioning Internet Explorer (IE) and transitioning to Edge internet browser. As a result, the State of Michigan is in the process of transitioning away from IE as well. Currently, the In-House UCC system does not function in Edge.

PROJECT OBJECTIVE:

The In-House UCC System does not currently function in Edge due to the scanning functionality that is compatible with only IE. Civix has developed a new scanning solution offering that is TWAIN-compliant (64-bit) and browser agnostic, which is currently deployed and functioning in various PCC/Civix implementations.

SCOPE OF WORK:

As part of this Change Request PCC/Civix will perform the following scope of work:

1. Integrate the new scanning solution in the UCC System
2. Unit and Functional Test of the Scanning functionality in current versions of Microsoft EDGE (v87), Google Chrome (v87), Firefox (v84), and Safari (v14.0.2)
 - Civix will test the Scanning Functionality using a TWAIN Compliant (64-bit) Scanner
 - User Acceptance Testing will be conducted using the current UCC in-house scanning environment, including currently used MDOS Scanner model Fujitsu fi-7160.
 - The Scanning Solution will support scanners, compatible with TWAIN drivers.
3. Regression Test of all UCC Filings in Microsoft EDGE (v87)
4. Fix minor compatibility issues found as part of Regression testing

TASKS:

Technical support is required to assist with the following tasks:

1. PCC/Civix will collaborate with DTMB Agency Services if required to obtain the approval of MiSOC of the Scanning Solution package installation in the State's environments of the UCC application.
2. PCC/Civix will assist with any technical support, as required, during the User Acceptance Testing and implementation of the Scanning Solution.

DELIVERABLES:

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. Deliverables for this project include:

- Any applicable Installation Package and Instructions will be provided.
- The UCC Technical Design Document Sections 4.2 Scanning and Appendix A – Troubleshooting Scanning Plug-In Issues will be updated as needed.
- Training to business and technical personnel will be provided on an as-needed basis.

PCC/Civix will support the latest version of EDGE browser for the complete UCC System, as part of the maintenance services after this Change is deployed to Production.

ASSUMPTIONS:

1. Any other “minor” incompatibilities of the UCC System functionality between IE and Edge, if discovered, will be addressed as part of maintenance. “Minor” defects are classified as those that do not affect functionality or data, and are cosmetic in nature.
2. Any items not classified as “minor” will go through the Change Management process.
3. The quality of scanned documents remains same (# dot per inch).

ACCEPTANCE CRITERIA:

Refer to Contract 071B5500142

PCC/Civix Scanning Solution will be fully functional with the existing MDOS in-house scanning environment.

PROJECT CONTROL AND REPORTS:

A weekly progress report shall be submitted to the Agency and DTMB Project Managers throughout the life of this project, if requested by the State. Each progress report must contain the following:

1. **Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.
2. **Schedule Update:** Indicate any deviations from the agreed upon project schedule.
3. **Risks and Issues:** indicate any issues or risks, that require support of MDOS or DTMB Agency Services.

SPECIFIC DEPARTMENT STANDARDS:

Refer to Contract 071B5500142

PAYMENT SCHEDULE:

Payment will be made on a satisfactory acceptance of each deliverable basis. DTMB will pay CONTRACTOR **\$33,879.00** upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices shall describe and document to the State’s satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

Deliverable	Amount
User Acceptance Testing Start	\$25,409.25
Production Deployment	\$8,469.75

Payment shall be considered timely if made by DTMB within forty-five (45) days after receipt of properly completed invoices.

EXPENSES:

The State will NOT pay for any travel expenses, including hotel, mileage, meals, parking, etc.

PROJECT CONTACTS:

The designated Agency Project Manager is:

Rayne Sherman
International Programs Specialist
Office of Business and Internal Services
Michigan Department of State
517-275-2862 (cell)
ShermanR@michigan.gov

The designated DTMB Project Manager is:

Amita Das
Department of Technology Management and Budget
Agency Services for Department of State
517-248-5372
DasA@michigan.gov

AGENCY RESPONSIBILITIES:

- Collaborate with PCC/Civix to provide any functional requirements support as needed.
- Conduct User Acceptance Testing
- Provide acceptance for the scanning solution’s installation in the UCC production environment.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will be working remotely.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

Working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing.

No overtime will be permitted.

This purchase order is a release from Contract Number 071B5500142. This purchase order, statement of work, and the terms and conditions of Contract Number 071B5500142 constitute the entire agreement between the State and the Contractor.

PROJECT PLAN:

Project Plan shall be agreed upon by MDOS, DTMB Agency Service and PCC/Civix.

Phase	Start Date	End Date
Development	3/1/2021	4/9/2021
User Acceptance Testing	5/10/21	5/31/21*
Production Implementation	Week of 6/7/2021	

*UAT dates can be modified by MDOS if needed, but duration will be no longer than 3 weeks.



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CONTRACT CHANGE NOTICE

Change Notice Number **8**
 to
 Contract Number **071B5500142**

CONTRACTOR	PCC TECHNOLOGY INC
	2 Barnard Lane
	Bloomfield, CT 06002
	Raghu Chandra
	(860) 580-7514
	raghu@pcctg.com
CV0001364	

STATE	Program Manager	Dawn VanAken	MDOS
		517-335-6131	
	vanakend@michigan.gov		
	Contract Administrator	Christopher Martin	DTMB
(517) 643-2833			
martinc20@michigan.gov			

CONTRACT SUMMARY

MODERNIZED UNIFORM COMMERCIAL CODE MDOS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 10, 2015	September 9, 2020	3 - 1 Year	September 9, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45			
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	3 one-year	<input type="checkbox"/>		September 9, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,919,649.00	\$283,968.00	\$3,203,617.00		

DESCRIPTION

Effective 8/28/2020, this Contract is exercising all three of the option years and is increased by \$283,968.00, to be billed annually at \$94,956.00. The revised contract expiration date is 9/9/2023. The following amendments are incorporated into this Contract per the attached. These changes include updates to the IP Rights and software escrow.

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.

Language Change to Terms for Change Notice 8 – 071B5500142:

Whereas pursuant to Section 3.1(a)iv of the Contract Terms, if the State purchases and pays the Fees for Maintenance and Support from Contractor for three years, Contractor will provide the Source Code to the State at no cost to the State; and

Whereas the State has purchased and paid the Fees for Maintenance and Support from Contractor for three years; and

Whereas the State is currently paying Contractor for Maintenance and Support;

The parties agree as follows:

1. The definition of **Background Technology** under the Contract is hereby deleted and replaced with the following:

“Background Technology” means all Software, data, know-how, ideas, methodologies, specifications, and other technology in which Contractor owns such Intellectual Property Rights as are necessary for Contractor to grant the rights and licenses set forth in **Section 14.1**, and for the State (including its licensees, successors and assigns) to exercise such rights and licenses, without violating any right of any Third Party or any Law or incurring any payment obligation to any Third Party. Background Technology must: (a) be identified as Background Technology in this Contract; and (b) have been developed or otherwise acquired by Contractor prior to the date of the RFP or developed independently of the performance of this Contract. For the purposes of this Contract, Contractor’s software, including its Cenuity software and all third party software provided by Contractor to the State, and including but not limited to all fixes, releases, modifications and enhancements of such software provided by the Contractor, but excluding customizations for the State, is Background Technology.

2. **Source Code.** The definition of Source Code under the Contract is hereby deleted and replaced with the following:

“Source Code” means the fully commented human readable source code of the software to which it relates, in the programming language in which such software was written, together with all related flow charts and technical architecture, design documents, and other documentation, including a description of the procedure for generating object code, all of a level sufficient to enable a programmer reasonably fluent in such programming language to understand, operate, support, maintain and develop modifications, upgrades, updates, enhancements, improvements and new versions of, and to develop computer programs compatible with, such software.

3. **Deposit Material.** The following definition is added to Section 1 of the Contract:

“Deposit Material” means the Source Code to the Software to include without limitation any customizations and enhancements of the Software, including any Background Technology, Approved Open Source Components, and Documentation, including updates and upgrades thereto and new versions thereof; and names and contact

information for each author, major contributor to, or other creator of the applicable software, update, or upgrade.

4. **Software Specifications.** Section 3.1 of the Contract is hereby deleted and replaced with the following:

3.1 Software Specifications and Escrow. Contractor will ensure all Software complies with the Specifications. Contractor will provide all Software to the State in both Object Code and Source Code form.

(a) Escrow Agreement. The parties entered into a separate intellectual property escrow agreement with NCC Group Escrow Associates, L.L.C. ("**Escrow Agent**") on October 1, 2015. The State and Contractor agree that a new or modified escrow agreement ("**Escrow Agreement**") must be executed to reflect the updated escrow provisions pursuant to this Change Notice (which will include at a minimum, all of the release provisions listed in Section 5.1 of the unexecuted escrow agreement attached as Exhibit B to this Contract), as well as incorporate other State required terms and conditions. Contractor will engage Escrow Agent and advise as to whether a new or updated Escrow Agreement will be required. The State and Contractor agree to execute such new or updated agreement within 90 days of the execution of this Change Notice (or such other timeframe as may be agreed to by both the State and Contractor in writing). The cost of the Escrow Agreement will be the sole responsibility of Contractor.

- i. Deposit. Within thirty (30) business days of the execution date of the Escrow Agreement, Contractor will deposit with the Escrow Agent, pursuant to the procedures of the Escrow Agreement, the Deposit Material. Quarterly, in January, April, July and October, Contractor will deposit updated Deposit Material with the Escrow Agent.
- ii. Verification. Once per Calendar Year, at the State's request and Contractor's expense, the Contractor will require Escrow Agent to verify the Deposit Material, including without limitation by compiling source code, comparing it to the Software to include any customizations, and reviewing the completeness and accuracy of any and all material. In the event that the Deposit Material does not conform to the requirements of this **Section 3.1(b)**:
 - (i) Contractor will promptly deposit conforming Deposit Material; and
 - (ii) Contractor will pay the Escrow Agent for subsequent verification of the new Deposit Material. The State may withhold payment from Contractor until the verification is completed successfully, in addition to other remedies the State may have.
- iii. Release. At any time during the Term of this Contract, if the State requests a release of the Deposit Material from the Escrow Agreement, Contractor will immediately send a written authorization to Escrow Agent authorizing the release of the Deposit Material to the State.

(b) Provision of Source Code. Notwithstanding any Escrow Agreement, within 10 Business Days of the State's written request or the termination of this Contract for any reason, the Contractor will provide to the State, in a format and manner specified by the State, a copy of the most recent version of the Deposit Material.

5. **Software License Agreement**. Section 14.1 of the Contract is hereby deleted and replaced with the following:

14.1 Software License Agreement. Notwithstanding anything to the contrary in this Contract, Contractor hereby grants to the State a perpetual, royalty-free license to use, reproduce, perform (publicly or otherwise), display (publicly or otherwise), modify, and create derivative works from the Background Technology, provided the State may not distribute or sublicense the Background Technology or make any use of it whatsoever except for such internal use as is necessary to use, maintain, enhance and support the Software. Copies of the Background Technology created or transferred pursuant to this Contract are licensed, not sold, and the State receives no title to or ownership of any copy or of the Background Technology itself. The Background Technology constitutes Confidential Information of Contractor pursuant to **Section 23** (Confidential Information) of this Contract, provided no provision of **Section 23.5** calling for return of Confidential Information will apply to the Background Technology.

6. For clarity, as provided in Section 13.1 of the Contract, except as set forth in **Section 13.3**, the State is and will be the sole and exclusive owner of all right, title, and interest in and to all Work Product, including all Intellectual Property Rights. Further, the definition of Work Product includes, without limitation, Software.



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 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number 7

to

Contract Number 071B5500142

CONTRACTOR	PCC TECHNOLOGY INC
	2 Barnard Lane
	Bloomfield, CT 06002
	Raghu Chandra
	860-580-7514
	raghu@pcctg.com
CV0001364	

STATE	Program Manager	Dawn VanAken	MDOS
		517-335-6131	
		vanakend@michigan.gov	
	Contract Administrator	Christopher Martin	DTMB
		517-643-2833	
		martinc20@michigan.gov	

CONTRACT SUMMARY

MODERNIZED UNIFORM COMMERCIAL CODE MDOS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 10, 2015	September 9, 2020	3 - 1 Year	September 9, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45			
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 9, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,847,590.00	\$72,059.00	\$2,919,649.00		

DESCRIPTION

Effective 4/7/2020, \$24,581.00 for the attached SOW, and \$47,478.00 to true up and cover Maintenance and Support through the end of the Base Contract for a Total of \$72,059.00.

Please note the Contract Administrator has been changed to Christopher Martin.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on 4/7/2020



**MICHIGAN DEPARTMENT OF TECHNOLOGY,
MANAGEMENT AND BUDGET
IT SERVICES
STATEMENT OF WORK FOR IT CHANGE NOTICES**

Project Title: UCC--CARS R2 Upgrades	Period of Coverage:
Requesting Department: MDOS, Customer Service Administration	Date: February 13, 2020
Agency Project Manager: Rayne Sherman	Phone: 517-335-6138
DTMB Project Manager: John Cally	Phone: 517-256-8518

BACKGROUND:

CARS application Release 2 will go into production on March 16, 2021 and in support of the CARS program, PCC needs to make changes to the way they currently process payments.

PROJECT OBJECTIVE:

RPS currently interfaces with the UCC application, but this functionality is being replaced by CARS. CARS will need to interface with the UCC application for billing information (work orders) and for UCC work area to obtain data on account status and Cashier Unit payments accepted on their behalf.

SCOPE OF WORK:

PCC will perform all necessary changes to maintain all current business functional requirements for the UCC application and allow UCC to interface with CARS application to process payments. The changes will allow UCC to process payment in CARS for both the UCC inHouse and Online applications.

PCC will provide a detailed list of all changes performed in the application, required to interface with CARS.

TASKS:

Technical support is required to assist with the following tasks:

1. Any necessary requirement definition sessions with MDOS and/or CARS.
2. Development of the updates
3. Testing – including QA testing with CARS, support with MDOS’ UAT and any scheduled end to end testing.
4. Implementation support.

DELIVERABLES:

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. Deliverables for this project include:

1. Programming changes outlined above
2. Documentation updates regarding the changes to the UCC Application
3. Delivery of the updated escrow to the established Escrow Agent

ACCEPTANCE CRITERIA:

The MDOS Project Manager will approve invoice for payment within 30 days after implementation if all components of the vendor’s deliverables are acceptable. If any deliverable is not acceptable, the MDOS and DTMB Project Managers will provide written notice stating why the deliverable is not acceptable within 30 days after implementation.

PROJECT CONTROL AND REPORTS:

A written report (status update) will be provided by PCC, if requested by MDOS and DTMB Project Managers.

SPECIFIC DEPARTMENT STANDARDS:

Agency standards, if any, in addition to DTMB standards.

WARRANTY

MDOS and PCC shall adhere to the Master Contract for all warranty items, issues, guidelines, etc. Including but not limited to all Software, Modules, and Configurations implemented for MDOS. Contractor shall fix/resolve all non-coformances found during the Warranty Period at no charge.

PAYMENT SCHEDULE:

The payment of \$24,581.00 will be provided on a fixed-price basis, as a one-time payment upon the completion of the project. All deliverables must be approved and accepted by MDOS Project Manager. Payment will be made upon satisfactory acceptance of all deliverables. DTMB will pay PCC upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency Project Manager approval. All invoices should reflect actual work completed by payment date, and must be approved by the Agency Project Manager prior to payment. The invoices shall describe and document to the State’s satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

Payment shall be considered timely if made by DTMB within forty-five (45) days after receipt of properly completed invoices.

EXPENSES:

The State will NOT pay for any travel expenses, including hotel, mileage, meals, parking, etc.

PROJECT CONTACTS:

The designated Agency Project Manager is:

Ms. Rayne Sherman
7064 Crowner Dr
Diamondale, MI 48917
Phone: 517-335-6138
Email: ShermanR@michigan.gov

Mr. John Cally
7064 Crowner Dr
Dimondale, Michigan 48917
Phone: 517 256-8518
Email: callyj1@michigan.gov

AGENCY RESPONSIBILITIES:

- 1. Testing of the programming changes as outlined in the implementation work plan.
- 2. MDOS will train staff as needed.

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants may work at SOS Secondary Complex in Lansing, Michigan, as well as remotely, on an as-needed basis.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

Normal working hours of 8:00 am to 5:00 pm, Monday through Friday, are to be observed unless otherwise agreed to in writing.

PROJECT PLAN:

PCC shall coordinate the development, testing and/or implementation dates with the CARS project. Any fluctuation will not result in the adjustment of cost. The project implementation shall be no later than March 16, 2021. PCC will provide the Project Plan to MDOS and DTMB Project Managers and coordinate the Project Plan with the CARS Project as needed.



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CONTRACT CHANGE NOTICE

Change Notice Number **6**

to

Contract Number **071B5500142**

CONTRACTOR	PCC TECHNOLOGY INC
	2 Barnard Lane
	Bloomfield, CT 06002
	Raghu Chandra
	(860) 580-7514
	raghu@pcctg.com
	CV0001364

STATE	Program Manager	Dawn Wilson	MDOS
		517-322-6280	
		wilsond24@michigan.gov	
	Contract Administrator	Marcy Sims	DTMB
		(517) 275-1132	
		simsm4@michigan.gov	

CONTRACT SUMMARY

MODERNIZED UNIFORM COMMERCIAL CODE MDOS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 10, 2015	September 9, 2020	3 - 1 Year	September 9, 2020

PAYMENT TERMS	DELIVERY TIMEFRAME

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input checked="" type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

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DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		September 9, 2020

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$2,809,100.00	\$38,490.00	\$2,847,590.00

DESCRIPTION

Effective 1/24/2019, this Contract is increased by \$38,490 per the attached document. All other terms, conditions, specifications, and pricing remains the same. Per contractor and agency agreement and DTMB Procurement approval.



**MICHIGAN DEPARTMENT OF TECHNOLOGY,
MANAGEMENT AND BUDGET
IT SERVICES
STATEMENT OF WORK FOR IT CHANGE NOTICES**

Project Title: Uniform Commercial Code Migration to Virtual Data Center	Period of Coverage: 10/01/18 – 12/31/19
Requesting Department: AS/MDOS	Date: 01/23/19
Agency Project Manager: Daniel Klodt	Phone: 517 636 0234
DTMB Project Manager: Amita Das	Phone: 517 284 5372

Brief Description of Services to be provided:

BACKGROUND:

The Statement of Work is the consolidated estimation for the cloud migration and reconfiguring the FileNet api to 5.5 and Secretary name change and Secretary phone change. The AS MDOS DTMB has taken the initiative to migrate from the existing Legacy servers to Virtual Data Center (VDC). As part of this migration the UCC Web Servers and Database Servers will be migrated to MDOS Virtual Data Center Test and Production environments pointing to the existing ECM 5.2 environments. This project also involve repointing connection to the ECM Virtual Data Center environment and reconfiguring the FileNet Api to FileNet 5.5 version upon completion and deployment of FileNet 5.5 in the VDC ECM environment. The SOW also includes the functionality to update the new secretary’s name in the UCC website headers and output documents and the Secretary name change to include the functionality to update the phone number on the website and output documents.

PROJECT OBJECTIVE:

- Provide improved performance for Uniform Commercial Code Web application with the migration to servers in MDOS Virtual Data Center (VDC) servers
- Migrate UCC Servers from the existing to the servers in VDC
- Configure all the migrated environments to access corresponding FileNet 5.2 environments
- Reconfigure above migrated environments and applications to access corresponding FileNet 5.5 environments upon completion of deployment of FileNet 5.5 in the VDC by the ECM team
- Define and Design Migration Plan for MDOS to migrate existing UCC Servers to the MDOS Virtual Data Center
- Configure new secretary’s name in the website headers and output documents.
- Configure Secretary phone number change on the website and output documents.

SCOPE OF WORK:

VDC Migration

- Migrate TEST and PROD environments for Uniform Commercial Code Inhouse and External applications and Database to MDOS Virtual Data Center (VDC).

- Configure all the above migrated TEST and PROD environments to access corresponding INT/UAT/STG and PROD ECM FileNet 5.2 environments.
- Reconfigure above migrated TEST and PROD VDC environments to access corresponding INT/UAT/STG and PROD ECM FileNet 5.5 environments upon completion of deployment of FileNet 5.5 in the VDC by the ECM team.
- Reconfigure UCC Filenet.Api to FileNet 5.5 version and connect to the FileNet Webservice upon completion of deployment of FileNet 5.5 in the VDC by the ECM team.
- Reconfigure CEPAS Connection to UCC in the MDOS VDC environment.
- Reconfigure connection for ARS/RPS webservice to UCC in the MDOS VDC environment.
- Reconfigure Printer connection to UCC in the MDOS VDC environment.
- Test the migrated applications.

Secretary name change

- Update the new secretary's name in the website headers and output documents.

Secretary phone number change

- Update public phone number on the output document templates such as email templates and PDF templates.

TASKS:

Technical support is required to assist with the following tasks:

Technical support is required to assist with, but not limited to, the following high level tasks:

A. PCC Tasks

VDC Migration

- Application support during software installations and code migration
- End to End Application testing
- FileNet Integration testing
- CEPAS Testing
- ARS Testing
- Bulk XML Service connectivity testing
- Print Job testing

Secretary name change

- Update the new secretary's name change in the website headers and output documents.

The following are impacted workflows for System Header Revision.

Workflow	Task Description	Output PDF	Screen
Service	Bulk Service	YES	
Service	UCC 11 Service	YES	
Inhouse	UCC Filings acknowledgement s and receipts	YES	

Inhouse	Public layouts header and private layout headers		YES
Online	Public layouts header and private layout headers		YES
Online	UCC Filings acknowledgements and Receipts	YES	

Secretary phone number change

Workflow	Task Description	Output PDF	Email Template	Screen
N/A	Bulk Service	YES		
N/A	Print Debtor	YES		
N/A	UCC 11 Service	YES	YES	
N/A	Password Reset Functionality		YES	
N/A	Debtor Notice Report	YES		
In-house	Registration		YES	
In-house	Partial Rejection letter	YES		
In-house	UCC filings Email and Receipt email body		YES	
In-house	New Filer Acknowledgement letter		YES	
Online	Forgot Password		YES	
Online	Forgot UserID		YES	
Online	Forget UserID Step one		YES	
Online	Home Page			YES
Online	UCC Filings		YES	

B. DTMB Tasks

- Create EASA and ISR documents
- Submit DTMB-90 Firewall rules
- Migrate SQL Database
- Migrate RPS UCC Web Service
- Install UCC Applications
- Install Xerox printers using Service account.

DELIVERABLES:

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them.

Deliverables for this project include:

- Participate in status meetings
- PCC will co-ordinate with DTMB for the Environment Sign Off for migrated TEST and PROD environments and Inhouse and External applications as below.
 - a. UCC Web Servers and Database Servers in MDOS VDC
 - b. UCC applications Inhouse and External in MDOS VDC accessing FileNet 5.2
- PCC will co-ordinate with DTMB for the Environment Sign Off for pointing above migrated environments and applications to FileNet 5.5 when FileNet 5.5 is available Updated System Configuration document for deployment.
- PCC will co-ordinate with DTMB for the Environment Sign Off reconfiguring CEPAS, ARS/RPS and Printer connections to UCC in the MDOS VDC.
- PCC will complete updating the new secretary's name functionality in the website headers and output documents.
- PCC will complete updating the phone number on the website and output documents.
- PCC will complete System Testing and support UAT and MDOS will complete User Acceptance Testing (UAT)

ACCEPTANCE CRITERIA:

The UCC applications online application, In-house application, UCC11 Search windows Service, UCC Bulk filing windows service should be functioning in the New MDOS Virtual Data Center as expected and configured to FileNet 5.5 and connected to ECM Virtual Data Center FileNet 5.5 environments.

PROJECT CONTROL AND REPORTS:

The project will be tracked through the ChangePoint. Identified resources for the project will be allocated with the number of hours for the assigned task to be performed. This will be tracked based on project schedule and resource allocation created in ChangePoint by the assigned Project Manager. The Milestone and accomplishments will be provided through the ChangePoint Project 4UP report. Any issues identified during the project will be handled through the Change requests in ChangePoint.

A bi-weekly progress report must be submitted to the DTMB Project Manager assigned to the project throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

- **Hours:** Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
- **Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.
- **Planned Tasking:** Describe activities to be accomplished during the next reporting period.
- **Funds:** Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.
- **Issues:** Indicate major issues/risks/changes, real or perceived, and recommend resolutions

SPECIFIC DEPARTMENT STANDARDS:

- State of Michigan Systems Engineering Methodology (SEM)

PAYMENT SCHEDULE:

Payment will be made on a Time and Material basis. DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

Payment shall be considered timely if made by DTMB within forty-five (45) days after receipt of properly completed invoices.

EXPENSES:

The State will NOT pay for any travel expenses, including hotel, mileage, meals, parking, etc.

PROJECT CONTACTS:

The designated Agency Project Manager is:

Daniel Klodt
Department of Technology Management and Budget
Agency Services for Department of State
St. Joseph's highway
Lansing, MI 48917
Phone: 517 636 0211
Fax: 517 636 0401
Klodtd@michigan.gov

The designated DTMB Project Manager is:

Amita Das
Department of Technology Management and Budget
Agency Services for Department of State
St Joseph's highway
Lansing, MI 48917
517 248 5372
DasA@michigan.gov

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will work in Lansing, Michigan.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing.

No overtime will be permitted.

PROJECT PLAN:

Tasks & Deliverables	Requirements	Anticipated Start Date	Anticipated Completion Date	Contract or Staff	Role	Hours	Rate	Total	Acceptance / Signoff	Total Payment
Milestone I	Virtual Data Center Migration									
Task I Application Support	Application support during software installation and code migration and Testing			PCC		120.00	\$100	\$12,000	State PM & Project Sponsor	\$12,000.00
Task II Development	Configure new secretary's name in the website headers and output documents			PCC		174.95	\$100	\$17,495	State PM & Project Sponsor	\$17,495.00
Task III Development	Configure Secretary phone number change on the website and output documents			PCC		89.95	\$100	\$8,995	State PM & Project Sponsor	\$8,995.00
TOTAL						384.9		\$38,490.00		\$38,490.00



STATE OF MICHIGAN
ENTERPRISE PROCUREMENT
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **5**
 to
 Contract Number **071B5500142**

CONTRACTOR	PCC Technology Group, LLC
	2 Barnard Lane
	Bloomfield, CT 06002
	Cynthia Bates
	(860) 242-3299
	cynthia.bates@pcctg.com
*****4044	

STATE	Program Manager	Dawn Wilson	DOS
		517-322-6280	
		wilsond24@michigan.gov	
	Contract Administrator	Kim Harris	DTMB
		(517) 284-7016	
		harrisk16@michigan.gov	

CONTRACT SUMMARY				
MODERNIZED UNIFORM COMMERCIAL CODE MDOS				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
September 10, 2015	September 9, 2020	3 - 1 Year	September 9, 2020	
PAYMENT TERMS		DELIVERY TIMEFRAME		
		NA		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
NA				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	NA	<input type="checkbox"/>	NA	September 9, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,784,240.00	\$24,860.00	\$2,809,100.00		
DESCRIPTION				
Effective August 2, 2017, this contract increase is for purposes of additional programming, testing, and implementation services in accordance with the attached Scope of Work. All other terms and conditions, specifications and pricing remain the same per contractor, agency agreement and DTMB procurement.				

PROJECT INFORMATION			
Project Name	Modernized Uniform Commercial Code (UCC) System - MDOS	Contract Number	071B5500142
SOM Project Manager(s)	Greg Hopkins, Jack Lee	PCC Project Manager	Craig Van Roy
Primary SOM Contact	Jack Lee	Change Order ID	COR 007 2016
Additional SOM Contacts	Rayne Sherman, Dawn Van Aken		

CHANGE REQUEST			
Change Request Status	<Approval/Review Status>	Date of Request	12/19/2016
New Requirement	<input checked="" type="checkbox"/>	Updated Requirement	<input type="checkbox"/>
Requirement Number(s)	New Requirement	Target Delivery/Release Date	Release to UAT approximately one week after start of Warranty Period, Pending State Approval to Deploy. Production Release will occur after State Approval to deploy to Production.
Description of Change (Includes reason(s) for change, benefits and priority)			
This change request will provide the ability to download a set of images for prior months so long as those months fall within the specific annual period to which an online user has subscribed.			

SCOPE OF WORK /DELIVERABLES/ACCEPTANCE CRITERIA
<p>Only one-year period subscription period will be available in which a set of images will be provided on a monthly basis. After a subscriber signs up, the first set of images they will receive will be the next set of images generated by the scheduled monthly image export job. The job will be executed automatically after the prior month is completed so as to include all images from a particular month. The monthly image export job will result in the availability of all images for filings made in the previous month in a zip file.</p> <p>The image subscriptions will be made available on the existing Data Subscriptions pages. Separate pages for selecting the image subscriptions and retrieving the images will not be created.</p> <p>The current ability to disable subscriptions will disable both the data and image subscriptions. The existing functions to disable will be used.</p> <p>The existing data subscription pages will be re-labeled to include Images in addition to data; the text 'Data Subscriptions' will be changed once based on text provided once by Michigan (e.g. the text Data & Image Subscriptions or simply "Subscriptions" can be used.)</p> <p>PCC will make an executable that DTMB or other state resources can run on a UCC application server to access and copy images for all active filings to a certain file folder. Active filings are defined as images for filings that have not lapsed, or lapsed within the last one year. PCC will assume that the server where the job will run will have access to the FileNet Server and the file folder where the state wants the images to be saved. All efforts related to the configuration and setup of the servers, file folder and any related activities related to permissions are to be addressed by the state. Changes required to meet state preferences will be handled on a time and materials basis as they are beyond the effort of scope estimated for this change.</p>

Addressing actual PCI issues introduced as part of this functional change (caused by PCC Functionality/Code) are in-scope and to be addressed by PCC. Additional efforts related to PCI beyond addressing actual issues (proven to be caused by PCC Functionality/Code) will be handled on a time and materials basis and billed at contractual hourly rates

EXCLUSIONS

Scope Boundaries/Exclusions	<ul style="list-style-type: none"> • Anything not explicitly listed as part of the scope of the change. • The following items were removed from scope to produce a considerable cost reduction in recognition of the budget limitations communicated to PCC by the state. The prior cost including the items removed below was \$49,500: <ul style="list-style-type: none"> ○ There will be no full set of images provided through the application. Instead of making a global image file available on the website as part of the subscription (part of prior scope), PCC will make an executable that DTMB or other state resources can run on a UCC application server to access and copy images for all active filings to a certain file folder. All relevant filings are defined as images for filings that have not lapsed, or lapsed within the last one year. PCC will not be providing a mechanism to provide this large image set through the application. All payment, accounting and receipting related functions for images outside of the monthly job will be handled outside of the application. Distribution to customers will be outside of the scope of this change order as will any handling of the images outside of placing copies of the images in a directory location that the job can access on the server where it is running. ○ In-House updates to Online Filer Privileges: As part of this change, Online Filer Privileges will not be updated to allow In-House users to see or manage the image subscriptions. ○ A separate function to disable data or image subscriptions: The current ability to disable subscriptions will disable both the data and image subscriptions. No new function to disable images subscriptions separately will be created. ○ Ability to select specific date ranges: There will be no option to select date ranges or get a one-time image download. ○ Update to User Manuals, Help, Support and Maintenance Documentation: To reduce costs to the state, updates to any documentation including but not limited to user guides, help documentation, maintenance and troubleshooting will not be provided. • The image subscriptions will be made available on the existing Data Subscriptions pages. Separate pages for selecting the image subscriptions and retrieving the images will not be created. The existing data subscription pages will be re-labeled to include Images; the text 'Data Subscriptions' will be changed once based on text provided by Michigan (e.g. the text Data & Image Subscriptions or simply "Subscriptions") • Any and all Images to be generated/extracted or otherwise rendered by PCC outside of the automated monthly subscription will be performed on a time and materials basis.
Risks	<ul style="list-style-type: none"> • Minimal risk as the area impacted will only be subscriptions; testing of data subscriptions will need to be performed. • All changes will be tested internally and by MI UCC staff thoroughly before deployment to Production. After the state approves the functionality in UAT, subsequent changes to the functionality provided in scope for this changer order will be handled on a time and materials basis. • Standard Risks associated with deployment to a production environment.

Project Impact

Project Schedule Impact	
Estimated Project Delay (If Any)	N/A
Estimated Task Delay (If Any)	N/A - New requirement and new related tasks

Project Effort Impact			
Total PCC Effort/ Hours	242 Hours (Reduced from 384)		
Total MDOS Effort/ Hours	\$ 24,860.00		
Project Cost Impact			
Role/Resource	Hours	Rate	Cost
Architect/Senior Application Developer	102	\$ 130.00	\$ 13,260.00
Project Manager	20	\$ 160.00	\$ 3,200.00
Business Analyst	40	\$ 130.00	\$ 5,200.00
Tester	80	\$ 80.00	\$ 3,200.00
Total Cost			
Change Deliverables and Payment Structure :		Initial Deployment to UAT - \$ 9,944.00	
		Approval by State in UAT - \$ 7,458.00	
		Production Deployment - \$ 7,458.00	
Production Implementation of Change			
Annual Support Impact			
Total Annual Support Amount			

Acceptance Process: Change Orders Submitted will be reviewed for approval or denial based on timeframes consistent with contractual signoff timeframes.

Changes of Significant Size/Scope: In the event that a change has a significant scope and the total analysis effort to provide initial estimates for a change will take more than 10 hours by PCC, PCC will notify SOM; In this case, a fixed fee change order will be submitted for approval to perform the initial analysis.

Change Order Acceptance

State of Michigan Representative Acceptance

Signature of Representative *Jack Lee*

Printed Name Representative Jack Lee

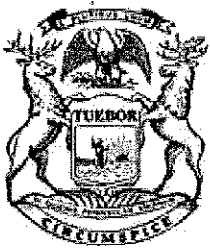
Date 2/23/2017

PCC Technology Group, LLC. Acceptance

Signature of Representative _____

Printed Name Representative _____

Date _____



**STATE OF MICHIGAN
ENTERPRISE PROCUREMENT**

Department of Technology, Management, and Budget
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number 4

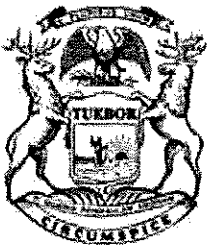
to

Contract Number 071B5500142

CONTRACTOR	PCC Technology Group, LLC
	2 Barnard Lane
	Bloomfield, CT 06002
	Cynthia Bates
	(860) 242-3299
	cynthia.bates@pcctg.com
	*****4044

STATE	Project Manager Contract Administrator	Dawn Wilson	
		517-322-6280	
		wilsond24@michigan.gov	
		Kim Harris	DTMB

CONTRACT SUMMARY				
MODERNIZED UNIFORM COMMERCIAL CODE MDOS				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
September 10, 2015	September 9, 2020	3 - 1 Year	September 9, 2020	
PAYMENT TERMS		DELIVERY TIMEFRAME		
		NA		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card	<input type="checkbox"/> Direct Voucher (DV)	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS				
NA				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>	NA	September 9, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,512,440.00	\$271,800.00	\$2,784,240.00		
DESCRIPTION				
Effective March 29,2017, this contract increase is for purposes of maintenance services for the source code and all technical design documents as follows: First year =\$90,000.00, second and third years @ \$90,900.00 each for a total of \$271,800.00. All other terms and conditions, specifications and pricing remain the same per contractor, agency agreement and DTMB procurement				



**STATE OF MICHIGAN
ENTERPRISE PROCUREMENT**

Department of Technology, Management, and Budget
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number 3

to

Contract Number 071B5500142

CONTRACTOR	PCC Technology Group, LLC
	2 Barnard Lane
	Bloomfield, CT 06002
	Cynthia Bates
	(860) 242-3299
	cynthia.bates@pcctg.com
	*****4044

STATE	Program Manager	Dawn Wilson	DOS
		517-322-6280	
		wilsond24@michigan.gov	
	Contract Administrator	Kim Harris	DTMB
		(517) 284-7016	
		harrisk16@michigan.gov	

CONTRACT SUMMARY				
MODERNIZED UNIFORM COMMERCIAL CODE MDOS				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
September 10, 2015	September 9, 2020	3 - 1 Year	September 9, 2020	
PAYMENT TERMS		DELIVERY TIMEFRAME		
		NA		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card	<input type="checkbox"/> Direct Voucher (DV)	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS				
NA				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	NA	<input type="checkbox"/>	NA	September 9, 2020
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,502,600.00	\$9,840.00	\$2,512,440.00		
DESCRIPTION				
Effective March 23, 2017, the attached statement of work is hereby incorporated into this contract. All other items, pricing, terms, and conditions remain unchanged. As approved by requesting agency and DTMB procurement.				



**MICHIGAN DEPARTMENT OF TECHNOLOGY,
MANAGEMENT AND BUDGET
IT SERVICES
STATEMENT OF WORK**

Project Title: UCC Modernization	Period of Coverage: 09/10/2015 to 09/09/2020
Requesting Department: Department of State	Date:
Agency Project Manager: Jack Lee	Phone: 517-636-0725
DTMB Project Manager: Greg Hopkins	Phone: 517-636-0215

Brief Description of Services to be provided:

BACKGROUND:

The Uniform Commercial Code (UCC) Unit implemented a modernized UCC system in August, 2016. UCC staff are not currently able to perform certain corrections to UCC records. They must request the contractor write/modify a script to make the changes, submit a Request For Change (RFC) for DTMB to schedule and run the script, and wait for the RFC approval and running of the script for the corrections to be made.

PROJECT OBJECTIVE:

The purpose of this project is for the contractor to provide a method for UCC staff to perform the corrections themselves.

SCOPE OF WORK:

Programming to allow UCC staff to Add and Delete Debtors, Assignees, and Secured Parties through an Office Correct function. The UCC unit will also be able to change Lapse Dates and regenerate images for online and bulk filings. The UCC staff will have access to a Delete Filing function depending on the UCC staff's role privilege. The contractor will also address any PCI or other security issues related to the new code. Reference: COR 006-2016

TASKS:

Technical support is required to assist with the following tasks:

1. Moving code from the contractor's staging environment to the UCC UAT environment.
2. Moving code from the UCC UAT environment to the UCC Production environment.
3. Running PCI network and application security scans.
4. Firewall rules (if needed).

DELIVERABLES:

Deliverables will not be considered complete until the Agency Project Manager has formally accepted them. Deliverables for this project include:

- Code that permits the described functionality.
- Remediation of any security issues called out by the PCI scans.

ACCEPTANCE CRITERIA:

- Fully functional code that has passed UAT, been moved into production, and has been used without errors or defects being noted for 10 business days.

PROJECT CONTROL AND REPORTS:

A bi-weekly progress report must be submitted to the Agency and DTMB Project Managers throughout the life of this project. This report may be submitted with the billing invoice. Each bi-weekly progress report must contain the following:

1. **Hours:** Indicate the number of hours expended during the past two weeks, and the cumulative total to date for the project. Also state whether the remaining hours are sufficient to complete the project.
2. **Accomplishments:** Indicate what was worked on and what was completed during the current reporting period.
3. **Funds:** Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

SPECIFIC DEPARTMENT STANDARDS:

Agency standards, if any, in addition to DTMB standards.

Not applicable.

