



City of Peoria, Arizona

Notice of Request for Proposal



ORIGINAL

Request for Proposal No: **P8-0052** Proposal Due Date: **March 31, 1998**
 Materials and/or Services: **Risk Management Software** Proposal Time: **5:00 P.M. MST**
 Contact: **Dan Zenko**
 Location: City of Peoria, Materials Management Phone: **(602) 412-7115**
 Mailing Address: **8401 W. Monroe St. Room 150, Peoria, AZ 85345**

In accordance with City of Peoria Procurement Code competitive sealed proposals for the material or services specified will be received by the City of Peoria Materials Management at the specified location until the date and time cited above. Proposals shall be in the actual possession of the City of Peoria Materials Management on or prior to the exact date and time indicated above. Late proposals will not be considered, except as provided in the City of Peoria Procurement Code. *Proposals shall be submitted in a sealed envelope with the Request for Proposal number and the offeror's name and address clearly indicated on the front of the envelope.* All proposals shall be completed in ink or typewritten. Offerors are strongly encouraged to carefully read the *entire* Request for Proposal Package.

OFFER

To the City of Peoria: The undersigned on behalf of the entity, firm, company, partnership, or other legal entity listed below offers on its behalf to the City a proposal that contains all terms, conditions, specifications and amendments in the Notice of Request for Proposal issued by the City. Any exception to the terms contained in the Notice of Request for Proposal must be specifically indicated in writing and are subject to the approval of the City prior to acceptance. The signature below certifies your understanding and compliance with Paragraph 1 of the City of Peoria Standard Terms and Conditions (form COP 202) contained in the Request for Proposal package issued by the City.

Arizona Transaction (Sales) Privilege Tax License Number: 07 540 964A

For clarification of this offer contact:

Federal Employer Identification Number: 38294 9061

Name: JOHN M. GOLKE

DORN TECHNOLOGY GROUP
Company Name

Telephone: 602 7423 7775

38705 SEVEN MILE ROAD SUITE 450
Address

Authorized Signature for Offer

LIVONIA MI 48152
City State Zip Code

JOHN M. GOLKE
Printed Name

SR. SOFTWARE CONSULTANT
Title

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Peoria Use Only)

Your offer is accepted by the City, subject to approval of each written exception that your proposal contained. The contract consists of the following documents: 1.) Request for Proposal issued by the City; 2.) Your offer in Response to the City's Request for Proposal; 3.) This written acceptance and contract award.

As the contractor, you are now legally bound to sell the materials and/or services listed by the attached award notice, based on the solicitation of proposals, including all terms, conditions, specifications, amendments and your offer as now accepted by the City. The Contractor shall not commence any billable work or provide any material, service or construction under this contract until the Contractor receives an executed Purchase Order or written Notice to Proceed.

Attested by:
Janice L. Graziano, City Clerk

City of Peoria, Arizona. Effective Date: 11-3-98

cc. 361-8c

Approved as to form:
Stephen M. Kemp, City Attorney

Contract Number: LC0N14798

Contract Awarded Date: Nov. 3, 1998

City Seal

Official File: _____

Terrence L. Ellis, City Manager



CONTRACT AMENDMENT

Change Order

Materials Management
8401 W. Monroe St. Rm. 150
Peoria, AZ 85345
Telephone: (602) 412-7115
Fax: (602) 412-7118

Contract No.: P8-0052 Page 1 of 1

Amendment No.: 1 Date: 5/19/99 Buyer: Dan Zenko

Project No.: Agreement Date: November 3, 1998
Contractor: Dorn Technology Group Completion Date: As per agreement

The changes as shown on the attached sheet are hereby made to the contract.

Contract Price Change

Original contract price	\$90,000.00
Current contract price adjusted by previous change orders	\$90,000.00
The contract price due to this change order will be increased by	\$5,000.00
The new contract price including this change order will be	\$95,000.00

Contract Time Change.

The contract time will be increased or (decreased) by calendar days. (N/A)

The new date for completion of all work will be (N/A)

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division

	6/3/99	Mark Dorn, President	Dorn Technology Group
Signature	Date	Typed Name and Title	Company Name
38705 Seven Mile Road, Suite 450		Livonia	MI 48152
Address		City	State Zip Code

Attested by:

Janice L. Graziano, City Clerk

Requested by: Project Manager

Recommended by: 6/15/99
Herman Koebergen, Materials Manager

Approved as to Form: City Attorney

CC Number

LCON 14798A

Contract Number:

City Seal

Official File

The above referenced Contract Amendment is hereby Executed

June 21, 1999, at Peoria, Arizona.

Terrence L. Ellis, City Manager

DORN Technology Group, Inc.
ADDENDUM TO STANDARD TERMS AND CONDITIONS

Addendum: One

Agreement: JG-CP004

The Agreement to which this Addendum relates and of which this Addendum forms a part ("Agreement") is the Standard Terms and Conditions between DORN TECHNOLOGY GROUP, INC. and The City of Peoria "Client". Any terms contained in the Agreement to the contrary notwithstanding, the parties agree that the Agreement is amended as follows:

The Client will receive RISKMASTER/World, DORN Technology Group's 32bit technology at install. The balance for the 32 bit technology will be invoiced on July 1, 1999 in the amount of \$5,000.00.

32bit Technology, Invoiced on July 1, 1999: \$5,000.00

THIS PROPOSAL CONTAINS CONFIDENTIAL AND PROPRIETARY INFORMATION BELONGING TO DORN TECHNOLOGY GROUP, INC. ("DORN") AND IS BEING PROVIDED TO THE ABOVE NAMED CLIENT FOR THE SOLE PURPOSE OF GIVING CLIENT THE OPPORTUNITY TO EVALUATE DORN'S TECHNICAL AND PRICING PROPOSAL. BY EVALUATING THIS PROPOSAL, CLIENT AGREES TO MAINTAIN THE CONFIDENTIALITY OF THEIR FORMATION CONTAINED IN THE PROPOSAL AND TO DISCLOSE SAID INFORMATION ONLY TO ITS EMPLOYEES WHO HAVE A NEED TO KNOW IN ORDER FOR CLIENT TO EVALUATE THE PROPOSAL. IN NO EVENT MAY CLIENT DISCLOSE THE PROPOSAL OR ANY INFORMATION CONTAINED HEREIN TO ITS THIRD PARTY CONTRACTORS WITHOUT THE PRIOR WRITTEN CONSENT OF DORN. ANY UNAUTHORIZED USE OF THE PROPOSAL OR THE INFORMATION CONTAINED HEREIN IS STRICTLY PROHIBITED.

CLIENT: City of Peoria

By:


Signature

Terrence L. Ellis

Name Printed

City Manager

Title

6-21-99
Date

L:Sales/1999/ City-Peoria1

APPROVED BY: 
Signature

Mark E. Dorn

Name Printed

President

Title

6/2/99
Date

ATTEST:


City Clerk

LC0N14798A

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP003

Prices Valid Until: August 30, 1998

1. "CLIENT" NAME: City Of Peoria
 COMPLETE ADDRESS: 8481 West Monroe Street
 Room 340
 Peoria, Az 85345
 (602)412-7234

2. TYPE OF LICENSE: RISKMASTER/Win® Class IV (Windows or Win95 - 16Bit Client Server)
 LICENSE USE TERM: Perpetual Use-One Time Fee
 DATABASE Design Module(s): X MS-SQL 6.5 (recommended)
 STANDARD WORKSTATIONS: 5
 REMOTE WORKSTATIONS: 0
 ACCOUNTS: 1
 QTY SERVERS and TYPE(s): 1
 SOFTWARE RELEASE LEVEL: 3.5 Release -16 Bit Per Technical Specification Effective 2/97

3. STANDARD SOFTWARE LICENSE AND DOCUMENTATION:

Product Name	Description	License Fees/Costs
RISKMASTER/Win®	MAIN SERVER SOFTWARE SYSTEM MODULES: Includes: Security System, Utility System Module, Database File in MS Access MDB Format, Help System, Supplemental Field System, System Code/Entity Module, Data Validation subsystem, Standard Actuarial Reports, Query By Example (QBE) Look Up System, Event System, Diary System, One Complete Set of User Manuals.(*) Required System Module.	\$24,995.00 (*)
SORTMASTER *	MODULE: \$4,995 Reporting /Graphics/SQL Module	\$4,995.00
WORKSTATION PACKAGE OPTIONS:		
QUICK START SYSTEM PACKAGE:	\$2,500/Work Station () Quantity of Work Stations Includes: One Line of Business GC/WC/VA Claim/Claimant Flexible Reserve System, Organizational Hierarchy Module, Exposure Module, Funds Management System, Full Claimants File, Full Defendants File.	\$ 0.00
STANDARD SYSTEM PACKAGE:	\$3,500/Work Station () Quantity of Work Stations Includes: All Quick Start Modules, Two Lines of Business GC/WC/VA, Policy Management System, Diary Management, Litigation Management, Expert Witness File, Adjuster File, MICR Check Processing System* (Also requires Check Cartridge for \$995.00)	\$ 0.00
PROFESSIONAL SYSTEM PACKAGE:	\$5,000/Work Station (5) Quantity of Work Stations Includes: All Quick Start and Standard System Modules, All Lines of Business GC/WC/VA, Quick Entry/View System.	\$25,000.00
OPTIONAL OTHER MODULES AVAILABLE: Modules Purchased Are Indicated With An Arrow ⇨		
»Administrative Tracking	\$4,995 for 10 Users; \$300/User for Additional Users	\$3,745.00
Executive Data Analysis & Reporting (EDA)	\$1,995 - Only For MS Access & MS SQL Server Platforms	
Full Set of Printed Manuals	\$295 Full Set Includes Shipping Costs	
FROI Forms Cartridge	\$3,995 One State; \$5,995 All States Including Cartridge No Support Plan Or Form Upgrades Provided (See Note 3) Upgrades are not supplied with this version of this product.	
MICR Check Printing Cartridge	\$995 Standard Check Layout; Additional Custom Check/Voucher Layouts Extra (See Note 3)	
»Data Validation System	\$2,995 all Files	\$2,995.00
»Data Import System	\$2,995 One File; \$4,995 All Files	\$4,995.00
Fee Schedule For BRS	\$9,995.00 For 3Users, \$2,000 Each Additional (Client Can Obtain Schedules From Medicare Or Can Manually Enter)	
SQL Based Database Servers	Additional RISKMASTER/Win® Server Fees: \$10,000 Server System Fee for RISC/AIX Systems <i>INFORMIX 10.2, SYBASE</i> (SYBASE Version 10.0.2.7 Requires AIX 3.2.5 or Higher)	
SUB TOTAL SOFTWARE		\$66,725.00
Less discount		\$6,298.00
TOTAL SOFTWARE		\$60,427.00

Note 1: Client is responsible for acquiring and installing for each user: MIS Office, Database Software and other Windows based programs.

Note 2: Media Fee—\$295.00 for each additional printed user manual set. Two manual sets provided with server system included free.

Note 3: FROI/Checks: All R/Laser work to set up signatures, logos or custom programming is a separate R/Lase responsibility and cost.

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DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages
Agreement No. JG-CP003 **Prices Valid Until: August 30, 1998**

		<u>License Fees/Costs</u>																
4.	TRAINING - Per Contract Statement Of Work And Schedule Of Fees (Type And Amount Of Training: RMU/Win)																	
	- System Prototype Training: Two (2) People at DTG Training Center (\$3,000.00/16 hours)	\$3,000.00																
	- Training Available at Client Site for up to four (4) People- \$1,750.00 per day. All out of pocket travel costs are billable.	\$7,000.00																
	- Sortmaster Computer Based Training	<u>\$200.00</u>																
	TOTAL	\$10,500.00																
5.	INSTALLATION AND PROJECT MANAGEMENT SERVICE FEES - Per Contract Statement Of Work And Schedule Of Fees includes 16 hours of Software Installation Services. Travel is billable if on-site work is requested by Client.																	
	TOTAL: MICROSOFT SEQUEL SERVER RISKMASTER/Win Installation	\$2,995.00																
	PROJECT MANAGEMENT - Review of client procedures/work flow tasks. Lists duties; includes up to 20 hours of project management. Tele-conference call on project management tasks. Coordinate data conversion, acceptance of application. Scheduling of all client events. Upload DTG Client Management System. Client review of SUMS data. Includes attending one day prototyping software session.	\$3,084.00																
6.	SOFTWARE SERVICES/CUSTOM PROGRAMMING FEES - Per Contract Statement Of Work																	
	Data Validation Analysis and Data Conversion can be performed on a Time and Material basis. Client may do their own data conversion using the RISKMASTER/Win Data Specification and upload programs. Services are billable at the rate of <u>\$135.00 per hour</u> . Upon final assessment of data, a statement of work will be provided indicating the work to be performed and the estimated costs involved for the Client's sign-off. This cost estimate is based on the Data Source having an accurate file record layout. An estimate (per source for one line of business) for data conversion and analysis is <u>\$7,500.00</u> . One day of user training is also required. OPTIONAL (*)																	
	(*) Line of Business Carrier or Data Source Ongoing or One Time																	
	<u>DATA DIRECTOR SYSTEM</u> \$4,995.00 NOT INCLUDED																	
	<u>TECHNICAL TRAINING - ONE DAY</u> \$1,240.00 NOT INCLUDED																	
	<u>DOS TO WINDOWS WINPORT PROJECT</u> \$7,495.00 NOT INCLUDED																	
7.	SOFTWARE SUPPORT And SERVICE PACK FEES - Per Contract Agreement																	
7.1	SOFTWARE SUPPORT PLAN MODULE(S) LICENSED																	
	<table border="0"> <thead> <tr> <th>Type:</th> <th>Total Hours Per Year</th> <th>New Service Packs</th> <th>License Fees/Costs</th> </tr> </thead> <tbody> <tr> <td>Professional Advantage Service Plan</td> <td align="center">38</td> <td>Included</td> <td align="right">\$10,200.00/Year</td> </tr> <tr> <td>SORTMASTER™</td> <td align="center">12 (First Year Only)</td> <td>Included</td> <td align="right">Included/First Year</td> </tr> <tr> <td>Data Director System (DDS)</td> <td align="center">3</td> <td>Included</td> <td align="right">\$799.00</td> </tr> </tbody> </table>	Type:	Total Hours Per Year	New Service Packs	License Fees/Costs	Professional Advantage Service Plan	38	Included	\$10,200.00/Year	SORTMASTER™	12 (First Year Only)	Included	Included/First Year	Data Director System (DDS)	3	Included	\$799.00	
Type:	Total Hours Per Year	New Service Packs	License Fees/Costs															
Professional Advantage Service Plan	38	Included	\$10,200.00/Year															
SORTMASTER™	12 (First Year Only)	Included	Included/First Year															
Data Director System (DDS)	3	Included	\$799.00															
	Note 4: SORTMASTER™ Includes twelve (12) support hours during the first year.																	
	Note 5: Additional Support time if requested by Client is billed at \$135.00/hour.																	
7.2	DATABASE SUPPORT MODULE(S) LICENSED And Warm Site SERVICE																	
	Type: RISKMASTER/Win Database Design Module (Online Service Version)	<u>License Fees/Costs</u>																
	<input checked="" type="checkbox"/> Microsoft SQL Server (6.5)	\$1,995.00/Year																
	Note 6: Software Support Plan and Database Support License Fees are for a two (2) year period and this is optionally renewable annually.																	
	GRAND TOTAL	<u>\$90,000.00</u>																

BY SIGNING BELOW, SCHEDULE OF FEES, APPENDIX ONE:

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP003

Prices Valid Until: August 30, 1998

"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT: City of Orem

Terrence L. Ellis
Approved By

Terrence L. Ellis
Name Printed
City Manager
Title

Date: 11/4 /1998

10/14/98JMG

DORN Technology Group, Inc. & DORN Technology Group Services, Inc.