PAYMENT SCHEDULE:

NOTE: Payment can be based upon:

- *Time and Materials*
- *Satisfactory acceptance of each Deliverable*
- *Satisfactory acceptance of each Milestone (major part of the contract)*
- *Satisfactory Final Acceptance at conclusion of the contract.*
- *Optional Provision - The AGENCY may withhold 10 percent from each payment until acceptance by the AGENCY of the final report (or completion of the project, etc.).*
- *All time and materials contracts(hourly based) must submit time sheets with all invoices.*
- *All invoices must include the purchase order number*

Payment will be made on a Satisfactory Final Acceptance basis. DTMB will pay CONTRACTOR upon receipt of properly completed invoice(s) which shall be submitted to the billing address on the State issued purchase order not more often than monthly. DTMB Accounts Payable area will coordinate obtaining Agency and DTMB Project Manager approvals. All invoices should reflect actual work completed by payment date, and must be approved by the Agency and DTMB Project Manager prior to payment. The invoices shall describe and document to the State's satisfaction a description of the work performed, the progress of the project, and fees. When expenses are invoiced, receipts will need to be provided along with a detailed breakdown of each type of expense.

Payment shall be considered timely if made by the DTMB within forty-five (45) days after receipt of properly completed invoices. The State will NOT pay for any travel expenses, including hotel, mileage, meals, parking, etc.

Total PCC Effort/ Hours	80 Hours (reduced from 374)		
Total MDOS Effort/ Hours	\$9,840.00		
Project Cost Impact			
Role/Resource	Hours	Rate	Cost
Architect/Senior Application Developer	40	\$ 130.00	\$5,200.00
Project Manager	16	\$ 80.00	\$1,280.00
Business Analyst	16	\$ 130.00	\$2,080.00
Tester	8	\$ 160.00	\$1,280.00
Total Cost			
Change Deliverables and Payment Structure :			Initial Deployment to UAT - \$3,936.00
			Approval by State in UAT - \$2,952.00
			Production Deployment - \$2,952.00
Production Implementation of Change			

PROJECT CONTACTS:

The designated Agency Project Manager is:

Name Jack Lee
Department State
Area OTPS
Building/Floor Operations Center, 1st floor
Address 7285 Parsons Drive
City/State/Zip Lansing, MI 48913
Phone Number 517-636-0725
Fax Number
Email Address leej1@michigan.gov

The designated DTMB Project Manager is:

Name Greg Hopkins
Department DTMB
Area OTPS
Building/Floor Operations Center, 1st floor
Address 7285 Parsons Drive
City/State/Zip Lansing, MI 48913
Phone Number 517-636-0215
Fax Number
Email Address Hopkinsg1@michigan.gov

AGENCY RESPONSIBILITIES:

UA, acceptance

LOCATION OF WHERE THE WORK IS TO BE PERFORMED:

Consultants will work offsite, at contractor locations.

EXPECTED CONTRACTOR WORK HOURS AND CONDITIONS:

Work hours are not to exceed eight (8) hours a day, forty (40) hours a week. Normal working hours of 8:00 am to 5:00 pm are to be observed unless otherwise agreed to in writing.

No overtime will be permitted.

This purchase order is a release from Contract Number 071B5500142. This purchase order, statement of work, and the terms and conditions of Contract Number 071B5500142 constitute the entire agreement between the State and the Contractor.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
 PROCUREMENT

525 W. ALLEGAN STREET
 LANSING, MI 48933

P.O. BOX 30026
 LANSING, MI 48909

CHANGE NOTICE NO. 2
 to
 CONTRACT NO. 071B5500142
 between
 THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
PCC Technology Group, LLC 2 Barnard Lane Bloomfield CT, 06002	Cynthia Bates	cynthia.bates@pcctg.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	(860) 242-3299	*****4044

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI		Dawn Wilson	517-322-6280	wilsond24@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Chris Mitchell	(517) 284-7016	MichelC@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Modernized Uniform Commercial Code MDOS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
September 10, 2015	September 9, 2020	3 - 1 Year	September 9, 2020
PAYMENT TERMS		DELIVERY TIMEFRAME	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,500,000.00	\$ 2,600.00	\$2,502,600.00		
DESCRIPTION: Effective 4/4/2016 the attached SOW is hereby incorporated into this contract. All other items, pricing, terms and conditions remain unchanged. As approved by requesting agency and DTMB Procurement.				

PROJECT INFORMATION			
Project Name	Modernized Uniform Commercial Code (UCC) System - MDOS	Contract Number	071B5500142
SOM Project Manager(s)	Todd Elsenheimer, Jack Lee	PCC Project Manager	Craig Van Roy
Primary SOM Contact	Jack Lee	Change Order ID	COR-002-2015
Additional SOM Contacts			

CHANGE REQUEST			
Change Request Status	<Approval/Review Status>	Date of Request	12/1/2015
New Requirement	<input checked="" type="checkbox"/>	Updated Requirement	<input type="checkbox"/>
Requirement Number(s)	N/A New Requirement	Target Delivery/Release Date	1/15/2016 Assumes approval of COR before 12/8/2015 to allow PCC Analysts to attend a meeting with various state resources scheduled for that date (12/8).
Description of Change (Includes reason(s) for change, benefits and priority)			
Analyze the scope of implementing ACH as a payment method using CEPAS for processing and produce a fixed fee change order to implement the payment method.			

SCOPE OF WORK /DELIVERABLES/ACCEPTANCE CRITERIA
<p>PCC will work with state resources to analyze the scope of implementing the ACH payment method. PCC will work with the state to detail the specific functionality and acceptance criteria sufficient to satisfy the new requirement.</p> <p>Using the analysis, PCC will provide the state with a fixed fee change order to implement the ACH payment method. The change order will detail the scope of the functionality to be implemented as well as the scope boundaries/exclusions (anything beyond scope), and detail any associated project risks.</p> <p>Specifically the fixed fee change order deliverable will include the following:</p> <ul style="list-style-type: none"> • Detailed Scope • Effort by Role/Resource • Implementation Timeframe • Acceptance Criteria • Risks • Impact to Project Schedule if any • Overview of System Functionality • Impact to Annual Support Costs if any

EXCLUSIONS	
Scope Boundaries/Exclusions	Limited to analyzing and assessing the implementation of ACH payment processing in the new UCC System as permitted in CEPAS. This change order does not guarantee that a solution is possible; however, PCC and MI assume that the implementation is feasible as of the execution of this change order.
	Execution according to the target delivery schedule assumes access to required state resources and subject matter experts can be available in a timely manner.
Risks	Analysis resources and state project resources focus on an additional task that could impact other scheduled project tasks.

Project Impact			
Project Schedule Impact			
Estimated Project Delay (If Any)	No current project delay assessed at this time.		
Estimated Task Delay (If Any)	N/A - New requirement and new task		
Project Effort Impact			
Total PCC Effort/ Hours	20		
Effort Total PCC Hours	<Estimated Project Effort>		
Total MDOS Effort/ Hours	16		
Effort Total MDOS Hours	<Estimated Project Effort>		
Total DTMB Effort/ Hours	<Estimated Project Effort>		
Effort Total DTMB Hours	<Estimated Project Effort>		
Project Cost Impact			
Role/Resource	Hours	Rate	Cost
Business Analyst	20	\$130	\$2,600
Total Cost			\$2,600

Annual Support Impact	
Total Annual Support Amount	There will not be any impact to annual support costs based on completing this analysis change order.

Acceptance Process: Change Orders Submitted will be reviewed for approval or denial based on timeframes consistent with contractual signoff timeframes.

Changes of Significant Size/Scope: If the event that a change has a significant scope and the total analysis effort to provide initial estimates for a change will take more than 10 hours by PCC, PCC will notify SOM; In this case, a fixed fee change order will be submitted for approval to perform the initial analysis.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
 PROCUREMENT

525 W. ALLEGAN STREET
 LANSING, MI 48933

P.O. BOX 30026
 LANSING, MI 48909

CHANGE OF CONTRACTOR NAME and/or TAX ID NUMBER

CHANGE NOTICE NO. 1
 to
 CONTRACT NO. 071B5500142
 between
 THE STATE OF MICHIGAN
 and

CURRENT NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
PCC Technology Group, LLC 2 Barnard Lane Bloomfield, CT 06002	Cynthia Bates	cynthia.bates@pcctg.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	(860) 242-3299	4044

NEW NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
PCC Technology Inc. 100 Northfield Drive, Suite 300A Windsor, CT 06095	Cynthia Bates	cynthia.bates@pcctg.com
	PHONE	CONTRACTOR'S TAX ID NO. (LAST FOUR DIGITS ONLY)
	(860) 242-3299	0803

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER / CCI	MDOS	Dawn Wilson	(517) 322-6280	Wilson24@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Christine Mitchell	(517) 284-7020	Mitchellc4@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Modernized Uniform Commercial Code (UCC) System - MDOS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	CURRENT EXPIRATION DATE
5 Year	September 10, 2015	September 9, 2020	(3) 1-Year Options
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
EXERCISE OPTION?	LENGTH OF OPTION	EXERCISE EXTENSION?	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	September 9, 2020
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$2,500,000.00		\$0.00	\$2,500,000.00	

DESCRIPTION: Please note, the Contractor name has been changed from PCC Technology Group, LLC to PCC Technology Inc. All other terms, conditions, specifications, and pricing remain the same per Contractor and Agency agreement and DTMB Procurement approval.

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 525 W. ALLEGAN, LANSING, MI 48933

NOTICE OF CONTRACT NO. 071B5500142

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
PCC Technology Group, LLC 2 Barnard Lane Bloomfield, CT 06002	Cynthia Bates	cynthia.bates@pcctg.com
	PHONE	VENDOR TAX ID # (LAST FOUR DIGITS ONLY)
	(860) 242-3299	4044

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER	MDOS	Dawn Wilson	(517) 322-6280	wilsond24@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Christine Mitchell	(517) 284-7020	Mitchellc4@michigan.gov

CONTRACT SUMMARY			
DESCRIPTION: Modernized Uniform Commercial Code (UCC) System - MDOS			
INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
5 years	September 10, 2015	September 9, 2020	3, one year
PAYMENT TERMS	F.O.B.	SHIPPED TO	
Net 45	N/A	N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			
MISCELLANEOUS INFORMATION:			
The purpose of this Contract is to replace the existing Uniform Commercial Code (UCC) system with a modernized system with all current system functionality and current industry updates to support the Michigan Department of State (MDOS). The Contract includes a cooperative purchasing clause in the event other States wish to utilize it. Deliverables will be provided in accordance with the attached specifications, pricing, terms and conditions as approved by DTMB Procurement and the State Administrative Board on September 10, 2015.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION:		\$2,500,000.00	

For the Contractor:

John Bastin,
Contract Administrator
PCC

Date

For the State:

Sharon Walenga-Maynard, Sourcing Director,
DTMB Procurement
State of Michigan

Date



STATE OF MICHIGAN

CONTRACT TERMS CUSTOM SOFTWARE DEVELOPMENT

This CUSTOM SOFTWARE DEVELOPMENT CONTRACT (this “**Contract**”) is agreed to between the State of Michigan (the “**State**”) and PCC (“**Contractor**”), a Connecticut Corporation. This Contract is for five (5) years effective on September 10, 2015 (“**Effective Date**”), and unless earlier terminated, will expire on September 9, 2020 (the “**Term**”).

This Contract may be renewed for up to 3 additional 1 year period(s). Renewal must be by written agreement of the parties, and will automatically extend the Term of this Contract.]

The parties agree as follows:

1. **Definitions.** For purposes of this Contract, the following terms have the following meanings:

“**Acceptance**” has the meaning set forth in **Section 9.5**.

“**Acceptance Tests**” means such tests as may be conducted in accordance with **Section 9** and the Statement of Work to determine whether any Software Deliverable meets the requirements of this Contract and the Specifications and Documentation.

“**Affiliate**” means any entity which directly or indirectly controls, is controlled by or is under common control of Contractor. The term “control” means the possession of the power to direct or cause the direction of the management and the policies of an entity, whether through the ownership of a majority of the outstanding voting rights or by contract or otherwise.

“**Aggregate Software**” means the Software, as a whole, to be developed or otherwise provided under the Statement of Work. For avoidance of doubt, if the Statement of Work provides for a single Software Deliverable, such Software Deliverable also constitutes Aggregate Software.

“**Allegedly Infringing Materials**” has the meaning set forth in **Section 18.3(b)(ii)**.

“**Approved Open-Source Components**” means Open-Source Components that the State has approved to be included in or used in connection with any Software developed or provided under this Contract, and are specifically identified in the Statement of Work.

“**Approved Third-Party Materials**” means Third-Party Materials that the State has approved to be included in or for use in connection with any Software developed or provided under this Contract, and are specifically identified in the Statement of Work.

“**Background Technology**” means all Software and hardware, data, know-how, ideas, methodologies, specifications, and other technology in which Contractor owns such Intellectual Property Rights as are necessary for Contractor to grant the rights and licenses set forth in **Section 14.1**, and for the State (including



its licensees, successors and assigns) to exercise such rights and licenses, without violating any right of any Third Party or any Law or incurring any payment obligation to any Third Party. Background Technology must: (a) be identified as Background Technology in the Statement of Work; and (b) have been developed or otherwise acquired by Contractor prior to the date of the RFP.

“**Business Day**” means a day other than a Saturday, Sunday or State holiday.

“**Business Owner**” is the individual appointed by the end-user agency procuring the software to (a) act as such agency’s representative in all matters relating to the Contract, and (b) co-sign off on the State’s notice of Acceptance for all Software Deliverables and Aggregate Software. The Business Owner will be identified in the Statement of Work.

“**Business Requirements Specification**” means the initial specification setting forth the State’s business requirements regarding the features and functionality of the Software, as set forth in the Statement of Work.

“**Change**” has the meaning set forth in **Section 2.2**.

“**Change Notice**” has the meaning set forth in **Section 2.4(b)**.

“**Change Proposal**” has the meaning set forth in **Section 2.4(a)**.

“**Change Request**” has the meaning set forth in **Section 2.2**.

“**Confidential Information**” has the meaning set forth in **Section 23.1**.

“**Contract**” has the meaning set forth in the preamble.

“**Contract Administrator**” is the individual appointed by each party to (a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract. Each party’s Contract Administrator will be identified in the Statement of Work.

“**Contractor**” has the meaning set forth in the preamble.

“**Contractor’s Bid Response**” means the Contractor’s proposal submitted in response to the RFP.

“**Contractor Personnel**” means all employees of Contractor or any Permitted Subcontractors involved in the performance of Services or providing Work Product under this Contract.

“**Deliverables**” means all Software Deliverables and all other documents, Work Product, and other materials that Contractor is required to or otherwise does provide to the State under this Contract and otherwise in connection with any Services, including all items specifically identified as Deliverables in the Statement of Work.

“**Derivative Work**” means any modification, addition, upgrade, update, or improvement of the Software and any other work constituting a derivative work under the United States Copyright Act, 17 U.S.C. Section 101, *et seq.*

“**Dispute Resolution Procedure**” means the procedure for resolving disputes under this Contract as set forth in **Section 30**.



“**Documentation**” means all user manuals, operating manuals, technical manuals and any other instructions, specifications, documents and materials, in any form or media, that describe the functionality, installation, testing, operation, use, maintenance, support and technical and other components, features and requirements of any Software.

“**DTMB**” means the Michigan Department of Technology, Management and Budget.

“**Effective Date**” has the meaning set forth in the preamble.

“**Fees**” has the meaning set forth in **Section 11.1**

“**Financial Audit Period**” has the meaning set forth in **Section 28.1**.

“**Force Majeure**” has the meaning set forth in **Section 30.08**.

“**Harmful Code**” means any: (a) virus, trojan horse, worm, backdoor or other software or hardware devices the effect of which is to permit unauthorized access to, or to disable, erase, or otherwise harm, any computer, systems or software; or (b) time bomb, drop dead device, or other software or hardware device designed to disable a computer program automatically with the passage of time or under the positive control of any Person, or otherwise deprive the State of its lawful right to use such Software.

“**HIPAA**” has the meaning set forth in **Section 22.1**.

“**Implementation Plan**” means the schedule included in the Statement of Work setting forth the sequence of events for the performance of Services under the Statement of Work, including the Milestones and Milestone Dates.

“**Initial Statement of Work**” means the Statement of Work for the initial Software development and related Services, attached as **Schedule A** to this Contract.

“**Intellectual Property Rights**” means all or any of the following: (a) patents, patent disclosures, and inventions (whether patentable or not); (b) trademarks, service marks, trade dress, trade names, logos, corporate names, and domain names, together with all of the associated goodwill; (c) copyrights and copyrightable works (including computer programs), mask works and rights in data and databases; (d) trade secrets, know-how and other confidential information; and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection provided by applicable Law in any jurisdiction throughout the world.

“**Intended Users**” means the users that are intended to use Software or particular features or functions of the Software, as described in the Specifications for such Software.

“**Key Personnel**” means any Contractor Personnel identified as key personnel in the Statement of Work.

“**Law**” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any federal, state, local or foreign government or political subdivision thereof, or any arbitrator, court, or tribunal of competent jurisdiction.



“**Maintenance and Support Schedule**” means the schedule attached as **Schedule C**, setting forth the Maintenance and Support Services, the Support Fees, and the parties’ additional rights and obligations with respect to such services.

“**Maintenance and Support Services**” means the Software maintenance and support services the Contractor is required to or otherwise does provide under this Contract as set forth in the Maintenance and Support Schedule.

“**Milestone**” means an event or task described in the Implementation Plan under the Statement of Work that must be completed by the corresponding Milestone Date.

“**Milestone Date**” means the date by which a particular Milestone must be completed as set forth in the Implementation Plan under the Statement of Work.

“**Non-Conformity**” means any failure of any: (a) Software or Documentation to conform to the requirements of this Contract (including the Statement of Work) or (b) Software to conform to the requirements of this Contract or the Specifications or Documentation.

“**Object Code**” means computer programs assembled or compiled in magnetic or electronic binary form on software media, which are readable and useable by machines, but not generally readable by humans without reverse assembly, reverse compiling, or reverse engineering.

“**Open-Source Components**” means any software component that is subject to any open-source copyright license contract, including any GNU General Public License or GNU Library or Lesser Public License, or other license contract that substantially conforms to the Open Source Initiative’s definition of “open source” or otherwise may require disclosure or licensing to any third party of any source code with which such software component is used or compiled.

“**Open-Source License**” has the meaning set forth in **Section 3.3**.

“**Operating Environment**” means, collectively, the State platform and environment on, in, or under which Software is intended to be installed and operate, as set forth in the Statement of Work, including such structural, functional and other features, conditions and components as hardware, operating software and system architecture and configuration.

“**Permitted Subcontractor**” has the meaning set forth in **Section 5.5**.

“**Person**” means an individual, corporation, partnership, joint venture, limited liability entity, governmental authority, unincorporated organization, trust, association, or other entity.

“**Project Manager**” is the individual appointed by each party to (a) monitor and coordinate the day-to-day activities of this Contract, and (b) in the case of the State, co-sign off on its notice of Acceptance for all Software Deliverables and Aggregate Software. Each party’s Project Manager will be identified in the Statement of Work.

“**Representatives**” means a party’s employees, officers, directors, consultants, legal advisors, and Permitted Subcontractors.



“**RFP**” means the State’s request for proposal designed to solicit responses for Services under this Contract.

“**Services**” means any of the services Contractor is required to or otherwise does provide under this Contract or the Statement of Work, as more fully described in this Contract or the Statement of Work.

“**Site**” means the physical location designated by the State in, or in accordance with, this Contract or the Statement of Work for delivery and installation of any Software.

“**Software**” means the computer program(s), including programming tools, scripts and routines, the Contractor is required to or otherwise does develop or otherwise provide under this Contract, as described more fully in the Statement of Work, including all updates, upgrades, new versions, new releases, enhancements, improvements, and other modifications made or provided under the Maintenance and Support Services. As context dictates, Software may refer to one or more Software Deliverables or Aggregate Software.

“**Software Deliverable**” means any Software, together with its Documentation, required to be delivered as a Milestone as set forth in the Implementation Plan for such Software.

“**Source Code**” means the human readable source code of the Software to which it relates, in the programming language in which such Software was written, together with all related flow charts and technical documentation, including a description of the procedure for generating object code, all of a level sufficient to enable a programmer reasonably fluent in such programming language to understand, operate, support, maintain and develop modifications, upgrades, updates, enhancements, improvements and new versions of, and to develop computer programs compatible with, such Software.

“**Specifications**” means, for any Software, the specifications collectively set forth in the Business Requirements Specification and Technical Specification, together with any other specifications set forth in the RFP or Contractor’s Bid Response, if any, for such Software, or elsewhere in the Statement of Work.

“**State**” means the State of Michigan.

“**State Data**” has the meaning set forth in **Section 22.1**.

“**State Materials**” means all materials and information, including documents, data, know-how, ideas, methodologies, specifications, software, content and technology, in any form or media, directly or indirectly provided or made available to Contractor by or on behalf of the State in connection with this Contract, whether or not the same: (a) are owned by the State, a Third Party or in the public domain; or (b) qualify for or are protected by any Intellectual Property Rights.

“**State Resources**” has the meaning set forth in **Section 6.1**.

“**Statement of Work**” means any statement of work entered into by the parties and attached as a schedule to this Contract. The Initial Statement of Work is attached as **Schedule A**, and subsequent Statements of Work shall be sequentially identified and attached as Schedules A-1, A-2, A-3, etc.

“**Stop Work Order**” has the meaning set forth in **Section 16**.



“**Support Fees**” means the fees, if any, payable by the State for Maintenance and Support Services as set forth in the Maintenance and Support Schedule.

“**Support Commencement Date**” means, with respect to any Software, the date on which the Warranty Period for such Software expires or such other date as may be set forth in the Maintenance and Support Schedule.

“**Technical Specification**” means, with respect to any Software, the document setting forth the technical specifications for such Software and included in the Statement of Work.

“**Term**” has the meaning set forth in the preamble.

“**Testing Period**” has the meaning set forth in **Section 9.1**.

“**Third Party**” means any Person other than the State or Contractor.

“**Third-Party Materials**” means any materials and information, including documents, data, know-how, ideas, methodologies, specifications, software, content, and technology, in any form or media, in which any Person other than the State or Contractor owns any Intellectual Property Right, but excluding Open-Source Components.

“**Transition Period**” has the meaning set forth in **Section 15.3**.

“**Transition Responsibilities**” has the meaning set forth in **Section 15.3**.

“**Unauthorized Removal**” has the meaning set forth in **Section 5.4(b)**.

“**Unauthorized Removal Credit**” has the meaning set forth in **Section 5.4(c)**.

“**Warranty Period**” means, for any Software, the ninety (90) calendar-day period commencing (a) in the case of Aggregate Software, upon the State’s Acceptance; and (b) in the case of any updates, upgrades, new versions, new releases, enhancements and other modifications to previously-Accepted Aggregate Software, upon the State’s receipt of such modification.

“**Work Product**” means all Software, Documentation, Specifications, and other documents, work product and related materials, that Contractor is required to, or otherwise does, provide to the State under this Contract, together with all ideas, concepts, processes, and methodologies developed in connection with this Contract whether or not embodied in this Contract.

2. Statements of Work. Contractor shall provide Services and Deliverables pursuant to Statements of Work and associated appendices, exhibits and attachments entered into under this Contract. No Statement of Work shall be effective unless signed by each party’s Contract Administrator. The term of each Statement of Work shall commence on the parties’ full execution of the Statement of Work and terminate when the parties have fully performed their obligations. The terms and conditions of this Contract will apply at all times to any Statements of Work entered into by the parties and attached as a schedule to this Contract. The State shall have the right to terminate such Statement of Work as set forth in **Section 15**. Contractor acknowledges that time is of the essence with respect to Contractor’s obligations under each Statement of Work and agrees that



prompt and timely performance of all such obligations in accordance with this Contract and the Statements of Work (including the Implementation Plan and all Milestone Dates) is strictly required.

2.1 Statement of Work Requirements. Each Statement of Work will include the following:

- (a) names and contact information for Contractor's Contract Administrator, Project Manager and Key Personnel;
- (b) names and contact information for the State's Contract Administrator, Project Manager and Business Owner;
- (c) a detailed description of the Services to be provided under this Contract, including any training obligations of Contractor;
- (d) a detailed description of the Software and other Work Product to be developed or otherwise provided under this Contract, including the:
 - (i) Business Requirements Specification;
 - (ii) Technical Specification; and
 - (iii) a description of the Documentation to be provided;
- (e) an Implementation Plan, including all Milestones, the corresponding Milestone Dates and the parties' respective responsibilities under the Implementation Plan;
- (f) Fees payable under this Contract, the manner in which such Fees will be calculated, the due dates for payment and any invoicing requirements, including any Milestones on which any such Fees are conditioned, and such other information as the parties deem necessary;
- (g) disclosure of all Background Technology, Approved Third-Party Materials, Approved Open-Source Components (each identified on a separate exhibit to the Statement of Work), in each case accompanied by such related documents as may be required by this Contract;
- (h) description of all liquidated damages associated with this Contract; and
- (i) a detailed description of all State Resources required to complete the Implementation Plan.

2.2 Initial Statement of Work. The Initial Statement of Work is attached as **Schedule A** to this Contract. Commencing on the Effective Date, Contractor shall perform the Services set forth in **Schedule A** for purposes of creating and providing to the State Contractor's proposal for developing Software that meets all criteria set forth in the Business Requirements Specification.

2.3 Additional Statements of Work. Promptly following receipt of the State's request for additional Software development or other Services, Contractor shall provide the State with a proposal containing all information specified in **Section 2.1**. Upon the parties' agreement with respect to the terms of such proposal, all such terms shall be incorporated in a Statement of Work and each party shall cause the same to be signed by its Contract Administrator. Each fully executed Statement of Work shall be attached as a Schedule to, and by this reference incorporated in and made a part of, this Contract.



2.4 Change Control Process. The State may at any time request in writing (each, a “**Change Request**”) changes to the Statement of Work, including changes to the Services, Work Product, Implementation Plan, or any Specifications (each, a “**Change**”). Upon the State’s submission of a Change Request, the parties will evaluate and implement all Changes in accordance with this **Section 2.2**.

(a) As soon as reasonably practicable, and in any case within twenty (20) Business Days following receipt of a Change Request, Contractor will provide the State with a written proposal for implementing the requested Change (“**Change Proposal**”), setting forth:

- (i) a written description of the proposed Changes to any Services, Work Product, or Deliverables;
- (ii) an amended Implementation Plan reflecting: (A) the schedule for commencing and completing any additional or modified Services, Work Product, or Deliverables; and (B) the effect of such Changes, if any, on completing any other Services or Work Product under the Statement of Work;
- (iii) any additional Third-Party Materials, Open-Source Components, and State Resources Contractor deems necessary to carry out such Changes; and
- (iv) any increase or decrease in Fees resulting from the proposed Changes, which increase or decrease will reflect only the increase or decrease in time and expenses Contractor requires to carry out the Change.

(b) Within thirty (30) Business Days following the State’s receipt of a Change Proposal, the State will by written notice to Contractor, approve, reject, or propose modifications to such Change Proposal. If the State proposes modifications, Contractor must modify and re-deliver the Change Proposal reflecting such modifications, or notify the State of any disagreement, in which event the parties will negotiate in good faith to resolve their disagreement. Upon the State’s approval of the Change Proposal or the parties’ agreement on all proposed modifications, as the case may be, the parties will execute a written agreement to the Change Proposal (“**Change Notice**”), which Change Notice will be signed by the State’s Contract Administrator and will constitute an amendment to the Statement of Work to which it relates; and

(c) If the parties fail to enter into a Change Notice within fifteen (15) Business Days following the State’s response to a Change Proposal, the State may, in its discretion:

- (i) require Contractor to perform the Services under the Statement of Work without the Change;
- (ii) require Contractor to continue to negotiate a Change Notice;
- (iii) initiate a Dispute Resolution Procedure; or
- (iv) notwithstanding any provision to the contrary in the Statement of Work, terminate this Contract for cause under **Section 15.1**.

(d) No Change will be effective until the parties have executed a Change Notice. Except as the State may request in its Change Request or otherwise in writing, Contractor must continue to perform its obligations in accordance with the Statement of Work pending negotiation and execution of a Change Notice.



Contractor will use its best efforts to limit any delays or Fee increases from any Change to those necessary to perform the Change in accordance with the applicable Change Notice. Each party is responsible for its own costs and expenses of preparing, evaluating, negotiating, and otherwise processing any Change Request, Change Proposal, and Change Notice.

(e) The performance of any functions, activities, tasks, obligations, roles and responsibilities comprising the Services as described in this Contract are considered part of the Services and, thus, will not be considered a Change. This includes the delivery of all Deliverables in accordance with their respective Specifications, and the diagnosis and correction of Non-Conformities discovered in Deliverables prior to their Acceptance by the State or, subsequent to their Acceptance by the State, as necessary for Contractor to fulfill its associated warranty requirements and its Maintenance and Support Services under this Contract.

(f) Contractor may, on its own initiative and at its own expense, prepare and submit its own Change Request to the State. However, the State will be under no obligation to approve or otherwise respond to a Change Request initiated by Contractor.

3. Software. Contractor will design, develop, create, test, deliver, install, configure, integrate, customize and otherwise provide and make fully operational Software as described in the Statement of Work on a timely and professional basis in accordance with all terms, conditions, and Specifications set forth in this Contract and the Statement of Work.

3.1 Software Specifications. Contractor will ensure all Software complies with the Specifications. Contractor will provide all Software to the State in both Object Code and Source Code form.

(a) Source Code and License fee:

Contractor Must:

- i. Provide a perpetual license to the state per the cost proposal and licensing agreement provided.
- ii. Place licensed source code into an escrow account per the provided escrow agreement.
- iii. In the event that the State of Michigan opts to maintain the system themselves, the state may purchase the source for a onetime fee. Contractor retains full intellectual property rights to the code. The State of Michigan would own the code for purposes of internal maintenance and enhancements only, and would not be permitted to sell, loan, give away or in any other way make the platform or application code publically available outside of the State of Michigan environment.
- iv. If the State purchases a Maintenance agreement for three years, the source code will be provided at no cost. Provision of Source Code at the end of the Three Year term will include all technical design documents, system architecture and documentation necessary for ongoing support and enhancement. Further, the source code itself shall be fully commented.

3.2 Third-Party Materials.

(a) Contractor will not include in any Software, and operation of all Software in accordance with its Specifications and Documentation will not require, any Third-Party Materials, other than Approved Third-Party Materials, which must be specifically approved by the State and identified and described in the Statement of Work, and will be licensed to the State in accordance with **Section 14.3.**

(b) Contractor must secure, at its sole cost and expense, all necessary rights, licenses, consents, approvals, and authorizations necessary for the State to use, perpetually and throughout the universe, all



Approved Third-Party Materials as incorporated in or otherwise used in conjunction with Software as specified in the Statement of Work or elsewhere in this Contract.

3.3 Open-Source Components. Contractor will not include in any Software, and operation of all Software in accordance with its Specifications and Documentation will not require the use of, any Open-Source Components, other than Approved Open-Source Components, which must be specifically approved by the State and identified and described in the Statement of Work, and for which the relevant open-source license(s) (each, an “**Open-Source License**”) are attached as exhibits to the Statement of Work. Contractor will provide the State with the Source Code for Approved Open-Source Components in accordance with the terms of the Open-Source License(s) at no cost to the State.

4. **Documentation**. Prior to or concurrently with the delivery of any Software, or by such earlier date as may be specified in the Implementation Plan for such Software, Contractor will provide the State with complete and accurate Documentation for such Software. Where the Statement of Work requires or permits delivery of Software in two or more phases, Contractor will also provide the State with integrated Documentation for the Aggregate Software upon its delivery.

4.1 Adequacy of Documentation. All Documentation must include all such information as may be reasonably necessary for the effective installation, testing, use, support, and maintenance of the applicable Software by the Intended User, including the effective configuration, integration, and systems administration of the Software and performance of all other functions set forth in the Specifications.

4.2 Documentation Specifications. Contractor will provide all Documentation in both hard copy and electronic form, in such formats and media as are set forth in the Statement of Work, or as the State may otherwise reasonably request in writing.

4.3 Third-Party Documentation. Other than Documentation for Approved Third-Party Materials and Approved Open-Source Components, no Documentation will consist of or include Third-Party Materials. To the extent Documentation consists of or includes Third-Party Materials, Contractor must secure, at its sole cost and expense, all rights, licenses, consents, approvals and authorizations specified in **Section 14.3** with respect to Approved Third-Party Materials.

5. **Performance of Services**. Contractor will provide all Services and Work Product in a timely, professional and workmanlike manner and in accordance with the terms, conditions, and Specifications set forth in this Contract and the Statement of Work.

5.1 State Standards.

(a) The Contractor must adhere to all existing standards as described within the comprehensive listing of the State’s existing technology standards at <http://www.michigan.gov/dmb/0,4568,7-150-56355-108233--,00.html>

(b) To the extent that Contractor has access to the State’s computer system, Contractor must comply with the State’s Acceptable Use Policy, see http://michigan.gov/cybersecurity/0,1607,7-217-34395_34476---,00.html. All Contractor Personnel will be required, in writing, to agree to the State’s Acceptable Use Policy before accessing the State’s system. The State reserves the right to terminate Contractor’s access to the State’s system if a violation occurs.



(c) Contractor is not authorized to make changes to any State systems without prior written authorization from the State's Project Manager. Any changes Contractor makes to any State systems with the State's approval must be done according to applicable State procedures, including security, access, and configuration standards.

5.2 Contractor Personnel.

(a) Contractor is solely responsible for all Contractor Personnel and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.

(b) Prior to any Contractor Personnel performing any Services, Contractor will:

- (i) ensure that such Contractor Personnel have the legal right to work in the United States;
- (ii) require such Contractor Personnel to execute written agreements, in form and substance acceptable to the State, that bind such Contractor Personnel to confidentiality provisions that are at least as protective of the State's information (including all Confidential Information) as those contained in this Contract and Intellectual Property Rights provisions that grant the State rights in the Work Product consistent with the provisions of **Section 13.1** and, upon the State's request, provide the State with a copy of each such executed Contract; and
- (iii) if requested by the State, and at Contractor's sole cost and expense, conduct background checks on such Contractor Personnel, which background checks must comprise, at a minimum, a review of credit history, references and criminal record, in accordance with applicable Law.

(c) Contractor and all Contractor Personnel will comply with all rules, regulations, and policies of the State that are communicated to Contractor in writing, including security procedures concerning systems and data and remote access, building security procedures, including the restriction of access by the State to certain areas of its premises or systems, and general health and safety practices and procedures.

(d) The State reserves the right to require the removal of any Contractor Personnel found, in the judgment of the State, to be unacceptable. The State's request must be written with reasonable detail outlining the reasons for the removal request. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and Contractor cannot immediately replace the removed personnel, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required removal.

5.3 Contractor's Project Manager. Throughout the Term of this Contract, Contractor must maintain a Contractor employee acceptable to the State to serve as Contractor's Project Manager. Contractor's Project Manager will be identified in the Statement of Work.

(a) Contractor's Project Manager must:

- (i) have the requisite authority, and necessary skill, experience, and qualifications, to perform in such capacity;



- (ii) be responsible for overall management and supervision of Contractor's performance under this Contract; and
 - (iii) be the State's primary point of contact for communications with respect to this Contract, including with respect to giving and receiving all day-to-day approvals and consents.
- (b) Contractor's Project Manager must attend all regularly scheduled meetings as set forth in the Implementation Plan, and will otherwise be available as set forth in the Statement of Work.
- (c) Contractor will maintain the same Project Manager throughout the Term of this Contract, unless:
- (i) the State requests in writing the removal of Contractor's Project Manager;
 - (ii) the State consents in writing to any removal requested by Contractor in writing;
 - (iii) Contractor's Project Manager ceases to be employed by Contractor, whether by resignation, involuntary termination or otherwise.
- (d) Contractor will promptly replace its Project Manager on the occurrence of any event set forth in **Section 5.3(c)**. Such replacement will be subject to the State's prior written approval.

5.4 Contractor's Key Personnel.

(a) The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Project Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection.

(b) Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("**Unauthorized Removal**"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under **Section 15.1**.

(c) It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 15.1**, Contractor will issue to the State the corresponding credits set forth below (each, an "**Unauthorized Removal Credit**"):



- (i) For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the credit amount will be \$10,000.00 per individual if Contractor identifies a replacement approved by the State and assigns the replacement to shadow the Key Personnel who is leaving for a period of at least 30 calendar days before the Key Personnel's removal.
- (ii) If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$10,000.00 credit specified above, Contractor will credit the State \$500.00 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$10,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$20,000.00 per individual.

(d) Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed under **Subsection (c)** above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any Fees or other charges payable to Contractor under this Contract.

5.5 Subcontractors. Contractor will not, without the prior written approval of the State, which consent may be given or withheld in the State's sole discretion, engage any Third Party to perform Services (including to create any Work Product). The State's approval of any such Third Party (each approved Third Party, a "**Permitted Subcontractor**") does not relieve Contractor of its representations, warranties or obligations under this Contract. Without limiting the foregoing, Contractor will:

(a) be responsible and liable for the acts and omissions of each such Permitted Subcontractor (including such Permitted Subcontractor's employees who, to the extent providing Services or creating Work Product, shall be deemed Contractor Personnel) to the same extent as if such acts or omissions were by Contractor or its employees;

(b) name the State a third party beneficiary under Contractor's Contract with each Permitted Subcontractor with respect to the Services and Work Product;

(c) be responsible for all fees and expenses payable to, by or on behalf of each Permitted Subcontractor in connection with this Contract, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits; and

(d) prior to the provision of Services or creation of Work Product by any Permitted Subcontractor:

- (i) obtain from such Permitted Subcontractor confidentiality, work-for-hire and intellectual property rights assignment agreements, in form and substance acceptable by the State, giving the State rights consistent with those set forth in **Section 13.1** and **Section 22** and, upon request, provide the State with a fully-executed copy of each such contract; and



- (ii) with respect to all Permitted Subcontractor employees providing Services or Work Product, comply with its obligations under **Section 5.2(b)**.

6. State Obligations.

6.1 State Resources and Access. The State is responsible for:

(a) providing the State Materials and such other resources as may be specified in the Statement of Work (collectively, "**State Resources**"); and

(b) providing Contractor Personnel with such access to the Site(s) and Operating Environment as is necessary for Contractor to perform its obligations on a timely basis as set forth in the Statement of Work.

6.2 State Project Manager. Throughout the Term of this Contract, the State will maintain a State employee to serve as the State's Project Manager under this Contract. The State's Project Manager will be identified in the Statement of Work. The State's Project Manager or designee will attend regularly scheduled meetings as set forth in the Implementation Plan and will otherwise be available as set forth in the Statement of Work.

7. Pre-Delivery Testing.

7.1 Testing By Contractor. Before delivering and installing any Software Deliverable, Contractor must:

(a) test the Software component of such Software Deliverables to confirm that it is fully operable, meets all applicable Specifications and will function in accordance with the Specifications and Documentation when properly installed in the Operating Environment;

(b) scan such Software Deliverables using the most up-to-date scanning software and definitions to confirm it is free of Harmful Code;

(c) remedy any Non-Conformity or Harmful Code identified and retest and rescan the Software Deliverables; and

(d) prepare, test and, as necessary, revise the Documentation component of the Software Deliverables to confirm it is complete and accurate and conforms to all requirements of this Contract.

7.2 State Participation. The State has the right to be present for all pre-installation testing. Contractor must give the State at least fifteen (15) calendar days prior notice of all such testing.

8. Delivery and Installation.

8.1 Delivery. Contractor will deliver each Deliverable, and install all Software, on or prior to the applicable Milestone Date in accordance with the delivery criteria set forth in the Statement of Work. Contractor will deliver each Software Deliverable, including complete Documentation in compliance with **Section 4**, and the applicable Source Code will be placed in escrow following each major release. No Software Deliverable will be deemed to have been delivered or installed unless it complies with the preceding sentence.

8.2 Site Preparation. As specified in the Statement of Work, the State or Contractor is responsible for ensuring the relevant Operating Environment is set up and in working order to allow Contractor to deliver and



install each Software Deliverable on or prior to the applicable Milestone Date. Contractor will provide the State with such notice as is specified in the Statement of Work, prior to delivery of each such Software Deliverable to give the State sufficient time to prepare for Contractor's delivery and installation of the Software Deliverable. If the State is responsible for Site preparation, Contractor will provide such assistance as the State requests to complete such preparation on a timely basis.

9. Acceptance Testing and Acceptance.

9.1 Acceptance Testing.

(a) Upon installation of each Software Deliverable, Acceptance Tests will be conducted as set forth in this **Section 9.1** to ensure the Software Deliverable, including all Software and Documentation, conforms to the requirements of this Contract, including the applicable Specifications and, in the case of the Software, the Documentation.

(b) All Acceptance Tests will take place at the designated Site(s) in the Operating Environment described in the Statement of Work for the Software Deliverable, commence on the Business Day following installation of such Software Deliverable and be conducted diligently for up to thirty (30) Business Days, or such other period as may be set forth in the Statement of Work (the "**Testing Period**"). Acceptance Tests will be conducted by the party responsible as set forth in the Statement of Work or, if the Statement of Work does not specify, the State, provided that:

- (i) for Acceptance Tests conducted by the State, if requested by the State, Contractor will make suitable Contractor Personnel available to observe or participate in such Acceptance Tests; and
- (ii) for Acceptance Tests conducted by Contractor, the State has the right to observe or participate in all or any part of such Acceptance Tests.

Contractor is solely responsible for all costs and expenses related to Contractor's performance of, participation in, and observation of Acceptance Testing.

(c) Upon delivery and installation of the Aggregate Software under the Statement of Work, additional Acceptance Tests will be performed on the Aggregate Software as a whole to ensure full operability, integration, and compatibility among all elements of the Aggregate Software ("**Integration Testing**"). Integration Testing is subject to all procedural and other terms and conditions set forth in **Section 9.1**, **Section 9.3**, and **Section 9.4**.

(d) The State may suspend Acceptance Tests and the corresponding Testing Period by written notice to Contractor if the State discovers a material Non-Conformity in the tested Software Deliverable or part or feature of such Software Deliverable. In such event, Contractor will immediately, and in any case within ten (10) Business Days, correct such Non-Conformity, whereupon the Acceptance Tests and Testing Period will resume for the balance of the Testing Period.

9.2 Notices of Completion, Non-Conformities, and Acceptance. Within fifteen (15) Business Days following the completion of any Acceptance Tests, including any Integration Testing, the party responsible for conducting the tests will prepare and provide to the other party written notice of the completion of the tests.



Such notice must include a report describing in reasonable detail the tests conducted and the results of such tests, including any uncorrected Non-Conformity in the tested Software Deliverables.

(a) If such notice is provided by either party and identifies any Non-Conformities, the parties' rights, remedies, and obligations will be as set forth in **Section 9.3** and **Section 9.4**.

(b) If such notice is provided by the State, is signed by the State's Business Owner and Project Manager, and identifies no Non-Conformities, such notice constitutes the State's Acceptance of such Software Deliverable or Aggregate Software.

(c) If such notice is provided by Contractor and identifies no Non-Conformities, the State will have thirty (30) Business Days to use such Software Deliverable in the Operating Environment and determine, in the exercise of its sole discretion, whether it is satisfied that such Software Deliverable or Aggregate Software contains no Non-Conformities, on the completion of which the State will, as appropriate:

- (i) notify Contractor in writing of Non-Conformities the State has observed in the Software Deliverable or, in the case of Integration Testing, Aggregate Software, and of the State's non-acceptance thereof, whereupon the parties' rights, remedies and obligations will be as set forth in **Section 9.3** and **Section 9.4**; or
- (ii) provide Contractor with a written notice of its Acceptance of such Software Deliverable or Aggregate Software, which must be signed by the State's Business Owner and Project Manager.

9.3 Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformities, Contractor, at Contractor's sole cost and expense, will remedy all such Non-Conformities and re-deliver the Software Deliverables, in accordance with the requirements set forth in the Statement of Work. Redelivery will occur as promptly as commercially possible and, in any case, within thirty (30) Business Days following, as applicable, Contractor's:

- (a) completion of such Acceptance Tests, in the case of Acceptance Tests conducted by Contractor;
or
- (b) receipt of the State's notice under **Section 9.1(a)** or **Section 9.2(c)(i)**, identifying any Non-Conformities.

9.4 Repeated Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformity in any Software Deliverable after a second or subsequent delivery of such Software Deliverable, or Contractor fails to re-deliver the Software Deliverable on a timely basis, the State may, in its sole discretion, by written notice to Contractor:

- (a) continue the process set forth in this **Section 9**;
- (b) accept the Software Deliverable as a nonconforming deliverable, in which case the Fees for the Software Deliverable will be reduced equitably to reflect the value of the Software Deliverable as received relative to the value of the Software Deliverable had it conformed; or



(c) deem the failure to be a non-curable material breach of this Contract and the Statement of Work and terminate this Contract for cause in accordance with **Section 15.1**.

9.5 Acceptance. Acceptance (“**Acceptance**”) of each Software Deliverable (subject, where applicable, to the State’s right to Integration Testing) and Aggregate Software will occur on the date that is the earliest of the State’s delivery of a notice accepting such Software Deliverable under **Section 9.2(b)**, or **Section 9.2(c)(ii)**.

10. Training; Maintenance and Support.

10.1 Training. With respect to all Software, Contractor will provide the State with training as set forth in the Statement of Work. All training set forth in the Statement of Work will be provided at no additional charge to the State, it being acknowledged and agreed that the development and other Fees include full consideration for such services. The State may request, and if so requested, Contractor must provide on a timely basis, additional training at the rates specified in the Pricing Schedule set forth in **Schedule C**.

10.2 Maintenance and Support. With respect to all Software, Contractor will provide the State with the Maintenance and Support Services set forth in **Schedule B**. Such Maintenance and Support Services will be provided:

(a) free of charge, during the Warranty Period, it being acknowledged and agreed by the parties that the development and other Fees include full consideration for such Services during such period; and

(b) thereafter, for so long as the State elects to receive Support and Maintenance Services for such Software, in consideration of the State's payment of the Support Fees as determined in accordance with the rates set forth in the Maintenance and Support Schedule.

11. Fees.

11.1 Fees. Subject to all terms and conditions set forth in this **Section 11** and Contractor’s performance of Services to the State’s satisfaction and the State’s Acceptance of the applicable Deliverables, the State will pay the fees set forth in the Statement of Work (“**Fees**”). All such Fees will be determined in accordance with the fees, billing rates, and discounts (“**Pricing**”) set forth in **Schedule C** (the “**Pricing Schedule**”).

11.2 Firm Pricing. The Pricing set forth in the Pricing Schedule is firm and may not be modified during the Term.

12. Invoices and Payment.

12.1 Invoices. Contractor will invoice the State for Fees in accordance with the requirements set forth in the Statement of Work, including any requirements that condition the rendering of invoices and the payment of Fees upon the successful completion of Milestones. Contractor must submit each invoice in both hard copy and electronic format, via such delivery means and to such address as are specified by the State in the Statement of Work. Each separate invoice must:

(a) clearly identify the Contract to which it relates, in such manner as is required by the State;

(b) list each Fee item separately;



(c) include sufficient detail for each line item to enable the State to satisfy its accounting and charge-back requirements;

(d) for Fees determined on a time and materials basis, report details regarding the number of hours performed during the billing period, the skill or labor category for such Contractor Personnel and the applicable hourly billing rates; and

(e) include such other information as may be required by the State as set forth in the Statement of Work.

12.2 Payment. Invoices are due and payable by the State, in accordance with the State's standard payment procedures as specified in 1984 Public Act no. 279, MCL 17.51, *et seq.*, within forty-five (45) calendar days after receipt, provided the State determines that the invoice was properly rendered. The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment.

12.3 Taxes. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services or Deliverables purchased under this Contract are for the State's exclusive use. Notwithstanding the foregoing, all Fees are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

12.4 Payment Disputes. The State may withhold from payment any and all payments and amounts the State disputes in good faith, pending resolution of such dispute, provided that the State:

- (a) timely renders all payments and amounts that are not in dispute;
- (b) notifies Contractor of the dispute prior to the due date for payment, specifying in such notice:
 - (i) the amount in dispute; and
 - (ii) the reason for the dispute set out in sufficient detail to facilitate investigation by Contractor and resolution by the parties;
- (c) works with Contractor in good faith to resolve the dispute promptly; and
- (d) promptly pays any amount determined to be payable by resolution of the dispute.

Contractor shall not withhold any Services or fail to perform any obligation hereunder by reason of the State's good faith withholding of any payment or amount in accordance with this **Section 12.4** or any dispute arising therefrom.

12.5 Right of Set Off. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount owing to it by Contractor against any amount payable by the State to Contractor under this Contract.



12.6 Payment Does Not Imply Acceptance. The making of any payment by the State, or Contractor's receipt of payment, will in no way affect the responsibility of Contractor to perform the Services in accordance with this Contract, and will not imply the State's acceptance of any Services or Deliverables or the waiver of any warranties or requirements of this Contract.

13. Intellectual Property Rights.

13.1 State Ownership of Work Product. Except as set forth in **Section 13.3**, the State is and will be the sole and exclusive owner of all right, title, and interest in and to all Work Product, including all Intellectual Property Rights. In furtherance of the foregoing, subject to **Section 13.3**:

(a) Contractor will create all Work Product as work made for hire as defined in Section 101 of the Copyright Act of 1976; and

(b) to the extent any Work Product or Intellectual Property Rights do not qualify as, or otherwise fails to be, work made for hire, Contractor hereby:

- (i) assigns, transfers, and otherwise conveys to the State, irrevocably and in perpetuity, throughout the universe, all right, title, and interest in and to such Work Product, including all Intellectual Property Rights; and
- (ii) irrevocably waives any and all claims Contractor may now or hereafter have in any jurisdiction to so-called "moral rights" or rights of *droit moral* with respect to the Work Product.

13.2 Further Actions. Contractor will, and will cause the Contractor Personnel to, take all appropriate action and execute and deliver all documents, necessary or reasonably requested by the State to effectuate any of the provisions or purposes of **Section 13.1**, or otherwise as may be necessary or useful for the State to prosecute, register, perfect, record, or enforce its rights in or to any Work Product or any Intellectual Property Right therein. Contractor hereby appoints the State as Contractor's attorney-in-fact with full irrevocable power and authority to take any such actions and execute any such documents if Contractor refuses, or within a period deemed reasonable by the State otherwise fails, to do so.

13.3 Background Technology, Approved Third-Party Materials, and Open-Source Components.

(a) Contractor is and will remain the sole and exclusive owner of all right, title, and interest in and to the Background Technology, including all Intellectual Property Rights therein, subject to the license granted in **Section 14.1**.

(b) Ownership of all Approved Third-Party Materials, and all Intellectual Property Rights therein, is and will remain with its respective owners, subject to any express licenses or sublicenses granted to the State under this Contract.

(c) Ownership of all Open-Source Components, and all Intellectual Property Rights therein, is and will remain with its respective owners, subject to the State's rights under the applicable Open-Source Licenses.



13.4 State Materials. The State will remain the sole and exclusive owners of all right, title, and interest in and to State Materials, including all Intellectual Property Rights therein. Contractor will have no right or license to, and will not, use any State Materials except solely during the Term of this Contract for which they are provided to the extent necessary to perform the Services and provide the Work Product to the State. All other rights in and to the State Materials are expressly reserved by the State.

14. Licenses.

14.1 Software License Agreement. Contractor hereby grants to the State such rights and licenses as identified in Exhibit A attached. In the event of conflict between the State's terms and conditions listed in the Contract and the attached license agreement, those of the State Contract shall supercede.

14.2 State Materials. The State hereby grants to Contractor the limited, royalty-free, non-exclusive right and license to State Materials solely as necessary to incorporate such State Materials into, or otherwise use such State Materials in connection with creating, the Work Product. The term of such license will commence upon the State's delivery of the State Materials to Contractor, and will terminate upon the State's acceptance or rejection of the Work Product to which the State Materials relate. Subject to the foregoing license, the State reserves all rights in the State Materials. All State Materials are considered Confidential Information of the State.

14.3 Approved Third-Party Materials.

(a) Prior to the delivery date for any Deliverables under the Statement of Work, Contractor will secure for the State, at Contractor's sole cost and expense, such rights, licenses, consents and approvals for any Approved Third-Party Materials, that will allow the State to use and otherwise exploit perpetually throughout the universe for all or any purposes whatsoever the Work Product, to the same extent as if the State owned the Approved Third-Party Materials, without incurring any fees or costs to any Third-Party (other than the Fees set forth under this Contract) in respect of the Approved Third-Party Materials.

(b) All royalties, license fees, or other consideration payable in respect of such licenses are included in the Fees specified in the Statement of Work. Any additional amounts will be the sole responsibility of Contractor.

(c) Contractor acknowledges that the State cannot indemnify any third parties, including but not limited to any third-party software providers that provide Third-Party Materials, and that notwithstanding anything to the contrary contained in any third-party software license agreement or end user license agreement, the State will not indemnify any third-party software provider for any reason whatsoever.

14.4 Open-Source Components. Any use of the Open-Source Components by the State will be governed by, and subject to, the terms and conditions of the applicable Open-Source Licenses.

15. Termination, Expiration, Transition. The State may terminate this Contract, the Maintenance and Support Services for all or any Software, or any Statement of Work, in accordance with the following:

15.1 Termination for Cause.



(a) The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (i) endangers the value, integrity, or security of any State system, data, facility or personnel; (ii) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (iii) engages in any conduct that may expose the State to liability; or (iv) breaches any of its material duties or obligations under this Contract. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

(b) If the State terminates this Contract under this **Section 15.1**, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of this Contract, the termination will be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in **Section 15.2**.

(c) The State will only pay for amounts due to Contractor for Services and Deliverables accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Services from other sources.

15.2 Termination for Convenience. The State may immediately terminate this Contract in whole or in part, without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance immediately, or (b) continue to perform in accordance with **Section 15.3**. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.

15.3 Transition Responsibilities. Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 90 calendar days, unless otherwise agreed to by the parties)(the "**Transition Period**"), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract to continue without interruption or adverse effect, and to facilitate the orderly transfer of the Services to the State or its designees. Such transition assistance may include but is not limited to: (a) continuing to perform the Services at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Services and Deliverables to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all State Materials and State Data; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed Deliverables prepared under this Contract as of the Contract termination or expiration date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, the "**Transition Responsibilities**"). This Contract is automatically extended through the end of the Transition Period.

15.4 Effect of Expiration or Termination.

(a) Upon termination or expiration of this Contract for any reason:

- (i) Contractor will be obligated to perform all Transition Responsibilities specified in **Section 15.3**.



- (ii) All licenses granted to Contractor in the State Materials and State Data will immediately and automatically also terminate. Contractor must promptly return to the State all State Materials and State Data not required by Contractor for its Transition Responsibilities, if any.
- (iii) Contractor will (A) return to the State all documents and tangible materials (and any copies) containing, reflecting, incorporating, or based on the State's Confidential Information, (B) permanently erase the State's Confidential Information from its computer systems and (C) certify in writing to the State that it has complied with the requirements of this **Section 15.4(a)(iii)**, in each case to the extent such materials are not required by Contractor for Transition Responsibilities, if any.

(b) No expiration or termination of this Contract will affect the State's rights in any of the Deliverables that have already been paid for by the State.

15.5 Survival. This **Section 15** survives termination or expiration of this Contract.

16. Stop Work Order. The State may, at any time, order the Services of Contractor fully or partially stopped for its own convenience for up to ninety (90) calendar days at no additional cost to the State. The State will provide Contractor a written notice detailing such suspension (a "**Stop Work Order**"). Contractor must comply with the Stop Work Order upon receipt. Within 90 days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate this Contract. The State will not pay for any Services, Contractor's lost profits, or any additional compensation during a stop work period.

17. Contractor Representations and Warranties.

17.1 Authority. Contractor represents and warrants to the State that:

(a) It is duly organized, validly existing, and in good standing as a corporation or other entity as represented under this Contract under the laws and regulations of its jurisdiction of incorporation, organization, or chartering;

(b) It has the full right, power, and authority to enter into this Contract, to grant the rights and licenses granted under this Contract, and to perform its contractual obligations;

(c) The execution of this Contract by its Representative has been duly authorized by all necessary organizational action; and

(d) When executed and delivered by Contractor, this Contract will constitute the legal, valid, and binding obligation of Contractor, enforceable against Contractor in accordance with its terms.

17.2 Bid Response. Contractor represents and warrants to the State that:

(a) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other bidder to the RFP; and no attempt was made by Contractor to induce any other Person to submit or not submit a proposal for the purpose of restricting competition;



(b) All written information furnished to the State by or for Contractor in connection with this Contract, including Contractor's Bid Response, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make the information not misleading;

(c) Contractor is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of the contract; and

(d) If any of the certifications, representations, or disclosures made in Contractor's Bid Response change after contract award, the Contractor is required to report those changes immediately, but no later than two (2) Business Days after Contractor knows or reasonably should have known about the event, to the Contract Administrator.

17.3 Software and Service. Contractor represents and warrants to the State that:

(a) It will perform all Services in a professional and workmanlike manner in accordance with best industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and will devote adequate resources to meet its obligations under this Contract;

(b) It is in compliance with, and will perform all Services in compliance with, all applicable Law;

(c) The State will receive good and valid title to the Software, free and clear of all encumbrances and liens of any kind;

(d) When delivered and installed by Contractor, the Software will not contain any Harmful Code;

(e) The Software will not contain, or operate in such a way that it is compiled with or linked to, any Open-Source Components other than Approved Open-Source Components;

(f) The Software will not contain, or operate in such a way that it is compiled with or linked to, any Third-Party Materials other than Approved Third-Party Materials;

(g) The Software, including all updates, upgrades, new versions, new releases, enhancements, improvements and other modifications thereof, but excluding components comprising State Materials, Approved Third-Party Materials, and Open-Source Components, is or will be the original creation of Contractor;

(h) As delivered, installed, specified, or approved by Contractor and used by the State or any Third Party authorized by the State, the Software: (i) will not infringe, misappropriate, or otherwise violate any Intellectual Property Right or other right of any third party; and (ii) will comply with all applicable Laws; and

(i) No expiration or loss of any patent or application for patent rights in the Software is pending, or, to Contractor's knowledge after reasonable inquiry, threatened or reasonably foreseeable, and Contractor has no reason to believe that any claims of any such patent or patent application are or will be invalid, unenforceable, fail to issue, or be materially limited or restricted beyond the current claims, except for patent rights expiring at the end of their statutory term.



17.4 Performance Warranty and Limited Remedy.

(a) Contractor warrants that during the Warranty Period:

- (i) all Software will be, and as installed in the Operating Environment (or any successor thereto) and used in accordance with the Documentation will function in all respects, in conformity with this Contract and the Specifications and Documentation; and
- (ii) any media on which any Software Deliverable is delivered will be free of damage or defect in design, material, and workmanship, and will remain so under ordinary use as contemplated by this Contract and the Specifications and, with respect to the Software component, the Documentation.

(b) If the Contractor breaches any of the warranties set forth in **Section 17.4(a)** Contractor will, upon written notice from the State and at Contractor's sole cost and expense, remedy such breach in accordance with the Maintenance and Support Schedule, including the time periods set forth in such schedule. In the event Contractor fails to remedy such breach on a timely basis, the State will be entitled to such remedies as are specified in the Maintenance and Support Schedule or as may otherwise be available under this Contract, at law or in equity for breach of its Maintenance and Support obligations. Nothing in this **Section 17.4(b)** limits the State's right to indemnification under **Section 18.1**.

18. **Indemnification.**

18.1 General Indemnification. Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any Intellectual Property Right or other right of any Third Party; and (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

18.2 Indemnification Procedure. The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations. The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense, at its own cost and expense, if the State deems necessary. Contractor will not, without the State's prior written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. Any litigation activity on behalf of the State or any of its subdivisions, under this **Section 18**, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

18.3 Infringement Remedies.



(a) The remedies set forth in this **Section 18.3** are in addition to, and not in lieu of, all other remedies that may be available to the State under this Contract or otherwise, including the State's right to be indemnified for such actions.

(b) If any Software or any component thereof, other than State Materials, is found to be infringing or if any use of any Software or any component thereof is enjoined, threatened to be enjoined or otherwise the subject of an infringement claim, Contractor must, at Contractor's sole cost and expense:

- (i) procure for the State the right to continue to use such Software or component thereof to the full extent contemplated by this Contract; or
- (ii) modify or replace the materials that infringe or are alleged to infringe ("**Allegedly Infringing Materials**") to make the Software and all of its components non-infringing while providing fully equivalent features and functionality.

(c) If neither of the foregoing is possible notwithstanding Contractor's best efforts, then Contractor may direct the State to cease any use of any materials that have been enjoined or finally adjudicated as infringing, provided that Contractor will:

- (i) refund to the State all amounts paid by the State in respect of such Allegedly Infringing Materials and any other aspects of the Aggregate Software provided under the Statement of Work for the Allegedly Infringing Materials that the State cannot reasonably use as intended under this Contract; and
- (ii) in any case, at its sole cost and expense, secure the right for the State to continue using the Allegedly Infringing Materials for a transition period of up to six (6) months to allow the State to replace the affected features of the Software without disruption.

(d) If Contractor directs the State to cease using any Software under **Section 18.3(c)**, the State may terminate this Contract for cause under **Section 15.1**.

(e) Contractor will have no liability for any claim of infringement arising solely from:

- (i) Contractor's compliance with any designs, specifications, or instructions of the State; or
- (ii) Modification of the Software by the State without the prior knowledge and approval of Contractor;

unless the claim arose against the Software independently of any of the above specified actions.

19. Liquidated Damages. The parties agree that any delay or failure by Contractor to timely perform its obligations in accordance with the Implementation Plan agreed to by the parties will interfere with the proper and timely implementation of the Software, to the loss and damage of the State. Further, the State will incur major costs to perform the obligations that would have otherwise been performed by Contractor. The parties understand and agree that any liquidated damages Contractor must pay to the State as a result of such nonperformance are described in the Statement of Work, and that these amounts are reasonable estimates of the State's damages in accordance with applicable Law.



(a) The parties agree that any delay or failure by Contractor to timely perform its obligations in accordance with the Implementation Plan and Milestone Dates agreed to by the parties will interfere with the proper and timely implementation of the Software, to the loss and damage of the State. Further, the State will incur major costs to perform the obligations that would have otherwise been performed by Contractor. The parties understand and agree that any liquidated damages Contractor must pay to the State as a result of such nonperformance are described in the Statement of Work, and that these amounts are reasonable estimates of the State's damages in accordance with applicable Law.

(b) The assessment of liquidated damages will not constitute a waiver or release of any other remedy the State may have under this Contract for Contractor's breach of this Contract, including without limitation, the State's right to terminate this Contract for cause under **Section 15.1**, and the State will be entitled in its discretion to recover actual damages caused by Contractor's failure to perform its obligations under this Contract. However, the State will reduce such actual damages by the amounts of liquidated damages received for the same events causing the actual damages.

(c) Amounts due the State as liquidated damages are identified in Schedule A, Statement of Work, and may be set off against any Fees payable to Contractor under this Contract, or the State may bill Contractor as a separate item and Contractor will promptly make payments on such bills.

20. Damages Disclaimers and Limitations.

21. The State's Disclaimer of Damages. THE STATE WILL NOT BE LIABLE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES.

(a) The State's Limitation of Liability. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES SPECIFIED IN THE STATEMENT OF WORK.



22. State Data.

22.1 Ownership. The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes the State's data collected, used, processed, stored, or generated as the result of the Services, including but not limited to (a) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Services, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (b) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Services, which is defined under the Health Insurance Portability and Accountability Act ("**HIPAA**") and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This **Section 22.1** survives termination or expiration of this Contract.

22.2 Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Services. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This **Section 22.2** survives termination or expiration of this Contract.

22.3 Extraction of State Data. Contractor must, within three (3) Business Days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of State Data in the format specified by the State.

22.4 Backup and Recovery of State Data. Unless otherwise specified in the Statement of Work, Contractor is responsible for maintaining a backup of State Data and providing for an orderly and timely recovery of such data. Unless otherwise described in the Statement of Work, Contractor must maintain a contemporaneous backup of State Data that can be recovered within two (2) hours at any point in time.

22.5 Loss of Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period,



within five (5) calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. This **Section 22.5** survives termination or expiration of this Contract.

23. Confidential Information. Each party acknowledges that it may be exposed to or acquire communication or data of the other party that is confidential in nature and is not intended to be disclosed to third parties. This **Section 23** survives termination or expiration of this Contract.

23.1 Meaning of Confidential Information. The term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was or is: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). Notwithstanding the above, in all cases and for all matters, State Data is deemed to be Confidential Information.

23.2 Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to



know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to the Contractor's subcontractor is permissible where: (a) the subcontractor is a Permitted Subcontractor; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Permitted Subcontractor's responsibilities; and (c) Contractor obligates the Permitted Subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any of the Contractor's Representatives may be required to execute a separate agreement to be bound by the provisions of this **Section 23.2**.

23.3 Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract. Each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.

23.4 Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.

23.5 Surrender of Confidential Information upon Termination. Upon termination or expiration of this Contract or a Statement of Work, in whole or in part, each party must, within five (5) calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control. If Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and certify the same in writing within five (5) calendar days from the date of termination to the other party.

24. Data Privacy and Information Security.

24.1 Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all Contractor Representatives comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available at http://www.michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html.



24.2 Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Services and from time to time during the term of this Contract. During the providing of Services, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within forty-five (45) calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.

24.3 Audit Findings. With respect to State Data, Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.

24.4 State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract or the Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this **Section 24**.

25. Payment Card Industry Data Security Standard.

25.1 Undertaking by Contractor. Contractors that process, transmit, store or affect the security of credit/debit cardholder data, must adhere to the Payment Card Industry Data Security Standard (PCI DSS). The Contractor is responsible for the security of cardholder data in its possession. The data may only be used to assist the State or for other uses specifically authorized by law.

25.2 Cooperation to Notify of Breach. The Contractor must notify the State's Contract Administrator, within 48 hours of discovery, of any breaches in security where cardholder data has been compromised. In that event, the Contractor must provide full cooperation to the card associations (e.g. Visa, MasterCard, and Discover) and state acquirer representative(s), or a PCI approved third party, to conduct a thorough security review. The review must validate compliance with the PCI Data Security Standard for protecting cardholder data. The Contractor must provide, at the request of the State, the results of such third party security review. At the State's sole discretion, the State may perform its own security review, either by itself or through a PCI approved third party.

25.3 Responsibilities for Costs Incurred. The Contractor is responsible for all costs incurred as the result of the breach. Costs may include, but are not limited to, fines/fees for non-compliance, card reissuance, credit monitoring, and any costs associated with a card association, PCI approved third party, or State initiated security review. Without limiting Contractor's obligations of indemnification as further described in this Contract, Contractor must indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the breach.

25.4 Disposing of Cardholder Data. The Contractor must dispose of cardholder data when it is no longer needed in compliance with PCI DSS policy. The Contractor must continue to treat cardholder data as confidential upon contract termination.

25.5 Audit by Contractor. The Contractor must provide the State's Contract Administrator with an annual Attestation of Compliance or a Report on Compliance showing the contractor is in compliance with the PCI Data Security Standard. The Contractor must notify the State's Contract Administrator of all failures to comply with the PCI Data Security Standard.



26. CEPAS Electronic Receipt Processing Standard. If the Contractor processes, transmits, or stores credit/debit cardholder data on behalf of the State, all electronic commerce applications that allow for electronic receipt of credit or debit card and electronic check (ACH) transactions must be processed via the State’s Centralized Electronic Payment Authorization System (CEPAS).

27. ADA Compliance. If the Services are required to be compliant with the Americans with Disabilities Act or Section 508 of the Workforce Rehabilitation Act of 1973, such compliance requirements shall be specified in the Statement of Work.

28. Records Maintenance, Inspection, Examination, and Audit.

28.1 Right of Audit. The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to this Contract through the Term of this Contract and for seven (7) years after the latter of termination, expiration, or final payment under this Contract or any extension (“**Financial Audit Period**”). If an audit, litigation, or other action involving the records is initiated before the end of the Financial Audit Period, Contractor must retain the records until all issues are resolved.

28.2 Right of Inspection. Within ten (10) calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor’s premises or any other places where Services are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of this Contract must be paid or refunded within forty-five (45) calendar days.

28.3 Application. This **Section 28** applies to Contractor, any Affiliate, and any Permitted Subcontractor that performs Services in connection with this Contract.

29. Insurance Requirements.

29.1 Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor’s or a Permitted Subcontractor’s performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by an company with an A.M. Best rating of “A” or better and a financial size of VII or better.

Insurance Type	Additional Requirements
Commercial General Liability Insurance	
<p><u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations</p> <p><u>Deductible Maximum:</u> \$50,000 Each Occurrence</p>	<p>Contractor must have its policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 04; (2) include a waiver of subrogation; and (3) for a claims-made policy, provide 3 years of tail coverage.</p>



Umbrella or Excess Liability Insurance	
<p><u>Minimal Limits:</u> \$5,000,000 General Aggregate</p>	<p>Contractor must have its policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds, and (2) include a waiver of subrogation.</p>
Motor Vehicle Insurance	
<p><u>Minimal Limits:</u> \$1,000,000 Per Occurrence</p>	
Workers' Compensation Insurance	
<p><u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.</p>	<p>Waiver of subrogation, except where waiver is prohibited by law.</p>
Employers Liability Insurance	
<p><u>Minimal Limits:</u> \$100,000 Each Accident \$100,000 Each Employee by Disease \$500,000 Aggregate Disease.</p>	
Professional Liability (Errors and Omissions) Insurance	
<p><u>Minimal Limits:</u> \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate</p> <p><u>Deductible Maximum:</u> \$50,000 Per Loss</p>	

29.2 If Contractor’s policy contains limits higher than the minimum limits, the State is entitled to coverage to the extent of the higher limits. The minimum limits are not intended, and may not be construed to limit any liability or indemnity of Contractor to any indemnified party or other persons.

29.3 If any of the required policies provide claims-made coverage, the Contractor must: (a) provide coverage with a Retroactive Date before the effective date of the contract or the beginning of contract work; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the contract of work; and (c) if coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

29.4 Contractor must: (a) provide insurance certificates to the State’s Contract Administrator, containing the Contract number, at Contract formation and within twenty (20) calendar days of the expiration date of the applicable policies; (b) require that Permitted Subcontractors maintain the required insurances contained in this Section; (c) notify the State’s Contract Administrator within five (5) Business Days if any insurance is cancelled;



and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

30. Dispute Resolution.

30.1 Unless otherwise specified in the Statement of Work, the parties will endeavor to resolve any Contract dispute in accordance with **Section 30**. The initiating party will reduce its description of the dispute to writing (including all supporting documentation) and deliver it to the responding party's Project Manager. The responding party's Project Manager must respond in writing within five (5) Business Days. The initiating party has five (5) Business Days to review the response. If after such review resolution cannot be reached, both parties will have an additional five (5) Business Days to negotiate in good faith to resolve the dispute. If the dispute cannot be resolved within a total of fifteen (15) Business Days, the parties must submit the dispute to the parties' Contract Administrators. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

30.2 Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' Contract Administrators, and either Contract Administrator concludes that resolution is unlikely, or fails to respond within fifteen (15) Business Days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This **Section 30** does not limit the State's right to terminate this Contract.

31. Miscellaneous.

31.1 Effect of Contractor Bankruptcy. All rights and licenses granted by Contractor under this Contract are and will be deemed to be rights and licenses to "intellectual property," and all Work Product is and will be deemed to be "embodiments" of "intellectual property," for purposes of, and as such terms are used in and interpreted under, Section 365(n) of the United States Bankruptcy Code (the "**Code**"). If Contractor or its estate becomes subject to any bankruptcy or similar proceeding, the State retains and has the right to fully exercise all rights, licenses, elections, and protections under this Contract, the Code and all other applicable bankruptcy, insolvency, and similar Laws with respect to all Software and other Work Product. Without limiting the generality of the foregoing, Contractor acknowledges and agrees that, if Contractor or its estate shall become subject to any bankruptcy or similar proceeding:

(a) all rights and licenses granted to the State under this Contract will continue subject to the terms and conditions of this Contract, and will not be affected, even by Contractor's rejection of this Contract; and

(b) the State will be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property and embodiments of intellectual property comprising or relating to any Software or other Work Product, and the same, if not already in the State's possession, will be promptly delivered to the State, unless Contractor elects to and does in fact continue to perform all of its obligations under this Contract.

31.2 Conflicts and Ethics. Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to



pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This **Section 31.2** applies to Contractor, any Affiliate, and any Permitted Subcontractor that Performs Services in connection with this Contract.

31.3 Compliance with Laws. Contractor and its Representatives must comply with all Laws in connection with this Contract.

31.4 Nondiscrimination. Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., Contractor and its Permitted Subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.

31.5 Unfair Labor Practice. Under MCL 423.324, the State may void any Contract with a Contractor or Permitted Subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.

31.6 Governing Law. This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in the Michigan Court of Claims. Complaints against the State must be initiated in Ingham County, Michigan. Contractor waives any objections, such as lack of personal jurisdiction or forum non conveniens. Contractor must appoint agents in Michigan to receive service of process.

31.7 Non-Exclusivity. Nothing contained in this Contract is intended nor is to be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Services from other sources.

30.8 Force Majeure. Neither party will be liable or responsible to the other party, nor will be deemed to have defaulted under or breached this Contract, for any failure or delay in fulfilling or performing any term of this Contract, when and to the extent such failure or delay is caused by: acts of God; flood, fire or explosion; war, terrorism, invasion, riot, or other civil unrest; embargoes or blockades in effect on or after the date of this Contract; national or regional emergency; or any passage of law or governmental order, rule, regulation or direction, or any action taken by a governmental or public authority, including imposing an embargo, export or import restriction, quota or other restriction or prohibition (each of the foregoing, a “**Force Majeure**”), in each case, provided that: (i) such event is outside the reasonable control of the affected party; (ii) the affected party provides prompt notice to the other party, stating the period of time the occurrence is expected to continue; and (iii) the affected party uses diligent efforts to end the failure or delay and minimize the effects of such Force Majeure event.

31.9 Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Contract is to be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.



31.10 Media Releases. News releases (including promotional literature and commercial advertisements) pertaining to this Contract or project to which it relates must not be made without the prior written approval of the State, and then only in accordance with the explicit written instructions of the State.

31.11 Website Incorporation. The State is not bound by any content on Contractor’s website unless expressly incorporated directly into this Contract.

31.12 Notices. All notices, requests, consents, claims, demands, waivers and other communications under this Contract must be in writing and addressed to the parties as follows (or as otherwise specified by a party in a notice given in accordance with this **Section 31.12**):

If to Contractor:

PCC Technology Group, LLC.
 2 Barnard Ln
 Bloomfield, CT 06002
 Email: grega@pcctg.com

Attention: Gregory Amato, Vice President, Capture Management

If to State:

State of Michigan, DTMB Procurement
 525 W. Allegan St, 1st Flr, NE
 PO Box 30026
 Lansing, MI 48909-7526
 Email: mitchellc4@michigan.gov

Attention: Christine Mitchell, Buyer Specialist

Notices sent in accordance with this **Section 31.12** will be deemed effectively given: (a) when received, if delivered by hand (with written confirmation of receipt); (b) when received, if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email (with confirmation of transmission), if sent during normal business hours of the recipient, and on the next Business Day, if sent after normal business hours of the recipient; or (d) on the fifth (5th) calendar day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

31.13 Headings. The headings in this Contract are for reference only and will not affect the interpretation of this Contract.

31.14 Exhibits, Appendices, and Schedules. All Exhibits, Appendices, and Schedules that are referenced herein and attached hereto are hereby incorporated by reference. The following Exhibits, Appendices, and Schedules are attached hereto and incorporated herein:

- Schedule A** Statement of Work
- Schedule B** Maintenance and Support Schedule
- Schedule C** Pricing Schedule
- Appendix C** Specifications
- Exhibit A** Software License

**Exhibit B**

Escrow Agreement

31.15 Assignment. Contractor may not assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance, under this Contract, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the State's prior written consent. For purposes of the preceding sentence, and without limiting its generality, any merger, consolidation or reorganization involving Contractor (regardless of whether Contractor is a surviving or disappearing entity) will be deemed to be a transfer of rights, obligations, or performance under this Contract for which the State's prior written consent is required. No delegation or other transfer will relieve Contractor of any of its obligations or performance under this Contract. Any purported assignment, delegation, or transfer in violation of this **Section 31.15** is void.

31.16 No Third-Party Beneficiaries. This Contract is for the sole benefit of the parties and their respective successors and permitted assigns. Nothing in this Contract, express or implied, is intended to or will confer on any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Contract.

31.17 Amendment and Modification; Waiver. No amendment to or modification of this Contract is effective unless it is in writing, identified as an amendment to this Contract and signed by both parties' Contract Administrator. Further, certain amendments to this Contract may require State Administrative Board Approval. No waiver by any party of any of the provisions of this Contract will be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Contract, no failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Contract will operate or be construed as a waiver. Nor will any single or partial exercise of any right, remedy, power or privilege under this Contract preclude the exercise of any other right, remedy, power or privilege.

31.18 Severability. If any term or provision of this Contract is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Contract or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties must negotiate in good faith to modify this Contract so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions be consummated as originally contemplated to the greatest extent possible.

31.19 Equitable Relief. Each party acknowledges that a breach by a party of **Section 13** (Intellectual Property Rights; Ownership), **Section 22** (State Data), or **Section 23** (Confidential Information) may cause the non-breaching party immediate and irreparable harm, for which an award of damages would not be adequate compensation. Each party agrees that, in the event of such breach or threatened breach, the non-breaching party will be entitled to equitable relief, including in the form of orders for preliminary or permanent injunction, specific performance, and any other relief that may be available from any court. Such remedies will not be deemed to be exclusive but will be in addition to all other remedies available under this Contract, at law or in equity, subject to any express exclusions or limitations in this Contract to the contrary.

31.20 Counterparts. This Contract may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same Contract. A signed copy of this



Contract delivered by email or other means of electronic transmission (to which a signed PDF copy is attached) will be deemed to have the same legal effect as delivery of an original signed copy of this Contract.

31.21 Entire Contract. This Contract, together with all Exhibits, Appendices, and Schedules constitutes the sole and entire agreement of the parties to this Contract with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the body of this Contract, the Schedules, Exhibits, Appendices and the Statement of Work, the following order of precedence governs: (a) first, this Contract, excluding its Exhibits, Appendices, and Schedules; (b) second, the Statement of Work (Schedule A) as of the Effective Date; and (c) third, all other Exhibits, Appendices, and Schedules to this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE SERVICES, OR DOCUMENTATION HEREUNDER WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE AND THE AUTHORIZED USER, EVEN IF ACCESS TO OR USE OF SUCH SERVICE OR DOCUMENTATION REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.