Mark E. Dom
APPROVED, Approved By

Mark E. Dom
Name Printed
President
Title

Date: 10/14 /1998

APPROVED AS TO FORM:

Stephen M. Kemp
Stephen M. Kemp
City Attorney

ATTEST:

Janice L. Graziano
Janice L. Graziano
City Clerk

System Profile Addendum:

Please identify the number of claims you intend to process per year for all lines of business in table 1. Please identify the historical data, if any that will be processed in table 2. Please list the users, mode of connection, and location in table 3.

Table 1: New Claims Per Year:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000	✓	<i>Pam Dorsey</i>
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

Table 2: Total Historical Claims:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000	✓	<i>Pam Dorsey</i>
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages
Agreement No. JG-CP003 Prices Valid Until: August 30, 1998

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ADDENDUM
TO
DORN TECHNOLOGY GROUP, INC/DORN
TECHNOLOGY GROUP SERVICES, INC.
EASY CONTRACT STANDARD TERMS AND CONDITIONS
DATED October 12, 1998

ADDENDUM, entered into on October 12, 1998 by and between DORN Technology Group, Inc./DORN Technology Group Services, Inc. (hereinafter "DTG") and the City of Peoria (hereinafter "CLIENT") amends the DORN Technology Group, Inc./DORN Technology Group Services, Inc. Easy Contract Standard Terms and Conditions dated September 8, 1998 ("Effective Date")(hereinafter the "Agreement"). The terms and conditions of this Addendum shall supercede those of the Agreement. In the event of a conflict between the terms and conditions of the Agreement and those of this Addendum, the terms and conditions of this Addendum shall govern.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 4 is hereby amended to read as follows:

Products will be shipped F.O.B. Destination, freight and insurance prepaid. DTG will be responsible for freight, insurance and any destination charges.

Section 8.1 is hereby amended by replacing "ninety (90) days" with "one-hundred and eighty (180) days."

Section 8.7 is hereby amended by adding "REFERENCED" after "THE ABOVE" in the first line.

Section 13.6 is hereby deleted and replaced with the following:

This Agreement is governed by and construed under the laws of Arizona. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute involving money damages of fifty thousand dollars (\$50,000.00) or less under this Agreement shall be submitted to binding arbitration under the then prevailing rules of the American Arbitration Association in a mutually agreeable location in Arizona. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction. All other claims shall be submitted to a court of competent jurisdiction in Arizona

The last two sentences of Section 9.1 are hereby deleted.

Section 14.8 is hereby deleted.

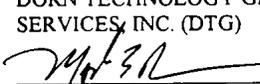
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All other terms and conditions of the Agreement remain unchanged and shall be in full force and effect.

CITY OF PEORIA
(CLIENT)

DORN TECHNOLOGY GROUP INC/
DORN TECHNOLOGY GROUP
SERVICES, INC. (DTG)


Name Signed (Duly Authorized)


Name Signed (Duly Authorized)

Terrence L. Ellis
Name Printed (Duly Authorized)

Name Printed (Duly Authorized)

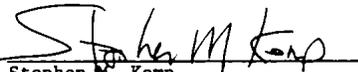
City Manager
Title

President
Title

11/4/98
Date

10/14/98
Date

APPROVED AS TO FORM:


Stephen M. Kemp
City Attorney

ATTEST:


Janice L. Graziano
City Clerk

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Customer Flexibility Pricing Packages

Agreement No. CPST-005

Prices Valid Until November 15, 1998

DORN Technology Group, Inc. ("DTG") on its behalf and on behalf of DTG Services, Inc. and the undersigned ("CLIENT") agree that these Terms and Conditions govern the sale and licensing of DTG Software and Services and third party hardware and software.

1. DEFINITIONS

1.1 **Database Support Module** or DSM means modules(s) containing programs supplied or developed by DTG or third parties for use with Software which contains the physical and logical design for file storage and implementation.

1.2 **Documentation** means manuals, help files and handbooks supplied with Software or in connection with Services.

1.3 **Products** means Software, Database Design Modules, Documentation and Third Party Products.

1.4 **Server**, unless otherwise indicated on the Schedule of Fees, means the processor or equipment configuration on which the Software is first executed pursuant to the license herein.

1.5 **Services** means training, consulting, Project Management, and custom programming provided by DTG or DTG Services, Inc.

1.6 **Software** means RISKMASTER/Win ® (16 Bit Client/Server Version) as more specifically described in the Schedule of Fees, Service Pack releases and warranty updates which may be provided by DTG.

1.7 **Third Party Product** means hardware and software products identified on the Schedule of Fees or programs integrated in software provided by DTG which may be licensed directly to CLIENT by parties other than DTG.

1.8 **Workstation** means a discrete equipment configuration which has access to the Server.

2. **PRICES AND FEES** are specified on the Schedule of Fees. Any Services which are requested that are not set out on the Schedule of Fees will be billed on a time and materials basis and are due and payable by CLIENT upon receipt of invoice. CLIENT agrees to pay DTG for all reasonable and customary travel expenses incurred in the installation of the products or delivery of Services at CLIENT's site.

3. **TAXES.** CLIENT is responsible for all applicable taxes and tariffs on the sale, license or use of the Products and Services. DTG is responsible for taxes based on its net income.

4. **DELIVERY.** Products will be shipped F.O.B. DTG's place of business in Livonia, Michigan. Third Party Products will be shipped F.O.B. manufacturer's plant. CLIENT will be responsible for charges and insurance as set out in the Schedule of Fees.

5. PAYMENT.

5.1 Payment of license fees for Software, DSMs, if any, or for Third Party Products shall be made in two installments: (i) fifty (50%) percent due upon return of this Agreement executed by CLIENT or submission of a purchase order from CLIENT and (ii) fifty (50%) percent plus all applicable taxes, duties and levies due upon installation of Software or Third Party Products at the CLIENT's site or, if applicable, delivery of the Products to CLIENT site via shipping agent, completion of a New Client Project Teleconference, delivery of the Starter Kit and completion of the initial training session. DTG will ship Software, Documentation and Starter Kit materials upon receipt of the deposit.

5.2 The DSM fee is billed on an annual basis after the Software installation is completed.

5.3 Training fees and related travel costs are billed as incurred per each training session completed. Travel expenses are billed in accordance with DTG's standard H.R. policy. Installation, Project Management, Consulting, and custom programming fees are billed as incurred less any pre-paid deposit amounts.

5.4 Support plan options are billed upon delivery of the Starter Kit and billed on an annual basis.

5.5 Any DTG supplied Third Party Products are billed when the software is delivered. No DTG third party products are charged for unless otherwise defined on the Schedule of Fees. Other CLIENT programs licensed by CLIENT directly from third parties or parties other than DTG are billed under the terms and conditions of the third party.

5.6 Payment for Services is due upon receipt of invoice by CLIENT. A monthly late charge of one and a half (1.5%) per cent of unpaid fees will be assessed thirty (30) days after payment is due.

6. **CANCELLATION AND RESCHEDULING CHARGES.** In the event of cancellation or rescheduling by CLIENT of an order for Third Party Products, CLIENT is liable for any cancellation or rescheduling charge which is assessed by the Third Party hardware or software supplier. Rescheduling of an order is subject to acceptance by DTG.

7. INSTALLATION

7.1 CLIENT may contract with DTG for installation of Software, configuration of Server(s), Workstation(s), Software and Third Party Products and other set-up services at CLIENT's facility in the United States or Canada.

7.2 Installation shall be deemed complete upon the successful execution of DTG diagnostic programs or completion of DTG training checklist.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. CPST-005

Prices Valid Until November 15, 1998

7.3 Third Party Products will be installed as set forth in the Schedule of Fees. Installation of Third Party Products are deemed complete upon execution of the diagnostic programs.

7.4 CLIENT is responsible for preparation of a safe and suitable site in accordance with DTG's Software and site specifications.

8. LIMITED WARRANTY

8.1 DTG warrants to CLIENT that Software and DSM(s) will perform in accordance with the Documentation for ninety (90) days after delivery of the respective Software or DSM(s) to the CLIENT. DTG does not warrant that the execution of Software and DSM(s) shall be uninterrupted or error free. Additional custom programming may be required and can be provided on a time and materials basis.

8.2 DTG does not warrant Third Party Products which DTG provides "as is". DTG agrees to assign any warranty rights it may have to CLIENT.

8.3 This warranty is a limited warranty and does not apply to improper use of the Products or other external causes as more fully set out in the Documentation.

8.4 DTG warrants that Services which it provides will be performed in a good and workmanlike manner. Any and all warranties by DTG Services, Inc. are set forth in the agreement describing the Services to be provided and are subject to the disclaimer set forth in Paragraph 8.7 below.

8.5 DTG warrants to CLIENT that Software will allow for entry of the year 2000 on data entry screen and in the database and has four year digit year capabilities. CLIENT acknowledges that the Third Party Products may not be Year 2000 compliant.

8.6 CLIENT's remedies for DTG's obligations under this Paragraph are set forth in Paragraph 13.

8.7 THE ABOVE WARRANTIES ARE THE EXCLUSIVE REMEDIES AND NO OTHER WARRANTY, EXPRESS OR IMPLIED, SHALL APPLY. THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE SPECIFICALLY DISCLAIMED.

9. SOFTWARE AND DSM LICENSE

9.1 Software License. Upon CLIENT's execution of this Agreement, DTG grants CLIENT a Software License for use of the Software and DSM(s) described in the Schedule of Fees by a single user unless otherwise set forth in the Schedule of Fees. DTG grants no other software licenses whatsoever, either explicitly or implicitly, except upon execution of this Agreement and payment of license fees. CLIENT's License is personal and non-exclusive, and may

not be transferred without DTG's express consent. Title to Software and DSM(s) shall remain in DTG. CLIENT shall execute the Software on the designated Server only and may load, copy or transmit the Software and DSM(s), in whole or in part, only as necessary for execution on the Server, except that CLIENT may execute the Software or DSM(s)(except diagnostic Software) on another single processor or equipment configuration on a temporary basis during a malfunction which prevents execution of the Software or DSM(s) on the Server or during extraordinary circumstances such as disaster recovery for no more than 120 days, and may load, transmit, or copy the Software or DSM(s) as necessary for such temporary execution. CLIENT may make backup or archival copies of the Software and DSM(s) and copies for off-site storage provided CLIENT agrees to reproduce DTG's copyright and all other legal or proprietary notices. CLIENT will authorize DTG to utilize all client data in industry performance and bench marking studies. DTG will not identify the supplying organizations as a part of this data conversion process.

9.2 License Limitation. CLIENT shall not decompile or reverse assemble the Software or DSM(s), or analyze or otherwise examine the Software, including any hardware or firmware implementation of the Software for the purpose of reverse engineering. CLIENT cannot loan, rent, lease or sublicense Software or DSM(s) or any copy. CLIENT cannot have more Workstations accessing Software or DSM(s) than the number of Workstations provided for on the Schedule of Fees. This License is for use of the Software object code only.

9.3 License Termination. CLIENT's License shall continue unless terminated as provided herein. DTG may terminate any License granted if CLIENT neglects or fails to perform or observe any of its obligations to DTG under these Terms and Conditions, and such condition is not remedied within thirty (30) days after written notice has been given to CLIENT. Before any termination by CLIENT becomes effective, or in the event of termination by DTG, CLIENT shall: (i) destroy all copies of all versions of Software, Documentation and DSM(s) in CLIENT's possession, and (ii) remove all portions of the DSM(s) and all versions of the Software for any adaptations made by purchaser and destroy such portions and (iii) certify in writing that all copies, including all those included in CLIENT's adaptations, have been destroyed or returned to DTG.

9.4 Confidentiality. CLIENT acknowledges that Software, DSM(s) and Documentation contain the trade secrets and proprietary technology of DTG and agrees to hold the Software, DSM(s) and Documentation in confidence and not to disclose or make available the Software, DSM(s) or Documentation except to its employees to the extent needed to use the Software, DSM(s) and Documentation in accordance with this License. CLIENT's third party contractors shall not access Software, DSMs, Documentation or the client specific portions of DTG's web site. CLIENT's obligations under

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. CPST-005

Prices Valid Until November 15, 1998

this Section will survive termination of the Software and DSM License.

9.5 Third Party Products. Any Third party products or software defined in the attached Schedule Of Fees, is licensed in accordance with the Terms and Conditions of the third party license agreement accompanying the software. CLIENT is solely responsible for obtaining and complying with the terms of third party license agreements.

10. **MAINTENANCE MATERIAL.** Diagnostic Software (including source code), Documentation, equipment or other material used by DTG or DTG Services, Inc. in the performance of installation, warranty, or Services may be furnished with Products or stored at CLIENT's facility. DTG grants no title or license to such material, and it remains the exclusive property of DTG. CLIENT agrees to properly secure such material and not to use it in any manner or make it available to third parties without DTG's prior consent.

11. **SERVICES.** Training will be provided at DTG's or DTG Services, Inc.'s place of business or clients site as further set forth in the Schedule of Fees. DTG or DTG Services, Inc. will provide one (1) year of telephone support not to exceed the amount of hours as set forth on the Schedule of Fees.

12. INFRINGEMENT INDEMNIFICATION

12.1 DTG shall defend, at its expense, any claim (including any suit) brought against CLIENT alleging that any Software or Documentation furnished hereunder infringe a United States patent, copyright, or mask work right, and shall pay all costs and damages finally awarded, provided that CLIENT gives DTG prompt written notice of such claim, and information, reasonable assistance and sole authority to defend or settle the claim. In the defense or settlement of the claim, DTG may obtain for CLIENT the right to continue using the Software or Documentation, replace or modify the Software or Documentation so they become non-infringing or, if such remedies are not reasonably available, grant CLIENT a credit for the Software or Documentation as depreciated on a three (3) year straight line basis and accept their return. DTG shall not have any liability if the alleged infringement is based upon the use, license or sale of the Software or Documentation in combination with other products (including software) not furnished by DTG. DTG DISCLAIMS ALL OTHER LIABILITY FOR VIOLATION, MISAPPROPRIATION OR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, AND FURTHER DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

12.2 CLIENT shall be responsible for securing license or authorized use agreement for any code files, databases, data field indicators or non-DTG software. CLIENT shall indemnify DTG and DTG Services, Inc. for and hold DTG and DTG Services, Inc. harmless from any claim, lawsuit or other action brought against DTG or DTG Services, Inc. for breach or violation of a license or use agreement or other

infringement claim including all damages assessed or settlements paid together with reasonable costs and attorney fees incurred by DTG or DTG Services, Inc.

13. REMEDIES AND LIMITATIONS

13.1 These remedies are CLIENT's exclusive remedies and are in lieu of any other remedy at law or in equity.

13.2 In all situations involving performance or non-performance of Software furnished hereunder, CLIENT'S remedy is correction or replacement by DTG (at DTG's option) of defective Software with Software that performs in accordance with the Documentation if DTG is notified by CLIENT in writing of a material defect within the warranty period and CLIENT provides sufficient information to allow DTG to recreate the defect. If DTG cannot meet its support obligations as defined in the support plan agreement and has exhausted its resources for support through its related companies, divisions, or subsidiaries, then DTG will provide CLIENT the then current release of all source code material relating to the most current software products which CLIENT has acquired through a software license. Source Code will reside at the following Authorized DTG Source Code Agent: STEVEN ALEXSY, ESQ., MAY, SIMPSON & STROTE, 100 W. LONG LAKE ROAD, SUITE 200, BLOOMFIELD HILLS MI 48304.

13.3 DTG'S AND DTG SERVICES, INC.'S LIABILITY TO CLIENT FOR ANY CAUSE WHATSOEVER SHALL BE LIMITED TO THE PURCHASE PRICE PAID TO DTG FOR THE PRODUCTS AND SERVICES THAT ARE THE SUBJECT OF CLIENT'S CLAIM. THIS LIMITATION WILL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER CONTRACT OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE. THE FOREGOING LIMITATION DOES NOT APPLY TO DAMAGES RESULTING FROM PERSONAL INJURY CAUSED BY DTG OR DTG SERVICES, INC.'S NEGLIGENCE.

13.4 IN NO EVENT WILL DTG OR DTG SERVICES, INC. BE LIABLE FOR ANY DAMAGES RESULTING FROM LOSS OF DATA OR USE, LOST PROFITS OR ANY INDIRECT, INCIDENTAL SPECIAL OR CONSEQUENTIAL DAMAGES.

13.5 Any action against DTG or DTG Services, Inc. must be brought within twelve (12) months after the cause of action arises.

13.6 This Agreement is governed by and construed under the laws of Michigan. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute under this Agreement shall be submitted to binding arbitration in Oakland or Washtenaw Counties, Michigan under the then prevailing rules of the American Arbitration Association.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. CPST-005

Prices Valid Until November 15, 1998

Judgment upon any award made may be entered and enforced in any court of competent jurisdiction.

14. GENERAL CONDITIONS

14.1 DTG agrees to comply with Section 1861 (v) (1) (I) of the Social Security Act as amended and the applicable rules and regulations requiring maintenance of records to verify cost of Products.

14.2 DTG agrees to comply with Federal and state statutes regarding affirmative action and the Immigration Reform and Control Act of 1986.

14.3 DTG agrees to maintain standard workers compensation insurance and comprehensive and general liability insurance coverages or provide adequate self insurance coverage.

14.4 For a period of up to one (1) year after completion of the last CLIENT service period, CLIENT and DTG shall not solicit each others employees involved in performance of services to undertake employment with CLIENT/DTG respectively or any entity related to either CLIENT/DTG.

14.5 These Terms and Conditions will supersede any previous communications, representations, or agreements by either party whether verbal or written including any terms and conditions on CLIENT'S order. Any modification to these Terms and Conditions must be in writing and signed by authorized representatives of DTG and CLIENT.

14.6 If any term of this agreement is found to be illegal or unenforceable then notwithstanding this agreement shall remain in full force and effect and such term shall be deemed stricken.

14.7 CLIENT is licensing Software designed to operate with Data Volumes on the following platforms: (i) Access up to 10,000 records, (ii) MS Sequel System up to 20,000 records, and (iii) Informix System up to 40,000 records. Volumes above the levels listed may be acceptable but require certification on the CLIENT's specific hardware and communication environment. Certification is billable at the DTG standard labor rate.

14.8 CLIENT authorizes DTG to utilize all client data in industry performance and bench marking studies. DTG will not identify the supplying organizations as a part of this data process.

"EASY CONTRACT" ATTACHMENTS:

Schedule of Fees:

RM/Win® Data Entry/Workstation Requirements & Recommendations

RM/Win® Database - Disk Space Recommendations

RM/Win® System Requirements: Software Release 3.5

15. ACCEPTANCE

15.1 Acceptance of Products or Services is specific to each product or service provided by DTG. Software is deemed accepted upon successful installation. Services are deemed accepted upon delivery. CLIENT may be asked to approve acceptance or release forms specific to services being performed for products being delivered. Under no circumstance is payment or acceptance of Products tied to data conversions, data reconciliation, custom programming, installation services or project management. These services may also require CLIENT to get third party or internal staff co-operation and participation for DTG to complete a specific service.

15.2 For Custom Software Contract data conversion project not utilizing the Data Director specifications DTG recommends CLIENT contract for Data Validation Services. It is also recommended that the Third Party DTG data questionnaire be completed. Data conciliation services are not included as part of contracted data conversion work, outlined in the Schedule of Fees.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. CPST-005

Prices Valid Until November 15, 1998

"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read the Schedule of Fees and this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT:

City of Peoria

Signature

Terrence L. Ellis

Name Printed

City Manager

Title

Date: 11/14/1998

APPROVED

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

Signature

Mark E. Dorn

Name Printed

President

Title

Date: 10/14/1998

APPROVED AS TO FORM:

Stephen M. Kemp
City Attorney

ATTEST:

Janice L. Graziano
City Clerk

DORN
Technology
Group Inc.

Software, Services & Consulting

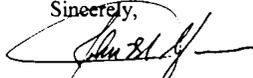
October 22, 1998

Dan Zenko
City Of Peoria
8401 West Monroe Street
Peoria, AZ 85345

Dear Mr. Zenko,

This letter is to acknowledge that DORN Technology Group will add the City of Peoria as an additional insured on our existing insurance contract. We will have the documentation showing City of Peoria as additional insured within ten (10) days after receiving a signed contract from the City. Please call if you have any questions.

Sincerely,



John M. Golke

Software Consultant, Southwest Region

DORN
Technology
Group, Inc.

Software, Services & Consulting

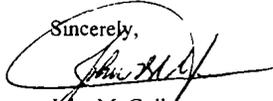
Dan Zenko
City Of Peoria
8401 West Monroe Street
Peoria, AZ 85345

Dear Dan,

This letter is to confirm that pricing for contract number JG-CP003 between the City of Peoria and DORN Technology Group will be extended until the date of November 30, 1998. All other terms, conditions and addendums will apply to the contract through the date of November 30, 1998.

Please find enclosed the two (2) original contracts dated 10/14/1998 signed by Mark Dorn, President of DORN Technology Group. If there are any questions, please call John Golke at (602) 423-7766.

Sincerely,



John M. Golke
Software Consultant, Southwest Region



City of Peoria

8401 West Monroe Street, Peoria, Arizona 85345

October 12, 1998

Mr. John M. Golke
Sr. Software Consultant
Dorn Technology Group
38705 Seven Mile Road, Suite 450
Livonia, MI 48152

Re: Request for Proposal P8-0052, Risk Management Software, Price Extension and Contract Finalization, 5th Best and Final Offer

Dear Mr. Golke:

The City of Peoria is asking Dorn Technology Group to extend the pricing offered in their 3rd Best and Final Offer for the proposed Risk Management Software for a total of 60 more days. The letter from the City of Peoria City Attorney's Office dated September 9, 1998 contained the language for Section 13.6 that is acceptable. Please incorporate this language into the contract. Please submit signed contract documents in duplicate for the City to review.

Please submit your 5th Best and Final Offer by October 16, 1998, if no response is received we will consider your previous offer as Best and Final. If you have any questions, please contact me at 412-7115.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dan Zenko".

Dan Zenko
Contract Officer

CC: Scottsdale AZ Office

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP003

Prices Valid Until: August 30, 1998

1. "CLIENT" NAME: City Of Peoria
 COMPLETE ADDRESS:
 8401 West Monroe Street
 Room 340
 Peoria, Az 85345
 (602)412-7234

2. TYPE OF LICENSE: RISKMASTER/Win®: Class IV (Windows or Win95 - 16Bit Client Server)
 LICENSE USE TERM: Perpetual Use-One Time Fee
 DATABASE Design Module(s): X MS-SQL 6.3 (recommended)
 STANDARD WORKSTATIONS: 5
 REMOTE WORKSTATIONS: 0
 ACCOUNTS: 1
 QTY SERVERS and TYPE(s): 1
 SOFTWARE RELEASE LEVEL: 3.5 Release -16 Bit Per Technical Specification Effective 2/97

3. STANDARD SOFTWARE LICENSE AND DOCUMENTATION:

<u>Product Name</u>	<u>Description</u>	<u>License Fees/Costs</u>
RISKMASTER/Win®	MAIN SERVER SOFTWARE SYSTEM MODULES: Includes: Security System, Utility System Module, Database File in MS Access MDB Format, Help System, Supplemental Field System, System Code/Entity Module, Data Validation subsystem, Standard Actuarial Reports, Query By Example (QBE) Look Up System, Event System, Diary System, One Complete Set of User Manuals.(*) Required System Module.	\$24,995.00 (*)
SORTMASTER® MODULE:	\$4,995 Reporting /Graphics/SQL Module	\$4,995.00
WORKSTATION PACKAGE OPTIONS:		
QUICK START SYSTEM PACKAGE:	\$2,500/Work Station () Quantity of Work Stations Includes: One Line of Business GC/WC/VA Claim/Claimant Flexible Reserve System, Organizational Hierarchy Module, Exposure Module, Funds Management System, Full Claimants File, Full Defendants File.	\$500
STANDARD SYSTEM PACKAGE:	\$3,500/Work Station () Quantity of Work Stations Includes: All Quick Start Modules, Two Lines of Business GC/WC/VA, Policy Management System, Diary Management, Litigation Management, Expert Witness File, Adjuster File, MICR Check Processing System* (Also requires Check Cartridge for \$995.00).	\$500
PROFESSIONAL SYSTEM PACKAGE:	\$5,000/Work Station (5) Quantity of Work Stations Includes: All Quick Start and Standard System Modules, All Lines of Business GC/WC/VA, Quick Entry/View System.	\$25,000.00
OPTIONAL OTHER MODULES AVAILABLE: Modules Purchased Are Indicated With An Arrow =>		
»Administrative Tracking	\$4,995 for 10 Users; \$300/User for Additional Users	\$3,745.00
Executive Data Analysis & Reporting (EDA)	\$1,995 - Only For MS Access & MS SQL Server Platforms	
Full Set of Printed Manuals	\$295 Full Set Includes Shipping Costs	
FROI Forms Cartridge	\$3,995 One State; \$5,995 All States Including Cartridge No Support Plan Or Form Upgrades Provided (See Note 3) Upgrades are not supplied with this version of this product.	
MICR Check Printing Cartridge	\$995 Standard Check Layout; Additional Custom Check/Voucher Layouts Extra (See Note 3)	
»Data Validation System	\$2,995 All Files	\$2,995.00
»Data Import System	\$2,995 One File; \$4,995 All Files	\$4,995.00
Fee Schedule For BRS	\$9,995.00 For 31Users, \$2,000 Each Additional (Client Can Obtain Schedules From Medicode Or Can Manually Enter) Additional RISKMASTER/Win® Server Fees:	
SQL Based Database Servers	\$10,000 Server System Fee for RISC/AIX Systems INFORMIX 10.2 SYBASE (SYBASE Version 10.0.2.7 Requires AIX 3.2.5 or Higher)	
SUB TOTAL SOFTWARE		\$66,725.00
Less discount		\$6,388.00
TOTAL SOFTWARE		\$60,417.00

programs. Note 1: Client is responsible for acquiring and installing for each user: MS Office, Database Software and other Windows based programs.

Note 2: Media Fee—\$295.00 for each additional printed user manual set. Two manual sets provided with server system included free.

Note 3: FROI/Checks: All Rx/Laser work to set up signatures, logos or custom programming is a separate Rxd. responsibility and cost.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP003