**Schedule A
STATEMENT OF WORK**

Uniform Commercial Code (UCC) System Project
Contract # 071B5500142

1.000 Project Identification

1.001 Project Request

The purpose of this project is to obtain a modernized Uniform Commercial Code (UCC) system that has, at a minimum, all current system functionality to support the Michigan Department of State (MDOS). The source code will be placed into escrow by the Contractor, and will be made available to the State based on the conditions of the Escrow Agreement attached as Exhibit B of the Contract. The system can be maintained by the Michigan Department of Technology, Management and Budget (MDTMB) by purchasing the source code for internal use, based on the optional costs included in the Pricing Worksheet attached as Schedule C, or as provided to the State at no cost following three years of purchased Contractor support and maintenance, and in accordance with the terms and conditions of the Software License Agreement attached as Exhibit A of the Contract. This system will be used by both internal and external (including international) users and must meet State of Michigan (SOM) standards.

1.002 Background

Since 1964, the Michigan Department of State (MDOS) has been responsible for filing and maintaining financing statements on secured transactions under Article 9 of the UCC, as adopted in Michigan. The UCC Unit is located at 7064 Crouner Drive, Lansing, MI 48918.

The UCC Unit handles the duties and functions of Article 9 and provides a central location in Michigan for filing public notice of secured transactions. This public notice, called a financing statement, is evidence of a commercial agreement between two parties. The Department's UCC Unit, upon request, also searches the debtor field information by name and document number. When a business applicant pledges collateral on a loan, UCC search results tell lenders whether others have filed a claim against the same collateral. The UCC Unit's operations and system are governed by statute, [Michigan Uniform Commercial Code \(Excerpt\) Public Act 174 of 1962](#).

The Department's UCC Unit currently utilizes an Information Management System (IMS), known as the UCC IMS that provides for electronic filing, indexing, storage, review, and retrieval of documents received in either paper or electronic format.

1.003 Policies, Standards and Procedures

The links below provide information on the State's Enterprise information technology (IT) policies, standards and procedures which includes security policy and procedures, eMichigan web development, and the State Unified Information Technology Environment (SUITE).

The Contractor must be compliant with SUITE (SEM and PMM) documentation standards. The Contractor will be responsible for creating and maintaining the SUITE and any other documentation required for the life of the Contract.

The Contractor may provide project management deliverables and templates in formats reasonably similar to SUITE requirements, and may consolidate certain deliverables where efficient for an accelerated project so long as the MDOS PM agrees the intent of the standards has been met.

**I. The State Unified Information Technology Environment (SUITE):**

The standards for project management, systems engineering, and associated forms and templates must be followed: <http://www.michigan.gov/suite>

Contractors are advised that the State has methods, policies, standards and procedures that have been developed over the years. Contractors are expected to provide proposals that conform to State IT policies and standards.

The Contractor and MDOS may agree to alternate methodologies, templates, and deliverables that are a reasonable representation of the intent of the SUITE standards. MDOS and PCC PM will finalize and agree to the final project approach and deliverables as part of the Project Initiation Phase.

II. Enterprise IT Policies, Standards and Procedures:

http://michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html

The Contractor will comply with the above referenced policies, standards and procedures, except where explicit approvals are provided by DTMB for any appropriate alternatives given the COTS nature of the solution.

III. Enterprise IT Security Policy and Procedures:

<http://www.michigan.gov/dtmb/0,5552,7-150-56355---,00.html>

http://www.michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html

http://www.michigan.gov/documents/dmb/1325_193160_7.pdf

http://www.michigan.gov/documents/dmb/1335_193161_7.pdf

http://www.michigan.gov/documents/dmb/1340_193162_7.pdf

The Contractor will comply with the above referenced policies, standards and procedures, except where explicit approvals are provided by DTMB for any appropriate alternatives given the COTS nature of the solution.

IV. Look and Feel Standard

All software items provided by the Contractor must be ADA-compliant and adhere to the Look and Feel Standards: www.michigan.gov/somlookandfeelstandards.

The Contractor will comply with the above look and feel standards, except where explicit approvals are provided by MDOS/DTMB for any appropriate alternatives given the COTS nature of the solution.

V. UCC Unit Performance Standards

The UCC system is used by external customers 24 hours a day, 7 days a week. In addition to the availability to external customers, the system must allow the UCC Unit to meet its statutory performance standards.

The UCC Unit has the following statutory processing time standards:

1. Two business days -Standard filing financing statements. The process of the Cashier Unit opening the mail and validating payments takes one of the two business days, so UCC effectively has one business day to process any filings.
2. Two business days – Search processing. The process of the Cashier Unit opening the mail and validating payments takes one of the two business days, so UCC effectively has one business day to process any searches.



3. Three business days – Time period for age of information reported on UCC searches (certification date of records).
4. Two business days – Process the rejection of a filing. The process of the Cashier Unit opening the mail and validating payments takes one of the two business days, so UCC effectively has one business day to process the rejection of filings. If a filing is rejected, the UCC Unit must communicate the reason for the rejection, and the date and time the record would have been filed if it had been accepted.

The Contractor will ensure the solution meets or exceeds statutory processing time standards.

1.004 ENVIRONMENT

The State's security environment includes, but is not limited to:

- MDTMB Single Login.
- MDTMB provided SQL security database.
- Secured Socket Layers.
- SecureID (State Security Standard for external network access and high risk Web systems).

MDTMB requires that its single - login security environment be used for all new client-server software development. Where software is being converted from an existing package, or a client-server application is being purchased, the security mechanism must be approved in writing by the State's Project Manager and MDTMB Office of Enterprise Security.

Current System Operational Environment

The current UCC system environment is described in [Appendix A: Current UCC System Environment](#).

This system is used to record and perform searches on financing statements. UCC also records tax liens from the Internal Revenue Service, the Michigan Department of Treasury, and the Michigan Unemployment Insurance Agency. Due to the critical nature of the UCC IMS for business financing and the needs of these governmental agencies, MDOS must, at a minimum, maintain current performance and functionality. The UCC workflow is described in [Appendix B: UCC Internal Workflow](#).

Current UCC System Restrictions

UCC's current IMS faces several end-of-life issues. The UCC Unit is using Windows 7 (32-bit, to use Active X controls for the current IMS). Certain Active X components in the e-SOS system use 16-bit encryption. The MDTMB standard is Windows 7, 64-bit. The UCC system is currently on Windows Server 2003, but the current SOM standard is Server 2012. Finally, the Department owns the e-SOS source code but the server version is one update behind the client version and the Department cannot obtain the client source code version. Note that the client version contains major updates statutorily mandated in March 2009.

Contractor solution will provide the following improvements in resolving inefficiencies with the current system:

- A. Electronically submitted documents automatically receive label information, eliminating manual labeling of original paper documents.
- B. Produce all needed weekly, monthly, annual, transaction and/or production reports, showing employee and web transaction totals by document types, including rejections.
- C. The State will coordinate all FileNet clean-up, re-indexing, restore and purge activities with time and material assistance available from the Contractor using the rate card listed in the Pricing Worksheet in Schedule C of the Contract.
- D. Provide search for all web users belonging to an organization, by billing account number.
- E. Provide search for the individual accounts index when there are multiple accounts under the same corporate name.
- F. Recognition of accented letter variations (á, â, ã, ä, etc.). Allow for filing of IRS, Michigan Treasury and Michigan Unemployment tax liens electronically.
- G. Allow UCC subscription customers to electronically receive all new filings.
- H. Allow UCC subscription customers to search for or receive a date range of filings.



Proposed Environment

All software and hardware items provided by the Contractor must run on and be compatible with the MDTMB Standard Information Technology Environment. Additionally, the State must be able to maintain software and other items produced as the result of the Contract. It is recognized that technology changes rapidly. Therefore, non-standard development tools may not be used unless approved by MDTMB. The Contractor must request, in writing, approval to use non-standard software development tools, providing justification for the requested change and all costs associated with any change. The MDTMB Project Manager must approve any tools, in writing, before use on any information technology project.

If hardware/software is proposed to be purchased through this Contract, the awarded Contractor must provide required materials, including, but not limited to: all Information/instruction/documentation on hardware/software installation, if applicable.

Contractor must also provide appropriate system interfaces/integration to the following applications:

Name of application	ARS (Accounts Receivable System)
Owner of application	Michigan Department of State
Details of interface	Please review Appendix F
Name of application	CEPAS (if Contractor uses their own web application, rather than the existing UCC web application – the current UCC web application interfaces with CEPAS for credit card payments)
Owner of application	Michigan Department of Treasury
Details of interface	If Contractor proposes replacement of UCC Online, Contractor solution must interface with CEPAS.

Contractor may also need to provide appropriate system interfaces/integration to the following applications in the future as a Supplemental Service:

Name of application	SIGMA
Owner of application	Department of Technology, Management, and Budget
Details of interface	The State of Michigan is currently in the process of converting to a modernized accounting system. This system, "SIGMA," may need to be incorporated in the future. Contractor may then be required to provide an interface. In the event this integration is needed, the addition will be made through the development of a SOW and the Contract Change Notice Process.

The PCC is compliant with the tools and development standards of the DTMB, and will operate within the DTMB data center using standard virtual or physical equipment. The PCC approach to implementing the UCC Solution, including the interfaces referenced above, is provided in response to Section 1.300 below.

1.100 Scope of Work and Deliverables

1.101 Work And Deliverables

A. Services and Deliverables to be Provided

The entire system must be installed and **in successful operation eight (8) months from Contract/Purchase Order execution** including data migration. The vendor must inform the State of any tasks, resources, and expected time commitments needed to achieve this timeline.

The Contractor shall provide deliverables, services and staff, and otherwise do all things necessary or incidental to provide the functionality required for the business and technical functions, in accordance with the requirements as set forth in this Contract.



See Specifications in [Appendix C: Specifications Worksheet](#). The Contractor will verify and validate the provided specifications including a current business operations Document and provide business workflow and system concept/workflow documents, to ensure all parties share a mutual understanding.

Optionally, if the State expects that DTMB IT will provide ongoing maintenance and support services, the Contractor will continuously and completely transition knowledge of the system to SOM staff, from the beginning of the project, throughout the project, until the end of the warranty period. Separate pricing has been provided for this activity in Schedule C.

However, if it is found that the State requires the Contractor to provide maintenance and support after the Performance and Reliability Evaluation (PARE) acceptance and warranty periods, or at some point thereafter, the awarded Contractor must provide services in accordance with their submitted proposal, meeting the requirements detailed in Appendix C, Specifications Worksheet and Schedule B, Maintenance and Support Services attached.

The Contractor must provide the following Services and Deliverables.

1. Functional
2. Application Software
3. Project Planning And Reporting
4. Application Design
5. Application Development
6. Data Conversion / Migration
7. Interfaces
8. Integration
9. Testing
10. Training
11. Implementation
12. Application Level Security
13. Disaster Recovery Support
14. Transition Services
15. Warranty
16. Maintenance and Support (Optional)
17. Supplemental Services (Future Enhancements and/or Legislative Mandates)
18. Issue/Risk/Change Management
19. Plans (Utilizing Microsoft Office 2013/Office 365 Tools)
20. Additional Documentation

B. Milestones

Work is separated into milestone deliverables with a percent holdback applied to each. Prior to submission of invoices for each milestone, the State must approve and sign off on the specific milestone.

Milestones	Holdback	Calculation
Initiation and Planning	10%	\$640 = holdback amount.
Requirements Definition	10%	\$640 = holdback amount.
Functional Design	10%	\$640 = holdback amount.
System Design	10%	\$640 = holdback amount.
Construction	10%	\$640 = holdback amount.
Testing	10%	\$640 = holdback amount.
Implementation	10%	\$640 = holdback amount.



C. Out of Scope

1. Contractor-hosted solutions
2. Corporation name and report filing functionalities will not be part of this scope of work
3. Mail and cashiering processes and functionality will not be part of this scope of work

**D. Acceptance Testing and Acceptance.**

All deliverables must be in compliance with SUITE (SEM and PMM) unless viable alternatives from the Contractor's standard methodology are approved by the State PM. A structured walkthrough is required for each project deliverable/milestone, and signoff is required for each stage via the stage exit process.

All deliverables must be approved, and the system must have all identified functionality, before acceptance.

At the end of any test period, MDTMB and/or MDOS will either accept the testing results in writing or will provide a written statement, identifying in reasonable detail all remaining defects and system shortcomings.

As stated in section 1.202, State Staff, Roles, And Responsibilities, the State's project manager will sign off on each milestone prior to invoicing.

E. Performance And Reliability Evaluation (PARE).

The State requires a Performance And Reliability Evaluation (PARE). The parameters of the PARE include:

- a. The PARE period of 90 consecutive calendar days will begin after user acceptance testing, when the Contractor certifies that the system is ready for use by the State.
- b. The PARE period will restart whenever a Priority 1 defect impairs processing of UCC work or there is any other failure to meet a business-critical specification that has no acceptable work-around.
- c. If State-maintained hardware fails, the PARE period will be frozen for the duration of the failure. The PARE period will not be restarted due to the failure, nor will the time elapsed count toward successful completion of the PARE.
- d. If the system conforms to all specifications and permits UCC staff to process their work, meeting the speed and performance benchmarks of the current system and meeting 100% of the statutory processing requirements for a 90-consecutive day period, the State will notify the Contractor in writing that the PARE period was successfully completed.
- e. The State will not accept the system and/or make any additional payments until the successful completion of PARE.

The State will closely monitor the system performance during the PARE period. Prior to PARE period initiation, a committee of three persons will be chosen by the parties involved. The committee will consist of one Contractor representative and two State personnel (business and technical). Throughout PARE, the committee will evaluate the system's performance each business day.

The PARE will consist of two phases.

1. PHASE I

The first phase is a review of the system for compliance with all required specifications. If the State determines that any component or feature of the delivered system does not comply with the specifications, the State will notify the Contractor, allowing 14 calendar days for the Contractor to rectify. The PARE period will restart once the Contractor has rectified the deficiency. If the Contractor is unable to rectify the deficiency, the State reserves the right to cancel the contract, continue to withhold any remaining payment balances, and/or pursue liquidated damages. If the system passes the specification conformance review, the system will enter Phase II.



2. PHASE II

- a. The PARE begins after user acceptance testing and when the Contractor certifies that the system is ready for use by the State.
- b. If files are destroyed or any information is lost as a result of a problem with the Contractor-created system and must be rebuilt, the time required to rebuild the files will be considered a system deficiency or failure to meet specifications, requiring a restart in the PARE period.
- c. A functional benchmark demonstration will be run for the PARE. The Committee will confirm that the installed system is capable of performing the same functions that were demonstrated, in compliance with statutory time limits. This demonstration must be completed successfully to the satisfaction of all members of the PARE Committee.

F. Warranty and Final Acceptance.

The UCC Production Application will provide for availability 7x24x365 with 99.5% percent uptime in a year excluding agreed upon scheduled maintenance and downtime. Further during Business Hours, the expected up time is 99.9999%. These availability thresholds are not subject to outages, latency or other issues resulting from:

- Infrastructure of the State data center (Switches, firewalls, etc.)
 - Network or Internet bandwidth or connectivity
 - Hardware or VMs allocated to the application
 - Failures of Operating System or Database Software due to patches, upgrades or inherent issues
 - Lack of adequate redundancy and load balancing
 - Backup and recovery (State responsible for an option rated for four 9s (HOT))
 - External system availability for interfaces
 - Desktop configuration or use
 - User issues
 - Any other issue unrelated to the proper coding and configuration of the UCC Application itself
1. Development and Test environments need to be available Monday through Friday 7:00 am to 6:00 PM EST, excluding State Holidays.
 2. Majority of the State system usage will be Monday through Friday 7:00 AM to 6:00 PM EST, however during various times of the year there can be usage 24 hours of the day.
 3. Final acceptance is expressly conditional upon completion of ALL deliverables/milestones, completion of ALL tasks in the project plan, completion of ALL applicable inspections and/or testing procedures, and the certification by the State that the Contractor has met the defined requirements.

G. Liquidated Damages

The preference is for the entire system to be installed and **in successful operation eight (8) months from Contract execution** including data migration. In the event the Contractor fails to complete the PARE twice, liquidated damages will be assessed each subsequent time the PARE must be restarted.

Late or improper completion of the Contract requirements as evidenced by 2 failed PARE attempts will cause loss and damage to the State and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. Therefore, if there is late or improper completion of the Contract requirements, the State is entitled to collect liquidated damages in the amount of \$1,065.28 and an additional \$1,065.28 per day for each day Contractor fails to remedy the late or improper completion of any second PARE. Liquidated damages would only be applied if the cause of the delay is 100% the failure of the Contractor, and in no case prior to one year from contract signing.



See Section 1.300 for a more detailed implementation plan with specific deliverables.

1.200 Roles and Responsibilities

1.201 Contractor Staff, Roles, And Responsibilities

A. Contractor Staff

1. The Contractor must appoint a dedicated Project Manager who will be directly responsible for the day to day operations of the Contract. All other Key Personnel, including sub-Contractors, must be specifically assigned to the Final Statement of Work, and be knowledgeable on the contractual requirements.

All Key Personnel may be subject to the State’s interview and approval process. Any key staff substitution must have the prior approval of the State.

Key Personnel for the project are:

Contractor Key Personnel – Position	Contractor Key Personnel
<p>Project Manager Provide onsite project management for the implementation phase of the project as needed.</p> <p>Specific Roles and Responsibilities include, at a minimum:</p> <ol style="list-style-type: none"> 1. Single Point of Contact (SPOC) 2. Conduct weekly status meetings with State project managers and stakeholders to discuss project schedule and progress, project issues and action items 3. Participate in Executive Steering Committee meetings 4. Provide written meeting minutes for all project-related meetings within 48 hours throughout the life of the project 5. Develop, communicate and manage the plans and schedules, and update throughout the life of the project. 6. Manage, report and escalate project’s issues and risks throughout the life of the project. 7. Coordinate and oversee the day-to-day project activities of the project team 8. Manage all defined Contractor responsibilities in this scope of services 9. Manage Contractor’s subContractors, if any 10. Prepare project documents and materials 11. Review all project deliverables and provide feedback 12. Proactively propose/suggest options and alternatives for consideration 13. Utilize change control procedures 14. Manage and report on the project’s budget 15. Coordinate and manage testing of the modernized UCC system 16. Coordinate, manage and document training for UCC staff as related to the modernized UCC system. 17. Provide ad hoc project reports as requested by SOM. 18. Ensure comprehensive knowledge transfer to SOM staff. 	<p>Venkat Talatam</p>
<p>Lead Developer Specific Roles and Responsibilities include, at a minimum:</p> <ol style="list-style-type: none"> 1. Follow the technical design documentation to make system changes 2. Conduct Unit Testing 3. Conduct Regression Testing 4. Participate in System Testing 	



5. Participate in User Acceptance Testing
6. Correct assigned defects
7. Update system documentation
8. Lead developers in development of system in accordance with defined architecture.
9. Ensure compliance with SOM standards
10. Analyze business practices and processes to determine best practice strategies to ensure maximum effectiveness and efficiency
11. Lead strategic planning and application integration
12. Assist in the development and coordination of architectural change in both technical and business environments
13. Lead the development of solution architectures from business requirements, information architecture, and technical architecture
14. Lead the development of architecting diverse solutions into a cohesive and manageable environment
15. Conduct daily/weekly development status meetings to discuss progress and report development issues/risks
16. Assist in validation of business and technical requirements
17. Assist in the reporting of all project issues, risks and change controls
18. Lead the day-to-day activities of the project development team
19. Utilize change control procedures
20. Coordinate, manage and document system testing of the modernized UCC system
21. Coordinate, manage and document training for UCC staff as related to the modernized UCC system
22. Provide ad hoc project reports as requested by SOM
23. Participate in comprehensive knowledge transfer to SOM

Application Architect

Specific Roles and Responsibilities include, at a minimum:

1. Design technical architecture
2. Provide technical direction throughout the project lifecycle
3. Prepare technical documents
4. Participate in weekly status meetings
5. May participate in Executive Steering Committee meetings
6. Collaborate with DTMB support team
7. Analyze and recommend architecture solutions
8. Assist developers in development of system in accordance with defined architecture.
9. Ensure compliance with SOM standards
10. Analyze business practices and processes to determine best practice strategies to ensure maximum effectiveness and efficiency
11. Assist with strategic planning and application integration
12. Analyze hardware and software to assist in the standards determination and setting of processes
13. Analyze application development processes and tools
14. Recommend changes in hardware, storage, network systems, operating systems, security and software design to meet future growth and improve system performance
15. Assist with the development of business process models



<ul style="list-style-type: none"> 16. Assist technical teams with implementations as needed 17. Lead the coordination of architectural change in both technical and business environments 18. Assist with architecting diverse solutions into a cohesive and manageable environment 19. Assist in the development of solution architectures from business requirements, information architecture, and technical architecture 20. Assist in technology test plan development and execution 21. Participate in comprehensive knowledge transfer to SOM staff 	
<p>Senior Database Administrator (DBA) Specific Roles and Responsibilities include, at a minimum:</p> <ul style="list-style-type: none"> 1. Perform updates and changes to SQL/Server database configurations. 2. Document DBA tasks related to database support for use in knowledge transfer 3. Design and implement changes to production and maintenance database jobs 4. Review, suggest and design modifications to the existing database structures 5. Analyze and initiate recovery and abort procedures for databases, taking into account any actions required to keep data consistent 6. Ensure database integrity 7. Evaluate and advise in the setup of the database servers 8. Establish, document and test data backup and disaster recovery using accepted business methods for partial and full recoveries 9. Monitor and perform application tuning for special requirements and restrictions, e.g. indexing, partitioning and query tuning. 10. Monitor system performance throughout the test cycles for the project. 11. Design and develop data migration jobs and activities related to the project 12. Participate in comprehensive transfer of database design and related activities 	
<p>Technical Business Analyst Specific Roles and Responsibilities include, at a minimum:</p> <ul style="list-style-type: none"> 1. Participate in weekly status meetings 2. Facilitate Business Requirements Validation sessions 3. Create Functional Design Document 4. Create Test Cases 5. Conduct System Integration Testing 6. Facilitate User Acceptance Testing 7. Document Test Results 8. Record Defects 9. Manage Defect Resolution 10. Create State Staff Training Plan 11. Conduct On-site Training for State Staff 	

B. On Site Work Requirements

1. Location of Work

Development may occur offsite. DTMB will provide remote access to limited individuals to perform system updates through VPN.



For on-site requirements, the implementation is to be performed, completed, and managed at the following locations:

State of Michigan
Operations Center
7285 Parsons Drive
Lansing, MI 48913

Secretary of State Building
7064 Crowner Drive
Lansing, MI 48918

2. Hours of Operation:

- a. Normal State working hours are 8:00 a.m. to 5:00 p.m. Eastern Time, Monday through Friday, with work performed as necessary after those hours to meet project deadlines. As this is a firm, fixed price engagement, no overtime will be authorized or paid.
- b. The State is not obligated to provide State management of assigned work outside of normal State working hours. The State reserves the right to modify the work hours in the best interest of the project.
- c. Contractor shall observe the same standard holidays as State employees. The State does not compensate for holiday pay.
- d. The Contractor will provide full-time production support during the warranty period.

3. Travel:

- a. This is a firm, fixed price project, and all costs are blended into the fixed rates proposed. No travel or expenses will be reimbursed. This includes travel costs related to training provided to the State by Contractor.
- b. Travel time will not be reimbursed.

4. Additional Security and Background Check Requirements:

- a. Contractor must present certifications evidencing satisfactory Michigan State Police Background checks the Internet Criminal History Access Tool (ICHAT) and drug tests for all on-site staff identified for assignment to this project.
- b. In addition, proposed Contractor personnel will be required to complete and submit an RI-8 Fingerprint Card for the National Crime Information Center (NCIC) Finger Prints, if required by project.
- c. Contractor will pay for all costs associated with ensuring their staff meets all requirements.

1.202 State Staff, Roles, And Responsibilities

The State will provide the following resources for the Contractor's use on this project, during implementation:

- Work space
- Desk, chair
- PC workstation
- Access to printer, copiers and fax machine

The State project team will consist of Subject Matter Experts (SME's), project support, and a MDTMB and Agency project manager:

A. Subject Matter Experts

The Subject Matter Experts representing the business units involved will provide the vision for the business design and how the application shall provide for that vision. They shall be available on an as needed basis.

The SME's will be empowered to:

- Resolve project issues in a timely manner
- Review project plan, status, and issues



- Resolve deviations from project plan
- Provide acceptance sign-off
- Utilize change control procedures
- Ensure timely availability of State resources
- Make key implementation decisions, as identified by the Contractor’s project manager, within 48-hours of their expected decision date.

Name	Agency/Division	Title
TBD	MDOS, UCC	Business Analyst
Mike Butcher	MDOS, OCS	Director
Mike Wartella	MDOS, CSA	Administrator
Tanis Lerash	MDTMB	Business Relationship Manager

B. State Project Manager- (MDTMB and MDOS)

State Project Managers will be responsible for the State’s infrastructure and coordinate with the appropriate technical resources in determining the system configuration.

The State’s Project Manager will provide the following services:

- Provide State facilities, as needed
- Coordinate the State resources necessary for the project
- Facilitate coordination between various external prime Contractors
- Facilitate communication between different State departments/divisions
- Provide State acceptance and sign-off of deliverable/milestone
- Review and sign-off of timesheets and invoices
- Resolve project issues
- Escalate outstanding/high priority issues
- Utilize change control procedures
- Conduct regular and ongoing review of the project to confirm that it meets original objectives and requirements
- Document and archive all important project decisions
- Arrange, schedule and facilitate State staff attendance at all project meetings.
- Supporting the management of the Contract

Name	Agency/Division	Title
Jack Lee	MDOS	Project Manager
Todd Elsenheimer	MDTMB	Project Manager

MDTMB shall provide a Contract Administrator whose duties shall include, but not be limited to, supporting the management of the Contract.

Name	Agency/Division	Title
Chris Mitchell	MDTMB	Contract Administrator

1.300 Project Plan and Management

The Contractor’s Project Manager must work directly with the State’s Project Managers to insure the proper management review of this critical project. The Project Managers must communicate and support the overall strategic objectives, directions, and decisions of the project. They will coordinate the project milestones, teams, and resources. They will, but not limited to, work together to define the project scope, get the right people involved, estimate the resources needed, monitor the project budget, direct the project schedule, establish the change procedures, and agree upon acceptance criteria.



A. IMPLEMENTATION PLAN

Contractor implementation plan follows these seven phases:

Phase 1—Project Initiation and Planning Phase

Phase 2—Business Needs Assessment and Application Design

Phase 3—Construction

- Three Segments: Online; In-house; and Reports, Correspondence, Administrative, and Interfaces

Phase 4—Data Conversion

Phase 5—User Acceptance Testing

Phase 6—Implementation

Phase 7—Warranty Period and Transition to Maintenance and Support

1.1 PHASE 1: PROJECT INITIATION AND PLANNING

Project Initiation and Planning begins with jointly validating the project scope, deliverables, project work plan, resources, schedule, and project management structure. During this phase of the project, the Contractor team work with the client's project manager to develop and refine the following documents and obtain the client's approval and sign-off.

Deliverables:

Project Kickoff Meeting

Project Initiation Document and Schedule Signoff

- Final Implementation Plan and Milestone Deliverable Matrix\
- Detailed Project Schedule/Work Plan
- Change Management Plan
- Risk Management Plan
- Quality Assurance/Issue Management Plan
- Staffing Plan
- Communications Management Plan

1.2 PHASE 2: BUSINESS NEEDS ASSESSMENT AND APPLICATION DESIGN

Contractor validates and documents the business and functional requirements from the client for the proposed solution. The analysis will be conducted in such a manner to include client users and administrators of the current process, key stakeholders, and subject matter experts.

The Contractor Team shall transform the business requirements into complete and detailed process recommendations and functional specifications to guide the configuration work in Phase 3 and upcoming training and change management needs. The documentation produced in this phase is based on "Use Cases" and describes how the system meets the defined functional, physical, interface, and data requirements of the client. These activities shall be conducted in an iterative fashion, focusing first on the general system design that emphasizes the functional features of the system and then expanding to include the lower level business rules and technical detail.

**Deliverables:**

Gap analysis sessions (meetings)
Gap notes (MS Word 2013)
Data Model and Database Design Document (MS Word 2013)
Functional Requirements Document for three segments (MS Word 2013)
Requirements Traceability Matrix (MS Excel 2013)
Technical Design Document (MS Word 2013)
Draft test cases (MS Word 2013)
Training plan (MS Word 2013)

1.3 PHASE 3: CONSTRUCTION

In this phase, Contractor translates the deliverables from Phase 2 into an information system that meets 100 percent of the client's requirements and satisfies the desire for a fully-scalable enterprise-level solution. Contractor installs and configures the new solution and then uses a three-segment iterative process for releasing customized development code for the client's review.

Contractor uses working prototypes and walkthroughs after each segment to ensure that the proposed system is progressing in a direction that satisfies the agreed upon requirements and expectations. Contractor releases the application code in logical modules to the client in the staging/test environment and the Contractor project manager conducts "Show and Tell" sessions with the client's project team to demonstrate the progress made in the software configuration. This allows for early buy-in from the stakeholders, catches anomalies in the approach before excessive recoding is necessary, and provides informal training value to the resources that will most likely be testing the system in the following phases. Data needed to test the individual segments will be provided by the conversion team as data conversion is a process executed in parallel with software configuration.

Deliverables:

Set up Development Environment (Visual Studio Team System 2013)
Install and configure Cenuity solution base product (Code)
Segment 1-3 configuration and prototype reviews (Demonstrations)
Unit testing and documentation (Visual Studio Team System 2013)
Test cases and documentation (Contractor's Testing Administration System [TAS])

1.4 PHASE 4: DATA CONVERSION

Data conversion runs concurrently with Phase 3, Software Configuration and Unit Testing. The Contractor data conversion lead works with the resources that the client provides in order to extract data from the legacy system, transforms the data into the correct format, and then loads it into Contractor's Cenuity® Solution. Contractor assumes that the client will help us with the extraction and support us in understanding and accessing the environment and data.

The conversion effort goes through a three-pull strategy that involves extracting data from the current databases in three pulls with each subsequent pull resulting in cleaner converted data.

Deliverables/Outputs:

Data Conversion Plan (MS Word 2013)
Data Migration Detailed Design Document (MS Word 2013)
Exception Report from each conversion cycle (MS Word 2013)
Three conversion cycles (initial pull, interim pull, and production pull)



1.5 PHASE 5: USER ACCEPTANCE TESTING

In this phase, the integrated systems are fully tested by the client's team against the requirements identified and detailed during the design phases. User acceptance testing (UAT) is designed to provide assurance that all system and performance issues have been identified and resolved during previous test phases (unit, functional, and operational), and that the design meets documented specifications. The Contractor trainers train the client's testers. Then, we use the "Use Case" methodology to guide the users through the successful acceptance testing of the system, and the Contractor trainers are there to provide assistance. Contractor provides on-line issue tracking and management software to ensure an efficient process of error reporting.

Deliverables for Each UAT Phase:

Test environment configured

Final UAT plan and test cases (MS Word 2013)

Tester training (classroom training conducted by Contractor)

Completed Acceptance Testing with recorded results (TAS)

1.6 PHASE 6: IMPLEMENTATION

In this phase, Contractor installs the customized application in the Production Environment for operation and initiates Phase 5 after the system is tested, accepted by the users, and signed off by the client project manager. For this implementation, we shall provide "Train-the-Trainer" sessions for 12-15 users and up to five system administrators.

Deliverables:

Final training material (MS Word 2013)

- Training sessions

Production environment configured

Finalized System Documentation (MS Word 2013/NDOC)

Technology Transfer (Meetings/Source Code)

Close-out Meeting

1.7 PHASE 7: WARRANTY PERIOD AND TRANSITION TO MAINTENANCE AND SUPPORT

The 90-day warranty period begins the day the application is accepted and deployed on the production server. The system warranty covers application bug fixes (on the deployed code) to support production-related issues. Contractor is also prepared to manage the optional annual maintenance and support in order to meet the client's needs.



1.8 DELIVERABLES

In the table following, we provide a descriptive table of the deliverables that we will deliver during the implementation.

Phase	Milestone	Products To Be Delivered	Product Type	Acceptance Criteria
Contract Signing	Acceptance of terms and signed contract	Mutually Agreed Scope, Terms and Conditions and Contract	Document	Agreed and Signed by the Client and Contractor
		Initial Code Deposited in Escrow	Code Deposit	Escrow Company Reciept/ Acknowledgement
		Signed License Agreement	Document	Agreed and Signed by the Client and Contractor
Phase 1 – Project Initiation and Planning	Detailed Project Plan Completed and Accepted	Final Implementation Plan and Milestone Deliverable Matrix	Document	Client Review and Sign-off
		Detailed Project Schedule/Work Plan	MS Project Plan	Client Review and Sign-off
		Change Management Plan	Document	Client Review and Sign-off
		Risk Management Plan	Document	Client Review and Sign-off
		Quality Assurance/ Issue Management Plan	Document	Client Review and Sign-off
		Staffing Plan	Document	Client Review and Sign-off
		Communications Management Plan	Document/ Website	Client Review and Sign-off
	Project Kickoff Completed	Kickoff Agenda	Document	Delivery to the Client PM
		Kickoff Meeting	Meeting	Attendance by the Client Team
Phase 2 – Business Needs Assessment	Gap Analysis Sessions Completed and Accepted	Gap sessions to analyze the application gaps	Meetings and Gap notes	Participation by Team and Delivery of Gap Notes
		Gap Analysis Document JAD Notes and Use Cases	Document	Client Review and Sign-off
	Data Model and Database Design Completed and Accepted	Document Data Model Changes	Document	Client Review and Sign-off
	Requirements Documents	Functional Requirements Document and RTM	Document	Client Review and Sign-off



Phase	Milestone	Products To Be Delivered	Product Type	Acceptance Criteria	
	Completed and Accepted				
	Technical Design Completed and Accepted	Division-specific Configuration	Document	Client Review and Sign-off	
		Interface Plan	Document	Client Review and Sign-off	
		HW/SW Needs	Document	Client Review and Sign-off	
	QA Plan Completed and Accepted	Test Cases for Customized Modules	Test Cases (MS Excel)	Client Review and Sign-off	
	Training Plan Completed and Accepted	Training Plan	Document	Client Review and Sign-off	
Phase 3 – Software Configuration and Unit Testing	Environment Setup Completed	Set up Development Environment	Development Environment at Contractor	Client Access to Development Environment Successful	
	Application Configuration for Segment 1 Complete	Segment 1 Coding and Database Updates	Document	Published Results	
		Segment 1 Application Testing	Unit Testing by Contractor	Attendance by the Client Team	
		Segment 1 Application Demo	Demonstration	Client Review	
	Application Configuration for Segment 2 Complete	Segment 2 Coding and Database Updates	Document	Published Results	
		Segment 2 Application Testing	Unit Testing by Contractor	Attendance by the Client Team	
		Segment 2 Application Demo	Demonstration	Client Review	
	Application Configuration for Segment 3 Complete	Segment 3 Coding and Database Updates	Document	Published Results	
		Segment 3 Application Testing	Unit Testing by Contractor	Attendance by the Client Team	
		Segment 3 Application Demo	Demonstration	Client Review Completed	
	Phase 4 – Data Conversion	Data Conversion Plan and Scripts Completed	Final Data Conversion Plan and Scripts	Test Scripts	Client Review
			Data Migration Tested and Approved	Data	Published Results
UAT Ready Data			Data	Run Completed	
Production Ready Data			Data	Run Completed	
Phase 5 – User Acceptance Testing	User Acceptance Testing Completed and Accepted	Install/Configure/Test UAT Environment	Created and Tested	Client Access to Test Environment Successful	
		Finalize UAT Test Plan	Document	Client Review	



Phase	Milestone	Products To Be Delivered	Product Type	Acceptance Criteria
				and Sign-off
		Train UAT Testers	Training	Training Completed
		Acceptance Testing	Successful Testing by the Client with Recorded Results	Client Sign-off
Phase 6 – Implementation	Training Completed and Accepted	Training Documentation	Document(s)	Client Review and Sign-off
		User Training	Training Completed	Attendance of the Client Trainers
	Application Operational in Production	Install Application for Production	Installation	Installation Complete
		Test Production Install and Data	Tested	Client Access to Production Environment Successful
		PARE	Certification	Certification Complete
		Sign Off on Go-live	System Hand-off Meeting Between the Client and Contractor	Client Review and Sign-off;
		Close-out Meeting	Meeting	Attendance by the Client and Contractor
Final Documentation and Meeting	Document	System Documentation Delivered and Accepted; Technology Transfer Meeting Conducted		
Phase 7 – Warranty Period and Transition to Maintenance and Support	Warranty Closeout	Warranty Support	Document and Code Release	Tickets Logged in TAS Migration to Production Environment; Client Review and Sign-off

I. Preliminary Project Plan

Bidder will provide a Preliminary Project Plan and schedule with the proposal for evaluation purposes, including necessary time frames and deliverables for the stages of the project and the responsibilities and obligations of both the Contractor and the State.

The Preliminary Project Plan will include a Plan along with a MS Project Schedule (check the SUITE/PMM standard):

- a. A description of the deliverables to be provided under this contract.



- b. Target dates and critical paths for the deliverables.
- c. Identification of roles and responsibilities, including the organization responsible. Contractor is to provide a roles and responsibility matrix.
- d. The labor, hardware, materials and supplies required to be provided by the State in meeting the target dates established in the Preliminary Project Plan.
- e. Internal milestones
- f. Task durations

II. Final Project Plan

Within 25 business days of the execution of the Contract, the Contractor will submit the final project plan and schedule to the State project manager(s) for final approval. Failure to provide deliverable/milestone by the identified date may be subject to liquidated damages as identified in Contract terms, 19. Liquidated Damages.

This final project plan must be in agreement with Section 1.101 Work and Deliverables, and must include the following:

- The Contractor's project organizational structure.
- The Contractor's staffing table with names and titles of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
- The project work breakdown structure (WBS) showing sub-projects, activities and tasks, and resources required and allocated to each.
- The time-phased plan in the form of a graphic display, showing each event, task, and milestone from the WBS.

III. Project Control

1. The Contractor will carry out this project under the direction and control of MDTMB and MDOS.
2. The Contractor will manage the project in accordance with the State Unified Information Technology Environment (SUITE) Systems Engineering Methodology (SEM), which includes standards for project management, systems engineering, and associated forms and templates and is available at <http://www.michigan.gov/suite>. In the interest of expediency, variations in the process to accommodate standard Contractor methodologies and templates will be accepted following approval by the MDOS PM. Change point will not be required as a Contractor project tracking tool. Appropriate project reporting will be agreed to by the MDOS and Contractor Project Managers during the Initiation Phase.

IV. Orientation Meeting

Upon 10 business days from execution of the Contract, the Contractor will be required to attend an orientation meeting to discuss the content and procedures of the Contract.

The meeting will be held in Lansing, Michigan, at the State Secondary Complex, or by teleconference, as mutually agreed by the State and the Contractor. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.

V. Project Kick-off Meeting

The Contractor will work with the State's Project Managers to arrange an official project kick-off meeting within 30 business days from execution of the Contract, as follows:

- A joint presentation by the Contractor to the project team and including sponsors as needed, outlining the proposed approach to the UCC modernization implementation, including but not limited to the following: an overview of the proposed software, final project plan, and Contractor and State resources and responsibilities.



The meeting will be held in Lansing, Michigan, at the State Secondary Complex. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.

VI. Performance Review Meetings

The State will require the Contractor to attend weekly meetings, at a minimum, to review the Contractor's performance under the Contract. The meetings will be held in Lansing, Michigan, at the State Secondary Complex, or by teleconference, as mutually agreed by the State and the Contractor. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting. When the Contractor is not already on-site for other key tasks, the parties will agree to Web or Telephone conference for weekly review meetings.

VII. Issue Management

An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget.