Prices Valid Until: August 30, 1998

		<u>License Fees/Costs</u>																	
4.	TRAINING - Per Contract Statement Of Work And Schedule Of Fees (Type And Amount Of Training: RM/WIN) - System Prototype Training: <u>Two (2) People at DTG Training Center (\$3,000.00/16 Hours)</u> - Training Available at Client Site for up to four (4) People- \$1,750.00 per day. All out of pocket travel costs are billable. - Sortmaster Computer Based Training TOTAL		\$3,000.00 \$7,000.00 \$500.00 \$10,500.00																
5.	INSTALLATION AND PROJECT MANAGEMENT SERVICE FEES - Per Contract Statement Of Work And Schedule Of Fees includes 16 hours of Software Installation Services. Travel is billable if on-site work is requested by Client. TOTAL: MICROSOFT SEQUEL SERVER RISKMASTER/Win Installation PROJECT MANAGEMENT - Review of client procedures/work flow tasks. Lists duties; includes up to 10 hours of project management. Tele-conference call on project management tasks. Coordinate data conversion, acceptance of application. Scheduling of all client events. Upload DTG Client Management System. Client review of SUMS data. Includes attending one day prototyping software session.		\$2,995.00 \$3,084.00																
6.	SOFTWARE SERVICES/CUSTOM PROGRAMMING FEES - Per Contract Statement Of Work Data Validation Analysis and Data Conversion can be performed on a Time and Material basis. Client may do their own data conversion using the RISKMASTER/Win® Data Specification and upload programs. Services are billable at the rate of \$135.00 per hour. Upon final assessment of data, a statement of work will be provided indicating the work to be performed and the estimated costs involved for the Client's sign-off. This cost estimate is based on the Data Source having an accurate file record layout. An estimate (per source for one line of business) for data conversion and analysis is \$7,500.00. One day of user training is also required. OPTIONAL (*) (*) Line of Business Carrier or Data Source Ongoing or One Time																		
			<table border="0"> <tr> <td>DATA DIRECTOR SYSTEM</td> <td align="right">\$4,995.00</td> <td></td> <td>NOT INCLUDED</td> </tr> <tr> <td>TECHNICAL TRAINING - ONE DAY</td> <td align="right">\$1,240.00</td> <td></td> <td>NOT INCLUDED</td> </tr> <tr> <td>DOS TO WINDOWS WINPORT PROJECT</td> <td align="right">\$7,495.00</td> <td></td> <td>NOT INCLUDED</td> </tr> </table>	DATA DIRECTOR SYSTEM	\$4,995.00		NOT INCLUDED	TECHNICAL TRAINING - ONE DAY	\$1,240.00		NOT INCLUDED	DOS TO WINDOWS WINPORT PROJECT	\$7,495.00		NOT INCLUDED				
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7.	SOFTWARE SUPPORT And SERVICE PACK FEES - Per Contract Agreement 7.1 SOFTWARE SUPPORT PLAN MODULE(S) LICENSED																		
	<table border="0"> <thead> <tr> <th>Type</th> <th>Total Hours Per Year</th> <th>New Service Packs</th> <th>License Fees/Costs</th> </tr> </thead> <tbody> <tr> <td>Professional Advantage Service Plan</td> <td align="center">38</td> <td>Included</td> <td>\$10,200.00/Year</td> </tr> <tr> <td>SORTMASTER™</td> <td align="center">12 (First Year Only)</td> <td>Included</td> <td>Included/First Year</td> </tr> <tr> <td>Data Director System (DDS)</td> <td align="center">3</td> <td>Included</td> <td>\$799.00</td> </tr> </tbody> </table>	Type	Total Hours Per Year	New Service Packs	License Fees/Costs	Professional Advantage Service Plan	38	Included	\$10,200.00/Year	SORTMASTER™	12 (First Year Only)	Included	Included/First Year	Data Director System (DDS)	3	Included	\$799.00		
Type	Total Hours Per Year	New Service Packs	License Fees/Costs																
Professional Advantage Service Plan	38	Included	\$10,200.00/Year																
SORTMASTER™	12 (First Year Only)	Included	Included/First Year																
Data Director System (DDS)	3	Included	\$799.00																
	Note 4: SORTMASTER™ Includes twelve (12) support hours during the first year. Note 5: Additional Support time if requested by Client is billed at \$135.00/hour.																		
	7.2 DATABASE SUPPORT MODULE(S) LICENSED And Warm Site SERVICE Type: RISKMASTER/Win® Database Design Module (<u>Define Server Version</u>)		<u>License Fees/Costs</u>																
	<table border="0"> <tr> <td><input checked="" type="checkbox"/> Microsoft SQL Server (6.5)</td> <td align="right">\$1,995.00/Year</td> </tr> </table>	<input checked="" type="checkbox"/> Microsoft SQL Server (6.5)	\$1,995.00/Year																
<input checked="" type="checkbox"/> Microsoft SQL Server (6.5)	\$1,995.00/Year																		
	Note 6: Software Support Plan and Database Support License Fees are for a two (2) year period and this is optionally renewable annually.																		
	GRAND TOTAL		<u>\$90,000.00</u>																

BY SIGNING BELOW, SCHEDULE OF FEES, APPENDIX ONE:

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP003

Prices Valid Until: August 30, 1998

"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT: City Of Peoria

Approved By _____

Name Printed _____

Title _____

Date: ____/____/1998

10/14/98JMG

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

APPROVED

Approved By Mark E. Dorn

Name Printed Mark E. Dorn

President
Title

Date: 10, 14 /1998

System Profile Addendum:

Please identify the number of claims you intend to process per year for all lines of business in table 1. Please identify the historical data, if any that will be processed in table 2. Please list the users, mode of connection, and location in table 3.

Table 1: New Claims Per Year:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

Table 2: Total Historical Claims:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages
Agreement No. JG-CP003 Prices Valid Until: August 30, 1998

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ADDENDUM
TO
DORN TECHNOLOGY GROUP, INC/DORN
TECHNOLOGY GROUP SERVICES, INC.
EASY CONTRACT STANDARD TERMS AND CONDITIONS
DATED October 12, 1998

ADDENDUM, entered into on October 12, 1998 by and between DORN Technology Group, Inc./DORN Technology Group Services, Inc. (hereinafter "DTG") and the City of Peoria (hereinafter "CLIENT") amends the DORN Technology Group, Inc./DORN Technology Group Services, Inc. Easy Contract Standard Terms and Conditions dated September 8, 1998 ("Effective Date")(hereinafter the "Agreement"). The terms and conditions of this Addendum shall supercede those of the Agreement. In the event of a conflict between the terms and conditions of the Agreement and those of this Addendum, the terms and conditions of this Addendum shall govern.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 4 is hereby amended to read as follows:

Products will be shipped F.O.B. Destination, freight and insurance prepaid. DTG will be responsible for freight, insurance and any destination charges.

Section 8.1 is hereby amended by replacing "ninety (90) days" with "one-hundred and eighty (180) days."

Section 8.7 is hereby amended by adding "REFERENCED" after "THE ABOVE" in the first line.

Section 13.6 is hereby deleted and replaced with the following:

This Agreement is governed by and construed under the laws of Arizona. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute involving money damages of fifty thousand dollars (\$50,000.00) or less under this Agreement shall be submitted to binding arbitration under the then prevailing rules of the American Arbitration Association in a mutually agreeable location in Arizona. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction. All other claims shall be submitted to a court of competent jurisdiction in Arizona

The last two sentences of Section 9.1 are hereby deleted.

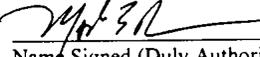
Section 14.8 is hereby deleted.

All other terms and conditions of the Agreement remain unchanged and shall be in full force and effect.

CITY OF PEORIA
(CLIENT)

APPROVED DORN TECHNOLOGY GROUP INC/
DORN TECHNOLOGY GROUP
SERVICES, INC. (DTG)

Name Signed (Duly Authorized)



Name Signed (Duly Authorized)

Name Printed (Duly Authorized)

Name Printed (Duly Authorized)

Title



Title

Date



Date

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Customer Flexibility Pricing Packages

Agreement No. CPST-005

Prices Valid Until November 15, 1998

DORN Technology Group, Inc. ("DTG") on its behalf and on behalf of DTG Services, Inc. and the undersigned ("CLIENT") agree that these Terms and Conditions govern the sale and licensing of DTG Software and Services and third party hardware and software.

1. DEFINITIONS

1.1 **Database Support Module or DSM** means modules(s) containing programs supplied or developed by DTG or third parties for use with Software which contains the physical and logical design for file storage and implementation.

1.2 **Documentation** means manuals, help files and handbooks supplied with Software or in connection with Services.

1.3 **Products** means Software, Database Design Modules, Documentation and Third Party Products.

1.4 **Server**, unless otherwise indicated on the Schedule of Fees, means the processor or equipment configuration on which the Software is first executed pursuant to the license herein.

1.5 **Services** means training, consulting, Project Management, and custom programming provided by DTG or DTG Services, Inc.

1.6 **Software** means RISKMASTER/Win © (16 Bit Client/Server Version) as more specifically described in the Schedule of Fees. Service Pack releases and warranty updates which may be provided by DTG.

1.7 **Third Party Product** means hardware and software products identified on the Schedule of Fees or programs integrated in software provided by DTG which may be licensed directly to CLIENT by parties other than DTG.

1.8 **Workstation** means a discrete equipment configuration which has access to the Server.

2. **PRICES AND FEES** are specified on the Schedule of Fees. Any Services which are requested that are not set out on the Schedule of Fees will be billed on a time and materials basis and are due and payable by CLIENT upon receipt of invoice. CLIENT agrees to pay DTG for all reasonable and customary travel expenses incurred in the installation of the products or delivery of Services at CLIENT's site.

3. **TAXES.** CLIENT is responsible for all applicable taxes and tariffs on the sale, license or use of the Products and Services. DTG is responsible for taxes based on its net income.

4. **DELIVERY.** Products will be shipped F.O.B. DTG's place of business in Livonia, Michigan. Third Party Products will be shipped F.O.B. manufacturer's plant. CLIENT will be responsible for charges and insurance as set out in the Schedule of Fees.

5. PAYMENT.

5.1 Payment of license fees for Software, DSMs, if any, or for Third Party Products shall be made in two installments: (i) fifty (50%) percent due upon return of this Agreement executed by CLIENT or submission of a purchase order from CLIENT and (ii) fifty (50%) percent plus all applicable taxes, duties and levies due upon installation of Software or Third Party Products at the CLIENT's site or, if applicable, delivery of the Products to CLIENT site via shipping agent, completion of a New Client Project Teleconference, delivery of the Starter Kit and completion of the initial training session. DTG will ship Software, Documentation and Starter Kit materials upon receipt of the deposit.

5.2 The DSM fee is billed on an annual basis after the Software installation is completed.

5.3 Training fees and related travel costs are billed as incurred per each training session completed. Travel expenses are billed in accordance with DTG's standard H.R. policy. Installation, Project Management, Consulting, and custom programming fees are billed as incurred less any pre-paid deposit amounts.

5.4 Support plan options are billed upon delivery of the Starter Kit and billed on an annual basis.

5.5 Any DTG supplied Third Party Products are billed when the software is delivered. No DTG third party products are charged for unless otherwise defined on the Schedule of Fees. Other CLIENT programs licensed by CLIENT directly from third parties or parties other than DTG are billed under the terms and conditions of the third party.

5.6 Payment for Services is due upon receipt of invoice by CLIENT. A monthly late charge of one and a half (1.5%) per cent of unpaid fees will be assessed thirty (30) days after payment is due.

6. **CANCELLATION AND RESCHEDULING CHARGES.** In the event of cancellation or rescheduling by CLIENT of an order for Third Party Products, CLIENT is liable for any cancellation or rescheduling charge which is assessed by the Third Party hardware or software supplier. Rescheduling of an order is subject to acceptance by DTG.

7. INSTALLATION

7.1 CLIENT may contract with DTG for installation of Software, configuration of Server(s), Workstation(s), Software and Third Party Products and other set-up services at CLIENT's facility in the United States or Canada.

7.2 Installation shall be deemed complete upon the successful execution of DTG diagnostic programs or completion of DTG training checklist.

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7.3 Third Party Products will be installed as set forth in the Schedule of Fees. Installation of Third Party Products are deemed complete upon execution of the diagnostic programs.

7.4 CLIENT is responsible for preparation of a safe and suitable site in accordance with DTG's Software and site specifications.

8. LIMITED WARRANTY

8.1 DTG warrants to CLIENT that Software and DSM(s) will perform in accordance with the Documentation for ninety (90) days after delivery of the respective Software or DSM(s) to the CLIENT. DTG does not warrant that the execution of Software and DSM(s) shall be uninterrupted or error free. Additional custom programming may be required and can be provided on a time and materials basis.

8.2 DTG does not warrant Third Party Products which DTG provides "as is". DTG agrees to assign any warranty rights it may have to CLIENT.

8.3 This warranty is a limited warranty and does not apply to improper use of the Products or other external causes as more fully set out in the Documentation.

8.4 DTG warrants that Services which it provides will be performed in a good and workmanlike manner. Any and all warranties by DTG Services, Inc. are set forth in the agreement describing the Services to be provided and are subject to the disclaimer set forth in Paragraph 8.7 below.

8.5 DTG warrants to CLIENT that Software will allow for entry of the year 2000 on data entry screen and in the database and has four year digit year capabilities. CLIENT acknowledges that the Third Party Products may not be Year 2000 compliant.

8.6 CLIENT's remedies for DTG's obligations under this Paragraph are set forth in Paragraph 13.

8.7 THE ABOVE WARRANTIES ARE THE EXCLUSIVE REMEDIES AND NO OTHER WARRANTY, EXPRESS OR IMPLIED, SHALL APPLY. THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE SPECIFICALLY DISCLAIMED.

9. SOFTWARE AND DSM LICENSE

9.1 Software License. Upon CLIENT's execution of this Agreement, DTG grants CLIENT a Software License for use of the Software and DSM(s) described in the Schedule of Fees by a single user unless otherwise set forth in the Schedule of Fees. DTG grants no other software licenses whatsoever, either explicitly or implicitly, except upon execution of this Agreement and payment of license fees. CLIENT's License is personal and non-exclusive, and may

not be transferred without DTG's express consent. Title to Software and DSM(s) shall remain in DTG. CLIENT shall execute the Software on the designated Server only and may load, copy or transmit the Software and DSM(s), in whole or in part, only as necessary for execution on the Server, except that CLIENT may execute the Software or DSM(s)(except diagnostic Software) on another single processor or equipment configuration on a temporary basis during a malfunction which prevents execution of the Software or DSM(s) on the Server or during extraordinary circumstances such as disaster recovery for no more than 120 days, and may load, transmit, or copy the Software or DSM(s) as necessary for such temporary execution. CLIENT may make backup or archival copies of the Software and DSM(s) and copies for off-site storage provided CLIENT agrees to reproduce DTG's copyright and all other legal or proprietary notices. CLIENT will authorize DTG to utilize all client data in industry performance and bench marking studies. DTG will not identify the supplying organizations as a part of this data conversion process.

9.2 License Limitation. CLIENT shall not decompile or reverse assemble the Software or DSM(s), or analyze or otherwise examine the Software, including any hardware or firmware implementation of the Software for the purpose of reverse engineering. CLIENT cannot loan, rent, lease or sublicense Software or DSM(s) or any copy. CLIENT cannot have more Workstations accessing Software or DSM(s) than the number of Workstations provided for on the Schedule of Fees. This License is for use of the Software object code only.

9.3 License Termination. CLIENT's License shall continue unless terminated as provided herein. DTG may terminate any License granted if CLIENT neglects or fails to perform or observe any of its obligations to DTG under these Terms and Conditions, and such condition is not remedied within thirty (30) days after written notice has been given to CLIENT. Before any termination by CLIENT becomes effective, or in the event of termination by DTG, CLIENT shall: (i) destroy all copies of all versions of Software, Documentation and DSM(s) in CLIENT's possession, and (ii) remove all portions of the DSM(s) and all versions of the Software for any adaptations made by purchaser and destroy such portions and (iii) certify in writing that all copies, including all those included in CLIENT's adaptations, have been destroyed or returned to DTG.

9.4 Confidentiality. CLIENT acknowledges that Software, DSM(s) and Documentation contain the trade secrets and proprietary technology of DTG and agrees to hold the Software, DSM(s) and Documentation in confidence and not to disclose or make available the Software, DSM(s) or Documentation except to its employees to the extent needed to use the Software, DSM(s) and Documentation in accordance with this License. CLIENT's third party contractors shall not access Software, DSMs, Documentation or the client specific portions of DTG's web site. CLIENT's obligations under

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this Section will survive termination of the Software and DSM License.

9.5 Third Party Products. Any Third party products or software defined in the attached Schedule Of Fees, is licensed in accordance with the Terms and Conditions of the third party license agreement accompanying the software. CLIENT is solely responsible for obtaining and complying with the terms of third party license agreements.