The Contractor shall maintain a log for issues relating to the provision of services under this Contract. The issue log must be updated weekly and the Contractor will coordinate with the State's Project Managers to update the State's issue log. The issue log must contain the following minimum elements:

- Unique enumeration of the issue
- Description of issue
- Issue identification date
- Responsibility for resolving issue.
- Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)
- Resources assigned responsibility for resolution
- Resolution date
- Resolution description
- Anticipated date for resolution (due date)

Issues shall be escalated for resolution from level 1 (low) through level 3 (high), as defined below (Level 1- Level 3 definitions are included in Schedule B, Maintenance and Support Services):

Level 1 (low) – Business Leads

Level 2 (medium) – Project Managers

Level 3 (high) – Sponsors

VIII. Risk Management

A risk is an unknown circumstance or event that, if it occurs, may have a positive or negative impact on the project.

The Contractor is responsible for establishing a risk management plan and process, including the identification and recording of risk items, prioritization of risks, definition of mitigation strategies, monitoring of risk items, identifying Contractor staff-person responsible for tracking/resolving, anticipated timing for resolution activities, and periodic risk assessment reviews with the State.

A risk management plan format shall be submitted to the State for approval along with the final project plan. The risk management plan will be developed during the initial planning phase of the project, and be in accordance with the State's PMM methodology. Once both parties have agreed to the format of the plan, it shall become the standard to follow for the duration of the contract. The plan must be updated bi-weekly, or as agreed upon.

The Contractor shall maintain a log for risks relating to the provision of services under this Contract. The risk log must be updated weekly and the Contractor will coordinate with the State's Project Managers to update the State's risk log. The Contractor will work with the State Project Managers to prioritize the risks.



The Contractor is responsible for identification of risks in each phase of the project. The State will assign identified risks to either the State or the Contractor. The assigned party will be responsible for mitigating and/or eliminating assigned risks.

IX. Change Management

Change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract.

If a proposed contract change is approved by the Agency, the Agency will submit a request for change to the Department of Technology, Management and Budget, Procurement Buyer, who will make recommendations to the Director of MDTMB-Procurement regarding ultimate approval/disapproval of change request. If the MDTMB Procurement Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the MDTMB-Procurement Buyer will issue an addendum to the Contract, via a Contract Change

Notice: Contractors who provide products or services prior to the issuance of a Contract Change Notice by the MDTMB-Procurement, risk non-payment for the out-of-scope/pricing products and/or services.

The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a Purchase Order issued against this Contract. Contractor shall perform work in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.

Unless otherwise agreed by the parties, each Statement of Work will include:

1. Background
2. Project Objective
3. Scope of Work
4. Deliverables (the work-product or service to be delivered to the State)
5. Acceptance Criteria (the conditions under which the State will accept delivery of the work-product or service, and make payment)
6. Project Control and Reports
7. Specific Department Standards
8. Cost/Price Model (how the payment will be made: based on firm, fixed price deliverables and acceptance, fixed unit rate, over a set number of hours, or percentage based on completion of work)
9. Travel and Expenses (must be included in fixed cost)
10. Project Contacts
11. Agency Responsibilities and Assumptions
12. Location of Where the Work is to be performed
13. Expected Contractor Work Hours and Conditions
14. Staff Resources Required (both Contractor and State, numbers, roles, anticipated hours, % time, and duration by task)

The Contractor must employ the documented change management procedures to process requests for any changes proposed which would impact time, resources, cost and/or terms and conditions, to address the new or changing business needs of the State.

The Contractor will employ the change control methodologies to justify changes in the processing environment, and to ensure those changes will not adversely affect performance or availability.

X. Reports



Contractor will produce reports that are in compliance with SUITE standards. Reports will include, but are not limited to:

- Weekly Project status
- Updated project schedule
- Updated project plan
- Summary of activity during the report period
- Accomplishments during the report period
- Deliverable status
- Schedule status
- Action Item status
- Issues
- Change Control
- Defect/Repair status
- Maintenance Activity
- Actual Hours

XI. Authorizing Document

The appropriate authorizing document for the Contract will be a SOM purchase order or blanket purchase order.

Extended Purchasing Program

This Contract is extended to other states (including governmental subdivisions and authorized entities).

In the event other states purchase through this Contract; Contractor must submit invoices to, and receive payment from, those entities on a direct and individual basis.

1.400 Invoicing

1.401 Invoicing

Contractor will submit properly itemized invoices to:

MDTMB – Financial Services
Accounts Payable
P.O. Box 30026
Lansing, MI 48909, or

MDTMB-Accounts-Payable@michigan.gov

Invoices must provide and itemize, as applicable:

- Contract number;
- Purchase Order number;
- Contractor name, address, phone number, and Federal Tax Identification Number;
- Detail of milestone deliverable completed and approved for payment, including, but not limited to: description of any services, and software, commodities/hardware, with quantities listed (hours, etc.);
- Date(s) of delivery and/or date(s) of installation and set up;
- Price for each item, detailed in accordance with the Schedule C cost model, and reflecting applicable discounts;
- Maintenance charges;
- Net invoice price for each item;
- Shipping costs;
- Other applicable charges;
- Total invoice price; and



- Payment terms, including any available prompt payment discount.

Incorrect or incomplete invoices will be returned to Contractor for correction and reissue.

1.402 Pricing Assumptions

- All prices are not-to-exceed, firm and fixed.
- Payment schedule assumes a release of payment within 30 days once a deliverable is met and accepted by MDOS and a correct invoice is received.
- Appropriate Subject Matter Experts (SME) from MDOS will be available to participate in design sessions with the PCC design team.
- PCC will work with MDOS to plan the Gap sessions. MDOS will ensure that the necessary representatives with appropriate knowledge and expertise are in attendance.
- The Requirements gathering effort will be centralized and be performed at a central MDOS facility.
- MDOS SMEs will review the deliverables and provide feedback as necessary to ensure the deliverables adequately meet the requirements specified in the Requirements Traceability Matrix.
- Advanced notice will be given for any meeting that must be cancelled.
- The MDOS SMEs will be readily available to answer questions in a timely manner. PCC will minimize ad-hoc disruptions by making every attempt to consolidate questions and schedule meetings with these individuals.
- MDOS sign-off of deliverables will occur in a timely manner in accordance with the proposed project schedule.
- All deliverables requiring MDOS review and or signature will be completed in a reasonable time, which should not exceed five (5) calendar days.
- MDOS staff assigned to this project will be available from the start through the end of the project.
- In order to maintain the lowest possible price to MDOS, PCC staff members may work remotely in their home offices or at the PCC development center when not required to be on-site (and as agreed to by MDOS).
- Resources from MDOS, if necessary, will be available to establish required connectivity and provide technical support for network connectivity and operations between the PCC facility and the MDOS facility.
- Design, system test, user acceptance, parallel operations, and training/documentation estimates assume user availability. PCC will work with MDOS to plan user availability.
- System User Acceptance Testing (UAT) will be held at a central MDOS facility. PCC has not bid a multi-site user acceptance testing for any phase. MDOS will provide required workstations, facilities, and connectivity for UAT. It is anticipated that any MDOS participants will travel to the central site (if required).
- Any new requirements that are identified that were not identified in the SOW will be subject to change control.
- A change control process will be implemented in conjunction with MDOS. All changes in project scope and schedule will flow through the change control process. PCC and MDOS will jointly participate in the change control process and determine the impact of the change with regards to schedule and cost. Time required investigating and performing impact analysis for change requests will be tracked separately. Excessive requirements to perform change analysis may impact schedule and costs.





Appendix A - Current UCC Environment

Desktop Environment

- Windows 7 Enterprise
- Microsoft Office 2003
- Internet Explorer 11
- Adobe Standard X and/or X Pro

Development Languages, Tools

- VB 6
- VB.Net
- JavaScript, JQuery (UCC Online)
- XML
- HTML (UCC Online)
- CSS (UCC Online)
- Microsoft .NET 2.x, 3.x, 4.x
- C# (UCC Online)
- ASP.NET (UCC Online)

Microsoft Visual Studio 2008

- IIS 6

Database Server

- MS SQL 2005

Content Management

- Subversion

Document Management

- IBM FileNET Image Service
- Datacap

Electronic Forms

- Presentation: Adobe Acrobat version 6.0 +
- FileNET eForms for document management
- Adlib Express
- FDF Merge

Security Environment

- SSL
- SecureID (State Security Standard for external network access and high risk Web systems)

Operating Systems

- Windows Server 2003
- Virtual Machine Servers

Network Environment/Hardware

- Cisco Routers
- Dell, Sun, HP, Redhat servers
- Citrix ICA Client
- Citrix Metaframe

Reporting

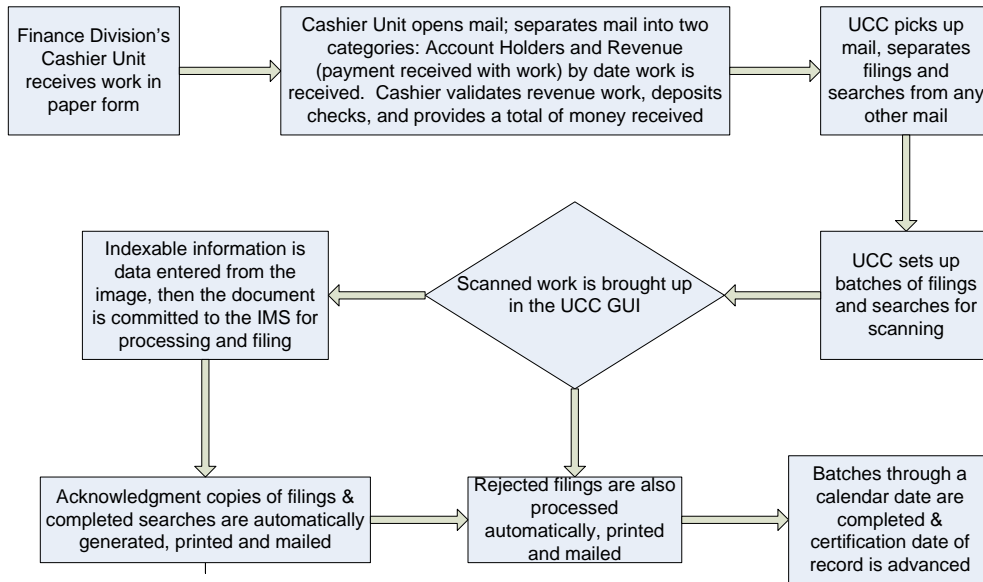
- Crystal Reports 2011 (statistics)
- Business Objects XI 3.1



Appendix B UCC Internal Workflow

Electronic filings and searches are ordered and returned through UCC Online (www.michigan.gov/sosucc). The UCC IMS assigns a job tracking number to the UCC Online order number, processes the work, and then returns the completed job to UCC Online for customer retrieval. Figure 1 illustrates the current internal workflow process for filings.

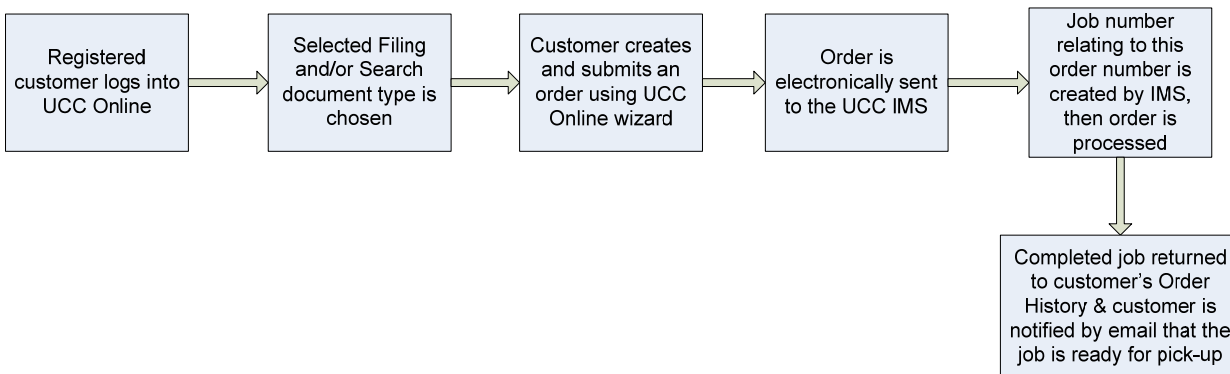
Figure 1: Internal UCC Filing & Search Work Flow*



*Note: Back-end scanning (filing data is entered and committed to the database, before a document image is captured) is used with data entry when paper filings or searches are submitted at the UCC customer counter.

Front-end scanning (scanned before reviewed/processed and filing data/document image is committed to the database) used with data entry when paper filings or searches are submitted by all forms of mail.

Figure 2: Web UCC Filing & Search Work Flow





Appendix C: **SPECIFICATIONS**

Specifications Worksheet

Contractor solution will meet specifications as designated for each requirement:

- Yes: with no changes. (This indicates the bidder is proposing a system that conforms exactly to the requirement without requiring any changes)
- Yes: by customizing. (This indicates the bidder is either creating a new system or changing code on an existing system such that it conforms exactly to the requirement. If the bidder selects this, explanatory bidder response comment is required.)
- Yes: by configuring. (This indicates the bidder is proposing a system that can be configured so that it conforms exactly to the requirement. If the bidder selects this, explanatory bidder response comment is required.)
- No: not meeting. (This indicates the bidder is proposing a system that will not meet the requirement.)

See Glossary of Terms and Abbreviations at the end of this document.

FUNCTIONAL⁶⁸

HARDWAREError! Bookmark not defined.

SOFTWAREError! Bookmark not defined.

PROJECT PLANNING AND REPORTINGError! Bookmark not defined.

APPLICATION DESIGNError! Bookmark not defined.

APPLICATION DEVELOPMENT.....Error! Bookmark not defined.

DATA CONVERSION / MIGRATIONError! Bookmark not defined.

INTERFACESError! Bookmark not defined.

INTEGRATION.....Error! Bookmark not defined.

TESTING.....Error! Bookmark not defined.

TRAINING & SYSTEM DOCUMENTATIONError! Bookmark not defined.

IMPLEMENTATIONError! Bookmark not defined.

SECURITYError! Bookmark not defined.

DISASTER RECOVERYError! Bookmark not defined.

TRANSITION SERVICESError! Bookmark not defined.

WARRANTY.....Error! Bookmark not defined.

MAINTENANCE AND SUPPORTError! Bookmark not defined.

SUPPLEMENTAL SERVICES (Future Enhancements and/or Legislative Mandates)Error! Bookmark not defined.

ISSUE/RISK/CHANGE MANAGEMENTError! Bookmark not defined.

PLANS (utilizing Microsoft Office 2013 tools).....Error! Bookmark not defined.

ADDITIONAL DOCUMENTATIONError! Bookmark not defined.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>FUNCTIONAL</u>			
1.1	The system will have at a minimum all current system functionality. (Appendices C, G and H)	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will conduct Gap Analysis with MDOS SMEs to ensure that the solution meets the current system functionality (Note: The PCC solution may have different or added functionality that, at MDOS discretion and approval, may replace the design or need for some current functionality).
1.2	The system will be hosted by MDTMB and in operation and accessible to internal staff and external customers 24x7x365, with a 99.99999% uptime except during pre-approved maintenance windows. Acknowledge proposed solution's capability of meeting this requirement.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Final uptime requirements and exclusions have been provided in the Contract.
○ 1.3	The Contractor will use the State of Michigan approved standard for document management (currently the FileNet 4.0.3 Image Service).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will use the State of Michigan approved standard for document management. Document Management module and features are standard to the proposed solution. Based on past experience, documents stored in FileNet have inconsistent mapping to index records in the filing database. MDOS will take point with PCC assistance to establish a firm mapping link between record and images for as many records as possible. Full mapping may be impossible with data as exists. PCC will provide guidance to the MDOS on the systematic manual correction of image indexing information.
○ 1.4	The system will comply with Article 9 of the UCC, as adopted in State of Michigan and meets or exceeds IACA standards. Article 9	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with Article 9 of UCC and meets IACA standards.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.5	The system will comply with Michigan Administrative Rules governing UCC operations, including the current proposed and as yet un-promulgated rules. Michigan UCC Administrative Rules	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution as delivered will comply with all current (as-of Go-Live) Michigan UCC rules. Proposed and un-promulgated rules would be configurable post-implementation through maintenance.
○ 1.6	The system will use a relational database capable of automated data exchange with systems such as the Accounts Receivable System (ARS).	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC's solution utilizes Microsoft SQL Server and Windows Communication Foundation (WCF) services capable of any automated data exchange with systems such as ARS. The solution includes standard services for Accounts Receivables that will be configured for the specific ARS interface.
○ 1.7	The system will utilize data/images as contained within the current UCC system.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Data as contained within the current UCC system will be migrated to the new system. Data will be transformed as appropriate and any changes to fields in the new system to accommodate MDOS data will be configured. Images will remain in the current FileNet repository and be accessed by the UCC System through an interface.
○ 1.8	The system will be PCI Compliant with State of Michigan standards.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC's solution provides PCI-compliant payment processing and supports all PCI-compliant payment processing options, such as cash, check, credit card, and electronic funds transfer (EFT).
○ 1.9	The system will record financing statements and tax liens, and perform the searches required by law.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This is a standard feature of the proposed solution.
○ 1.10	The system will provide for electronic imaging, filing, indexing, storage, reviewing and retrieval of documents received on paper or in an electronic format.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution provides a single repository for all documents and data, along with corresponding backups and contains an integrated document management module. Business and document index data is stored in the database and physical document is stored within the storage structure of the integrated document management module.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.11	The system will provide improved electronic filing and search capability, including web browser access and XML alternatives or solutions.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution will improve business processes that reduce manual activities and improve electronic filing. The proposed solution is accessible via web browser and has a high performance search engine with results based on mix-and-match criteria fields, that can be filtered, sorted, grouped, and re-arranged for maximum user experience in finding the required record(s). All data can be exported to standard formats such as PDF, Excel, and CSV. The system supports bulk filing via XML using the IACA standards.
○ 1.12	The system will provide an automated process for handling rejected filings and acknowledgement copies.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This is a standard feature of the proposed solution. The system utilizes Reference Tables that will be populated with values that reflect the client's business rules. Users marking a filing as rejected can select the appropriate reason and the system will generate and store an appropriate notice. Typically PCC does not recommend the storage of index data for rejected filings.
○ 1.13	The system will provide reliable exchange of information between existing Departmental systems (Accounts Receivable System (ARS) and UCC Online).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution can easily be integrated with external interfaces such as payment gateways, financial systems, and external repositories. PCC guarantees that the exchange of information between the proposed solution and existing Departmental systems will be reliable.
○ 1.14	The system will provide the ability for the IRS, State Treasury and State Unemployment Agency to electronically file tax liens.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC agreed during negotiations to work with the MDOS during Gap Analysis to identify the best process for the agencies involved, with the assumption that there would be less than ten variations of filings, and they are fairly simple in that only very basic data is stored and the image itself is where any details can be viewed.
○ 1.15	The system will provide an automated debtor notification solution according to Michigan UCC law.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will be configured to provide a batch job that daily creates a notification for each debtor reported by online and in-house filings. These can be scheduled to print to a configured printer or printed from a queue by a user to any available printer.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.16	The system will enable UCC to fully comply with MI PA 174 of 1962 and all subsequent amendments through PA 88 of 2012.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The system will comply with the assumption that the screens will not support data entry for pre-2011 IACA formats. Any amendments or continuances for pre-2011 filings will be done using the new formats.
○ 1.17	The system will provide the ability for external (web) organizations to have multiple individual user accounts, all billed to a single UCC billing account number.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS clarified that this requirement is only meant to allow a user to be related to the same billing account as other users from the same company simply by putting that billing account number on their record. No true parent-child relationship is necessary. All billing is done through ARS.
○ 1.18	The system will enhance the ability for UCC staff to search the individual accounts index when there are multiple user accounts under the same corporate name.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will provide for a search or query to meet this requirement based on the proposed solution to #1.17 above.
○ 1.19	The system will provide the ability to create a copy of every new filing in a user-selected time period (default to a calendar month) for subscription customers.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will provide data for purchase by monthly files. Subscription customers can select the months they wish to purchase, including previously available months. The number of prior months MDOS will need to be available upon go-live is not yet determined, but will be considered as part of the data conversion scope. The files will only consist of images, and not data.
○ 1.20	The system will perform bulk searching and provide results in a common format that can be burned to optical disk and mailed to subscription customers.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC's solution provides the images referred to in the requirement above through the user's inbox. System administrators will have access to the files if there is still need for them to copy to a disk and mail.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.21	The system will perform bulk searching in a common format that web customers can access securely through a web service.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The PCC solution allows delivery of bulk search orders to the user's dashboard for download.
○ 1.22	The system will provide outputs in a common format (currently PDF) for:		
<u>1.22.1</u>	. . . an image of each filing document (searchable, reproducible).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	
<u>1.22.2</u>	. . . an image of each search document (searchable, reproducible).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	
<u>1.22.3</u>	. . . an image of all other correspondence (searchable, reproducible).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	
<u>1.22.4</u>	. . . an image of each rejected filing (searchable, reproducible).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	
○ 1.23	The system will maintain current filing and search functionality throughout the MI UCC system.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will conduct Gap Analysis with MDOS SMEs to ensure that the solution meets the current system functionality (Note: The PCC solution may have different or added functionality that, at MDOS discretion and approval, may replace the design or need for some current functionality).



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.24	The system will provide complete process of UCC filing – by mail and online channel.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This is a standard feature of the proposed solution.
○ 1.25	The system will integrate with an image system or alternative way for storing documents.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The new UCC System will continue to interface with FileNet for storing documents.
○ 1.26	The system will automatically determine the document type without requiring UCC user data entry.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will automatically detect the document type based on the barcode.
○ 1.27	The system will automatically determine if the document is a UCC 1 Initial Financing Statement	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will automatically detect the document type based on the barcode.
○ 1.28	The system will automatically determine if the UCC 1 is for a manufactured home (box on the UCC 1 is checked).	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.
○ 1.29	The system will automatically determine if the UCC 1 is for a transmitting utility (box on the UCC 1 is checked).	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.30	The system will automatically determine if the document is a UCC 1Ad Initial - Addendum.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.
○ 1.31	The system will automatically determine if the document is UCC 1AP Additional Party.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.
○ 1.32	The system will automatically determine if the document is a UCC 3 Amendment Financing Statement.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will automatically detect the document type based on the barcode
○ 1.33	The system will automatically determine if the UCC 3 is a Termination (Box 2: Termination is checked).	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.
○ 1.34	The system will automatically determine if the UCC 3 is an Assignment (Box 3: Assignment is checked).	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.
○ 1.35	The system will automatically determine if the UCC 3 is a Continuation (Box 4: Continuation is checked).	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.36	The system will automatically determine if the UCC 3 is an Amendment (either Box 5: Party Information Change or Box 8: Collateral Change is checked).	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.
○ 1.37	The system will automatically determine if the document is a UCC 3Ad Amendment – Addendum.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.
○ 1.38	The system will automatically determine if the document is a UCC 3AP Amendment - Additional Party.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.
○ 1.39	The system will automatically determine if the document is a UCC 5 Information Statement.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will automatically detect the document type based on the barcode.
○ 1.40	The system will automatically determine if the document is a UCC 11 Michigan Search Request.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will automatically detect the document type based on the barcode.
○ 1.41	The system will automatically determine if the UCC 11 is a Michigan Expedited Search Request. (Box D; first checkbox is checked).	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that only the top-level document type is determined by the barcode. All other attributes are to be selected/entered by the user.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.42	The system will automatically determine if the document is an IRS tax lien. Note: there are a number of variations on types of IRS, Treasury and UIA tax liens. Additional detail on tax lien types will be provided after confirmation with these agencies.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will automatically detect the document type for tax liens based on the barcode where applicable. All other attributes are to be selected/entered by the user.
○ 1.43	The system will automatically determine if the document is a Michigan Department of Treasury tax lien.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will automatically detect the document type based on the barcode.
○ 1.44	The system will automatically determine if the document is Michigan Unemployment Insurance Agency tax lien.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will automatically detect the document type based on the barcode.
○ 1.45	The system will automatically determine the number of sheets in each paper document (front only).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution will detect the number of pages in the scanned pdf of the paper document.
○ 1.46	The system will provide a method of indicating that one or more documents arrived in the same physical envelope.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Our Work Order flow provides this. The enhanced Work Queue features customized for MDOS will ensure compliance
○ 1.47	The system will automatically print an enumeration (document number) on the first page only of each paper document, in a uniform, designated position.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Standard Embossing is a built-in feature.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.48	The system will use a uniform enumeration schema, consisting of the four-digit current year, followed by a six-digit numeric sequence number, followed by a dash, followed by a check digit that is mathematically-derived from or related to the other digits in the file number, for all production and test documents.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.49	The system will use the same enumeration format/schema for documents coming in from all sources (including UCC web, and in-person counter filings).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.50	The system will enumerate documents received from all sources when assigning the sequence number. (Example: the first document of the year is received via web, the second is by mail, and the third is also by web. The first document will be 2014000001-5, the mailed second document is 2014000002-3, and the web third document is 2014000003-7).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.51	The system will restart the sequence number at the beginning of each calendar year (the first document of each January will have a sequence number of yyyy000001-x).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.52	The system will enumerate test documents in the same manner as production documents, except that the first digit of the six-digit sequence number after the four-digit year is always the number "9" (Example: 2014900001-6).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.53	The system will create an electronic image (exact duplicate) of the original paper document at 300 dpi (to match the documents from UCC Online).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.54	The system will store the data in the designated index and data fields for each paper document and store the data so that it is linked to the electronic images.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.55	The system will allow entry of the designated index and data fields for each paper document and store the data so that it is linked to the electronic images.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.56	The system will store the document number as index data for the document. Note: Index fields to be listed in entirety later.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.57	The system will allow entry of the document number as index data for the document. Note: Index fields to be listed in entirety later.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.58	The system will store the Submitter Name as index data for all documents. Note: this is not a complete listing of the index fields and data fields to be captured and stored.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.59	The system will allow entry of the Submitter Name as index data for all documents. Note: this is not a complete listing of the index fields and data fields to be captured and stored.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.60	The system will store the Submitter Address as index data for all documents.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.61	The system will allow entry of the Submitter Address as index data for all documents.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.62	The system will store name(s) and address(es) of all debtor(s), if the document was a filing. Note: there is no maximum number of allowable debtors.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.63	The system will allow entry of name(s) and address(es) of all debtor(s), if the document was a filing. Note: there is no maximum number of allowable debtors.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.64	The system will store name(s) and address(es) of all secured party(ies), if the document was a filing. Note: there is no maximum number of allowable secured parties.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.65	The system will allow entry of name(s) and address(es) of all secured party(ies), if the document was a filing. Note: there is no maximum number of allowable secured parties.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.66	The system will store the initial filing date and time as index data for the document.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.67	The system will allow entry of the initial filing date and time as index data for the document.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.68	The system will store whether the document was a search request marked as Expedited.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.69	The system will allow entry of whether the document was a search request marked as Expedited.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.70	The system will store the name in the "Mail acknowledgment copy letter to:" box of the document, if a name was provided.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.71	The system will allow entry of the name in the "Mail acknowledgment copy letter to:" box of the document, if a name was provided.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.72	The system will retain the document number or debtor name to be searched for at least 30 days, if the document is a UCC 11.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.73	The system will retain whether the submitter wanted copies for at least 30 days, if the document is a UCC 11.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.74	The system will retain whether the submitter wanted to limit searches by time period or by city for at least 30 days, if the document is a UCC 11.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.75	The system will store the payment information in each paper document and store the data.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.76	The system will allow entry of the payment information in each paper document and store the data.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.77	The system will store the amount validated by the MDOS Cashier Unit, if the document was validated by the Cashier Unit. Note: the Cashier Unit prints the validation on a single sheet. If there are several documents in an envelope and one check to pay for them all, the system or UCC staff will try to keep the documents together as a single job.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The system will allow for the entry of the control number by the user to tie the filing to the payment in ARS.
○ 1.78	The system will allow entry of the amount validated by the MDOS Cashier Unit, if the document was validated by the Cashier Unit. Note: the Cashier Unit prints the validation on a single sheet. If there are several documents in an envelope and one check to pay for them all, the system or UCC staff will try to keep the documents together as a single job.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.79	The system will store the account number, if an account number was provided on the document.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.80	The system will allow entry of the account number, if an account number was provided on the document.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.81	The system will notify the user if the ARS shows the account number is delinquent.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will configure this business rule based on the same process in which the current system provides these alerts to the user, whether it is a direct validation against ARS or a periodic feed of account status.
○ 1.82	The system will notify the user if there was no cashier validation, an account number was provided, but the ARS shows the account number does not exist.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will configure this business rule based on the same process in which the current system provides these alerts to the user, whether it is a direct validation against ARS or a periodic feed of account status.
○ 1.83	The system will automatically ignore the account number for payment if the job has both a cashier validation and an account number, and use only the validation information as payment information.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will configure this business rule.
○ 1.84	The system will automatically reject the job and all its documents if there is neither a cashier validation nor an account number for the job.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.85	The system will place the created electronic images into a UCC work queue in a priority order.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis. The proposed solution will include a robust Work Queue Manager that routes both internal and online submissions to appropriate roles and/or individuals for processing based on filing type, priority, and other configurable business rules to match client requirements. Authorized users are alerted to items in their work queue through the dashboard, and supervisors can monitor real-time metrics on volumes, processing time, and back-logs, and re-assign roles or users to adequately manage the queue.
○ 1.86	The system will permit UCC users to set or change the priority for a specific job or document in the work queue.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.87	The system will permit UCC users to perform an ad hoc search ahead of other work in the UCC work queue.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.88	The system will by default, place all work in the UCC work queue, by order in the date it was received by 11:00 AM.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.89	The system will give Expedited Search Requests the highest priority in the UCC work queue if the Expedited Search Request was received by 11:00 AM.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.90	The system will give Expedited Search Requests received after 11:00 AM the highest priority for work received the next business day.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.91	The system will queue Expedited Search Requests, in relation to other Expedited Search Requests, in the order they were received (first in, first out).	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.92	The system will permit UCC administrators and UCC supervisors to set the priority for document types other than Expedited Search Requests (searches, financing statements, and tax liens) as workflow dictates.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.93	The system will queue each document type, in relation to other documents of the same type, in the order they were received (first in, first out within each document type).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<ul style="list-style-type: none"> ○ 1.94 	<p>The system will permit UCC administrators and UCC supervisors to set the priority order for documents other than Expedited Search Requests so that either the date received is the primary priority for the work queue, or document type is the primary priority. (Example: if the document priority is set so that financing statements are first, searches are second, and tax liens third priority, and date received is the primary priority, all financing statements and searches and tax liens received on Monday are in the queue before any document received on Tuesday, except Expedited Search Requests. If document type is set as the primary priority, Monday's and Tuesday's financing statements will be first in the queue, followed by Monday and Tuesday searches, and finally, the tax liens.)</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.</p>



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<ul style="list-style-type: none"> ○ 1.95 	<p>The system will continuously update the UCC work queue as new documents are added (Example: UCC staff is working on Friday, and by the end of the day have not completed all the financing statements and searches. On Monday, the queue will start with Friday's financing statements, followed by Friday's searches. Next in the queue will be Friday's tax liens, Monday's financing statements, Monday's searches, and Monday's tax liens. If Monday's work contains an Expedited Search Request or if one is brought into the office before 11:00 AM on Monday, that moves into the queue before any of Friday's work. An Expedited Search Request brought into the office on Monday after 11:00 is placed at the top of Tuesday's work queue. If a customer brings in a Financing Statement on Monday, it goes into the queue as the last of Monday's Financing Statements but before any of Monday's searches).</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.</p>
<ul style="list-style-type: none"> ○ 1.96 	<p>The system will permit UCC internal users to access the UCC work queue.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>This is a standard feature of in-house processes.</p>
<ul style="list-style-type: none"> ○ 1.97 	<p>The system will display the electronic images and the corresponding index fields and payment information simultaneously, on the same screen, so that the data fields on the image and the index fields can be compared.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>The proposed solution complies with this requirement.</p>



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.98	The system will permit the UCC internal user to edit all index fields and payment fields when reviewing the image. Note: details of each field and rules, such as format and length, to be added later.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.99	The system will permit UCC internal users to change the document type (to correct a system misread of the document type).	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS clarified that in the event of a mislabeled document, the user can choose to process the filing as a different document type following a system warning that the type on the barcode does not match the type selected during processing.
○ 1.100	The system will permit UCC internal users to place the document in a pending queue, where it will be held with the original job number, document number, and filing date and time.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.101	The system will display the total number of documents in the pending queue and the age of the oldest document.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.102	The system will permit the UCC internal user to reject the electronic document (image and data).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.103	The system will require UCC internal users to select one or more reasons for the rejection, if the user rejects the electronic document.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.104	The system will permit the UCC internal user to select “The record is not required or authorized to be filed or recorded with the secretary of state” as a reason for rejection.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.105	The system will permit the UCC internal user to select “The record is being filed or recorded for a purpose outside the scope of this article,” as a reason for rejection.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.106	The system will permit the UCC internal user to select “The secretary of state has reasonable cause to believe the record is materially false or fraudulent” as a reason for rejection.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.107	The system will permit the UCC internal user to select “The record asserts a claim against a current or former employee or officer of a federal, state, county, or other local governmental unit that relates to the performance of the officer's or employee's public duties, and for which the filer does not hold a properly executed security agreement or judgment from a court of competent jurisdiction” as a reason for rejection.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.108	The system will permit the UCC internal user to select “The record indicates that the debtor and the secured party are substantially the same or that an individual debtor is a transmitting utility” as a reason for rejection.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.109	The system will permit UCC internal users to select “No debtor last name; missing or incomplete address” as a reason for rejecting a UCC 1 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.110	The system will permit UCC internal users to select “No secured party last name; missing or incomplete address” as a reason for rejecting a UCC 1 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.111	The system will permit UCC internal users to select “Submitted in an unacceptable medium” as a reason for rejecting a UCC 1 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.112	The system will permit UCC internal users to select “No minimum correct fee” as a reason for rejecting a UCC 1 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.113	The system will permit UCC internal users to select “Account number missing” as a reason for rejecting a UCC 1 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.114	The system will permit UCC internal users to select “Illegible writing” as a reason for rejecting a UCC 1 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.115	The system will permit UCC internal users to select “Debtor is not identified as either an individual or organization” as a reason for rejecting a UCC 1 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.116	The system will permit UCC internal users to select “No assignee name or address” as a reason for rejecting a UCC 1 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.117	The system will permit UCC internal users to select “Debtor name or address incomplete or missing when processing a name or address change” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.118	The system will permit UCC internal users to select “Secured party name or address incomplete or missing when processing a name or address change” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.119	The system will permit UCC internal users to select “Assignee name, address and secure party name are missing when processing an assignment” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.120	The system will permit UCC internal users to select “Submitted in an unacceptable medium” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.121	The system will permit UCC internal users to select “No minimum correct fee” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.122	The system will permit UCC internal users to select “Account number missing” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.123	The system will permit UCC internal users to select “Illegible writing” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.124	The system will permit UCC internal users to select “Debtor is not identified as either an individual or organization” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.125	The system will permit UCC internal users to select “Not continued within six months prior to lapse” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.126	The system will permit UCC internal users to select “Original file number is missing” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.127	The system will permit UCC internal users to select “Original filing has lapsed or expired” as a reason for rejecting a UCC 3 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.128	The system will permit UCC internal users to select “Original file number is missing” as a reason for rejecting a UCC 5 filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.129	The system will permit only UCC internal users to search for rejected documents by submitter name, debtor name, job number, document number, or for all documents rejected within a user-selectable date range. Note: this enhancement is needed for law enforcement research for court cases where sovereigns will be prosecuted.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS clarified that the minimum amount of data and the image, consistent with PCC’s current scenario is efficient for Rejected documents. The system will allow administrators to search these records.
○ 1.130	The system will place the word, “REJECTED” on the electronic document image, in a manner that does not obscure any information on the electronic image.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.131	The system will store the electronic images and data, including index data, for a completed rejection.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS clarified that the minimum amount of data and the image, consistent with PCC’s current scenario is efficient for Rejected documents.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.132	The system will store the rejection reasons for all rejected documents.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.133	The system will generate and print a Rejection Notice when an electronic document is committed as rejected.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.134	The system will permit UCC administrators and UCC supervisors to cancel the rejection of a rejected document, and place the electronic document image and data back into the UCC work queue with the original filing date, original document number, and original job number.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This requirement will require the solution to store an un-embossed copy of the original document, or emboss it as “rejected” in some way that could be undone. Customization will also be required for the process of cancelling the rejection and re-introducing it to the work queue. The best approach will be discussed and agreed to during Gap Analysis.
○ 1.135	The system will permit UCC internal users to indicate that a document is to be imaged and considered a rejected filing because it is on a non-standard form.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.136	The system will assign the reason for rejecting the document “Submitted in an unacceptable medium” when a filing is indicated to be on a non-standard form.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.137	The system will make the electronic image and index information part of the UCC customer searchable database, if the user commits the document.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.138	The system will require minimum financing statement information of one debtor name, city, state and postal code, before the document is committed.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.139	The system will require minimum financing statement information of one secured party name, city, state and postal code, before the document is committed.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.140	The system will display the next document in the queue, after the UCC internal user commits, pends or rejects a document.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.141	The system will display a running total of how many jobs are remaining in the queue.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.142	The system will display a message when there are no more documents in the queue to let the user know there are no more documents.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.143	The system will create a file of the transactions, in which an electronic document was committed to the UCC searchable database, in a location the ARS system can access.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution includes interfaces for financial system integrations which will be configured for the ARS. Changes to any ARS-side services or functionality is out of scope.
○ 1.144	The system will generate an Acknowledgment Packet if the user commits the document and the document is a filing, or search, or a combination of filing(s) and searches.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement.
○ 1.145	The system will automatically use the name and address in the "Mail acknowledgment copy letter to:" field in the document (box C) as the mailing address for the Acknowledgment Packet and attachments, if there was an entry in that field.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement.
○ 1.146	The system will automatically use the name (box 3a for organizations, box 3b for individuals) and address (box 3c) of the First Secured Party as the mailing address for the Acknowledgment Packet and attachments, if there was not an entry in the "Mail acknowledgment copy letter to:" field.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement.
○ 1.147	The system will generate a mailing Cover Sheet with the address block printed in the lower left hand corner (for use with a standard MDOS title mailing envelope).	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement with minor configuration by PCC.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.148	The system will generate and include an invoice or job receipt in the Acknowledgment Packet.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement.
○ 1.149	The system will generate and include an Acknowledgment Cover Sheet in the Acknowledgment Packet.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement.
○ 1.150	The system will print a complete copy of the filing (printed hard copy of each document image that was committed to the UCC database) for the Acknowledgment Packet.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement.
○ 1.151	The system will generate a Debtor Notice if the user commits the document, and there is a newly named individual(s) on the filing. Note: a "newly named individual that receives a debtor notice is any individual debtor named on a UCC 1, UCC 1Ad, UCC 1AP, or a UCC 3 with box 5 checked and the 5 debtor box, and change or add boxes checked with an entry in 7b, or UCC 3AP with an entry in 21b and/or 22b and/or 23b.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement. PCC will configure a new Debtor Notice based on details to be discussed during Gap Analysis, and a batch job will allow creation of letters for all debtors reported online or in-house for a given day.
○ 1.152	The system will generate and include a Debtor Notice Cover sheet with the Debtor Notice.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement. PCC will configure a new Debtor Notice based on details to be discussed during Gap Analysis.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.153	The system will generate and include the two-page explanation letter with the Debtor Notice.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement. PCC will configure a new Debtor Notice based on details to be discussed during Gap Analysis.
○ 1.154	The system will generate and include a complete copy of the filing with the Debtor Notice.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's correspondence and notification template module complies with this requirement. PCC will configure a new Debtor Notice based on details to be discussed during Gap Analysis.
○ 1.155	The system will permit the UCC internal user to exit or log off from the system at any time.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.156	The system will return to the work queue, in the priority it would normally have had, any images that were not committed or rejected before the UCC internal user logged off.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.157	The system will perform a search of the UCC searchable database using the parameters selected by the customer, if the user commits the document and the document was a UCC 11 (search request).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.158	The system will include a search listing in the Acknowledgment Packet, if the customer requested a search.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.159	The system will include search copies in the Acknowledgment Packet, if the customer requested copies.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.160	The system will also include the related documents in the Acknowledgment Packet if the customer requested the related documents.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.161	The system will create a Copy Exception Report if the system finds indexing information, but did not find an electronic document image of the searched item(s) in the searchable UCC server database. Note: Details of the Copy Exception Report to be provided later. This is an electronic file that is reviewed by UCC staff, rather than a printed report.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will configure this report/file based on details to be discussed during Gap Analysis.
○ 1.162	The system will continue to provide basic UCC reports and statistics.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement. Tweaks to configuration for MDOS specific report requirements will be discussed during Gap Analysis.
○ 1.163	The system will permit the UCC internal users to replace an existing electronic document image, and attach the replacement electronic image to the existing index data.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The PCC solution will include a new feature being developed for other States called Office Correct. This will allow users to add images where missing, or replace an entire document image. Please note that it will NOT allow for the replacement or addition of individual pages of a document – the entire document would have to be re-scanned and replaced.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.164	The system will provide an option for a verification queue, that a UCC Administrator or UCC Supervisor can turn on or off for specific UCC internal users.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS clarified that this is no more than an ability to flag an inexperienced user as needing a validation or review of their entered work before it is committed. This will be handled by a separate queue which their work will be routed to and the assigned supervisor can review and commit the filings. The flag can be turned off for the user so that their work is no longer routed to the validation queue.
○ 1.165	The system will place all work that has been committed by the UCC internal user into a queue with a pending committed status, instead of actually committing the document image and data to the searchable UCC database, if the verification queue has been turned on for that user.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.166	The system will place all work that has been rejected by the UCC internal user into a queue with a pending rejected status, instead of actually rejecting the document image, if the verification queue has been turned on for that user.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.167	The system will permit the UCC Administrator or UCC Supervisor to access the verification queues to review the document images and document data.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.
○ 1.168	The system will permit the UCC Administrator or UCC Supervisor to route any pending documents back to the original user. The document must be open for editing/correction when returned to the original user.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Work Queue Component will be customized to meet this requirement based on details to be agreed upon during Gap Analysis.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.169	The system will permit UCC administrators to change the fee amounts for services without the need for changing the program code.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The solution includes configuration tables that the System Administrator can access to change the fees.
○ 1.170	The system will permit UCC administrators to add, edit or remove fee categories without changing the program code.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Our transaction maintenance allows administrators to manage the fees related to a filing type.
○ 1.171	The system will set a lapse date for every committed filing, based on the filing type and original filing date.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.172	The system will retain committed documents and data, and all related documents for the filing in the searchable UCC database, for a mandated minimum period of time (one year) past their lapse dates.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.173	The system will set the lapse date for a manufactured home filing at 30 years from the date of the original filing, unless the filing is terminated.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.174	The system will set the lapse date for regular financing statements at five years from the original filing date.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.175	The system will permit a regular financing statement to be continued (adding five years to the lapse date) during the six month window on or before the lapse date, regardless of whether the filing has already been terminated.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.176	The system will permit a regular financing statement to be continued repeatedly, as long as the continuation occurs in the six month window on or before the lapse date.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.177	The system will change the lapse date to an additional five years beyond the current lapse date, if a regular filing is continued in the six month window on or before the lapse date. Only the first continuation in the window will advance active status by five years. The system will not allow more than one continuation within the six month window.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's business rules will need to be configured to comply with this requirement. Currently multiple continuances are not allowed/necessary.
○ 1.178	The system will set the lapse date for Transmitting Utility filings to be indefinite until terminated (does not lapse).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.179	The system will set the lapse date of an IRS Tax Lien to be ten years plus 60 calendar days from the date of the original filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.180	The system will permit an IRS Tax Lien to be refiled (continued) repeatedly, at any time, as long as the continuation occurs on or before the lapse date, regardless of whether the IRS Tax Lien has been released (terminated).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.181	The system will change the lapse date to an additional ten years plus 60 days from the current lapse date, if an IRS Tax Lien is refiled (continued).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.182	The system will set the lapse date for an IRS Estate Tax Lien to be indefinite (no lapse date) until released (terminated) by the IRS.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.183	The system will set the lapse date of a Michigan Department of Treasury (Treasury) or Michigan Insurance Agency (UIA) Tax Lien to be seven years plus 60 calendar days from the date of the original filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.184	The system will permit a Treasury or UIA Tax Lien to be refiled (continued) repeatedly, at any time, as long as the refiling occurs on or before the lapse date, regardless of whether the Treasury or UIA Tax Lien has been released (terminated).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.185	The system will change the lapse date to an additional seven years plus 60 days from the current lapse date, if a Treasury or UIA Tax Lien is refiled (continued).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.186	The system will set the lapse date for all other documents not described to the default lapse period of five years from the filing date, unless continued.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.187	The system will permit UCC Administrators or UCC Supervisors to set or change the retention period for classes of filings without requiring additional code or programming changes.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.188	The system will retain all tax liens that are no longer part of the UCC searchable database, so UCC internal users can search, locate, and use the electronic document images.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.189	The system will be capable of handling special characters.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.190	The system will permit UCC internal users to select and update the certification date of records, after all the filings through a particular business day are processed. Note: the certification date is just a statement that all work received by 5:00 PM of the certification date has been processed.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.191	The system will permit UCC internal users to print documents on demand.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.192	The system will permit UCC internal users to schedule documents to be printed in batches at a later time. For example, Debtor Notices are printed after normal business hours so that they are not mixed in with other work, and do not slow down the workflow.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement. Necessary batch jobs will be configured and placed in the Windows Scheduler based on rules and timings to be agreed to during Gap Analysis.
○ 1.193	The system will store search request images for at least 30 days so that internal staff can search for, review and print or email the documents.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement. How long the monthly image files will remain available to either the external user for purchase or for the system administrator has not been determined, but should not matter.
○ 1.194	The system will limit access to the system to authorized staff, using industry standard methods (such as user IDs and passwords).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.195	The system will track which user performed each transaction.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.196	The system will compress (e.g., ZIP) jobs for long term storage after the job is older than six months.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Complete business rules for how, where, and for how long monthly files are stored and available will be determined during Gap Analysis and maximized for the future-state environment as needed.
○ 1.197	The system will include the indexable information (currently .CJD extension) of both filings and searches in the compressed job.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Complete business rules for how, where, and for how long monthly files are stored and available will be determined during Gap Analysis and maximized for the future-state environment as needed.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.198	The system will include the document image of filings only (currently .FDF extension) in the compressed job.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	While the PCC solution also allows for providing the actual data in CSV format, MDOS has indicated this is unnecessary.
○ 1.199	The system will process Counter Filings (UCC Filings received in person, over the counter) as follows:		
<u>1.199.1</u>	The system will permit UCC staff to scan a document into a separate Counter queue.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.199.2</u>	The system will enumerate the original document using the standard enumeration schema.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.199.3</u>	The system will permit UCC internal staff to access the Counter queue and process or reject the electronic images. Note: Counter filings will be processed in the same manner as Mailed filings, except for the use of a different queue.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.200	The system will process Tax Liens as follows:		
<u>1.200.1</u>	The system will check each business day for Tax Lien filings.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC agreed during negotiations to work with the MDOS during Gap Analysis to identify the best process for the agencies involved, with the assumption that there would be less than ten variations of filings, and they are fairly simple in that only very basic data is stored and the image itself is where any details can be viewed.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>1.200.2</u>	The system will determine whether the submitter is the IRS, Treasury or UIA.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Would be based on the role accessing the system and the selected form type.
<u>1.200.3</u>	The system will enumerate each Tax Lien filing using the standard enumeration schema (four digit current year, six digit sequence number, hyphen, and check digit).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.200.4</u>	The system will create an electronic document image using the enumerated Tax Lien filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.200.5</u>	The system will commit the index data and electronic document image of the Tax Lien filing to the UCC searchable database, unless the Tax Lien filing is incomplete or is an amendment to a lapsed lien.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.200.6</u>	The system will create an electronic Acknowledgment Packet, unless the Tax Lien filing is incomplete or is an amendment to a lapsed lien.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.200.7</u>	The system will place the electronic Acknowledgment Packet in a location and manner such that only the submitting agency can view and retrieve the packet. This is an enhancement to the current system.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Digital Mailbox complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>1.200.8</u>	The system will reject a Tax Lien filing that is incomplete or is an amendment to a lapsed lien.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.200.9</u>	The system will create an electronic Rejection Notice for any Tax Lien filing that is rejected.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Digital Mailbox complies with this requirement.
<u>1.200.10</u>	The system will place the electronic Rejection Notice in a location and manner such that only the submitting agency can view and retrieve the packet. This is an enhancement to the current system.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Digital Mailbox complies with this requirement.
o 1.201	The system will process UCC Web Filings and perform Searches as follows:		
<u>1.201.1</u>	The system will process items from UCC Online shopping carts.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution's Online Filing and payment modules will be customized to comply with the basic shopping cart functionality contained in the current MDOS system.
<u>1.201.2</u>	The system will enumerate each UCC Online filing using the standard enumeration schema (four digit current year, six digit sequence number, hyphen, and check digit).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.201.3</u>	The system will create an electronic document image using the enumerated UCC Online information.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>1.201.4</u>	The system will commit the index data and electronic document image of the UCC Online filing to the UCC searchable database.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.201.5</u>	The system will perform any Searches that were in the UCC Online shopping cart, using the criteria and conditions established by the customer.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.201.6</u>	The system will create an electronic Acknowledgment Packet, unless the UCC Online filing is an amendment to a lapsed filing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.201.7</u>	The system must allow for a customer who does not have a billing account on file to pay for web filings, and/or searches by credit card (interface with CEPAS) before the services are provided.		
<u>1.201.8</u>	The system will place the electronic Acknowledgment Packet in the customer's order history for the customer to retrieve.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
o 1.202	The system will provide a Subscription Service. Subscription Service requirements include the following:		



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>1.202.1</u>	The system will provide a subscription service for customers to obtain bulk UCC images.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.202.2</u>	The system will confirm that the subscription customer has a billing account on file before providing subscription services, and charge that billing account for the services provided.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.202.3</u>	The system will require any subscription customer who does not have a billing account on file to pay for subscription services by credit card (interface with CEPAS) before the services are provided.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.202.4</u>	The system will meet all State standards and requirements for a secure web site that subscription customers can remotely access. As the State is hosting the system, the State will purchase and provide the URL,	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
<u>1.202.5</u>	The system will require the subscription customer to enter or select a beginning and an ending date for the filings that are desired.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement. The PCC solution currently provides data in pre-packaged batches by Month, so subscription periods will be limited to dates encompassing full packages (i.e. if monthly, then valid subscription period would be Jan 1 – February 28, or July 1 – December 31).
<u>1.202.6</u>	The system will default the beginning date to the first day of the immediately previous month, and the ending date to the first day of the current calendar month.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement. Default dates can only be changed to valid available batch begin and end dates.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>1.202.7</u>	The system will search for and deliver all filings within the requested dates and deliver them to the secure location, so that only the requesting subscription customer may retrieve the filings.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement, with the assumption that requested dates will encompass full pre-configured batch dates.
<u>1.202.8</u>	The system will include all new filings from 12:01 AM of the beginning date through 12:01 AM of the ending date.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement, with the assumption that requested dates will encompass full pre-configured batch dates.
o 1.202.9	The system will be accessible 24x7x365 to UCC customers through the current web interface (UCC Online), or an alternative integrated online solution able to handle, at a minimum, the current peak concurrent user volume.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
o 1.202.10	The system will purge images that are not transmitting utilities or tax liens and have not had any activity for more than 15 years.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement
HARDWARE			
o 1.203	The system will consist of servers that are hosted by the SOM.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.204	The system will consist of a development and a test environment that mirrors the production environment, capable of making software modifications and testing new releases of the system and if needed, able to act as a temporary back-up to the production system.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement
○ 1.205	The system will utilize VM (Virtual Machine). Note regarding IT Enterprise Standard Products: Specific products are identified as Enterprise IT standards for the State. All product standards are reviewed, at a minimum, every two years. The currently standard products are found at: http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement
<u>SOFTWARE</u>			
○ 1.206	The system will be 64-bit compatible or better.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement
○ 1.207	The system must be operating system neutral, able to function on any current platform (such as a web-based system).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement
○ 1.208	The system will be compatible with Internet Explorer (IE) 11 or higher version, and the latest versions of Firefox, Chrome, and Safari.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
o 1.209	The system will comply with IT eMichigan Web Development Standards. The current standards are found at http://www.michigan.gov/documents/som/Look_and_Feel_Standards_302051_7.pdf	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement
o 1.210	The system will be written utilizing SOM standard software and tools per Section 1.003, Policies, Standards And Procedures.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement
o 1.211	The application will be able to maintain compatibility with current and future versions of operating systems and browsers.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement
o 1.212	The Contractor will provide the state with unlimited rights to use the UCC software, without the need to purchase additional licensing.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement. See Software License Agreement as Exhibit A of the Contract for Terms and Conditions.
o 1.213	The Contractor must provide the State ownership of all source code and licenses of third party tools related to the modernized UCC system. This includes all updates to the code, for both client and server (if client-server configuration), through contract's end. If using server and client versions of software, all versions must match.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	Please refer to Section 1.xx of this SOW, the Contract, Exhibit B– Escrow Agreement, and ExhibitA – Software License Agreement for terms and conditions of source code ownership and intellectual property limitations.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
PROJECT PLANNING AND REPORTING			
○ 1.214	The Contractor will follow the State of Michigan SUITE and Project Management Methodology (PMM). PMM and SUITE standards are provided via the following link: http://www.mi.gov/suite . The Contractor must use Microsoft Project 2013.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC agrees to this requirement with the exception that MDOS/DTMB has agreed to work with PCC to incorporate existing templates or processes, including the consolidation of certain deliverables, where the intent of the PMM and SUITE standards are met.
○ 1.215	The Contractor will utilize Changepoint, or equivalent automated tool that produces equivalent reports. Standard project information including project control and report information will be prepared and entered into Changepoint weekly throughout the life of the project. At a minimum, each progress update in Changepoint will contain the following items:	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	Based on contract negotiations, MDOS/DTMB has excluded this project from the requirements of Changepoint. Any necessary interaction in Changepoint will be the sole responsibility of the DTMB PM.
<u>1.216</u>	The Contractor will enter Time: Indicate the amount of time each contractor resource has used in the current reporting period. Where staff has a monthly billing rate this may include a fraction to reflect partial months worked and where the staff is billed by hour, the total number of hours expended during the past month. Time reports can be obtained from Changepoint to verify billing invoices.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	Based on contract negotiations, MDOS/DTMB has excluded this project from the requirements of Changepoint. Any necessary interaction in Changepoint will be the sole responsibility of the DTMB PM.
<u>1.217</u>	The Contractor will enter Accomplishments: Indicate what was worked on and what was completed during the current reporting period. This information is available via the Changepoint Project 4UP report.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	Based on contract negotiations, MDOS/DTMB has excluded this project from the requirements of Changepoint. Any necessary interaction in Changepoint will be the sole responsibility of the DTMB PM.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>1.218</u>	The Contractor will enter Planned Tasking: Project task schedules will be created/updated in Changepoint (Project Worksheets) along with activities to be accomplished during the next reporting period. Project Milestone and accomplishment information is available via the Changepoint Project 4UP report.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	Based on contract negotiations, MDOS/DTMB has excluded this project from the requirements of Changepoint. Any necessary interaction in Changepoint will be the sole responsibility of the DTMB PM.
<u>1.219</u>	The Contractor will enter Issues: Create/update, in Changepoint, major project issues/risks/change requests, real or perceived, and recommend resolutions. Corrective Action Plans will also be created/updated in Changepoint when a project status goes yellow or red. Reports are available in Changepoint for these items.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	Based on contract negotiations, MDOS/DTMB has excluded this project from the requirements of Changepoint. Any necessary interaction in Changepoint will be the sole responsibility of the DTMB PM.
o 1.220	The Contractor will supply project status reports to the SOM project managers at least weekly; or more frequently if requested by SOM (such as during issue resolution).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will provide standard weekly project reporting in a Microsoft Office-based template.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<ul style="list-style-type: none"> ○ 1.221 	<p>The Contractor will provide a Monthly Executive Project Control Report, and as requested by SOM, throughout the life of this project. Each report will contain the following at a minimum:</p> <ol style="list-style-type: none"> 1. Hours: Indicate the total hours, to date, for the project. Also state whether the remaining hours are sufficient to complete the project. 2. Accomplishments: Indicate what was worked on and what was completed during the current reporting period. 3. Issues and Risks: Identify all issues, risks and change controls that have occurred on the project. 4. Funds: Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>PCC will provide standard monthly executive steering committee reporting in a Microsoft Office-based template.</p>
<ul style="list-style-type: none"> ○ 1.222 	<p>The Contractor will conduct business requirement validation sessions.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>PCC uses Gap Analysis sessions with MDOS SME's to validate requirements and document required changes.</p>
<ul style="list-style-type: none"> ○ 1.223 	<p>The Contractor will conduct technical requirement validation sessions.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>PCC Technical leads will work with MDOS and DTMB technical leads as necessary for finalizing the TDD, Data Conversion Scripts, Configuration Management Plans and ongoing system maintenance protocols.</p>
<ul style="list-style-type: none"> ○ 1.224 	<p>The Contractor will conduct formal walkthroughs and signoff sessions.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>PCC provides walkthroughs of all major deliverables and each released development segment prior to review and signoff by the State.</p>



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.225	The Contractor will conduct a project kick-off meeting within 30 business days from award of contract. The meeting will outline the proposed approach, including but not limited to the following: an overview of the proposed solution, project plan, project schedule, Contractor and State resources and responsibilities, risk mitigation plan, and etc. The meeting will be held in Lansing, Michigan, at a date and time mutually acceptable to the State and the Contractor.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.226	The Contractor will conduct a project lessons learned meeting after implementation and final signoff session.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.227	The Contractor will conduct all project meetings at SOM offices.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS has agreed that certain meetings may be accomplished through Web and or Telephone Conference where agreed to by PCC and MDOS PM.
○ 1.228	For all meetings, the Contractor will provide an agenda, specific objectives, and minutes thereafter.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.229	The Contractor will provide written meeting minutes for all project-related meetings within 48 hours throughout the life of the project.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>APPLICATION DESIGN</u>			
○ 1.230	The Contractor will conduct review/validation sessions and ensure a mutual understanding of the requirements, business workflow, business needs, and required system functionality.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC uses Gap Analysis sessions with MDOS SME's to validate requirements and document required changes.
○ 1.231	The Contractor will provide a Requirements Traceability Matrix, as required by SUITE.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.232	The Contractor will provide Requirements Review Report.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The report will be limited to Meeting Minutes from the review meeting(s).
○ 1.233	The Contractor will provide a Business Workflow Document.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This requirement will be met through the Functional Requirements Document included in the proposed Implementation Plan in Section 1.300 above.
○ 1.234	The Contractor will provide a System Concept-of-Operations Document.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This requirement will be met through the Functional Requirements Document included in the proposed Implementation Plan in Section 1.300 above.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.235	The Contractor will provide a Solution Plan.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This requirement will be met through the Functional Requirements Document included in the proposed Implementation Plan in Section 1.300 above.
○ 1.236	The Contractor will provide a Storage Plan including, but not limited to, network and physical locations, storage requirements, images, backup images, short term, long term and compression scheme.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This requirement will be met through the Technical Design Document included in the proposed Implementation Plan in Section 1.300 above.
○ 1.237	The Contractor will provide a Development Specifications Document.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This requirement will be met through the Technical Design Document included in the proposed Implementation Plan in Section 1.300 above.
○ 1.238	The Contractor will provide an Interface Specifications Document. Expected interfaces are listed in 1.004, Proposed Environment section.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This requirement will be met through the Technical Design Document included in the proposed Implementation Plan in Section 1.300 above.
○ 1.239	The Contractor will provide a Data Conversion Specifications Document.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This requirement will be met through the Data Design and Mapping Document included in the proposed Implementation Plan in Section 1.300 above.
○ 1.240	The Contractor will provide a Use Cases Document.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	As a COTS solution, the Functional Requirements Document included in the proposed Implementation Plan in Section 1.300 above is based on the Use Case concept but will not adhere to a full, traditional business Use Case Document.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.241	The Contractor will provide all required SUITE Documentation.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS has agreed that existing or consolidated PCC templates and deliverables that meet the intent of the SUITE process will be agreed to by the MDOS and PCC PM.
○ 1.242	The Contractor will provide an approved draft of the DTMB-170, with the vendor portion completed and accepted by Michigan Cyber Security (MDC), before acceptance of the design.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement as applicable.
○ 1.243	The Contractor will provide MI UCC with a system utilizing a state standard for database (preferably SQL 2012 or higher version of the database).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. SQL Server 2012 or 2014 are both acceptable.
○ 1.244	The system will provide production and development images that are 300 dpi. TIF and stored on FileNet.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.245	The application will be written utilizing Object Oriented Programming design.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Standard feature of the proposed solution. PCC uses the MVC design pattern.
○ 1.246	The system will provide functionality to perform bulk filing and bulk searching.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement based on functional assumptions in requirements above.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.247	The system will provide functionality for the business user to perform bulk downloading of images from the images repository.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement based on functional assumptions in requirements above.
○ 1.248	The system will provide data and image backups performed during non-business hours. Normal business hours are defined in Appendix A.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC assumes DTMB will have complete responsibility for all backup and restore tasks.
○ 1.249	The system will enumerate future documents received using the current and future MI UCC numbering rules.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.250	The system will provide a method for compression or reduction of specific file type sizes for long term storage.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC is accessing and storing images in FileNet. Compression, archiving and purging would be the responsibility of DTMB or the FileNet Administrator. PCC will configure the solution to limit application access to records that are no longer accessible based on role and business rules.
○ 1.251	The Contractor will provide a single business solution that operates in the Department's technical environment and either integrates with the current public-facing web solution for filing and searching or provides an integrated web solution with enhanced functionality.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. We are proposing to replace the UCC Online components.
○ 1.252	The system will provide long-term archiving as follows:		



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>1.252.1</u>	... automate movement of images from short-term storage to long-term storage servers (if the solution uses short-term/temporary and long-term/permanent storage).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC is accessing and storing images in FileNet. No requirements for moving images by our application is anticipated.
<u>1.252.2</u>	... create a copy of each new filing each month, for subscription customers (ability to burn to optical disk for mailing, or make available via a web service), in a standard format (currently .TIF images).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement based on functional assumptions in requirements above (specifically around the concept of pre-configured periodic files vs. ad-hoc date ranges).
o 1.253	The system will automate back-up and disaster recovery of job and filing information.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC's backup and recovery recommendations include processes for daily incremental backups and periodic full backups of each server in the production environment. All data (UCC data, filing images, archival data, attribute data, and configuration data) across the proposed system would be included in the backup strategy. In addition to this, the UCC data will be archived and purged based on the retention rules defined by Secretary of State. The responsibility for the technical and procedural backup, recovery, and archival processes will be with DTMB or MDOS.
o 1.254	The Contractor will adhere to recommended UCC best practices as adopted in other States and procedures that will enable the most efficient use of the system.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
o 1.255	The system will provide administrative business-user monitoring tools to identify a problem area when the system has a processing problem.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.256	The contractor will provide an “n-tier” or similar modular architecture solution.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
APPLICATION DEVELOPMENT			
○ 1.257	The Contractor will provide MI UCC with an application written in a state standard (C# and/or .NET – MVC framework, SQL Server 2012).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. We use C#.Net with MVC framework and SQL Server 2012+.
○ 1.258	The Contractor will provide the SOM with all application objects and source code at the end of the project.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Please refer to Section 1.xx of this SOW, the Contract, Exhibit B – Escrow Agreement, and Exhibit A – Software License Agreement for terms and conditions of source code ownership and intellectual property limitations.
○ 1.259	The Contractor will provide SOM with system documentation in both static (e.g., paper or un-editable PDF) and editable electronic formats.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.260	The Contractor will conduct a full code review with MDTMB staff.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	As a COTS Solution this would be limited to conceptual design standards included in the TDD. Full code review and knowledge transfer options are included in the optional source code purchase price in the cost proposal.
○ 1.261	The Contractor will provide updates, if any, to development standards.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>DATA CONVERSION / MIGRATION</u>			
○ 1.262	The Contractor will provide a Data Migration Plan.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.263	The Contractor will migrate all UCC data and images from the existing UCC system to the modernized UCC system. The volumes are listed in 1.003, UCC Unit Performance Standards.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement with the exception that actual images are remaining in FileNet.
<u>INTERFACES</u>			
○ 1.264	The system will successfully integrate with existing applications before final acceptance. For example, see Appendix G for integration with the current ARS system and Appendices I and J for future integration.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.265	The system will interface with ARS – Accounts Receivable System.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.266	The system will interface with the current UCC Online <u>or</u> provide an integrated web solution with enhanced functionality.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. We are proposing to replace the UCC Online components.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.267	The system will interface with SIGMA.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	MDOS/DTMB have clarified that direct SIGMA integration will not be a requirement for UCC.
○ 1.268	The system will interface with MS Office 365 (Outlook 2013 version or higher) to enable UCC Staff to send completed UCC job information to Customers. This is currently called the Customer Response tool macro.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS confirmed that Office 365 integration is not necessary. They need a way to communicate with customers via email, share documents and provide reporting. These are all standard features of the Web-based solution. Any files generated in Office formats should be compatible with Office 2003 and above.
○ 1.269	The system will interface with MS Office 365 (Outlook 2013 version or higher) to enable UCC Staff to identify customer requested documents that are not electronically available. This functionality is currently provided via the Copy Exception Report macro.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS confirmed that Office 365 integration is not necessary. They need a way to communicate with customers via email, share documents and provide reporting. These are all standard features of the Web-based solution. Any files generated in Office formats should be compatible with Office 2003 and above.
<u>INTEGRATION</u>			
○ 1.270	The system will integrate with a current MDTMB image and content management standard for document storage and retrieval (currently FileNet). See 1.003, Policies, Standards And Procedures.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
<u>TESTING</u>			
○ 1.271	The Contractor will follow SOM testing guidelines as defined in section 1.003, Policies, Standards And Procedures.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.272	The Contractor will provide a Test Plan.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.273	The Contractor will provide Test Scripts.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.274	The Contractor will perform a Quality Assurance test cycle.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.275	The Contractor will assist with a User Acceptance test cycle.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.276	The Contractor will perform validation testing: . . . The Contractor will perform testing, log, and resolve defects prior to transferring the system and use cases to SOM for validation. . . . SOM will test and log defects and return the information to the Contractor. . . . The Contractor and the SOM will repeat this cycle as needed.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
TRAINING & SYSTEM DOCUMENTATION			
○ 1.277	The Contractor will provide UCC staff with in-person end user and administrative training. This would involve approximately 10 business staff.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.278	The Contractor will provide MDTMB staff with in-person technical training related to implementation and maintenance of the new modernized UCC, including, but not limited to, establishing databases and interfaces, data conversion, data migration, customization, and upgrading the customized software. This would involve approximately 5 to 10 MDTMB staff.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.279	The Contractor will provide system administration training for State personnel who will be responsible for ongoing maintenance and administration of the system, including security. This would involve approximately 6 staff.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.280	The Contractor will provide SOM with user manual(s), training materials, Operations Manual, and related documentation for training UCC staff and MDTMB staff.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.281	If there are upgrades, new versions, release features, etc., to the system that affect end-user functionality, the Contractor will provide training and updated documentation at no additional cost throughout the warranty period and any purchased maintenance periods.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. Post-production training may be conducted via WebEx.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<ul style="list-style-type: none"> ○ 1.282 	<p>The Contractor must provide the following documentation:</p> <ul style="list-style-type: none"> a. User and Technical Manuals - Electronic and a minimum of two Hard Copies b. Data Element Dictionary c. Operations Manual d. All updates of documentation during the term of the Contract including the warranty period, software license and maintenance agreement 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>PCC will comply with this requirement.</p>
<ul style="list-style-type: none"> ○ 1.283 	<p>The Contractor will provide documentation for all modules and program development:</p> <ul style="list-style-type: none"> a. System-wide documentation and specifications b. Baseline End-User training manuals to be used as a basis for “User Manuals” and online help c. Installation procedure d. Module configuration documents sufficient for configuration maintenance purposes e. Testing scripts f. Specification documentation g. Production migration 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>PCC will comply with this requirement. Environment migration tasks are contingent upon remote access and DTMB procedures.</p>
<ul style="list-style-type: none"> ○ 1.284 	<p>The documentation of components, features, and use of the hardware/software must be detailed so that resolution of most problems can be determined from the documentation, and most questions can be answered.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>PCC will comply with this requirement.</p>



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.285	The Contractor will provide all training materials, training plans, user manuals, technical manuals, and other documentation in both static (e.g., paper or uneditable PDF) and editable electronic formats, and become the property of the SOM. Current tools are Microsoft Office products (Word, Excel, Visio, etc.).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.286	The Contractor will provide all documentation for systems, operations, users, changes and issues in a State-approved format that facilitates updating and allows for clearly identified revisions to the documentation, including the three (3) previous versions (if applicable).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.287	The Contractor must develop and submit to the State: system, operations, and user documentation that is complete, accurate, and timely. The Contractor must notify the State of any discrepancies or errors outlined in the system, operations, and user documentation.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
IMPLEMENTATION			
○ 1.288	The Contractor must implement according to the project management processes and plan requirements contained within this document and the SUITE standards.		.
<u>1.288.1</u>	The Contractor must obtain written approval from SOM prior to any implementations related to the modernized UCC system.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>1.288.2</u>	The Contractor will implement during non-business hours unless approved by SOM.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement, contingent upon remote access and DTMB procedures.
<u>1.288.3</u>	The Contractor will install all required software to be hosted by MDTMB.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement, contingent upon remote access and DTMB procedures.
<u>1.288.4</u>	The Contractor will follow existing SOM requirements once the new system is in production (e.g., Request for Change (RFC) process).	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
<u>SECURITY</u>			
○ 1.289	The Contractor will comply with SOM Cyber Security standards (e.g., encryption of payment or personally identifying data at rest and in transit) and adhere to all related standards as described within the Enterprise IT Security Policy and Procedures as described in Section 1.003, Policies, Standards And Procedures. Note: the UCC system contains no personally identifying information.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.290	The Contractor will follow PMM standards utilizing a Project Security and Assessment Plan. PMM and Suite standards are provided via the following link: http://www.mi.gov/suite .	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<ul style="list-style-type: none"> o 1.291 	<p>The Contractor will ensure that the system security model supports the system access of the MDOS UCC administrative, supervisory and clerical staff and tracked within the application. There are currently six levels of access to e-SOS:</p> <p>SYSADMIN – UCC Technical and Business Analysts SUPERVISOR – UCC Supervisor(s) SUPERUSER – Senior UCC Staff with complex Unit responsibilities LEADCLERK - Senior UCC Clerks with moderately complex Unit responsibilities UCCCLERKS - UCC Clerks without moderately complex Unit responsibilities LIMITEDTERM - Short-Term UCC Workers</p> <p>Please Note: Although an individual's access to e-SOS is severed when they leave the work area, the names of past UCC Staff will remain in the Staff App Groups table.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>The proposed solution complies with this requirement.</p>
<ul style="list-style-type: none"> o 1.292 	<p>The system will only permit users to access the UCC system after the user has logged in to the SOM network with their Active Directory credentials.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>The proposed solution complies with this requirement.</p>
<ul style="list-style-type: none"> o 1.293 	<p>The system will require a separate login for the UCC system, after logging in to the SOM Network. The UCC administrator(s) will have the ability to control which users have access. For password standards, see MDTMB Standard 1335.00.20.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>The proposed solution complies with this requirement.</p>



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.294	The system will allow the UCC administrator access to the MI UCC system and track system access/use/changes via audit tables within the application.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.295	The system will provide a means to identify fraudulent documents that may be uploaded and sent to the application via web interface.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS agreed during contract negotiations that most of these are only identifiable by human eye, but we agreed to provide a reference table for maintaining a list of keywords or symbols (i.e. \$) that configured business rules could check for in the collateral field and set a flag on the filing that would alert the admin to review. Other built-in business rules will be configured for specific fields such as date restrictions etc. based on Gap Analysis.
○ 1.296	The system will provide user error and security logs to the administrative user.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.
○ 1.297	The system will, at a minimum, comply with existing system audit abilities.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input checked="" type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS agreed that the ability to see who changed a record and when through the Ad-hoc Query Tool, along with the metrics and status reports we provide (with minor configuration) would be sufficient.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<ul style="list-style-type: none"> ○ 1.298 	<p>The Contractor will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards.</p> <p>Note regarding IT Enterprise Standard Products: Specific products are identified as Enterprise IT standards for the State. All product standards are reviewed, at a minimum, every two years. The currently standard products are found at: http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>The proposed solution complies with this requirement.</p>
DISASTER RECOVERY			
<ul style="list-style-type: none"> ○ 1.299 	<p>The system will comply with SOM Continuity of Business and Disaster Recover - Policy #1390 – located at: www.michigan.gov/documents/dmb/1390_00_281434_7.pdf?2013102903</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting 	<p>The proposed solution complies with this requirement.</p>
<ul style="list-style-type: none"> ○ 1.300 	<p>The Contractor will follow PMM standards utilizing a Business Continuity Plan. PMM and Suite standards are provided via the following link: http://www.mi.gov/suite.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting 	<p>As a State Hosted Solution the Business Continuity plan would be provided by DTMB. PCC can assist with any application-related return to operations procedures needed to update the plan.</p>
<ul style="list-style-type: none"> ○ 1.301 	<p>The Contractor will provide a final Disaster Recovery plan.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting 	<p>As a State Hosted Solution the Disaster Recovery plan would be provided by DTMB. PCC can assist with any application-related return to operations procedures needed to update the plan.</p>



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.302	The Contractor will complete a successful Disaster Recovery test drill before final acceptance.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	PCC will support a DTMB-led pre-acceptance drill as applicable.
TRANSITION SERVICES			
○ 1.303	The Contractor will transition knowledge to SOM Staff, from the beginning of the project, through the warranty period, and for any extended maintenance periods. This deliverable will be considered complete when MDOS, MDTMB, and Contractor staff all agree that SOM staff have sufficient knowledge to install, operate, and maintain the system.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	PCC's process inherently provides for standard training and knowledge transfer for system administration throughout the implementation period. Full technical knowledge transfer for transition to State-managed maintenance and support is priced as an optional line item in our cost proposal.
○ 1.304	The Contractor will provide code walkthroughs with MDTMB staff and related documentation, including user manuals, which the Contractor will update and maintain until the end of the warranty period and for any extended maintenance periods at no additional cost.	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	As a COTS Solution this would be limited to conceptual design standards included in the TDD. Full code review and knowledge transfer options are included in the optional source code purchase price in the cost proposal.
○ 1.305	The Contractor will provide UCC staff with training and related documentation, including user manuals, which the Contractor will update and maintain until the end of the warranty period and for any extended maintenance periods, at no additional cost.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	The proposed solution complies with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>PEFORMANCE AND RELIABILITY EVALUATION and WARRANTY</u>			
○ 1.306	The Contractor will provide a 90-day Performance And Reliability Evaluation (PARE) period, to begin the first business day after implementation.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.307	The PARE period will restart in accordance with the provisions in Section 1.101.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.308	The Contractor will provide a continuous warranty period, to begin the first business day after the successful conclusion of the PARE period. The SOM will select the Contractor's proposed warranty period (in Schedule C, Pricing) by the end of the PARE period.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. PCC is proposing a 90-day Warranty.
○ 1.309	The system (Contractor's solution) will maintain an uptime of 99.99999% availability, per Department of State required Service Levels agreed upon with MDTMB, during the warranty period.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Final uptime requirements and exclusions have been provided in the Contract.
○ 1.310	The Contractor will repair any defects and issues reported during the warranty period, regardless of at what point in the warranty period they were reported, and any defects resulting from repair of prior defects, at no additional cost to the SOM.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. A defect is identified as an explicit application error with a handled or unhandled exception, or an operation that is clearly in contrast with documented and approved requirements. Enhancements to working functionality that reasonably meets the intent of the documented requirement and any specifically documented rules is not considered a defect.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.311	The system will be accessible to UCC internal users & must be able to complete financing statements and information requests, at the same speed or faster than the existing system, during normal working hours M-F (8 a.m. to 5 p.m. ET), during the warranty period.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement, with the same exclusions for performance issues outside of PCC control as outlined in Section 1.101, F of this SOW.
○ 1.312	The Contractor will ensure compatibility with the State technical environment during the PARE and warranty periods, including compatibility with current software versions (database, server operating systems, etc.) and conformance to security standards.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.313	The Contractor will conduct all system maintenance, upgrades and changes outside of regular UCC business hours, during the PARE and warranty periods.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement, with the exclusion of the Test Environment, which may be updated at any time.
○ 1.314	The Contractor will provide support services during the PARE and warranty periods, within the Service Levels and Response times described in Schedule C, Maintenance and Support Services, including at a minimum: <ul style="list-style-type: none"> • Installation of upgrades • Resolution of defects 	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.315	The Contractor will comply with Information Technology Infrastructure Library best practices during the PARE and warranty periods.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<u>MAINTENANCE AND SUPPORT</u>			
○ 1.316	The Contractor will propose detailed maintenance and support agreements, with pricing for one, two and three year periods. Service levels will correspond to Schedule C, Maintenance and Support Services, commencing after the warranty period is fulfilled. There is no guarantee that the State will accept the proposed Maintenance and Support proposal.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. Annual Support and maintenance costs are outlined in our cost proposal.
<u>1.316.1</u>	All maintenance and support will be performed by qualified personnel who are familiar with the hardware/software.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
<u>1.316.2</u>	Calls for service will be returned in compliance with Schedule C, Maintenance and Support Services.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
<u>1.316.3</u>	Maintenance and support will be paid no less than on a monthly basis.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC charges an annual fee invoiced on the first day of each maintenance period.
○ 1.317	The Contractor will notify MDOS and MDTMB staff of any planned outages or system maintenance at least 10 business days in advance of the outage.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
<p><u>1.317.1</u></p>	<p>If the system includes a web interface for external customers, the system will be capable of displaying a status message during any outages (MDOS to provide text for the status message).</p>	<p><input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting</p>	<p>PCC will comply with this requirement.</p>
<p>o 1.318</p>	<p>The contractor will perform the following maintenance components to keep the system maintainable: Upgrades to the operating system or Database Management System (DBMS) software Modifications necessary because of expiring third party product end of life (e.g., Microsoft Operating System) Hardware, database, or application conversions that do not modify user functionality File moves (from one device to another) due to hardware swaps One time loads or reformats of user data (due to upgrades) Maintain and support Disaster recovery plan and activities</p>	<p><input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting</p>	<p>Server or operating system upgrades and configuration, file storage location moves, disaster recovery and other environment maintenance activities in a State-hosted solution would be the responsibility of DTMB. PCC will ensure that the application can operate as expected following any pre-planned updates, and support any data conversions or updates based on requested repairs or enhancements where this effort was included in the request/estimate.</p>



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
SUPPLEMENTAL SERVICES (Future Enhancements and/or Legislative Mandates)			
○ 1.319	Any supplemental services to be provided will be added via the Contract Change Notice process managed by MDTMB Procurement. Actual funding for supplemental services will occur on a yearly basis. There is no guarantee of funding to meet new requirements that may result from any or all of the following examples: a) Legislative changes b) New State policy requirements, c) New technology requested by the State.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. We provide a standard number of maintenance hours in our fixed annual fee that can be used for these purposes. Additional hours are available at the published rate card.
○ 1.320	The system will comply with current Michigan UCC laws.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.321	The system will have an interface to SIGMA or a similar finance/accounting system or any other interfaces necessary to meet the needs of the State.	<input type="checkbox"/> Yes: with no changes <input checked="" type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	MDOS/DTMB have clarified that direct SIGMA integration will not be a requirement for UCC. We will interface with the current accounting system.
ISSUE/RISK/CHANGE MANAGEMENT			
○ 1.322	The Contractor will follow PMM standards utilizing a Project Issue Log.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement. We use an online issue log known as TAS.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.323	The Contractor will follow PMM standards utilizing a Project Risk Log, and providing a resolution escalation process.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.324	The Contractor will follow PMM standards utilizing a Project Change Request process.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
PLANS (utilizing Microsoft Office 2013 tools)			
○ 1.325	The Contractor will create/update a: Corrective Action Plans 1.227.4 Data Migration Plan 1.270 Project Plan Project Schedule 1.334 Project Security and Assessment Plan 1.298 Risk Management Plan 1.340 Risk Mitigation Plan 1.340 Solution Plan 1.243 Training Plan 1.347	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> No: not meeting	MDOS/DTMB agreed that some changes in format or process may be altered as long as the function and intent of the documentation is maintained and agreed to by both parties.
○ 1.326	The Contractor will create/update a Project Schedule.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.327	The Contractor will create/update a Performance Plan	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.328	The Contractor will create/update a Functional and System Design, including text and flow charts or diagrams.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement through our FRD deliverable.
○ 1.329	The Contractor will create/update an Implementation Plan, which will include Contingency and Installation procedures in accordance with SUITE.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.330	The Contractor will assist MDTMB staff in completing an Enterprise Architecture (EA) Solution Assessment (EASA) Worksheet	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Included in a later section of this SOW.
○ 1.331	The Contractor will create/update a Disaster Recovery Plan	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	As a State Hosted Solution the Disaster Recovery plan would be provided by DTMB. PCC can assist with any application-related return to operations procedures needed to update the plan.
○ 1.332	The Contractor will create/update an Issue/Risk Management Plan and a Risk Mitigation Plan	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Provided for within PCC's Project Initiation Document Deliverable.
○ 1.333	The Contractor will create/update a Change Management Plan	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	Assume this to be Scope Change and not Organizational Change Management, and thus provided for within PCC's Project Initiation Document Deliverable.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.334	The Contractor will create/update a Transition Plan	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	The transition plan would be a deliverable provided as part of full knowledge transfer, in the event MDOS opts to purchase the source code.
○ 1.335	The Contractor will create/update a Knowledge Transfer Plan	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input checked="" type="checkbox"/> No: not meeting	PCC is proposing transition to a State-maintained solution as a separate and optional line item. Until executed, the standard training tracts for system administrators, users and IT administrators includes sufficient knowledge transfer.
○ 1.336	The Contractor will create/update a Test Plan	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.337	The Contractor will create/update a Warranty Plan	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	This is represented by the PCC Service Level Agreement provided as Schedule B, of the Contract.
○ 1.338	The Contractor will create/update a Data Conversion Plan	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.339	The Contractor will create/update a Training Plan	<input type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.340	The Contractor will provide a walkthrough of each plan, within 5 business days of delivering the finalized plan	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.341	The Contractor will obtain customer signoff for each finalized plan within 3 business days of the walkthrough	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC agrees with this requirement.
ADDITIONAL DOCUMENTATION			
○ 1.342	The Contractor will provide all documentation related to the project, until the end of the warranty period and through any purchased ongoing maintenance and support period(s). Due dates for plans must be addressed in the preliminary project plan and the final approved plan, with review, correction, and approval times.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.343	The Contractor will assist with completion of the final MDTMB-170 Security Assessment.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.344	The Contractor will follow State of Michigan SEM phases, assist in providing documentation in both static (e.g., paper or un-editable PDF) and editable electronic formats for each SUITE phase. (See http://www.michigan.gov/documents/suite/SEM_Overview_Diagram_268244_7.pdf)	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement, with any necessary variations approved by the MDOS PM.