10. MAINTENANCE MATERIAL. Diagnostic Software (including source code), Documentation, equipment or other material used by DTG or DTG Services, Inc. in the performance of installation, warranty, or Services may be furnished with Products or stored at CLIENT's facility. DTG grants no title or license to such material, and it remains the exclusive property of DTG. CLIENT agrees to properly secure such material and not to use it in any manner or make it available to third parties without DTG's prior consent.

11. SERVICES. Training will be provided at DTG's or DTG Services, Inc.'s place of business or clients site as further set forth in the Schedule of Fees. DTG or DTG Services, Inc. will provide one (1) year of telephone support not to exceed the amount of hours as set forth on the Schedule of Fees.

12. INFRINGEMENT INDEMNIFICATION

12.1 DTG shall defend, at its expense, any claim (including any suit) brought against CLIENT alleging that any Software or Documentation furnished hereunder infringe a United States patent, copyright, or mask work right, and shall pay all costs and damages finally awarded, provided that CLIENT gives DTG prompt written notice of such claim, and information, reasonable assistance and sole authority to defend or settle the claim. In the defense or settlement of the claim, DTG may obtain for CLIENT the right to continue using the Software or Documentation, replace or modify the Software or Documentation so they become non-infringing or, if such remedies are not reasonably available, grant CLIENT a credit for the Software or Documentation as depreciated on a three (3) year straight line basis and accept their return. DTG shall not have any liability if the alleged infringement is based upon the use, license or sale of the Software or Documentation in combination with other products (including software) not furnished by DTG. DTG DISCLAIMS ALL OTHER LIABILITY FOR VIOLATION, MISAPPROPRIATION OR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, AND FURTHER DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

12.2 CLIENT shall be responsible for securing license or authorized use agreement for any code files, databases, data field indicators or non-DTG software. CLIENT shall indemnify DTG and DTG Services, Inc. for and hold DTG and DTG Services, Inc. harmless from any claim, lawsuit or other action brought against DTG or DTG Services, Inc. for breach or violation of a license or use agreement or other

infringement claim including all damages assessed or settlements paid together with reasonable costs and attorney fees incurred by DTG or DTG Services, Inc.

13. REMEDIES AND LIMITATIONS

13.1 These remedies are CLIENT's exclusive remedies and are in lieu of any other remedy at law or in equity.

13.2 In all situations involving performance or non-performance of Software furnished hereunder, CLIENT'S remedy is correction or replacement by DTG (at DTG's option) of defective Software with Software that performs in accordance with the Documentation if DTG is notified by CLIENT in writing of a material defect within the warranty period and CLIENT provides sufficient information to allow DTG to recreate the defect. If DTG cannot meet its support obligations as defined in the support plan agreement and has exhausted its resources for support through its related companies, divisions, or subsidiaries, then DTG will provide CLIENT the then current release of all source code material relating to the most current software products which CLIENT has acquired through a software license. Source Code will reside at the following Authorized DTG Source Code Agent: STEVEN ALEXSY, ESQ., MAY, SIMPSON & STROTE, 100 W. LONG LAKE ROAD, SUITE 200, BLOOMFIELD HILLS MI 48304.

13.3 DTG'S AND DTG SERVICES, INC.'S LIABILITY TO CLIENT FOR ANY CAUSE WHATSOEVER SHALL BE LIMITED TO THE PURCHASE PRICE PAID TO DTG FOR THE PRODUCTS AND SERVICES THAT ARE THE SUBJECT OF CLIENT'S CLAIM. THIS LIMITATION WILL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER CONTRACT OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE. THE FOREGOING LIMITATION DOES NOT APPLY TO DAMAGES RESULTING FROM PERSONAL INJURY CAUSED BY DTG OR DTG SERVICES, INC.'S NEGLIGENCE.

13.4 IN NO EVENT WILL DTG OR DTG SERVICES, INC. BE LIABLE FOR ANY DAMAGES RESULTING FROM LOSS OF DATA OR USE, LOST PROFITS OR ANY INDIRECT, INCIDENTAL SPECIAL OR CONSEQUENTIAL DAMAGES.

13.5 Any action against DTG or DTG Services, Inc. must be brought within twelve (12) months after the cause of action arises.

13.6 This Agreement is governed by and construed under the laws of Michigan. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute under this Agreement shall be submitted to binding arbitration in Oakland or Washtenaw Counties, Michigan under the then prevailing rules of the American Arbitration Association.

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Judgment upon any award made may be entered and enforced in any court of competent jurisdiction.

14. GENERAL CONDITIONS

14.1 DTG agrees to comply with Section 1861 (v) (1) (I) of the Social Security Act as amended and the applicable rules and regulations requiring maintenance of records to verify cost of Products.

14.2 DTG agrees to comply with Federal and state statutes regarding affirmative action and the Immigration Reform and Control Act of 1986.

14.3 DTG agrees to maintain standard workers compensation insurance and comprehensive and general liability insurance coverages or provide adequate self insurance coverage.

14.4 For a period of up to one (1) year after completion of the last CLIENT service period, CLIENT and DTG shall not solicit each others employees involved in performance of services to undertake employment with CLIENT/DTG respectively or any entity related to either CLIENT/DTG.

14.5 These Terms and Conditions will supersede any previous communications, representations, or agreements by either party whether verbal or written including any terms and conditions on CLIENT'S order. Any modification to these Terms and Conditions must be in writing and signed by authorized representatives of DTG and CLIENT.

14.6 If any term of this agreement is found to be illegal or unenforceable then notwithstanding this agreement shall remain in full force and effect and such term shall be deemed stricken.

14.7 CLIENT is licensing Software designed to operate with Data Volumes on the following platforms: (I) Access up to 10,000 records, (ii) MS Sequel System up to 20,000 records, and (iii) Informix System up to 40,000 records. Volumes above the levels listed may be acceptable but require certification on the CLIENT'S specific hardware and communication environment. Certification is billable at the DTG standard labor rate.

14.8 CLIENT authorizes DTG to utilize all client data in industry performance and bench marking studies. DTG will not identify the supplying organizations as a part of this data process.

15. ACCEPTANCE

15.1 Acceptance of Products or Services is specific to each product or service provided by DTG. Software is deemed accepted upon successful installation. Services are deemed accepted upon delivery. CLIENT may be asked to approve acceptance or release forms specific to services being performed for products being delivered. Under no circumstance is payment or acceptance of Products tied to data conversions, data reconciliation, custom programming, installation services or project management. These services may also require CLIENT to get third party or internal staff co-operation and participation for DTG to complete a specific service.

15.2 For Custom Software Contract data conversion project not utilizing the Data Director specifications DTG recommends CLIENT contract for Data Validation Services. It is also recommended that the Third Party DTG data questionnaire be completed. Data conciliation services are not included as part of contracted data conversion work, outlined in the Schedule of Fees.

"EASY CONTRACT" ATTACHMENTS:

Schedule of Fees:

RM/Win® Data Entry/Workstation Requirements & Recommendations

RM/Win® Database - Disk Space Recommendations

RM/Win® System Requirements: Software Release 3.5

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"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read the Schedule of Fees and this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT:
City of Peoria

Signature _____

Name Printed _____

Title _____

Date: ____/____/1998

APPROVED

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

Signature  _____

Mark E. Dorn
Name Printed _____

President
Title _____

Date: 10, 14 /1998



REQUEST FOR PROPOSAL

INSTRUCTIONS TO OFFEROR

Materials Management
3401 W. Monroe St. Rm. 150
Peoria, AZ 95345
Telephone: (602) 412-7115
Fax: (602) 412-7118

1. **PREPARATION OF PROPOSAL:**
 - a. All proposals shall be on the forms provided in this *Request For Proposal* package. It is permissible to copy these forms if required. Telegraphic (facsimile) or mailgram proposals will not be considered.
 - b. The Offer and Contract Award document (COP Form 203) shall be submitted with an original ink signature by a person authorized to sign the offer.
 - c. Erasures, interlineations or other modifications in the proposal shall be initiated in original ink by the authorized person signing the Vendor Offer.
 - d. If there is a consideration and in case of error in the extension of prices in the proposal, the unit price shall govern. No proposal shall be altered, amended, or withdrawn after the specified proposal due date and time.
 - e. Periods of time, stated as a number of days, shall be calendar days.
 - f. It is the responsibility of all Offerors to examine the entire *Request For Proposal* package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a bid. Negligence in preparing a Proposal confers no right of withdrawal after proposal due date and time.
2. **INQUIRIES:** Any question related to the *Request For Proposal* shall be directed to the Buyer whose name appears on the front. The Offeror shall not contact or ask questions of the department for which the requirement is being procured. Questions should be submitted in writing when time permits. The Buyer may require any and all questions be submitted in writing at the Buyer's sole discretion. Any correspondence related to a *Request For Proposal* should refer to the appropriate *Request For Proposal* number, page, and paragraph number. However, the Offeror shall not place the *Request For Proposal* number on the outside of any envelope containing questions since such an envelope may be identified as a sealed proposal and may not be opened until after the official *Request For Proposal* due date and time.
3. **PROSPECTIVE OFFERORS CONFERENCE:** A prospective offerors conference may be held. If scheduled, the date and time of this conference will be indicated on the cover page of this document. The purpose of this conference will be to clarify the contents of this *Request For Proposal* in order to prevent any misunderstanding of the City's position. Any doubt as to the requirements of this *Request For Proposal* or any apparent omission or discrepancy should be presented to the City at this conference. The City will then determine if any action is necessary and may issue a written amendment to the *Request for Proposal*. Oral statements or instructions will not constitute an amendment to this *Request for Proposal*.
4. **LATE PROPOSALS:** Late Proposals will not be considered, except as provided by the City of Peoria Procurement Code. A vendor submitting a late proposal shall be so notified.
5. **WITHDRAWAL OF PROPOSAL:** At any time prior to the specified proposal due date and time, a Vendor (or designated representative) may withdraw the proposal. Telegraphic (facsimile) or mailgram proposal withdrawals will not be considered.
6. **AMENDMENT OF PROPOSAL:** Receipt of a Solicitation Amendment (COP Form 207) shall be acknowledged by signing and returning the document prior to the specified proposal due date and time.
7. **PAYMENT:** The City will make every effort to process payment for the purchase of goods or services within thirty (30) calendar days after receipt of goods or services and a correct notice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account. Any proposal that requires payment in less than thirty (30) calendar days shall not be considered.
8. **NEW:** All items shall be new, unless otherwise stated in the specifications.
9. **DISCOUNTS:** Payment discount periods will be computed from the date of receipt of material/service or correct invoice, whichever is later, to the date Buyer's payment is mailed. Unless freight and other charges are itemized, any discount provided will be taken on full amount of invoice. Payment discounts of thirty (30) calendar days or more will be deducted from the proposal price in determining the low bid. However, the Buyer shall be entitled to take advantage of any payment discount offered by the Vendor provided payment is made within the discount period.
10. **TAXES:** The City of Peoria is exempt from Federal Excise Tax, including the Federal Transportation Tax. Sales tax, if any, shall be indicated as a separate item.
11. **VENDOR REGISTRATION:** Prior to the award of a contract, the successful Offeror shall have a completed Vendor Registration Form (COP Form 200) on file with the City of Peoria Materials Management Division.
12. **AWARD OF CONTRACT:**
 - a. Unless the Offeror states otherwise, or unless provided within this *Request For Proposal*, the City reserves the right to award by individual line item, by group of line items, or as a total, whichever is deemed most advantageous to the City.
 - b. Notwithstanding any other provision of this *Request For Proposal*, The City expressly reserves the right to:
 - (1) Waive any immaterial defect or informality; or
 - (2) Reject any or all proposals, or portions thereof; or
 - (3) Reissue a *Request For Proposal*.
 - c. A response to a *Request For Proposal* is an offer to contract with the City based upon the terms, conditions and specifications contained in the City's *Request For Proposal* and the written amendments thereto, if any. Proposals do not become contracts unless and until they are accepted by the City Council. A contract is formed when written notice of award(s) is provided to the successful Offeror(s). The contract has its inception in the award document, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the procurement contract are contained in the *Request For Proposal*, unless modified by a Solicitation Amendment (COP Form 207) or a Contract Amendment (COP Form 217).



City of Peoria Standard Terms and Conditions

THE FOLLOWING TERMS AND CONDITIONS ARE AN EXPLICIT PART OF THE SOLICITATION AND ANY RESULTANT CONTRACT.

1. **CERTIFICATION:** By signature in the Offer section of the Offer and Contract Award page (COP Form 203), the Vendor certifies:
 - a. The submission of the offer did not involve collusion or other anti-competitive practices.
 - b. The Vendor shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11456.
 - c. The Vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, tip favor, or service to a public servant in connection with the submitted offer. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resulting contracts, and the vendor may be debarred.
2. **GRATUITIES:** The City may, by written notice to the Contractor, cancel this contract if it is found by the City that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the City with a view toward securing an order, securing favorable treatment with respect to the awarding, amending, or the making of any determinations with respect to the performing of such order. In the event this contract is cancelled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor the amount of the gratuity. Paying the expense of normal business meals which are generally made available to all eligible city government customers shall not be prohibited by this paragraph.
3. **APPLICABLE LAW:** In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement.

This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona.

This contract is subject to the provisions of ARS §38-511; the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City or any of its departments or agencies, is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.
4. **LEGAL REMEDIES:** All claims and controversies shall be subject to resolution according to the terms of the City of Peoria Procurement Code.
5. **CONTRACT:** The contract between the City and the Contractor shall consist of (1) the Solicitation, including instructions, all terms and conditions, specifications, scopes of work, attachments, and any amendments thereto, and (2) the offer submitted by the Vendor in response to the solicitation. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation shall govern. However, the City reserves the right to clarify, in writing, any contractual terms with the concurrence of the Contractor, and such written contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Vendor's offer. The Solicitation shall govern in all other matters not affected by the written contract.
6. **CONTRACT AMENDMENTS:** This contract may be modified only by a written Contract Amendment (COP Form 217) signed by persons duly authorized to enter into contracts on behalf of the City and the Contractor.
7. **CONTRACT APPLICABILITY:** The Offeror shall substantially conform to the terms, conditions, specifications and other requirements found within the text of this specific Solicitation. All previous agreements, contracts, or other documents, which have been executed between the Offeror and the City are not applicable to this Solicitation or any resultant contract.
8. **PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the contract will forthwith be physically amended to make such insertion or correction.
9. **SEVERABILITY:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application.
10. **RELATIONSHIP TO PARTIES:** It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Contractor is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Contractor should make arrangements to directly pay such expenses, if any.