Specification Number	Specification	Contractor Commitment	Contractor Commitment Comments
○ 1.345	The Contractor will supply a Software Installation Guide for the modernized UCC system.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.
○ 1.346	The Contractor will provide a walkthrough and obtain approval/sign-off of the Software Installation Guide for the modernized UCC system.	<input checked="" type="checkbox"/> Yes: with no changes <input type="checkbox"/> Yes: by customizing <input type="checkbox"/> Yes: by configuring <input type="checkbox"/> No: not meeting	PCC will comply with this requirement.



Appendix D: Glossary

DEFINITIONS AND ABBREVIATIONS COMMONLY USED IN THIS DOCUMENT

ARS	Accounts Receivable System: part of a centralized receipts-processing system used by the Michigan Department of State, Finance Division, to record and track financial payments made to the agency.
BA	Business Analyst
Business Day, Normal Business Day	8:00 am – 5:00 pm, Monday thru Friday, excluding SOM holidays or days when SOM office locations at which the work to be performed are closed due to weather, natural disasters, power outages, fires, man-made disasters, and similar circumstances.
CEPAS	Centralized Electronic Payment Authorization System
DTMB	See MDTMB.
IACA	International Association of Commercial Administrators: a professional association for government administrators of business entity and secured transaction record systems at the state, provincial and national level in any jurisdiction which has or anticipates development of such systems. The IACA is responsible for promoting the model legislation and developing model rules and related specifications.
IMS	Information Management System (the current UCC application)
ITIL	Information Technology Infrastructure Library is a set of practices for IT service management that focuses on aligning IT services with the needs of business
Job	For mailed or in-person work, a job is typically all the documents that came in together in one envelope. UCC web jobs are submitted together in a single shopping cart. A job can consist of any combination of filings and/or searches.
MDOS	The Michigan Department of State; also referred to as SOS
MI UCC	State of Michigan Uniform Commercial Code
MDTMB	The Michigan Department of Technology, Management and Budget: the state agency that has the responsibility for technology and purchasing.
N-tier	N-tier architecture is typically composed of a GUI <i>presentation</i> tier, a <i>business</i> or <i>data access</i> tier, and a <i>data</i> tier.
PARE	Performance and Reliability Evaluation
PMM	Project Management Methodology
PPM	Project Portfolio Management
SEM	Systems Engineering Methodology
SIGMA	Statewide Integrated Governmental Management Applications
SOM or State	State of Michigan – includes MDTMB and MDOS for the purposes of this RFP and any awarded Contracts
SOS	The Secretary of State refers to the elected official and the Department (MDOS) overseen by the elected official.
SOW	Statement of Work
SUITE	State Unified Information Technology Environment
UCC	Uniform Commercial Code is the set of laws that govern the filing of financing statements to record security interests in collateral. This process is used to secure loans. The UCC also covers the searching of filed financing statements and tax liens.
UCC Office or UCC Unit	This is a generic term to refer to the work area and staff that completes the tasks and duties required by the UCC.
UCC Online	Web interface/channel providing public access to the UCC IMS.
UCC1	A national standard form used for original UCC filings.



UCC3	A national standard form used for amending a previous related UCC filing. This may be: adding, deleting, or changing information previously reported to the UCC Unit; an assignment (transferring the secured party's rights to another creditor); or a termination (ending the secured party's interest in the collateral, generally when the loan is satisfied).
UCC5	The information statement is a national standard form that notifies other parties of inaccuracies contained in the financing statement, but does not change any information on record.
UCC11	A search requests information on debtor name or document number, with or without copies. It can be limited by city or time parameters. Expedited service or a certification seal are also options.
Warranty Period	As used in this document, Warranty Period is a period following the PARE, after the system has been fully tested, accepted, and implemented during which the vendor will respond to and resolve any issues with the system, at no additional cost.



SCHEDULE B (Maintenance and Support Services)

31. Definitions. For purposes of this Schedule, the following terms have the meanings set forth below. All initial capitalized terms in this Schedule that are not defined in this **Section 31** shall have the respective meanings given to them in the Contract.

"**Contact List**" means a current list of Contractor contacts and telephone numbers set forth in the Contract to enable the State to escalate its Support Requests, including: (a) the first person to contact; and (b) the persons in successively more qualified or experienced positions to provide the support sought.

"**Error**" means any failure of the Software to operate in all material respects in accordance with the Specifications and, to the extent consistent with and not limiting of the Specifications, the Documentation, including any problem, failure or error referred to in the Service Level Table.

"**First Line Support**" means the identification, diagnosis and correction of Errors by the provision of the following Support Services by help desk technicians sufficiently qualified and experienced to identify and Resolve the State's Support Requests reporting these Errors: (a) telephone and email assistance; and (b) access to technical information on the Contractor's website for proper use of the Software.

"**Contract**" means the Contract to which this Schedule relates.

"**Out-of-scope Services**" means any of the following: (a) any services requested by the State and performed by Contractor in connection with any apparent Software Error that the State and Contractor agree in writing has been caused by a State Cause; and (b) any Second Line Support requested by the State and provided by an individual requested by the State whose qualification or experience is greater than that reasonably necessary to resolve the relevant Support Request, provided that an appropriately qualified or experienced individual was available at the time when the Second Line Support was sought.

"**Resolve**" and the correlative terms, "**Resolved**", "**Resolving**" and "**Resolution**" each have the meaning set forth in **Section [32.232.2](#)**.

"**Schedule**" means this Schedule X to the Contract.

"**Second Line Support**" means the identification, diagnosis and correction of Errors by the provision of on-site technical support at the State's premises by a qualified individual on the Contact List.

"**Service Credits**" means the service credits specified in **Section 35.1**.

"**Service Levels**" means the defined Error severity levels and corresponding required service level responses, response times, Resolutions and Resolution times referred to in the Service Level Table.



"**Service Level Table**" means the table set out in **Section 32.2**.

"**Severity Level 1 Error**" has the meaning set forth in the Service Level Table.

"**Severity Level 2 Error**" has the meaning set forth in the Service Level Table.

"**Severity Level 3 Error**" has the meaning set forth in the Service Level Table.

"**State Cause**" means any of the following causes of an Error, except, in each case, any such causes resulting from any action or inaction that is authorized by this Schedule or the Contract, specified in the then-current Specifications or Documentation, or otherwise authorized in writing by Contractor: (a) any grossly negligent or improper use, misapplication, misuse or abuse of, or damage to, the Software by the State; (b) any maintenance, update, improvement or other modification to or alteration of the Software made solely by the State; or (c) any use by the State of any Third-party Materials that Contractor has not provided or caused to be provided to the State.

"**State Systems**" means the State's information technology infrastructure, including the State's computers, software, databases, electronic systems (including database management systems) and networks.

"**Support Fees**" has the meaning set forth in **Section 33.1**.

"**Support Hours**" means system must be available 24 hours a day, seven days a week. Normal business hours are 8:00 am – 5:00 pm EST. Monday – Friday, excluding State holidays.

"**Support Period**" means the period of time beginning on the date the State has Accepted the Aggregate Software under the Contract and ending on the date the Contract expires or is terminated.

"**Support Request**" has the meaning set forth in **Section 34.1**.

"**Support Services**" means Contractor's support of the Software, including First Line Support and Second Line Support, but excluding any Out-of-scope Services.

"**Technical Contact**" has the meaning set forth in **Section Error! Reference source not found.**

"**Third-party Products**" means all third-party software, computer hardware, network hardware, electrical, telephone, wiring and all related accessories, components, parts and devices that Contractor has not provided or caused to be provided to the State under the Contract.

32. Support Services. Contractor shall perform all First Line Support, Second Line Support and other Support Services during the Support Hours throughout the Support Period in accordance with the terms and conditions of this Schedule and the Contract, including the Service Levels and other Contractor obligations set forth in this **Section 32**.

32.1 Support Service Responsibilities. Contractor shall:



- (a) respond to and Resolve all Support Requests in accordance with the Service Levels;
- (b) provide unlimited First Line Support to the State during all Support Hours by means of the telephone number [TELEPHONE NUMBER] and e-mail address [E-MAIL ADDRESS];
- (c) provide Second Line Support to the State in accordance with **Section 32.3**;
- (d) provide the State with online access to technical support bulletins and other user support information and forums, to the full extent Contractor makes such resources available to its other customers;
- (e) provide to the State all such other services as may be necessary or useful to correct an Error or otherwise fulfill the Service Level requirements, including defect repair, programming corrections and remedial programming; and

32.2 Service Levels. Response and Resolution times will be measured from the time Contractor receives a Support Request until the respective times Contractor has (a) responded to that Support Request, in the case of response time and (b) Resolved that Support Request, in the case of Resolution time. "**Resolve**", "**Resolved**", "**Resolution**" and correlative capitalized terms mean, with respect to any particular Support Request, that Contractor has corrected the Error that prompted that Support Request and that the State has confirmed such correction and its acceptance of it in writing. Contractor shall respond to and Resolve all Support Requests within the following times based on the State's designation of the severity of the associated Error, subject to the parties' written agreement to revise such designation after Contractor's investigation of the reported Error and consultation with the State:

Severity Level of Error	Definition	Required Service Level Response and Response Time	Required Service Level Resolution Time
1	<p>Business Critical Failures: An Error that:</p> <ul style="list-style-type: none"> (a) materially affects the operations of the State's business or marketability of its service or product; (b) prevents necessary work from being done; or (c) disables or materially impairs (i) any major function of the Software or (ii) the State's use of any 	<p>Level 1 Response:</p> <p>Contractor shall acknowledge receipt of a Support Request within Thirty (30) minutes.</p> <p>Level 2 Response:</p> <p>Contractor shall work on the problem continuously and:</p> <ul style="list-style-type: none"> (a) restore the Software to a state that allows the State to continue to use all functions of the Software in all material respects within Three (3) hours after the 	<p>Contractor shall Resolve the Support Request as soon as practical and no later than Three and a half (3.5) hours after Contractor's receipt of the Support Request.</p> <p>If the Contractor Resolves the Support Request by way of a work-around accepted in writing by the State, the severity level assessment will be reduced to a Severity Level of Error 2.</p>



	<p>major function of the Software.</p>	<p>Level 1 Response time has elapsed; and provide a Root Cause Analysis Report (RCA) within 5 days and</p> <p>(b) exercise best efforts to Resolve the Error until full restoration of function is provided.</p>	
<p>2</p>	<p>System Defect with Work-around:</p> <p>(a) a Severity Level 1 Error for which the State has received, within the Resolution time for Severity Level 1 Errors, a work-around that the State has accepted in writing; or</p> <p>(b) an Error, other than a Severity Level 1 Error, that affects operations of the State's business or marketability of its service or product.</p>	<p>Level 1 Response:</p> <p>Contractor shall acknowledge receipt of a Support Request or, where applicable, the State's written acceptance of a Severity Level 1 Error work-around, within Thirty (30) minutes.</p> <p>Level 2 Response:</p> <p>Contractor shall, within One (1) Business Days after the Level 1 Response time has elapsed, provide:</p> <p>(a) an emergency Software fix or work-around; or</p> <p>(b) temporary Software release or update release,</p> <p>(c) Root Cause Analysis (RCA) within 2 weeks,</p> <p>that allows the State to continue to use all functions of the Software in all material respects.</p>	<p>Contractor shall Resolve the Support Request as soon as practical and no later than One (1) Business Days after Contractor's receipt of the Support Request or, where applicable, the State's written acceptance of a Severity Level 1 Error work-around.</p>
<p>3</p>	<p>Minor Error:</p> <p>An isolated or minor Error in the Software that meets each of the following</p>	<p>Level 1 Response:</p> <p>Contractor shall acknowledge receipt of the Support Request within Thirty (30) minutes.</p>	<p>Contractor shall Resolve the Support Request as soon as practical and no later than Five (5) Business Days after Contractor's receipt of the Support Request and provide a</p>



	<p>requirements:</p> <p>(a) does not significantly affect Software functionality;</p> <p>(b) can or does impair or disable only certain non-essential Software functions;</p> <p>(c) does not materially affect the State's use of the Software; and</p> <p>(d) has no or no more than a minuscule effect on the operations of the State's business or marketability of its service or product.</p>		<p>Root Cause Analysis (RCA) within 2 weeks.</p>
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32.3 Escalation to Second Line Support. First Line Support for any Support Requests will be escalated to Second Line Support as follows:

(a) Contractor shall immediately escalate any Severity Level 1 Error Support Request to provide Second Line Support if Contractor has not resolved such Support Request within Thirty (30) minutes after the Level 1 Response time has elapsed.

(b) Contractor shall immediately escalate any Severity Level 2 Error Support Request to provide Second Line Support if Contractor has not resolved such Support Request within One (1) Business Days after the Level 1 Response time has elapsed.

Without limiting the foregoing, Contractor shall provide Second Line Support to the State within Thirty (30) minutes of its receipt of any State Request for such Second Line Support. Contractor shall ensure that all Second Line Support is provided by personnel designated in the Contact List who have the appropriate qualifications, skills and experience to fully and efficiently Resolve the State's Support Request within the Resolution time specified for such Support Request in the Service Level Table.

32.4 Escalation to Parties' Project Managers. If Contractor does not respond to a Support Request within the relevant Service Level response time, the State may escalate the Support Request to the parties' respective Project Managers and then to their respective Contract Administrators.



32.5 Time Extensions. The State may, on a case-by-case basis, agree in writing to a reasonable extension of the Service Level response or Resolution times.

32.6 Contractor Updates. Contractor shall give the State monthly electronic or other written reports and updates of:

- (a) the nature and status of its efforts to correct any Error, including a description of the Error and the time of Contractor's response and Resolution;
- (b) its Service Level performance, including Service Level response and Resolution times; and
- (c) the Service Credits to which the State has become entitled.

32.7 Time of the Essence. Contractor acknowledges and agrees that time is of the essence with respect to its performance under this Schedule and that Contractor's prompt and timely performance hereunder, including its performance of the Service Levels, is strictly required.



33. Fees.

33.1 Support Fees. In consideration of Contractor's performance of the Support Services in accordance with the terms and conditions of this Schedule and the Contract, the State shall pay to Contractor the fees set forth in the attached Schedule C (the "**Support Fees**"). Payment to Contractor of the Support Fees pursuant to this **Section 33.1** will constitute payment in full for the performance of the Support Services and the State will not be responsible for paying any other fees, costs, expenses or other charges for or in connection with the Support Services. The Support Fees set forth in this Schedule are firm and will not be modified during the Support Period.

33.2 Warranty Period. No Support Fees shall be owed to Contractor under this Schedule during the Warranty Period for the Software, as specified under the Contract, it being understood and agreed to by Contractor that Support Services during the Warranty Period are at Contractor's sole cost and expense. Service credit assessment and calculation during the warranty period will be equivalent to that outlined in this Maintenance and Support Services agreement.

34. Support Requests and State Obligations.

34.1 Support Requests. The State may request Support Services by way of a Support Request. The State shall classify its requests for Error corrections in accordance with the severity level numbers and definitions of the Service Level Table set forth in **Section 32.2** (each a "**Support Request**"). The State shall notify Contractor of each Support Request by e-mail or telephone or such other means as the parties may agree to in writing. The State shall include in each Support Request a description of the reported Error and the time the State first observed the Error.

34.2 State Obligations. The State shall provide the Contractor with each of the following to the extent reasonably necessary to assist Contractor to reproduce operating conditions similar to those present when the State detected the relevant Error and to respond to and Resolve the relevant Support Request:

- (i) direct access at the State's premises to the State Systems and the State's files, equipment and personnel;
- (ii) output and other data, documents and information, each of which is deemed the State's Confidential Information as defined in the Contract; and
- (iii) such other reasonable cooperation and assistance as Contractor may request.

35. Service Credits.

35.1 Service Credit Amounts. If the Contractor fails to respond to a Support Request within the applicable Service Level response time or to Resolve a Support Request within the applicable Service Level Resolution time, the State will be entitled to the corresponding service credits specified in the table below ("**Service Credits**"), provided that the relevant Error did not result from a State Cause.



Severity Level of Error	Service Credits For Response Time Service Level Failures	Service Credits For Resolution Time Service Level Failures
<p align="center">1</p>	<p>Level 1 Response</p> <p>An amount equal to 3% of the then current annual Support Fee for each hour by which Contractor's response exceeds the required Level 1 Response time.</p> <p>Response Time – Contractor will respond within 1 hour with either a work around, or plan of action for resolution.</p>	<p>An amount equal to 3% of the then current annual Support Fee for each hour by which Contractor's Resolution of the Support Request exceeds the required Resolution time.</p> <p>The 3% will be calculated per hour for every hour over 3.5 hours until a viable workaround is provided or the issue is resolved; with a cap of \$20,000 per year. The service credit will be deducted from future invoices for any products or services provided.</p>
<p align="center">2</p>	<p>Level 2 Response</p> <p>An amount equal to 1% of the then current annual Support Fee for each Business Day, and a pro-rated share of such percentage for each part of a Business Day, by which Contractor's response exceeds the required Level 2 Response time.</p>	<p>An amount equal to 1% of the then current annual Support Fee for each Business Day, and a pro-rated share of such percentage for each part of a Business Day, by which Contractor's Resolution of the Support Request exceeds the required Resolution time; with a cap of \$20,000 per year..</p>
<p align="center">3</p>	<p>No Service Credits are Available for Severity Level 3 Response Time Service Level Failures.</p>	<p>An amount equal to 1% of the then current annual Support Fee for each Business Day, and a pro-rated share of such percentage for each part of a Business Day, by which Contractor's Resolution of the Support Request exceeds the required Resolution time.</p>

35.2 Compensatory Purpose. The parties intend that the Service Credits constitute compensation to the State, and not a penalty. The parties acknowledge and agree that the State's harm caused by Contractor's delayed delivery of the Support Services would be impossible or very difficult to accurately estimate as of the Effective Date, and that the Service Credits are a reasonable estimate of the anticipated or actual harm that might arise from Contractor's breach of its Service Level obligations.

35.3 Issuance of Service Credits. Contractor shall, for each invoice period under the Contract, issue to the State, together with Contractor's invoice for such period, a written acknowledgment setting forth all Service Credits to which the State has become entitled during that invoice period. Contractor shall pay the amount of



the Service Credit as a debt to the State within fifteen (15) Business Days of issue of the Service Credit acknowledgment, provided that, at the State's option, the State may, at any time prior to Contractor's payment of such debt, deduct the Service Credit from the amount payable by the State to Contractor pursuant to such invoice.

35.4 Additional Remedies for Service Level Failures. Contractor's failure to meet the Service Levels for Resolution of any Severity Level 1 Errors or Severity Level 2 Errors, or any combination of such Errors, within the applicable Resolution time set out in the Service Level Table will constitute a material breach under the Contract. Without limiting the State's right to receive Service Credits under this **Section 35**, the State may at its option:

(a) use any previous version or release of the Software in which such Severity Level 1 or Severity Level 2 Error does not occur or can be worked around if the then-current Software exhibits an un-Resolved Severity Level 1 Error or un-Resolved Severity Level 2 Error, and Contractor shall perform all Support Services for such previous version or release until the Contractor Resolves such Severity Level 1 Error or Severity Level 2 Error for the then-current Software; and

(b) obtain such other remedies as may be available to it under this Schedule, the Contract or otherwise at law or in equity, including the right to terminate the Contract for cause in accordance with Section 15.1 of the Contract.

36. Communications. In addition to the mechanisms for giving notice specified in Section 30.12 of the Contract, unless expressly specified otherwise in this Schedule or the Contract, the parties may use e-mail for communications on any matter referred to herein.



37. Sample Calculations.

Severity Level of Error	Service Credits	Service Credits
	For Response Time Service Level Failures	For Resolution Time Service Level Failures
1	Level 1 Response An amount equal to 3% of the then current annual Support Fee for each hour by which Contractor's response exceeds the required Level 2 Response time.	An amount equal to 3% of the then current annual Support Fee for each hour by which Contractor's Resolution of the Support Request exceeds the required Resolution time.
	In this sample the PCC team took a total of 7 hours to respond and 8 to resolve the problem	.03 *\$90,000 ((Time in hours)7 - 3.5)= \$9,450
2	Level 2 Response An amount equal to 1% of the then current annual Support Fee for each Business Day, and a pro-rated share of such percentage for each part of a Business Day, by which Contractor's response exceeds the required Level 2 Response time.	An amount equal to 1% of the then current annual Support Fee for each Business Day, and a pro-rated share of such percentage for each part of a Business Day, by which Contractor's Resolution of the Support Request exceeds the required Resolution time; with a cap of \$20,000 per year.
	In this sample, the PCC team took a total of 7 hours to respond and 9 hours to resolve the problem; all time was within a business day	.01 *\$90,000 ((Time in hours within 9 hr business day)7 - 3.5) = \$3,150
3	Level 3 Response No Service Credits are Available for Severity Level 3 Response Time Service Level Failures.	An amount equal to 1% of the then current annual Support Fee for each Business Day, and a pro-rated share of such percentage for each part of a Business Day, by which Contractor's Resolution of the Support Request exceeds the required Resolution time.
	In this sample, the PCC team took a total of 12 hours to respond and fix the problem over the course of 2 days; 7 hrs the first day and 5 the second. The problem began at 10 am the first day and was resolved the second day at 1pm	A Total of \$3,150 + \$1,350 = \$4500
		Day 2 .01 *\$90,000 ((Time in hours within 9 hr business day)5 - 3.5)= \$1,350



**SCHEDULE C
(Pricing)**

Implementation Costs				
Milestone	Deliverables	Completion Date	Deliverable Cost	Hold Back Price
1. Integrated Project Plan and Schedule Completed	Detailed Project Schedule / Work Plan		\$6,400	\$5,818
	Final Project Management Plan		\$12,800	\$11,636
	Change Management Plan		\$6,400	\$5,818
	Risk Management Plan		\$6,400	\$5,818
	QA/Issue Management Plan		\$6,400	\$5,818
	Staffing Plan		\$6,400	\$5,818
	Communication Plan		\$6,400	\$5,818
2. Project Kickoff Completed	Kickoff Agenda Provided to Client PM		\$6,400	\$5,818
	Kickoff Meeting Completed with Pre-published Agenda		\$6,400	\$5,818
3. Gap Analysis Sessions Completed and Accepted	Gap Sessions		\$6,400	\$5,818
	Gap Analysis Document		\$44,800	\$40,727
4. Data Model and Database Design Completed and Accepted	Document Data Model Changes		\$12,800	\$11,636
5. Requirements Documents Completed and Accepted	Functional Requirements Document		\$38,400	\$34,909
6. Technical Design Documents	Division-specific Configuration		\$6,400	\$5,818
	Interface Plan		\$6,400	\$5,818
	HW/SW Needs		\$1,280	\$1,164
7: QA Plan Completed and Accepted	QA Plan – Draft Test Cases		\$25,600	\$23,273
8: Training Plan Completed and Accepted	Draft Training Plan		\$12,800	\$11,636
9: Environment Setup Completed	Setup and Configure Development Environments		\$12,800	\$11,636
10: Application Customization	Segment 1 Coding and Database Updates		\$128,000	\$116,364



Completed for Segment 1	Segment 1 Application Testing		\$32,000	\$29,091
	Segment 1 Application Demo		\$12,800	\$11,636
11: Application Customization Completed for Segment 2	Segment 2 Coding and Database Updates		\$128,000	\$116,364
	Segment 2 Application Testing		\$32,000	\$29,091
	Segment 2 Application Demo		\$12,800	\$11,636
12: Application Customization Completed for Segment 3	Segment 3 Coding and Database Updates		\$128,000	\$116,364
	Segment 3 Application Testing		\$32,000	\$29,091
	Segment 3 Application Demo		\$12,800	\$11,636
13: Data Conversion Plan and Scripts	Final Data Conversion Planning and Scripts Completed		\$25,600	\$23,273
	Data Conversion Tested and Approved		\$12,800	\$11,636
	UAT Ready Data		\$12,800	\$11,636
	Production Ready Data		\$12,800	\$11,636
14: User Acceptance Testing Completed and Accepted	Install/Configure/Test UAT Environment		\$25,600	\$23,273
	Final Test Plans		\$38,400	\$34,909
	Train UAT Testers and Other End Users		\$38,400	\$34,909
	Execute Test Plans, Support Issue Management and Track UAT and Performance Testing Results, Resolve Issues and Release Patches		\$128,000	\$116,364
15: Training Completed and Accepted	Finalize Training Guides, Exercises and Training Data		\$51,200	\$46,545
	User Training		\$51,200	\$46,545
16: Application Operational in Production and Signoff	Install Application for Production		\$38,400	\$34,909
	Test Production Install and Data		\$38,400	\$34,909
	Sign Off on Go-Live		\$25,600	\$23,273
	Project Close-Out Meeting		\$25,600	\$23,273
	Final Documentation and Meeting		\$5,120	\$4,655



	PARE (Holdback Release)		\$116,364	N/A
17: Warranty Close-out	Warranty Issue Tracking and Releases		N/C	
	Sign Off for Warranty		N/C	
Total Implementation Costs:			\$1,280,000	\$1,163,636



Operational Costs		
Item	Frequency	Cost
Cenuity Software License	One-Time, Perpetual– Due upon Contract Signing	\$500,000
Hosting and Managed Services	Monthly	N/A
Application Maintenance**	Annually– Due upon commencement of each annual period	\$90,000

** Based on SLA

Rate Card for Additional Services:	
Resource Type	Hourly Rate
Project Manager	\$160.00
Architect/Senior Application Developer	\$130.00
Business Analyst	\$130.00
Database Administrator	\$110.00
Junior Developer	\$105.00
Tester	\$80.00
Optional Additional Training or Onsite Support	\$1500/ per day



EXHIBIT A
SOFTWARE LICENSE AGREEMENT
PREAMBLE



In connection therewith, Licensor has agreed to license the Cenuity Licensed Software to Licensee for Licensee's use in its Department of State (MDOS) and such other offices as designated by Licensee throughout the State of Michigan (SOM).

1. Definitions.

For the purposes of this Software License Agreement ("License Agreement") only, the terms are as defined in this License Agreement. All other terms and definitions not defined in this License Agreement shall be as defined in the Contract. The Licensor and Licensee may be referred to collectively as the parties ("Parties") or individually as a party ("Party").

"Authorized SOM Users": All employees, agents, and third-party contractors of the Michigan Secretary of State, or others authorized by the State to use Licensor's product.

"Authorized Users": means Users as well as agents and contractors of the State of Michigan.

"Contract": Agency Standard Contract Form, and all attachments, which articulates the complete terms between the parties.

"Documentation": The user guides, manuals, specifications and associated documentation of Licensed Software for use by Licensee and Authorized Users in connection with the Licensed Software.

"Licensee": Michigan and all political subdivisions in the State of Michigan

"Licensed Software": The Cenuity software including but not limited to all fixes, releases, modifications and enhancements provided by the Licensor, but excluding Customization and development outside of the Cenuity software, and delivered to and accepted by SOM as of Final Acceptance. Licensed Software shall also include all third party software provided by Licensor to Licensee.

"Licensor": PCC Technology Group, LLC.

"Network": Multiple, interactive users connected to file-servers, multi-processing file-servers, or database file-servers, in which two or more users have common access to software or data.

"System(s)": [CENUITY SOLUTION] in the State of Michigan.

"Third Party Software": That certain series of computer software programs which are described in the Response but are proprietary to such third party and licensed directly to Licensee and has not been provided through Licensor.



2. License.

Subject to the terms and conditions of this License Agreement and the payment terms set forth in the Contract, Licensor grants to Licensee, a perpetual, royalty-free, non-exclusive and non-transferable license to: (i) use and execute the Licensed Software on a Network owned or leased and used by Licensee, Authorized SOM Users and Authorized Users at their facilities in connection with the operation of the System; and (ii) use the Documentation in conjunction with the use and operation of the of the System. The license granted to Licensee hereunder shall be a license to use the machine-readable object code only, excluding any source code.

3. Delivery and Installation.

Licensor shall install the Licensed Software in conjunction with the implementation and deployment of the System, all in accordance with the terms and conditions set forth in the Response and the Contract. Unless otherwise agreed in writing by the Parties, within five (05) business days after the date of this License Agreement or such other date as specified on the Contract, Licensor shall deliver to Licensee the Licensed Software and all Documentation. Licensor shall install the Licensed Software on the Network at Licensee's facilities, or such other facilities as designated by Licensee, provided that Licensee's computer hardware and Network environment (i) is operational at all times during which Licensor requires access to same during such period to perform installation activities; (ii) is made accessible to Licensor during all reasonable times requested by Licensor for the purpose of performing installation activities, and (iii) meets the specifications necessary to operate the Licensed Software as described in the Documentation and the Response. Licensee shall be solely responsible for acquiring and installing computer hardware and the appropriate environment for the Network. Procedures for the Acceptance of Licensed Software by Licensee are as provided in the Contract.

4. License Fees and Payment.

Licensee and Licensor agree that the cost within the Deliverable Schedule is inclusive of all licensing fees. The license granted in Section 2 of this License Agreement shall apply to Licensee, Authorized Users and Authorized SOM Users to use the Licensed Software on Licensee's network(s) in connection with preparation, deployment and/or implementation of the System.

5. Ownership - Copies.

(a) Except as otherwise provided in this License Agreement or Contract, all right, title and interest in and to the Licensed Software, Documentation or its enhancements or updates developed by Licensor and licensed to Licensee and the media on which the same are furnished to Licensee, and all copyrights, patents, trademarks, service marks and other intellectual property and proprietary rights relating thereto, are and shall remain with Licensor. Licensee is granted only a limited right of use Licensed Software as set forth herein, which right of use is subject to termination in accordance with Section 10 of this License Agreement.



(b) Except as provided in Section 12(f) below, Licensee is prohibited from distributing, transferring possession of, or otherwise making available the Licensed Software and Documentation to any person other than Authorized Users and Authorized SOM Users under the terms of this License Agreement and from installing the Licensed Software or its enhancements or updates for use on any workstation or computer not intended to be used to prepare, deploy or implement the System in any Licensee environment, including Production, Test, Development, and Disaster Recovery. Licensee shall advise all Authorized Users that they are prohibited from reproducing, distributing, transferring possession of or otherwise making available copies of the Licensed Software, Documentation, enhancements or updates and from using or installing the Licensed Software, enhancements or updates on any computer at any other location.



6. Confidential Licensor Information

(a) Definitions of and restrictions on the use of Confidential and Proprietary Information of the State are articulated in the Contract.

(b) Because of this License Agreement, both parties shall have access to confidential information ("Confidential Information"). Confidential Information of the Licensee shall be all information provided by Licensee, regardless of its availability through other sources and confidentiality status elsewhere, including but not limited to personal data of all individuals. Confidential Information of the Licensor shall include the Licensed Software and updates, including all source and object code of Licensed Software and Documentation related to such software. Confidential Information of the Licensor also includes information relating to the Licensor's business or financial affairs, such as financial results, business methods, pricing (other than for the Cenuity System), competitor and product information and all other information designated as confidential. The Confidential Information shall not include any information which (i) becomes part of the public domain through no act or omission of the other party; (ii) is lawfully acquired by the other party from a third party without any breach of confidentiality; (iii) is independently developed by the other party without breach of this License Agreement; (iv) is already known to the other party without obligation of confidentiality and other than by disclosure from the disclosing party; or (v) authorized to be disclosed under Michigan Statutes (The Michigan Public Records Law). The parties agree to maintain the confidentiality of the Confidential Information and to protect any portion of the Confidential Information by preventing any unauthorized copying, use, distribution, installation or transfer of possession of such information. Without limiting the generality of the foregoing, Licensee shall not permit any personnel or Authorized User to remove any proprietary or other legend or restrictive notice contained or included in any material provided by Licensor. Notwithstanding the foregoing, Licensee may release any and all information as required under the law pursuant to the Freedom of Information Act, Michigan Open Records Act and related laws.

(c) Both parties acknowledge that any use or disclosure of the Confidential Information in a manner inconsistent with the provisions of this License Agreement may cause the owner party irreparable damage for which remedies other than injunctive relief may be inadequate, and both parties agree that the harmed party shall be entitled to receive from a court of competent jurisdiction injunctive or other equitable relief to restrain such use or disclosure in addition to other appropriate remedies.

(d) The terms and provisions of this Section 6 shall survive any termination of this License Agreement.

(e) Licensee and Authorized Users shall not attempt to reverse engineer, translate, decompile or disassemble the object code of the Licensed Software and Licensee agrees to use its best efforts to prevent reverse engineering, translation, decompilation and disassembly of the object code of the Licensed Software by Authorized Users.

(f) Nothing in this Contract shall be interpreted as precluding Licensee users from disclosing or using, in connection with performing other projects on behalf of State, information that is mentally retained in nontangible form by the employee, agent or contractor of State who have had rightful access to the materials provided by Licensor under this Contract, including without limitation, any ideas, concepts, know-how, techniques and methods of doing business that may be retained in the memory of those individuals.



7. Warranties.

(a) Licensor represents that (i) it is the lawful owner or licensee of the Licensed Software and has the full right and authority to grant the licenses hereunder, (ii) Licensor has the right to grant a license to the Licensed Software Program free and clear of any liens and encumbrances, and (iii) Licensor shall protect, defend, indemnify, and hold harmless State, its employees, the State Authorized Users from any claim that the Licensed Software Program or the Documentation infringes any patent, copyright, trademark or other proprietary right of any third person. Licensor will pay all costs, damages and reasonable attorneys' fees finally awarded against State in such an infringement action.

(b) Licensor shall be responsible for the delivery of a fully functioning Cenuity Licensed Software. Licensor warrants that the Licensed Software and all software delivered hereunder shall be free from defects in manufacture and shall meet the specifications set forth in the Licensee's Response or Licensor shall without charge to the Licensee immediately correct any such defects and make fixes to the software as may be necessary to keep the software in operating order in accordance with such specifications. Such fixes shall commence the time period as articulated in the Contract upon Licensee's written notification to Licensor.

All Licensed Software and Customization shall be free from any defects in design, material or workmanship and shall operate uninterrupted and error free during Warranty Period and any renewal or extension periods and through the term of any maintenance agreement.

(c) Licensor represents as of the date of this License Agreement that there is no claim of infringement or violation of intellectual property right has been asserted or is threatened by a third party against Licensor in connection this Agreement, and no facts or actions are known to Licensor which reasonably could be expected to form the basis of a claim for infringement against Licensee by any third party.

(d) Licensor warrants that it shall install the Licensed Software in a professional workmanlike and diligent manner, in conformity with applicable laws and industry standards.

(e) Licensor warrants that the Licensed Software will meet the functions and requirements as set for in the Functional Requirements Document. The warranties set forth in this Section 7 do not cover any copy of the Licensed Software, update or any Documentation which has been altered or changed in any way by the Licensee or any Authorized User without the Licensor's prior approval.

(f) As an accommodation to Licensee, Licensor may supply Licensee with pre-production releases of subsequent software programs ("Beta Releases"). These products may not suitable for production use. Licensor does not warrant that their operation will be uninterrupted or error free. Beta Releases, are distributed "AS IS".