City of Peoria Standard Terms and Conditions

11. **INTERPRETATION-PAROL EVIDENCE:** This contract is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of this agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this contract. Acceptance or acquiescence in a course of performance rendered under this contract shall not be relevant to determine the meaning of this contract even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to object.
12. **ASSIGNMENT-DELEGATION:** No right or interest in this contract shall be assigned by Contractor without prior written permission of the City and no delegation of any duty of Contractor shall be made without prior written permission of the City.
13. **SUBCONTRACTS:** No subcontract shall be entered into by the contractor with any other party to furnish any of the material, service or construction specified herein without the advance written approval of the City. The prime contractor shall reimburse all sub-contractors which shall be utilized on the project. Any substitution of sub-contractors by the prime contractor shall be approved by the City and any cost savings will be reduced from the prime contractor's bid amount. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract and if the Subcontractor were the Contractor referred to herein. The Contractor is responsible for contract performance whether or not Subcontractors are used.
14. **RIGHTS AND REMEDIES:** No provision in this document or in the vendors offer shall be construed, expressly or by implication, as a waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Contractor from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.
15. **INDEMNIFICATION:** Contractor shall indemnify, defend, and save harmless the City from any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including any reasonable attorneys' fees and/or litigation expenses, which may be brought or made against or incurred by the City on account of loss or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of or contributed to in whole or in part by reason of the performance of his Contract, or arising out of Worker's compensation claims, Unemployment Compensation claims, or Unemployment Disability Compensation claims of employees of Contractor or claims under similar such laws or obligations. Contractor's obligation under this Section shall not extend to any liability caused by the negligence of the City, or its employees.
16. **OVERCHARGES BY ANTITRUST VIOLATIONS:** The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the goods and services used to fulfill the Contract.
17. **FORCE MAJEURE:** Except for payment for sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force Majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; floods; lockouts; injunctions; intervention-acts, or failures or refusals to act by government authority, and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract.
- Force majeure shall not include the following occurrences:
- Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.
 - Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this Force Majeure term and Condition.
- Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand delivered or mailed *Certified-Return Receipt* and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this contract.
18. **RIGHT TO ASSURANCE:** Whenever one party to this contract in good faith has reason to question the other party's intent to perform he may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Contract.



City of Peoria Standard Terms and Conditions

19. **RIGHT TO AUDIT RECORDS:** The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City.
20. **RIGHT TO INSPECT PLANT:** The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or Subcontractor which is related to the performance of any contract as awarded or to be awarded.
21. **WARRANTIES:** Contractor warrants that all material, service or construction delivered under this contract shall conform to the specifications of this contract. Unless otherwise stated in Contractor's response, the City is responsible for selecting items, their use, and the results obtained from any other items used with the items furnished under this contract. Mere receipt of shipment of the material/service specified and any inspection incidental thereto by the City shall not alter or affect the obligations of the Contractor or the rights of the City under the foregoing warranties. Additional warranty requirements may be set forth in the solicitation.
22. **INSPECTION:** All material and/or services are subject to final inspection and acceptance by the City. Materials and/or services failing to conform to the specifications of this Contract will be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. The may elect to do any or all:
- Waive the non-conformance.
 - Stop the work immediately.
 - Bring material into compliance.
- This shall be accomplished by a written determination for the City.
23. **TITLE AND RISK OF LOSS:** The title and risk of loss of material and/or service shall not pass to the City until the City actually receives the material or service at the point of delivery, unless otherwise provided within this Contract.
24. **NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach of the Contract as a whole.
25. **DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Contractor shall deliver conforming materials in each installment of lot of this Contract and may not substitute nonconforming materials. Delivery of nonconforming materials or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.
26. **SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship materials under reservation and no tender of a bill of lading will operate as a tender of the materials.
27. **LIENS:** All materials, service or construction shall be free of all liens, and if the City requests, a formal release of all liens shall be delivered to the City.
28. **LICENSES:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this Contract.
29. **PATENTS AND COPYRIGHTS:** All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this contract are the property of the City and shall not be used or released by the Contractor or any other person except with the prior written permission of the City.
30. **PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL:** All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.
31. **COST OF BID/PROPOSAL PREPARATION:** The City shall not reimburse the cost of developing presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.
32. **PUBLIC RECORD:** All offers submitted in response to this solicitation shall become the property of the City and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the City's Procurement Code.
33. **ADVERTISING:** Contractor shall not advertise or publish information concerning this Contract, without prior written consent of the City.
34. **DELIVERY ORDERS:** The City shall issue a Purchase Order for the material and/or services covered by this contract. All such documents shall reference the contract number as indicated on the Offer and Contract Award (COP Form 203).
35. **PAYMENT:** A separate invoice shall be issued for each shipment of material or service performed, and no payment will be issued prior to receipt of material and/or services and correct invoice.



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Peoria, AZ 85345
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Fax: (602) 412-7118

Solicitation Number: P8-0052

1. **Purpose:** Pursuant to provisions of the City Procurement Code, the City of Peoria, Materials Management Division intends to establish a contract for the purchase of Risk Management Software
2. **Authority:** This Solicitation as well as any resultant contract is issued under the authority of the City Materials Manager. No alteration of any resultant contract may be made without the express written approval of the City Materials Manager in the form of an official contract amendment. Any attempt to alter any contract without such approval is a violation of the contract and the City Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.
3. **Offer Acceptance Period:** In order to allow for an adequate evaluation, the City requires an offer in response to this Solicitation to be valid and irrevocable for ninety (90) days after the opening time and date.
4. **Cooperative Purchasing:** Any contract resulting from this solicitation shall be for the use of the City of Peoria. In addition, specific eligible political subdivisions and nonprofit educational or public health institutions may also participate at their discretion. In order to participate in any resultant contract, a political subdivision or nonprofit educational or public health institution must have been invited to participate in this specific solicitation and the contractor must be in agreement with the cooperative transaction.

Any orders placed to the successful contractor will be placed by the specific agencies participating in this purchase. Payment for purchases made under this agreement will be the sole responsibility of each participating agency. The City shall not be responsible for any disputes arising out of transactions made by others.
5. **Contract Type:** Fixed Price
6. **Term of Contract:** The term of any resultant contract shall commence on the date of award and shall remain in effect until all work required by the contractor is completed, accepted by the City, and warranty/maintenance coverage has expired, unless terminated, canceled or extended as otherwise provided herein.
7. **Evaluation:** In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.
 - a. Conformance to Request for Proposals Requirements.
 - b. Completeness of Solution.
 - c. Compatibility with City's Network.
 - d. User Friendly/Ease of Use.
 - e. Price.
 - f. Initial and On-going Support.
 - g. Training.
 - h. Openness of Data Structure.
 - i. Experience of vendor.
 - j. System Requirements Responses.
8. **Proposal Format:** Proposals shall be submitted in one (1) original and four (4) copies on the forms and in the format as contained in the Request for Proposal. Proposals shall be on 8 1/2" & 11" paper with the text on one side only. All submittal information must contain data for only the local office(s) which will be performing the work. See Scope of Work, Page 5 of 10, Section III, Proposal Preparation and Submission Requirements.



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- a. Proposal Preparation and Order. (See Scope of Work, Page 5 of 10, Section III, Proposal Preparation and Submission Requirements.)
 - i. Management Summary.
 - ii. Vendor Profile.
 - iii. Application Summaries.
 - iv. Technical Summary.
 - v. Sample Standard Reports.
 - vi. Support Services.
 - vii. Recommended Implementation Approach.
 - viii. Proposed Hardware and Operating Configuration.
 - ix. Systems Performance Estimate.
9. **Interview Guidelines:** During the interview, which will be scheduled in the future, be prepared to discuss your firm's proposal, staff assignments, project approach and other pertinent information. The presentation shall be approximately 45 minutes, allowing 15 minutes for a question and answer session. The Consultant's Project/Team Manager shall lead the presentation team and answer questions on the behalf of the Consultant. If work involves a major sub-consultant, the firms Project/Team Manager's presence may also be requested (by the City) at the interview.
10. **Year 2000 Compliance:** Any and all products (Hardware, Software, Applications, Data) supplied by the vendor will be Year 2000 compliant. "Year 2000 compliant" means that the information technology will accurately process date and time data from, into and between the 20th and 21st centuries, the year 1999 and 2000, and for all leap years. "Process Date and Time Data" includes, but is not limited to, date calculations, logical functions, program branching, format conversion, edits, and validations, and the use of dates in comparisons, sorting, sequencing, merging, retrieving, searching and indexing. Furthermore, Year 2000 compliant information technology, when used in combination with other information technology, shall accurately process date and time data if the other technology properly exchanges date and time data with it.
11. **Demonstration Models:** All vendors are hereby notified that demonstration units of the equipment offered shall be available in Phoenix. The City of Peoria, Materials Management Division must arrange a time and place for equipment demonstrations for the purpose of evaluation. Demonstrations shall be performed at no expense to the City.
12. **Proposal Opening:** Proposals shall be opened at the time and place designated on the cover page of this document. The name of each offeror and the identity of the Request For Proposals for which the proposal was submitted shall be publicly read and recorded in the presence of witnesses. Proposals, modifications and all other information received in response to this Request For Proposals shall be shown only to City Personnel having a



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legitimate interest in the evaluation. PRICES SHALL NOT BE READ. After contract award, the proposals and the evaluation documentation shall be open for public inspection.

13. **Shipping Terms:** Prices shall be F.O.B. Destination to the delivery location designated herein. Contractor shall retain title and control of all goods until they are delivered and the contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the contractor. All claims for visible or concealed damage shall be filed by the contractor. The City will notify the contractor promptly of any damaged goods and shall assist the contractor in arranging for inspection.
14. **Delivery:** Delivery shall be made within one hundred twenty (120) days of receipt of a purchase order.
15. **Taxes:** Prices offered shall include all applicable State and local taxes. The City will pay all applicable taxes. Taxes must be listed as a separate item on the price sheet attached to this Solicitation and on all invoices.
16. **Warranty:** All items supplied under this specification shall be fully guaranteed by the contractor for a minimum period of 12 months from the date of acceptance by the City. Any defects of design, workmanship, or materials, that would result in non-compliance with the contract specification, shall be fully corrected by the contractor (including parts and labor) without cost to the City.
17. **Price Reduction:** A price reduction adjustment may be offered at any time during the term of a contract and shall become effective upon notice.
18. **Discussions:** In accordance with the City of Peoria Procurement Code, after the initial receipt of proposals, discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award.
19. **Insurance:** The City requires a complete and valid certificate of insurance prior to the commencement of any service or activity specified in this solicitation. The City will notify the successful contractor(s) of the intent to issue a contract award. The successful contractor(s) shall at that time submit an original copy of the attached Certificate of Insurance, Form COP 221C, for coverages in the minimum amounts stated. The coverages shall be maintained in full force and effect during the term of the contract and shall not serve to limit any liabilities or any other contractor obligations.
20. **Key Personnel:** It is essential that the Contractor provide adequate experienced personnel, capable of an devoted to the successful accomplishment of work to be performed under this contract. The Contractor must agree to assign specific individuals to the key positions.
 - a. The Contractor agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to the City.
 - b. If key personnel are not available for work under this contract for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Contractor shall immediately notify the City, and shall, subject to the concurrence of the City, replace such personnel with personnel of substantially equal ability and qualifications.
21. **Training:** Each offer shall include a complete statement of the training that shall be provided by the vendor for equipment supplied.



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22. **Ordering Process:** Upon award of a contract by the City of Peoria, Materials Management Division may procure the specific material and/or service awarded by the issuance of a purchase order to the appropriate contractor. The award of a contract shall be in accordance with the City of Peoria Procurement Code and all transactions and procedures required by the Code for public bidding have been complied with. A purchase order for the awarded material and/or service that cites the correct contract number is the only document required for the department to order and the contractor to deliver the material and/or service.

Any attempt to represent any material and/or service not specifically awarded as being under contract with the City of Peoria is a violation of the contract and the City of Peoria Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.

23. **Billing:** All billing notices to the City shall identify the specific item(s) being billed and the purchase order number. Items are to be identified by the name, model number, and/or serial number most applicable. Any purchase/delivery order issued by the requesting agency shall refer to the contract number resulting from this solicitation.
24. **Licenses:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor.
25. **Confidentiality of Records:** The contractor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that information contained in its records or obtained from the City or from others in carrying out its functions under the contract shall not be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the City. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of contractor as needed for the performance of duties under the contract.
26. **Cancellation:** The City reserves the right to cancel the whole or any part of this contract due to failure by the contractor to carry out any obligation, term or condition of the contract. The City will issue written notice to the contractor for acting or failing to act as in any of the following:
- The contractor provides material that does not meet the specifications of the contract;
 - The contractor fails to adequately perform the services set forth in the specifications of the contract;
 - The contractor fails to complete the work required or to furnish the materials required within the time stipulated in the contract;
 - The contractor fails to make progress in the performance of the contract and/or gives the City reason to believe that the contractor will not or cannot perform to the requirements of the contract.

Upon receipt of the written notice of concern, the contractor shall have ten (10) days to provide a satisfactory response to the City. Failure on the part of the contractor to adequately address all issues of concern may result in the City resorting to any single or combination of the following remedies:

- Cancel any contract;
- Reserve all rights or claims to damage for breach of any covenants of the contract;



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- c. Perform any test or analysis on materials for compliance with the specifications of the contract. If the results of any test or analysis find a material non-compliance with the specifications, the actual expense of testing shall be borne by the contractor;
- d. In case of default, the City reserves the right to purchase materials, or to complete the required work in accordance with the City Procurement Code. The City may recover any actual excess costs from the contractor by:
 - i. Deduction from an unpaid balance;
 - ii. Collection against the bid and/or performance bond, or;
 - iii. Any combination of the above or any other remedies as provided by law.



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Section I - Overview

A. Purpose

The purpose of this RFP is to collect information from software vendors that may be able to provide simple but sophisticated software along with strong vendor support for the City's Risk Management Information System. This information will be used to evaluate and select the most appropriate solution to meet the City of Peoria's needs. The Risk Management Information System (RMIS) will be used by the City Attorney's Office, Risk Management Division. The RMIS will need to accommodate approximately five to six primary users with limited input from each station. Each location would have inquiry access to their stored data.

Vendors who respond to this RFP are expected to propose all services and associated costs required to deliver a fully operational version of the Risk Management Information System.

B. Scope of Work

The proposal should include a work plan addressing the following scope of services in addition to licensing the application software:

Installation of application software, including the configuration and system software and parameters;

Technical assistance with configuring necessary hardware and communications

Design, coding and testing of all purchased enhancements;

End user and technical system training, and

Vendor support

Although the vendor's proposal should address these and other activities required to successfully implement the application, costing should allow the City to select the services necessary, based on available internal staff, funding and implementation time lines.

C. Required Qualifications

Selection of the most suitable vendor is essential. Therefore, proposals will only be accepted from vendors that demonstrate the following qualifications:

1. Successful implementation of the recommended software;
2. Resources available internally to provide the requested products and services within mandated time frames;



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3. Experience, knowledge and understanding of the organization and operation of a Municipality and their departments and business practices.