(g) The warranties contained in this Section 7 are made in addition to other warranties whether oral or written, provided in Contract.

(h) The Licensor will pass through all third party warranties to the extent possible, unless the Licensee and Licensor previously agree otherwise in writing.



(i) Licensor warrants that the Licensed Software Program will not contain any virus, worm, time bomb, trap door, disabling device, automatic restraint, Trojan horse, or other code designed to: (a) discontinue State's effective use of the Product; (b) to erase, destroy, corrupt or modify any data of State without the express written consent of State; or (c) to bypass any internal or external software security measure to obtain access to any hardware or software of State without the express written consent of State.

(j) Licensor warrants that for as long as the Licensee continues to purchase Services from the Licensor, (i) the Services and the System (including performance capabilities, accuracy, completeness, characteristics, configurations, standards, functions and requirements) will conform to, and perform in substantial accordance with, the Specifications; (ii) the Documentation is and shall at all times during the term of this Contract remain complete and current with the version of the Licensed Software Program then in use by State and (iii) the Licensed Software Program shall operate on or with the Hardware in accordance with applicable Specifications.

(k) If Licensor is in violation of the foregoing warranties (during any applicable Warranty Period for any particular Product, if any), without prejudice to Licensee other rights and remedies, Licensor shall re-perform and replace the defective Services and Products at no additional cost to Licensee. Licensee may withhold disputed payments of any consideration due and owing to Licensor pending Vendor's performance of these warranty remedies and may ultimately cancel such payments if the parties mutually agree or a tribunal of competent jurisdiction issues a final judgment that Licensor failed to accomplish the warranty remedies in a satisfactory and workmanlike manner.

8. Limitation of Remedies.

Licensor shall not be obligated to correct, cure or otherwise remedy any error or defect in the Licensed Software resulting from any (i) modification of the Licensed Software by Licensee without Licensor's prior approval; (ii) misuse or damage of the Licensed Software specifically caused by Licensee

9. Intentionally Omitted.

10. Term, Default and Termination.

(a) This License Agreement is effective from the date of its execution until terminated by either party as provided herein or in the Contract. In the event either party defaults in any material obligation in this License Agreement, the other party shall give written notice of such default.

(b) Except as otherwise provided in this License Agreement and in the Contract, along with all attachments, upon material breach of this License Agreement by Licensee, the perpetual license granted hereunder for the use the Licensed Software shall be revoked. In such instance, within fifteen (15) business days after the termination of this License Agreement, Licensee shall return to Licensor all copies of the Licensed Software with Licensor's proprietary updates and Documentation in Licensee's possession, including all copies thereof in possession of Licensee and Authorized Users, except as necessary to comply with Michigan records retention law. In the alternative, upon request of Licensor, Licensee shall destroy all such copies of the Licensed Software and/or updates and/or Documentation and certify in writing that they have been destroyed. TERMINATION SHALL NOT RELIEVE EITHER PARTY OF ITS OBLIGATIONS REGARDING THE CONFIDENTIALITY OF THE LICENSED SOFTWARE, UPDATES AND DOCUMENTATION (AS PROVIDED IN §6 OF THIS LICENSE AGREEMENT). Any right to early termination of the license shall be in addition to, and not in lieu of, any other remedies available to either Party.



11. Infringement Indemnity.

Licensor, at its own expense, will indemnify, defend and hold harmless Licensee from any liability, damage or expense, including but not limited to reasonable attorney's fees, arising out of or relating to any action brought against Licensee to the extent that it is based on a claim that the Licensed Software or any update, customization and/or modification of the Licensed Software used within the scope of this License Agreement infringes any right presently existing in the United States, or anywhere else in the world. Licensor shall have the right to implead in the defense of all such claims, lawsuits, and other proceedings. Subject to the approval of the Attorney General of the State of Michigan, Licensee shall reasonably cooperate with Licensor to the extent provided by law in the event that Licensee is notified of a claim of infringement to use of a version of the Licensed Software provided by Licensor to avoid such claim; provided however, that such version shall be supplied to Licensee by Licensor at no charge and Licensor shall bear all risk and responsibility in installation and maintenance of such version of the technology. Licensor shall not be liable for any claim based upon any unauthorized modification or enhancement to the Licensed Software made by Licensee or Authorized Users.

12. Miscellaneous.

(a) Each party acknowledges that it has read this License Agreement, and that each party understands and agrees to be bound by its terms. This License Agreement may not be modified or altered except by written instrument duly executed by both parties.

(b) Any notice or other communication required or permitted in this License Agreement shall be in writing and shall be deemed to have been duly given on the day received. All notice or communication shall be provided via facsimile transmission with confirmation, E-mail, registered or certified, postage prepaid, and addressed to the respective parties at the addresses set forth above, or at such other addresses as may be specified by either party pursuant to the terms and provisions of this paragraph. All notices to Licensor shall be provided to designated representatives of Licensee and the State of Michigan.

Notice to Licensee:

Michigan Department of Technology, Management and Budget, Procurement
Attn: Christine Mitchell

525 W. Allegan St, 1st Flr, NE
PO Box 30026
Lansing, MI 48909-7526

Notice to Licensor:

PCC Technology Group, LLC

Attn: Joe Singh

2 Barnard Lane

Bloomfield, CT 06002-2473

(c) This License Agreement and performance under this License Agreement shall be governed by the laws of the State of Michigan, without application of conflicts of laws principles. Any suit brought pursuant to this License Agreement shall be filed exclusively in Michigan and no other jurisdiction.



- (e) If any provision of this License Agreement is invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted. The remainder of the License Agreement shall be valid and enforceable to the maximum extent possible.

- (f) Neither party may assign or sub-license, without the prior written consent of the other party, its rights, duties, or obligations under this License Agreement to any person or entity, in whole or in part.

- (g) The waiver or failure of either party to exercise in any respect any right provided for in this License Agreement shall not be deemed a waiver of any further right under this License Agreement.

- (h) This License Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and each of which together shall constitute a single instrument.

- (i) Neither party is an agent of the other party and neither party has express or implied authority to act on behalf of, or make any representations whatsoever on behalf of, the other party. Licensor is an independent contractor and neither Licensee nor Licensor shall have the power or authority to bind the other party to any contract or obligation or to take action on the other party's behalf.

- (j) Time is of the essence with respect to the performance of the terms of this License Agreement.

- (k) This License Agreement does not waive any immunity, including the 11th Amendment immunity, of the State of Michigan, its officers, departments or instrumentalities.

- (l) Any use of any contractor or third party by Licensor shall first require the written approval from Licensee and such approval shall not be unreasonably withheld.

- (m) The persons signing this License Agreement represent and warrant that they have the rights, powers and authority to enter into and perform its obligations under this License Agreement, and have taken all requisite action to approve execution, delivery and performance of the License Agreement.



EXHIBIT B
ESCROW AGREEMENT



Multi Licensee
Escrow Protection Certificate
Software Escrow Agreement

Date

Licensor [Licensorname]

Agreement Number [Agreement#]

Notice: The parties to this Agreement are obliged to inform Escrow Agent of any changes to the Software or in their circumstances (including change of name, principal office, contact details or change of Licensor of the intellectual property in the Software).

**ESCROW AGREEMENT DATED:****BETWEEN:**

- (1) [Licensorname], a corporation organized under the laws of _____, whose principal office is at [Licensoraddress] ("**Licensor**"); and
- (2) NCC Group Escrow Associates, LLC, a corporation organized and existing under the laws of Georgia with an office at 123 Mission Street, Suite 1020, San Francisco, CA 94105, USA ("**Escrow Agent**").

Background:

- (A) The Licensee has been granted a License to use the Software which comprises computer programs.
- (B) Certain technical information and/or documentation relating to the software package is the confidential information and intellectual property of the Licensor or a third party.
- (C) The Licensor acknowledges that in certain circumstances, such information and/or documentation would be required by the Licensee in order for it to continue to exercise its rights under the License Agreement.
- (D) The parties therefore agree that such information and/or documentation should be placed with a trusted third party, Escrow Agent, so that such information and/or documentation can be released to the Licensee should certain circumstances arise.

Agreement:

In consideration of the mutual undertakings and obligations contained in this Agreement, the parties agree that:

1 Definitions and Interpretation

1.1 In this Agreement the following terms shall have the following meanings:

(i) "Agreement" means the terms and conditions of this escrow agreement set out below, including the schedules hereto.

(ii) "Confidential Information" means all technical and/or commercial information not in the public domain and which is designated in writing as confidential by any party together with all other information of any party which may reasonably be regarded as confidential information.

"Deposit Form" means the form at Schedule 1 which is to be completed by Licensor and delivered to Escrow Agent with each deposit of the Escrow Material.

(iii) "Escrow Material" means the Source Code of the Software and such other material and documentation (including updates and upgrades thereto and new versions thereof) as are necessary to be delivered or deposited to comply with clause 2 of this Agreement.

(iv) "Escrow Protection Certificate" means the certificate issued by Escrow Agent to the Licensee confirming escrow coverage pursuant to the terms and conditions of this Agreement.



(v) "Full Verification" means the tests and processes forming Escrow Agent's Full Verification service and/or such other tests and processes as may be agreed between the parties for the verification of the Escrow Material.

(vi) "Intellectual Property Rights" mean any copyright, patents, design patents, registered designs, design rights, utility models, trademarks, service marks, trade secrets, know how, database rights, moral rights, confidential information, trade or business names, domain names, and any other rights of a similar nature including industrial and proprietary rights and other similar protected rights in any country or jurisdiction together with all registrations, applications to register and rights to apply for registration of any of the aforementioned rights and any Licenses of or in respect of such rights.

(vii) "License Agreement" means the agreement under which a Licensee was granted a License to use the Software.

"Licensee Enrollment Form" means the form at Schedule 2 confirming the Licensee's enrollment under this Agreement.

(viii) "Licensee" means any person, firm, company or other entity:

1.1.1 to whom a license to use the Software has been granted;

1.1.2 whom the Licensor has approved for registration under this Agreement by signing and returning to Escrow Agent a Licensee Enrollment Form.; and

1.1.3 who has been issued with an Escrow Protection Certificate by Escrow Agent;

(ix) and references in this Agreement to the Licensee shall be to the relevant Licensee or Licensees given the context in which such reference is made.

(x) "Order Form" means the order form setting out the details of the order placed with Escrow Agent for setting up this Agreement and/or the registration of a Licensee under this Agreement.

(xi) "Release Purposes" means the purposes of understanding, maintaining, modifying and correcting the Software exclusively for and on behalf of the Licensee together with such other purposes (if any) as are permitted under the License Agreement.

(xii) "Software" means the software package together with any updates and upgrades thereto and new versions thereof licensed to the Licensee under the License Agreement details of which are set out in Schedule 1 as updated from time to time.

(xiii) "Source Code" means the computer programming code of the Software in human readable form.

(xiv) "Third Party Escrow Material" means Source Code which is not the confidential information and intellectual property of the Licensor or the Licensee.

1.2 This Agreement shall be interpreted in accordance with the following:

1.2.1 headings are for ease of reference only and shall not be taken into consideration in the interpretation of this Agreement;



1.2.2 all references to clauses and schedules are references to clauses and schedules of this Agreement; and

1.2.3 all references to a party or parties are references to a party or parties to this Agreement.

2 Licensor's Duties and Warranties

2.1 The Licensor shall:

2.1.1 deliver a copy of the Escrow Material to Escrow Agent within 30 days of the date of this Agreement;

2.1.2 deliver an update or replacement copy of the Escrow Material to Escrow Agent within 30 days of a material update, error correction, enhancement, maintenance release or functional modification to the Software which results in an updated delivery of the object code version of the Software to Licensee;

2.1.3 ensure that each copy of the Escrow Material deposited with Escrow Agent comprises the Source Code of the latest version of the Software used by the Licensee;

2.1.4 deliver to Escrow Agent a replacement copy of the Escrow Material within 30 days after the anniversary of the last delivery of the Escrow Material to ensure that the integrity of the Escrow Material media is maintained;

2.1.5 deliver with each deposit of the Escrow Material the following information:

2.1.5.1 details of the deposit including the full name of the Software (i.e. the original name as set out under schedule 1 together with any new names given to the Software by the Licensor), version details, media type, backup command/software used, compression used, archive hardware and operating system details; and

2.1.5.2 password/encryption details required to access the Escrow Material;

2.1.6 deliver with each deposit of the Escrow Material the following technical information (where applicable):

2.1.6.1 documentation describing the procedures for building, compiling and installing the software, including names and versions of the development tools;

2.1.6.2 software design information (e.g. module names and functionality); and

2.1.6.3 name and contact details of employees with knowledge of how to maintain and support the Escrow Material; and

2.1.7 deposit a detailed list of the suppliers of any third party software or tools required to access, install, build or compile or otherwise use the Escrow Material.

2.2 The Licensor warrants to both Escrow Agent and the Licensee at the time of each deposit of the Escrow Material with Escrow Agent that:

2.2.1 it has the full right, ability and authority to deposit the Escrow Material;

2.2.2 in entering into this Agreement and performing its obligations under it, it is not in breach of any of its ongoing express or implied obligations to any third party(s); and

2.2.3 the Escrow Material deposited under Clause 2.1 contains all information in human-readable form and is on suitable media to enable a reasonably skilled programmer or analyst to understand, maintain, modify and correct the Software.



2.3 When customer of Licensor becomes eligible under a License Agreement to be designated as a beneficiary of the Licensor's escrow protection, Licensor shall forward to Licensee a copy of this executed Escrow Agreement. Subsequently, Licensor shall forward to Escrow Agent a completed Licensee Enrollment Form thereby requesting that customer's registration into this escrow account as Licensee. Licensor shall be solely responsible for informing Escrow Agent as to any changes which affect the Licensee's rights under this Escrow Agreement, including providing Escrow Agent any updates to the Licensee's contact information.

3 Escrow Agent's Duties

3.1 Escrow Agent shall:

3.1.1 at all times during the term of this Agreement, retain the latest deposit of the Escrow Material in a safe and secure environment;

3.1.2 notify Licensor and the relevant Licensee of the acceptance of any Licensee Enrollment form; and

3.1.3 inform Licensor of the receipt of any deposit of Escrow Material by sending the Licensor a copy of the Deposit Form and/or an acknowledgment letter, as the case may be.

3.2 In the event of failure by the Licensor to deposit any Escrow Material with Escrow Agent, Escrow Agent shall not be responsible for procuring such deposit and may, at its sole discretion, notify the Licensor of the Licensor's failure to deposit any Escrow Material.

3.3 Escrow Agent may appoint agents, contractors or sub-contractors as it deems fit to carry out the Full Verification process. Escrow Agent shall ensure that any such agents, contractors and sub-contractors are bound by the same confidentiality obligations as are contained in clause 7.

3.4 Escrow Agent has the right to make such copies of the Escrow Material as may be necessary solely for the purposes of this Agreement.

4 Payment

4.1 The parties shall pay Escrow Agent's standard fees and charges as published from time to time or as otherwise agreed. Escrow Agent's fees as published are exclusive of any applicable sales tax.

4.2 If Escrow Agent is required to perform any additional or extraordinary services as a result of being an escrow agent including intervention in any litigation or proceeding, Escrow Agent shall receive reasonable compensation for such services from the Licensor unless agreed otherwise and be reimbursed for all costs incurred, including reasonable attorney's fees.

4.3 Escrow Agent shall be entitled to review and vary its standard fees and charges for its services under this Agreement from time to time but no more than once a year and only upon 45 days written notice to the parties.

4.4 All invoices are payable within 30 days from the date of invoice. Interest shall accrue at the lesser of 1.5% per month or the maximum amount permitted by applicable law for any fees that are undisputed by the paying party and remain unpaid for more than 30 days past the due date of the applicable invoice.

4.5 In the event of a dispute made in good faith as to the amount of fees, the party responsible for payment agrees to remit payment on any undisputed amount(s) in accordance with Clause 4.1 above. In such circumstances, the interest on the fees shall not accrue as to any disputed amounts unless not paid within 30 days after such dispute has been resolved by the parties.

4.6 Escrow Agent shall have no obligations under this Agreement until the initial invoice has been paid



in full.

5 Release Events

- 5.1 Subject to: (i) the remaining provisions of this clause 5 and (ii) the receipt by Escrow Agent of its release fee and any other fees and interest (if any) outstanding under this Agreement and (iii) the receipt by Escrow Agent of a signed Notice of the occurrence of a release event which requests a release of the Escrow Deposit ("Release Request", as illustrated in Schedule 3 hereto) and pledges to indemnify Escrow Agent for acting on such request, Escrow Agent will release the Escrow Material to a duly authorized officer of the Licensee if any of the following events ("**Release Event(s)**") occur:
- 5.1.1 a receiver, trustee, or similar officer is appointed for the business or property of Licensor; or
 - 5.1.2 Licensor files a petition in bankruptcy, files a petition seeking any reorganization (without confirming immediately in writing to Licensee that it will continue to maintain the Software in accordance with the terms of the License Agreement or any applicable maintenance agreement), makes an arrangement, composition, or similar relief under any law regarding insolvency or relief for debtors, or makes an assignment for the benefit of creditors; or
 - 5.1.3 any involuntary petition or proceeding under bankruptcy or insolvency laws is instituted against Licensor and not stayed, enjoined, or discharged within 60 days; or
 - 5.1.4 Licensor takes any corporate action authorizing any of the foregoing; or
 - 5.1.5 any similar or analogous proceedings or event to those in Clauses 5.1.1 to 5.1.3 above occurs in respect of Licensor within any jurisdiction outside the USA; or
 - 5.1.6 Licensor ceases to carry on its business or the part of its business which relates to the Software; or
 - 5.1.7 Licensor or, where relevant, its agent, parent, subsidiary or associated company is in material breach of its obligations as to maintenance or modification of the Software under the License Agreement or any maintenance agreement entered into in connection with the Software and has failed to remedy such default notified by Licensee to Licensor within a reasonable period.
 - 5.1.8 Licensor has provided Licensee and Escrow Agent with written authorization to release the Escrow Material to the named Licensee.
- 5.2 The Licensee must notify Escrow Agent, with a copy to the Licensor, of the Release Event specified in Clause 5.1 by delivering to Escrow Agent a notice in writing ("**Notice**") as defined in Schedule 3 attached hereto declaring that such Release Event has occurred, setting out the facts and circumstances of the Release Event, that the License Agreement and any maintenance agreement, if relevant, for the Software was still valid and effective up to the occurrence of such Release Event and exhibiting such documentary evidence in support of the Notice as Escrow Agent shall reasonably require.
- 5.3 Upon receipt of a Notice from Licensee claiming that a Release Event has occurred:
- 5.3.1 Escrow Agent shall submit a copy of the Notice to Licensor (with a copy to the Licensee in order to acknowledge receipt of the Notice) by courier or other form of guaranteed delivery; and
 - 5.3.2 unless within 14 calendar days after the date of dispatch of the Notice from Escrow Agent, Escrow Agent receives a counter-notice in writing from Licensor stating that in their view



no such Release Event has occurred or, if appropriate, that the event or circumstance giving rise to the Release Event has been rectified as shown by documentation in support thereof,

Escrow Agent will release the Escrow Material to Licensee for its use for the Release Purposes.

- 5.4 Upon receipt of the counter-notice from Licensor under Clause 5.3.2, Escrow Agent shall send a copy of the counter-notice and any supporting evidence to Licensee (with a copy to Licensor in order to acknowledge receipt of the counter-notice) by courier or other form of guaranteed delivery.
- 5.5 Within 90 days of dispatch of the counter-notice by Escrow Agent, Licensee may give notice to Escrow Agent that they wish to invoke the dispute resolution procedure under Clause 6.
- 5.6 If, within 90 days of dispatch of the counter-notice by Escrow Agent to Licensee, Escrow Agent has not been informed by Licensee that they wish the dispute resolution procedure under Clause 6 to apply, the Notice submitted by Licensee will be deemed to be no longer valid and Licensee shall be deemed to have waived their right to release of the Escrow Material for the particular reason or event specified in the original Notice. In such circumstances, this Agreement shall continue in full force and effect.

6 Disputes

- 6.1 Upon receipt of Licensee's notice requesting dispute resolution pursuant to Clause 5.5 above, Escrow Agent shall notify Licensor of the Licensee's request for dispute resolution. Licensor and Licensee shall submit their dispute to expedited binding arbitration in San Francisco, California under Commercial Arbitration Rules of the American Arbitration Association by one arbitrator appointed by the said rules. The decision of the arbitrator shall be final and binding upon the parties and enforceable in any court of competent jurisdiction, and a copy of such decision shall be delivered immediately to Licensor, Licensee and Escrow Agent. The parties shall use their best efforts to commence the arbitration proceedings within 14 days following delivery of the counter-notice. The sole question to be determined by the arbitrator shall be whether or not there existed a Release Event at the time Licensee delivered the Notice to Escrow Agent.
- 6.2 If the arbitrator finds that a Release Event existed at the time of delivery of the Notice to Escrow Agent, Escrow Agent is hereby authorized to release and deliver the Escrow Material to the Licensee within 5 working days of the decision being notified by the arbitrator to the parties. If the arbitrator finds to the contrary, then Escrow Agent shall not release the Escrow Material and shall continue to hold it in accordance with the terms of this Agreement.
- 6.3 The parties hereby agree that the costs and expenses of the arbitrator, the reasonable attorneys' fees and costs incurred by the prevailing party in the arbitration and any costs incurred by Escrow Agent in the arbitration shall be paid by the non-prevailing party.

7 Confidentiality

- 7.1 The Escrow Material shall remain at all times the confidential and intellectual property of its owner.
- 7.2 In the event that Escrow Agent releases the Escrow Material to Licensee, Licensee shall be permitted to use the Escrow Material only for the Release Purposes.
- 7.3 Subject to Clause 7.4, Escrow Agent agrees to keep all Confidential Information relating to the Escrow Material and/or the Software that comes into its possession or to its knowledge under this Agreement in strict confidence and secrecy. Escrow Agent further agrees not to make use of such information and/or documentation other than for the purposes of this Agreement and, unless the parties should agree otherwise in writing and subject to Clause 7.4, will not disclose or release it other than in accordance with the terms of this Agreement.



- 7.4 Escrow Agent may release the Escrow Material to the extent that it is required by applicable federal, state or local law, regulation, court order, judgment, decree or other legal process, provided that Escrow Agent has notified Licensor and Licensee prior to such required release, has given Licensor and/or Licensee an opportunity to contest (at their own expense) such required release, within the time parameters mandated by such applicable regulation, court order, judgment, decree or other legal process. Escrow Agent is hereby expressly authorized in its sole discretion to obey and comply with all orders, judgments, decrees so entered or issued by any court, without the necessity of inquiring as to the validity of such order, judgment or decree, or the court's underlying jurisdiction. Where Escrow Agent obeys or complies with any such order, judgment or decree, Escrow Agent shall not be liable to Licensee, Licensor or any third party by reason of such compliance, notwithstanding that such order, judgment or decree may subsequently be reversed, modified or vacated.
- 7.5 Any request by a Licensee under Clause 9.3 for a Full Verification shall not be disclosed to any other Licensee(s) except as the requesting Licensee agrees.

8 Intellectual Property Rights

- 8.1 The release of the Escrow Material to the Licensee will not act as an assignment of any Intellectual Property Rights that the Licensor or any third party possesses in the Escrow Material.
- 8.2 The Intellectual Property Rights in any Full Verification report shall remain vested in Escrow Agent. The Licensor and the party who commissioned the Full Verification shall each be granted a non-exclusive right and license to use the report for the purposes of this Agreement and their own internal purposes only.

9 Full Verification

- 9.1 Escrow Agent shall bear no obligation or responsibility to any party to this Agreement or person, firm, company or entity whatsoever to determine the existence, relevance, completeness, accuracy, operation, effectiveness, functionality or any other aspect of the Escrow Material received by Escrow Agent under this Agreement.
- 9.2 Any party to this Agreement, including named Licensees, shall be entitled to require Escrow Agent to carry out a Full Verification. Subject to clause 9.3, Escrow Agent's prevailing fees and charges for the Full Verification processes and all reasonable expenses incurred by Escrow Agent in carrying out the Full Verification processes shall be payable by the requesting party.
- 9.3 Should the Escrow Material deposited fail to satisfy Escrow Agent's Full Verification test, the Licensor shall, within 14 days of the receipt of the notice of test failure from Escrow Agent, deposit such new, corrected or revised Escrow Material as shall be necessary to ensure its compliance with its warranties and obligations in clause 2. If the Licensor fails to make such deposit of the new, corrected or revised Escrow Material, Escrow Agent will issue a report to the Licensee detailing the problem with the Escrow Material as revealed by the relevant tests.

10 Escrow Agent's Liability

- 10.1 Nothing in this Clause 10 excludes or limits the liability of Escrow Agent for gross negligence or intentional misconduct.
- 10.2 Subject to Clause 10.1, Escrow Agent shall not be liable for:
- 10.2.1 any loss or damage caused to either Licensor or Licensee except to the extent that such loss or damage is caused by the negligent acts or omissions of or a breach of any contractual duty by Escrow Agent, its employees, agents or sub-contractors and in such event Escrow Agent's total liability with regard to all claims arising under or by virtue of this



Agreement or in connection with the performance or contemplated performance of this Agreement, shall not exceed the sum of \$100,000 (one hundred thousand US dollars); and

10.2.2 any special, indirect, incidental or consequential damages whatsoever.

- 10.3 Escrow Agent shall not be responsible in any manner whatsoever for any failure or inability of Licensor or Licensee to perform or comply with any provision of this Agreement.
- 10.4 Escrow Agent shall not be liable in any way to Licensor or Licensee for acting in accordance with the terms of this Agreement and specifically (without limitation) for acting upon any notice, written request, waiver, consent, receipt, statutory declaration or any other document furnished to it pursuant to and in accordance with this Agreement.
- 10.5 Escrow Agent shall not be required to make any investigation into and shall be entitled in good faith without incurring any liability to Licensor or Licensee to assume (without requesting evidence thereof) the validity, authenticity, veracity and due and authorized execution of any documents, written requests, waivers, consents, receipts, statutory declarations or notices received by it in respect of this Agreement.

11 Indemnity

Licensor agrees to defend and indemnify Escrow Agent and to hold Escrow Agent harmless from and against any claims, suits or other proceedings, actions, losses, costs, liabilities or expenses incurred in connection with the defense thereof (including reasonable attorney's fees), in each case which may be imposed on, or incurred by or asserted against Escrow Agent in any way arising out of or relating to this Agreement, provided that Licensor shall not be liable for that portion of any such indemnification amount resulting from Escrow Agent's negligence or intentional misconduct.

12 Term and Termination

- 12.1 This Agreement shall continue until terminated in accordance with this Clause 12.
- 12.2 If Licensor or Licensee, as the case may be, fails to pay an invoice addressed to it for services under this Agreement within 30 days of its issue, Escrow Agent reserves the right to give that party written notice to pay the outstanding invoice within 30 days. If Licensor has not paid its invoice by the expiry of the 30 day notice period, Escrow Agent will give Licensee(s) a period of 30 days to pay Licensor's invoice. If Licensor or Licensee (as appropriate) has not paid its invoice after being given notice in accordance with this Clause, Escrow Agent shall have the right to terminate this Agreement or the registration of Licensee (as appropriate) without further notice. Any amounts owed by Licensor but paid by Licensee(s) will be recoverable by Licensee(s) direct from Licensor as a debt and, if requested, Escrow Agent shall provide appropriate documentation to assist in such recovery.
- 12.3 Upon termination of this Agreement in its entirety under the provisions of Clause 12.2 Escrow Agent has the authority to destroy the Escrow Material.
- 12.4 Notwithstanding any other provision of this Clause 12, Escrow Agent may resign as escrow agent hereunder and terminate this Agreement by giving sixty (60) days written notice to Licensor and Licensee(s). In the event that it is terminated in its entirety, Licensor and Licensee(s) shall appoint a mutually acceptable new custodian on similar terms and conditions to those contained herein. If a new custodian is not appointed within 14 days of delivery of such notice, Licensor or Licensee(s) shall be entitled to request the American Arbitration Association to appoint a suitable new custodian upon terms and conditions consistent with those in this Agreement. Such appointment



shall be final and binding on Licensor and Licensee(s). If Escrow Agent is notified of the new custodian within the notice period, Escrow Agent will forthwith deliver the Escrow Material to the new custodian. If Escrow Agent is not notified of the new custodian within the notice period and this Agreement has been terminated in its entirety, Escrow Agent will return the Escrow Material to Licensor.

- 12.5 Licensee may terminate this Agreement in respect of itself only at any time by giving sixty (60) days prior written notice to Escrow Agent.
- 12.6 If the License Agreement with a Licensee has expired or has been lawfully terminated, then Licensor shall be entitled to give written notice to Escrow Agent to terminate the relevant Licensee's interests under this Agreement. Upon receipt of such a notice from Licensor, Escrow Agent shall notify the Licensee of the notice to terminate. The Licensee shall have sixty (60) days to dispute the fact that the License Agreement has been terminated by providing such counter-notice in writing to Licensor and Escrow Agent. Any disputes arising under this Clause shall be dealt with in accordance with the dispute resolution procedure in Clause 6. Upon termination of the entire agreement under this Clause, Escrow Agent shall return the Escrow Material to Licensor.
- 12.7 Subject to Clause 12.6, Licensor may only terminate this Agreement in its entirety by providing Escrow Agent with proper notice to terminate all registered Licensees. Such termination will be effective as of sixty (60) days after Escrow Agent informs all such Licensees of the impending termination.
- 12.8 This Agreement shall immediately terminate in respect of a Licensee upon release of the Escrow Material to that Licensee in accordance with Clause 5.
- 12.9 The termination of this Agreement in respect of a Licensee shall be without prejudice to the continuation of this Agreement in respect of any other Licensees.
- 12.10 If any terminations of Licensees' interests under this Agreement result in there being no Licensees registered under this Agreement, unless otherwise instructed by Licensor, this Agreement will continue and the Escrow Material will be retained by Escrow Agent pending registration of other Licensees.
- 12.11 The provisions of Clauses 1, 2.2, 4, 7, 8, 9.1, 10, 11, 12.11 to 12.13 (inclusive) and 13 shall continue in full force after termination of this Agreement.
- 12.12 On and after termination of this Agreement, Licensor and/or Licensee(s) (as appropriate) shall remain liable to Escrow Agent for payment in full of any fees and interest which have become due but which have not been paid as at the date of termination.
- 12.13 The termination of this Agreement, however arising, shall be without prejudice to the rights accrued to the parties prior to termination.

13 General

- 13.1 Licensor and Licensee(s) shall notify Escrow Agent and each other, within 30 days of its occurrence, of any of the following:
 - 13.1.1 a change of its name, principal office, contact address or other contact details; and
 - 13.1.2 any material change in its circumstances that may affect the validity or operation of this Agreement.
- 13.2 This Agreement shall be deemed entered into in California and will be governed by and construed according to the laws of the state of California, excluding that body of law known as conflict of law. The parties agree that any dispute arising under this Agreement will be resolved in the state or



- federal courts in San Francisco, California and the parties hereby expressly consent to the jurisdiction thereof.
- 13.3 This Agreement together with any relevant Order Form and, in respect of each Licensee, their Licensee Enrollment Form, and any relevant Escrow Agent standard terms and conditions including Escrow Agent escrow terms and conditions and, where applicable, Escrow Agent verification terms and conditions represent the whole agreement relating to the escrow arrangements between Escrow Agent and the other parties for the Software and shall supersede all prior agreements, discussions, arrangements, representations, negotiations and undertakings. In the event of any conflict between any of these documents, the terms of this Agreement shall prevail.
- 13.4 Unless the provisions of this Agreement otherwise provide, any notice or other communication required or permitted to be given or made in writing hereunder shall be validly given or made if delivered by hand or courier or if dispatched by certified or registered mail (airmail if overseas) addressed to the address specified for the parties in this Agreement or their Registration Agreement (or such other address as may be notified to the parties from time to time) or if sent by facsimile message to such facsimile number as has been notified to the parties from time to time and shall be deemed to have been received:
- (i) if delivered by hand or courier, at the time of delivery;
 - (ii) if sent by certified or registered mail (airmail if overseas), 3 business days after posting (6 days if sent by airmail);
 - (iii) if sent by facsimile, at the time of completion of the transmission of the facsimile with facsimile machine confirmation of transmission to the correct facsimile number of all pages of the notice.
- 13.5 Except where Licensor or Licensee merges, is acquired or has substantially all of its assets acquired and the new entity or acquirer agrees to assume all of their obligations and liabilities under this Agreement, Licensor and Licensee shall not assign, transfer or subcontract this Agreement or any rights or obligations hereunder without the prior written consent of the other parties.
- 13.6 Escrow Agent shall be entitled to transfer or assign this Agreement upon written notice to both Licensor and all Licensees.
- 13.7 This Agreement shall be binding upon and survive for the benefit of the successors in title and permitted assigns of the parties.
- 13.8 If any provision of this Agreement is declared too broad in any respect to permit enforcement to its full extent, the parties agree that such provision shall be enforced to the maximum extent permitted by law and that such provision shall be deemed to be varied accordingly. If any provision of this Agreement is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, or unenforceable, it shall, to the extent of such illegality, invalidity or unenforceability, be deemed severable and the remaining part of the provision and the rest of the provisions of this Agreement shall continue in full force and effect.
- 13.9 Save as expressly provided in this Agreement, no amendment or variation of this Agreement shall be effective unless in writing and signed by a duly authorized representative of both the Licensor and Escrow Agent.
- 13.10 The parties shall not be liable to each other or be deemed to be in breach of this Agreement by reason of any delay in performing, or failure to perform, any of their obligations under this



Agreement if the delay or failure was for a reason beyond that party's reasonable control (including, without limitation, fire, flood, explosion, epidemic, riot, civil commotion, any strike, lockout or other industrial action, act of God, war or warlike hostilities or threat of war, terrorist activities, accidental or malicious damage, or any prohibition or restriction by any governments or other legal authority which affects this Agreement and which is not in force on the date of this Agreement). A party claiming to be unable to perform its obligations under this Agreement (either on time or at all) in any of the circumstances set out above must notify the other parties of the nature and extent of the circumstances in question as soon as practicable. If such circumstances continue for more than six months, any of the other parties shall be entitled to terminate this Agreement by giving one month's notice in writing.

13.11 No waiver by any party of any breach of any provisions of this Agreement shall be deemed to be a waiver of any subsequent or other breach and, subject to Clause 5.6, no failure to exercise or delay in exercising any right or remedy under this Agreement shall constitute a waiver thereof.

13.12 This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

(xv)

Signed for and on behalf of [Licensorname]

Name:

Position: (Authorized Signatory)

Date:

Signed for and on behalf of NCC Group Escrow Associates, LLC

Name:

Position: (Authorized Signatory)

Date:



(xvi) **ESCROW MATERIALS DEPOSIT FORM**

Escrow Account Number:	[Agreement Number]
Product Name:	[Software Name]
Date:	

DEPOSITOR DETAILS

Company Name:		Technical Contact:	
Address:		Signature:	
		Position:	
Telephone No:		Email Address:	

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DETAILS

Media Type (e.g. Disc, Tape etc.)	Number of media items	Name of Software	Version/Release
Hardcopy Documents (please supply details):			
Softcopy Documents (please give location on media, e.g. \docs\build):			
What Hardware was used to create the media deposit?			
What Operating System was used?			
What Backup Command/Software was used?			
What Software Compression has been used?			
What Encryption/Password Protection has been used?			
In what Development Language is the source code written?			
Approximate size of the data on the media in megabytes?			
Provide details of any third party software required to access/compile the material.			
Provide details of any additional build information.			

The following information MUST be provided for Escrow Agent to accept the deposit of escrow material:

If this is your initial/first deposit, please fill in Section 1.

If this is your second or subsequent deposit (i.e. a replacement/update) please fill in Section 2.

SECTION 1: Initial Deposit (First Deposit) – Is this a complete deposit?
 YES NO if NO, please indicate when the rest of the deposit will be sent

SECTION 2: Deposit Updates/Replacements – Is the deposit a complete replacement of any of the previous deposits?

YES NO

If YES, would you like the past deposit(s) to be:

RETAINED RETURNED DESTROYED *For returns and destroys, please specify which deposit(s) this applies to by reference to the month and year of delivery to Escrow Agent

(Tick 'ALL' if all previous deposits): ALL SPECIFIC DEPOSIT(S):

Signature: of Recipient: _____	Date material received by Escrow Agent: _____
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Schedule 2

Licensee Enrollment Form

Licensor and Escrow Agent hereby acknowledge that _____ is the Licensee referred to in the Escrow Agreement effective _____ 20__ with _____ as the Licensor and Escrow Agent as the escrow agent. Licensor hereby declares Licensee's enrollment to the Escrow Agreement dated _____ between the Licensor and Escrow Agent.

Licensor hereby enrolls Licensee to the following Escrow account:

Escrow Account Name:

Escrow Account Number:

Notices to Licensee should be sent to:

Company: _____

Address: _____

Name: _____

Telephone: _____

Fax: _____

E-mail: _____

Licensor _____

NCC Group Escrow Associates, LLC

Signed by _____

Signed by _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____



Schedule 3

Licensee Release Request Form

NOTE: To be placed upon Licensee's corporate letterhead and must be signed by an authorized officer of Licensee.

Licensee hereby acknowledges that _____ is the Licensee referred to in Escrow Agreement number -----with _____ as the Licensor and Escrow Agent as the escrow agent dated _____. Licensee hereby acknowledges that in consideration for having said agreement at its disposal, it agrees to be bound by the terms and conditions of said agreement and this Schedule 3 and accepts the role of Licensee as referred to in this Escrow Agreement. Licensee specifically acknowledges that should the Escrow Material be released to it under the terms of this Escrow Agreement it shall keep the Escrow Material confidential at all times and only use it for the Release Purposes. Licensee further agrees to destroy the Escrow Material should it cease to be entitled to use the Software under the terms of the Licence Agreement

In accordance with Clause 5_of the Escrow Agreement, Licensee hereby certifies that the following Release Event(s) have/has occurred:

CITE SPECIFIC RELEASE EVENTS BY CLAUSE REFERENCE AND LANGUAGE HERE

Further, the undersigned hereby attests to the fact that the License Agreement and any maintenance agreement, if applicable, for the Software was still valid and effective as of this date. Further, Licensee attests to the fact that it has attached all relevant documentary evidence in support of this Notice. Pursuant to the terms of Clause 5, Licensee hereby requests a release of the Escrow Material from Escrow Agent.

In addition the following terms and conditions set forth in this Schedule 3 to the Escrow Agreement are supplemental to the terms and conditions of the Escrow Agreement and are binding upon Escrow Agent and the Licensee signatory below.

Supplemental terms and conditions:

Liability - Licensee agrees to indemnify, defend and hold harmless Escrow Agent from any and all claims, damages, actions, arbitration fees and expenses, attorney's fees, costs and other liabilities incurred by Escrow Agent relating in any way to this Agreement, except where it is adjudged that Escrow Agent acted with gross negligence or willful misconduct. In no case shall Escrow Agent be liable for lost profits or special, consequential, or punitive damages, and Escrow Agent's liability shall not be greater than the fees paid by Licensee under this Agreement.



Release Request Fee – Licensee agrees to pay to a \$1,200 release request fee. Escrow Agent will require payment of this fee prior to sending any notification to Licensor that Licensee has requested a release of the Escrow Deposit.

Notices to Licensee should be sent to:

Invoices to Licensee should be sent to:

Company: _____

Company: _____

Address: _____

Address: _____

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

E-mail: _____

E-mail: _____

P.O. #: _____

Licensee _____

Signed by _____

Printed Name _____

Title _____

Date _____