D. Overview of the City of Peoria

The City of Peoria, incorporated in 1954, is a City located to the North West of Phoenix, Arizona. The City has a rapidly growing population currently around 89,000 (1995 Census 74,565). It is governed by an elected Mayor and Council and administered by a City Manager supported by approximately 560 full and 700 part time staff. The City has a surface area of about 120 square miles and contains residential, municipal, commercial and industrial developments. The City provides Water and Sanitation services to approximately 25,000 utility customers. The combined operating budget for 1997/98 was \$88 million.

E. Overview of Information Systems and Technology Department (IS&T)

The Information Systems and Technology Department is located 8401 W. Monroe, on the second floor of the City Hall building. The City is connected by a metropolitan area network (MAN) which supports approximately 450 PC based stations. Stations run under NetWare connecting via terminal emulation to the City's financial system. Currently stations are generally configured in DOS 6.22 running NetWare 4.11 using Windows for Workgroups Version 3.11 and Rally terminal emulation. All stations below the level of a Pentium chip are budgeted for replacement this fiscal year. In the near future the City will broaden access to the Internet beyond e-mail.

F. Overview of the Risk Management Division

The Risk Management Division is a component of the City Attorney's Office. It is located on the third floor of the City Hall building. The Risk Management Division is dedicated to knowing, understanding and reducing the various types of loss events that occur within the City. The City has a self-insured retention and the additional coverage is placed with ICW through its broker, Sedgwick of Arizona. The approximate volume of incoming claims per year for general liability, property and auto property damage is 100-200. The worker's compensation carrier is the State Fund of Arizona.

Under a more aggressive self financing arrangement, this RMIS would become the primary source of loss event data for insurance placements. This new RMIS is being purchased to create a better accountability for departments and report generation capability providing enhanced Claims Management administration in the City's self-insured program.

G. Functional Requirement Specifications

The requirements are organized in the following manner:



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- I. General
 - 1.1 General Support/Contract Issues
 - 1.2 General Functionality

2. Risk Management Processing
 - 2.1 Software Reliability
 - 2.2 Application Guidelines
 - 2.3 Control Standards
 - 2.4 Report Generator
 - 2.5 Claim Entry
 - 2.6 Multiple Event History
 - 2.7 Processing Requirements
 - 2.8 Configuration Requirements

Section II - Vendor Submission Requirements

A. Submission/Content Guidelines

Vendor submittals must be organized by the requested sections and page numbered. Four (4) copies and one (1) original are to be received by **March 31, 1998, 5:00 p.m. MST**. Proposals must be sent to the following address:

City of Peoria
Dan Zenko, Materials Management
8401 W. Monroe Street
Peoria, AZ 85345
Attention: Risk Management Information System RFP (P8-0052)

Any confidential information should be packaged separately. If non-disclosure statements are required for proprietary information, please enclose the agreements with your response and they will be completed and promptly returned. Proposals may be mailed or hand delivered at the vendor's option.

B. Fully functional software demo disk

If available, vendors are asked to submit a functional MS-DOS Windows-based or Windows 95 demo version of the software with the proposal. The software should run on a stand-alone IBM compatible machine. The vendors should include the minimum hardware and operating system requirements and installation instructions. The demo software will be used to better evaluate the product's functionality, however, proposals without a demo will be given careful consideration.



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C. Additional Required Information

Along with the elements indicated throughout this document, vendors are also encouraged to submit other information deemed significant for the evaluation of software products, for example:

- * Information regarding the functionality of other integrated application software packages available but not explicitly requested in this response.
- * Independent reports and research published on the vendor's products
- * Printed samples of commonly used pre-defined reports

Section III - Proposal Preparation and Submissions Requirements

The City of Peoria is seeking to select a Risk Management Information System software package which provides a cost effective solution with a high degree of functional and technical fit for the City.

In order to facilitate the evaluation and selection process, vendors are requested to submit responses that include the following information and sections in the following order:

- A. Management Summary
- B. Vendor Profile
- C. Application Summaries
- D. Technical Summary
- E. Sample Standard Reports
- F. Support Services
- G. Recommended Implementation Approach
- H. Proposed Hardware and Operating Configuration
- I. Systems Performance Estimate

Although vendors are encouraged to be creative with the format and content of responses within each section, at a minimum, the following must be addressed by each section.

A. Management Summary

A management summary must be included which provides an overview of the vendor's proposed solution and highlights the benefits of the approach. The vendor should emphasize why the solution is best suited to meet the need of the City of Peoria. A cover letter should accompany the management summary and be signed by an



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authorized official who can represent the information provided. The vendor's response to each of the requirements and other requests for information is contractually binding.

Programming code must be archived or set in escrow in a vault or bank. The City of Peoria is to be provided with the location of the code, notice of any change in its location and the name of the independent auditors who keep track of the location of the code, including any and all future updates, and ensure that it is kept current.

B. Vendor Profile

Provide a brief description and history of your company including current size, organization of support staff and a general overall profile. This section should include financial history with current financial statements and the investment in research, development and product enhancement. Encourage information regarding the company's market share and number of installations. Provide number of municipal clients and county, state or other governmental clients within the United States and Canada. List government clients with a population between 30,000 - 150,000. Testimonials or letters of recommendations from 5 clients, preferably municipalities, must be included with RFP documents.

C. Application Summaries

Provide a brief description of your base applications, including a description of each module to address the functional system requirements of the City. The application summaries should:

- * Provide a basic understanding of the standard capabilities of the software
- * Provide insight into the integration of common functions designed into the product.
- * Describe primary file structures
- * Depict on-line and batch capabilities
- * Provide system flow diagrams that illustrate how primary system functions are related
- * Describe how access rights are set up

D. Technical Summary

The technical system requirements and characteristics of the software should be defined. Topics addressed should include:

- * Operating platform, including recommended hardware and supported operating systems
- * Networking protocols and configurations supported
- * Programming language(s) and development tools used to develop software
- * Availability of API's for interfacing with existing City systems
- * Current version of the software and date of the original version
- * DBMS software supported/used by the application.



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E. Sample Standard Reports

The software supplier is expected to provide examples of standard system generated reports and ad-hoc reports created with report writer utilities. Reports requested in report generator section of the matrix should be referenced back to actual examples of reports provided in this section.

Standard and ad-hoc reporting capabilities of the software should be described. The vendor should clearly delineate which features are provided within the software and which are provided through the use of third party DBMS software or report writer utilities.

F. Support Services

1. Training

Describe your general training approach and methodology. Also describe the recommended timing of training courses and on-going training related to future releases. Recommended training for City technical support and other personnel as required. Include details such as course name, duration, description, recommended course location (i.e., City or vendor site), course materials, and costs paid by City for travel of vendor's personnel. Distinguish between training courses included in the base package cost and those proposed as additional. The City training facility should be utilized.

2. Implementation Support

Describe the types of services and qualifications of key personnel available to assist the implementation services. These should include details regarding data conversion/entry, programming, planning assistance and project management.

3. Maintenance/Technical Support

Describe the technical support provided with the proposed system software. Discuss availability of on-site support, extended-hours hotline service, bulletin board support, mail correspondence and user support groups.

4. Documentation

The vendor is required to provide one full set of documentation (including user manuals and technical systems operations manuals) to the City for review with proposal. A brief list should accompany the documentation to summarize important information about each document, including:

- * The documents title and purpose



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- * The number of documents to be provided free of charge and those requiring additional cost (state the per unit cost)
- * Special circumstances or restrictions related to reproduction of documentation
- * Availability of documentation in electronic format and restrictions around the City's use and modification of these files
- * Availability of on-line documentation within the software

G. Recommended Implementation Approach

The vendor must propose an implementation approach to successfully install the software. The vendor must clearly state its ability to assist the City. At a minimum this section must include:

- * Work plan describing primary activities, duration, man day (if completed by the vendor) and proposed vendor staffing. The plan should address as a minimum the following:
 - Installation of application software
 - Technical assistance with configuring hardware and communications
 - Data conversion and/or entry
 - Training
- * Gantt chart illustrating the timing of primary activities defined within the Work plan
- * Proposed project staffing, including the qualifications of key staff to be available for assignment to the project. Also, identify activities that require City participation and indicate the level of involvement required (e.g. high, medium, or low type of individual). Indicate potential subcontractors that may assist on the implementation effort and their proposed role. Identify if your company has had past working experiences with these subcontractors and at what installations.
- * Key assumptions related to the above approach and time lines
- * All activities proposed, but not included within the vendor's cost proposal should be clearly identified.

The following guidelines should be considered when developing the recommended implementation approach:

- * Regardless of whether the City of Peoria is able to dedicate full-time staff to the implementation effort the City staff will be closely involved; therefore, the vendor should anticipate participation by staff from the Risk Management Division and other offices.



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- * The vendor should propose conversion and/or cleaning specific types of data
- * The City reserves the right to purchase enhancements to the software based on unmet requirements; therefore, the vendor should identify complete enhancement projects based on a logical grouping of unmet requirements. These projects should be cross-referenced to the requirements they are intended to meet. Personnel-day effort duration and costing estimates should be provided separately for each enhancement project.
- * The vendor must provide written, bi-weekly status reports including activity progress, near term tasks and progress against the original schedule and budget. Any issues that warrant the attention of the implementation management team should also be addressed by this report. If the vendor recommends the assignment of a specific project manager to meet these requirements, this person's qualifications should be included as part of proposed project staffing.

H. Proposed Hardware and Operating Configuration

Vendor should identify typical system components, such as servers, workstation, terminals, printers, controllers and any other hardware that will enhance system performance. Also, identify typical components for an end-user workstation, such as CPU, RAM, disk space, monitor size, etc.

I. System Performance Estimates

Based upon the transaction volumes contained in this document and the typical hardware configuration, the vendor should submit estimates for processing times for each significant system function. Response times should be given as time for a function to execute.

J. Cost Quotation

The vendor should specify the total cost of the proposed software license, services and hardware configuration. The software cost quotation should include software license (s) for the required modules, optional modules and software maintenance fees. Service costs should be listed separately for each primary type of service (e.g. training project management, data conversion/entry, etc.) and should tie back to the activities identified in the implementation plan. Customization services required to implement enhancement projects should be listed separately by project. Hardware costs should be provided separately to allow the City to purchase hardware through the vendor or from other third party sources.

The vendor must propose a fixed fee, not to exceed amount for implementation services by primary types of service (identified above). In addition, hourly rates by resource should be provided in the event that additional activities are identified or only partial assistance is required by the vendor on a specific activity. All expenses should also be estimated.



SCOPE OF WORK

Materials Management
8401 W. Monroe St., Rm. 150
Peoria, AZ 85345
Telephone: (602) 412-7115
Fax: (602) 412-7118

Solicitation Number: P8-0052

Vendors are asked to ensure performance of their products and services as represented in the proposal. The purchase price, warranty and all terms and conditions for performance contained in the response, must be guaranteed to the City. All costs (products and services not provided by the vendor excluded) should be guaranteed to the City for a period of one year from the date of response submission.

The vendor costs quotation must be included within this section and must specify any recurring or annual costs of use such as license fees, maintenance costs and upgrade costs.

K. Contract Documents

Please include standard license, maintenance and service agreements for initial review by the City.

L. System Requirement Responses

The Vendor's responses to the system requirements is critical to the evaluation process. The vendor is requested to read each requirement carefully and determine if the system can support that requirement. Any questions regarding the intent of a requirement should be submitted in writing (via fax) as specified in Section II-B.

For each of the requirements in the functional requirement specifications in Section I-F, one of the following responses must be indicated in the column.

Included	Function is included in existing system
Future	Function is being developed and will be given to City as part of a future release at no cost. Anticipated release month and year should be specified in comment field.
New S	Vendor is willing to enhance/modify software to meet this requirement. Estimated man hours must be specified.
No	Not Available

In the event that the vendor's response does not demonstrate full compliance with a requirement, the City reserves the right to downgrade a vendor's response.

M. System 2000 Compliance

The vendor is to provide a written statement that meets the criteria explained in the Special Terms and Conditions, page 2 of 6, Paragraph 10. The statement will include:

- How long the software has been compliant.



SCOPE OF WORK

Solicitation Number: P8-0052

Materials Management
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Peoria, AZ 85345
Telephone: (602) 412-7115
Fax: (602) 412-7118

- Process that was used for becoming compliant.
- How compliance was tested.



CERTIFICATE OF INSURANCE

NAME AND ADDRESS OF INSURANCE AGENCY	COMPANY LETTER	COMPANIES AFFORDING COVERAGE
NAME AND ADDRESS OF INSURED	A	
	B	
	C	
	D	

This is to certify that the policies of insurance listed below have been issued to the insured named above and are in force at this time.

COMPANY LETTER	TYPE OF INSURANCE	POLICY NUMBER	POLICY EXPIRATION DATE	LIMITS OF LIABILITY MINIMUM - EACH - ACCIDENT
	<input checked="" type="checkbox"/> COMPREHENSIVE GENERAL LIABILITY FORM <input type="checkbox"/> PREMISES OPERATIONS <input type="checkbox"/> CONTRACTUAL <input type="checkbox"/> INDEPENDENT CONTRACTORS <input checked="" type="checkbox"/> PRODUCTS COMPLETED OPERATIONS HAZARD <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> BROAD FORM PROPERTY DAMAGE <input type="checkbox"/> EXPLOSION AND COLLAPSE (IF APPLICABLE) <input type="checkbox"/> UNDERGROUND HAZARD (IF APPLICABLE)			BODILY INJURY PER PERSON \$3,000,000 EACH OCCURRENCE \$3,000,000 PROPERTY DAMAGE \$3,000,000 OR BODILY INJURY AND \$3,000,000 PROPERTY DAMAGE COMBINED
	<input type="checkbox"/> COMPREHENSIVE AUTO LIABILITY INCLUDING NON-OWNED (IF APPLICABLE)			SAME AS ABOVE
	<input type="checkbox"/> UMBRELLA LIABILITY			NECESSARY IF UNDERLYING NOT ABOVE MINIMUM
	<input checked="" type="checkbox"/> WORKMENS COMPENSATION AND EMPLOYERS LIABILITY			STATUTORY EACH ACCIDENT \$1,000,000
	<input checked="" type="checkbox"/> OTHER PROFESSIONAL LIABILITY			\$3,000,000

City of Peoria is added as additional insured as required by statute, contract, purchase order, or as otherwise requested. It is agreed that any insurance available to the named insured shall be primary of other sources that may be available.

It is further agreed that no policy shall expire or be cancelled or materially changed to affect the coverage available to the City of Peoria without thirty (30) days written notice to the city. THIS CERTIFICATE IS NOT VALID UNLESS COUNTERSIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE INSURANCE COMPANY.

NAME AND ADDRESS OF CERTIFICATE HOLDER	DATE ISSUED _____
	_____ AUTHORIZED REPRESENTATIVE

**Response to Request for Proposal
#P8-0052**

Risk Management Software

Prepared by

DORN Technology Group

**Contact: John M. Golke
Sr. Software Consultant
DORN Technology Group, Inc.
7150 E. Camelback Road
Scottsdale, AZ 85251
(602) 423-7775**

Management Summary

I. MANAGEMENT SUMMARY

In assessing the needs of a risk management software package for the City of Peoria based on information provided in request for proposal # P8-0052, it is clear that DORN Technology Group would provide an excellent solution. In looking at the evaluation process outlined in the proposal, DORN Technology Group scores high in each of the evaluation factors listed.

The proposed solution would be DORN Technology Group's latest release of RISKMASTER/Win, the award winning risk management software. To provide the necessary reporting features required by the city, the SORTMASTER module would be provided as well. This powerful solution conforms to the requirements provided from the City of Peoria as will be outlined in the RFP. The solution also meets the technical requirements outlined by the city.

The RISKMASTER Software Series was the first risk management system commercially available for personal computers in 1982. The RISKMASTER product virtually started the risk management software industry and presently we have over 700 working Windows clients with well over 1000 users. RISKMASTER products have always been perceived as a technology leader and a price leader.

RISKMASTER/Win was awarded Risk & Insurance Magazine's prestigious product of the year award in 1995 and the RISKMASTER Software Series won in 1996 and 1997 for other components of the software including the industry's first Internet product in 1997. DORN Technology Group was also a finalist for Microsoft's "Best Business Application," further substantiating the fact that DORN Technology Group is on the cutting edge in not only product development but also service, training and all the other components that make it such a powerful business solution.

Because of these facts, it is our belief that RISKMASTER/Win will far exceed your expectations for a risk management software package. The information outlined in the RFP provides the details of the entire solution proposed.

**DORN
Technology
Group, Inc.**

IT Services & Consulting

3/27/1998

Dan Zenko
Materials Management
City of Peoria
8401 W. Monroe Street
Peoria, AZ 85345

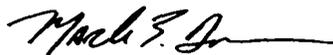
Dear Dan,

We are pleased to respond to your RFP and would value the opportunity to serve you as our client. Enclosed you will find the details of DORN Technology Group, Inc.'s RISKMASTER/Win[®] Software System with special pricing and our most complete product package.

DORN Technology Group, Inc. has the oldest and one of the largest installed client bases of any risk management software company, totaling over 600 active clients and more than 3,000 workstations. Our past success has helped us to be a debt free company and the ability to provide world class service with cutting edge research and development. This competitive advantage has allowed DORN Technology Group, Inc. to respond quickly to changing client and technology needs. Currently we have 350 installations either in full production or in various stages of implementation of our RISKMASTER/Win software system. The first formal RISKMASTER/Win software installation was in November 1994 and our first product prototype was in 1989.

Thank you for considering DORN Technology Group, Inc. and our RISKMASTER/Win software system. I eagerly look forward to moving ahead with city of Peoria on your exciting project.

Regards,



Mark E. Dorn
President

Vendor Profile

II. VENDOR PROFILE

DORN Technology Group, Inc.

Business Profile Data Updated: 1/31/97

A. OVERVIEW:

DORN Technology Group, Inc. specializes in providing risk and claims management information systems to Fortune 1000 firms involved in Workers' Compensation, General Liability and other property casualty based insurance programs. With over 500 client locations, the RISKMASTER and the related QUEST product lines offered by DORN Technology Group, Inc. represent one of the largest installed user bases in the industry. The RISKMASTER Software Series was also the first risk management system commercially available for personal computers in 1982. The RISKMASTER product virtually started the risk management software industry, which was previously dominated in the 1970's by mainframe, based reporting systems offered by insurance carriers. RISKMASTER products have always been perceived as a technology leader and a price leader.

RISKMASTER clients are typically self insured and often self administered entities, or insured organizations with a significant claims volume, that each need executive level data consolidation from outside carriers or third party claim administrators.

DORN Technology Group, Inc. provides clients a total solution that includes software, installation, training, support, custom programming and consulting services. New clients traditionally invest \$35,000 to \$85,000 to implement a standard automation project but product solutions exist at virtually any price range from \$10,000 to \$300,000 dollars. Annual support contracts help fund ongoing product development and client support services.

As an authorized Microsoft Solution Provider, DORN Technology Group, Inc. began installing RISKMASTER/Win®, a new Windows based client server system in 1994. RISKMASTER/Win features an ODBC standard database structure and fully integrated compatibility with Microsoft Office and Back Office programs. RISKMASTER/Win was awarded the "1995 Product of the Year Award" for design and product excellence from RISK and Insurance Magazine, a leading industry publication.

DORN Technology Group, Inc. is a private corporation that is debt free and profitable.

In 1994 and in 1996, DORN Technology Group, Inc. under Mr. Dorn's leadership was awarded the Detroit Future 50 Business AWARD based on growth and profitability. The firm presently has over fifty employees, five managing principals and expects 1997 revenues of over eight million.

B. BUSINESS ACTIVITIES:

DORN Technology Group, Inc. (DTG) has products that operate in DOS, Unix and Windows based technology environments. RISKMASTER/DOS includes a fully updated DOS based product that had over one million dollars in product enhancement work completed during 1993-96. A related RISKMASTER program is the medical cost containment product, trade named CM9000, designed for processing medical fee schedules and for bill adjudication. The RISKMASTER AIX/Unix based product is character based and used by major industry segments with larger claim volumes or WAN requirements.

The QUEST product line offered by DTG supports healthcare quality management, physician credentialing and JCAHO compliance. QUEST incorporates related RISKMASTER product functionality where risk and quality are often combined functional areas and integrated solutions are a key requirement.

The RISKMASTER/Win product is a total new product line and has been re-engineered to meet the evolving requirements that are seen as likely from 1995 to 2000. The product includes a report/graphic product, MICR/FROI forms technology and image management and Web/HTML report processing.

All DORN Technology Group, Inc. products and services benefit from two proprietary software tools created by DTG:

SUMS™ is a specially designed program to manage client software progress using an advanced software utilization management system for analysis, and *EAAP™* a workstation verification tool for verifying and documenting the technical environment software is being operated or installed on.

During 1995 & 1996, DORN Technology Group, Inc. engineered and delivered several revolutionary companion software products designed to complement the RISKMASTER/Win product line.

The *Data Import System* (DIS) allows clients to leverage existing enterprise wide data from employee/payroll systems, accounting and five other areas that are key to processing risk and claims management data in a true client server environment.

The *Data Director System* (DDS) provides clients the opportunity to avoid custom programmed data interfaces by offering a specialized open industry data specification and upload program. The DDS systems allows direct data import of carrier, broker or TPA data and improves the old paradigm of custom interfaces redundantly done for each line of business and separately for one versus ongoing data uploads of client claims data. DDS also is intended to allow data extract and upload between RISKMASTER/Win systems to support distributed stand alone user application needs in First Report Of Injury reporting, member based data consolidation, and captive insurance management applications.

The *RISKMASTER/Win® Scheduler System* offers the capability of scheduling back ups, reporting, data uploads and other system tasks. The program offers the benefits of a part-time assistant in handling data processing needs in a reliable manner. Completed 7/1/96.

The *RISKMASTER DOS TO WIN Conversion System* provides a highly automated conversion process to migrate current RISKMASTER DOS systems to RISKMASTER/Win. This program

automates much of the process conversion and assists in moving and validating all code files and related DOS system data. This program provides a significant competitive advantage important to clients and helpful for posting fast client conversion income that otherwise could be tied up in custom conversions.

The *RISKMASTER/Win Executive Data Analysis Program* provides key executive analysis and reporting on financial and performance based data. Completed 9/1/96.

The *RISKMASTER/Win Data Validation System* offers a value added unique tool for tailoring data processing rules and workflow coordination. The system helps improve data quality and assessment providing data analysis using over eighty industry edits. Completed 9/1/96.

C. RECENT EVENTS:

1995

October 1995- Willis Cooroon, the World's fourth largest insurance brokerage firm, has selected DORN Technology Group, Inc. as a preferred vender for window's based claims management projects in 1996 and 1997.

November 1995- Risk And Insurance Magazine selected RISKMASTER/Win as the "New Software Product Of The Year" for 1995. This honor announced 12/1/95.

1996

February 1996 - New Bill Review System (BRS) Ships Designed To Automate Medical Cost Adjudication and Bill Re-Pricing Based on UCR Rates, State WC Fee Schedules and PPO Tables.

March 1996 - RISKMASTER/Win Release 2.75 Ships With Over Fifty New Features.

July 1996 - Electronic Form of the Year Awarded to RISKMASTER/Win Based on Workers' Compensation Forms Processing

July 1996 - DORN Technology Group, Inc. Opens New Phoenix, AZ Office

August 1996 - DORN Claims Data Specification Officially Introduced As A Formal Claims Data Standard for the Risk Management Industry

September 1996 - Zurich American Partnership Agreement Established With RISKMASTER/Win Systems Targeted to National Healthcare Clients

October 1996 - RISKMASTER/Win Release 3.0 Ships with 500K In New Development Including the New *Executive Data Analysis System* and The *Data Validation System*.

November 1996 - DORN Technology Group, Inc. Of Canada, A New Canadian Subsidiary Formed With an Office Started in Toronto.

December 1996 - DORN Technology Group, Inc. Ships New Rocket Technology Based RISKMASTER/Win WAN System Upgrade 3.1 With 500% Performance Improvement And 70% Less Network Traffic. The New DORN Claim Data Specification Release 3.1 Ships.

December 1996 - DORN Technology Group, Inc. Posts Record 35% Revenue Growth And Sales Top 6.2M For Fiscal Year 1996 - Risk Management Magazine Publishes Editorial Article On DORN Claims Specification pages 29-31, December 1996

1997

February 1997 - New Internet Based RISKMASTER/Win Client Service Center Opens Under RISKMASTER.COM

April 1997 - RISKMASTER/Win is selected as a finalist in Microsoft's "Best Business Application"

November 1997 - New Internet based product RISKMASTER/World is awarded "Risk Management Software Product of the Year" by Risk & Insurance Magazine

D. MANAGEMENT PROFILES

Mark E. Dorn
President, CEO

Mr. Dorn is responsible for managing the operations of DORN Technology Group, Inc. as President and CEO. Under Mr. Dorn's leadership the firm revenues have grown consistently and the company has maintained a strong, debt-free financial position while participating in aggressive development efforts in the personal computer, client server and UNIX markets.

A graduate in Business Administration from Michigan State University, Mr. Dorn has had twelve years of experience in risk management and quality management information systems. As a past Division Manager at Comtec, Inc., He designed and introduced under the trademark RISKMASTER, one of the industry's first commercial stand-alone software series for risk management. After starting his own firm, Softec, Inc., in 1985, Mr. Dorn continued the success of the RISKMASTER Software Series and established a new software program for healthcare quality assurance automation, trademarked as the QUEST Software Series. By 1986, these software products were installed in over 200 locations in the United States and Canada, as well as in use by most industry segments.

In 1987, after merging Softec, Inc. with Tillinghast, Mr. Dorn joined Tillinghast/Towers Perrin as a Principal and Vice President. He directed the consulting development, marketing and support of three major software product lines, which included RISKMASTER, QUEST and INVISION. Under Mr. Dorn's leadership, the Tillinghast Michigan Unit added 1,000 software product installations and grew to three million in annual revenue.

In 1990, as President of DORN Technology Group, Inc. Mr. Dorn acquired all assets of the Towers Perrin RISKMASTER business unit. After four years of profitable business growth DORN Technology Group, Inc. and DORN Technology Group Services, Inc. provide software, consulting and services for over 500 clients in the United States, Canada and Saudi Arabia.

Steven H. Dorn
Regional Sales Manager

Steve Dorn is a sales and marketing manager for DORN Technology Group, Inc. He is responsible for managing sales for all DOS, UNIX and Client/Server Systems throughout the U.S. and Canada. He has eight years of experience working with DTG software products and frequently consults on evolving industry technology topics and system implementation.

Mr. Dorn has been directly responsible for 300 automation projects over the last five years. He is a Graduate of the Insurance Institute of America, ARM, Program, and is a frequent speaker on claims automation.

Mr. Dorn has a B.A. degree in Business Administration from the University of Maryland. Prior to joining DTG, he worked in previous positions involving marketing, telecommunications and computers for fortune 200 organizations.

Mr. Dorn has been a manager at DTG, Inc. since 1990

Patrick H. Callahan
Special Projects Manager

Mr. Callahan Presently serves as Special Projects Manager at DORN Technology Group, Inc. where he is involved in client-tailored custom applications, consultation, technical services and next generation development. His background includes over seventeen years of experience in automated systems and program development.

Mr. Callahan has a degree in Computer Science and a degree in Physics both from Central Michigan University.

Mr. Callahan regularly participates in projects involving hardware and software development in the Risk Management and statistical process control arenas. His special projects have included laser vision systems, statistical process control, TQM graphics, and database design. He has been on a number of boards as both president and vice president of international software firms.

Mr. Callahan has been a manager with DORN Technology Group, Inc. since 1990.

Brian W. Melenofsky
Product Development Manager

As a Product Manager, Mr. Melenofsky is responsible for the development of the QUEST Software Series, a software product designed for the automation of healthcare risk management and quality improvement. Other responsibilities include client training, installation, and consulting along with special programming projects involving custom data conversions, interfacing, and structured output reporting.

Mr. Melenofsky has successfully implemented quality improvement and risk management systems across the United States and Canada. He has over eight years experience working directly with both QUEST and RISKMASTER on a variety of hardware and software platforms including Personal Computers, Local Area Networks and Mini computers running MS-DOS, UNIX, REVELATION, UNIVERSE, AND NOVELL.

Mr. Melenofsky has a BS degree in Marketing from Lawrence Technological University and an Associate degree in Computer Science from the Oakland Community College, both with honors. He has successfully completed the part one course requirements towards obtaining the Associate in Risk Management designation.

Mr. Melenofsky has been a manager with DORN Technology Group since 1990.

Keith M. Lees, ARM
Manager, Education and Training Services

Mr. Lees is Manager of the Training Services Department for DORN Technology Group, Inc. He is in charge of new client training, current client retraining, Face To Face Seminars, New Program Implementation and User Group Assistance. He has experience in LAN, minicomputer, DOS, UNIX and WINDOWS environments. Over the years he has managed many RISKMASTER system implementations in a wide variety of industries.

Mr. Lees Graduated from Indiana University with a BA and later earned an MBA from Eastern Michigan University. He has earned the Associate in Risk Management, ARM designation, is a Chartered Property and Casualty Underwriter (CPCU), and a Certified Safety Professional (CSP).

Mr. Lees began his professional life as a teacher in the Indianapolis Public Schools. For several years he was a field representative with Aetna Life and Casualty Insurance Company. As a corporate Director of Risk Management and Staff Benefits Mr. Lees developed and managed a comprehensive risk management and employee benefit program for a major mid-western municipal corporation. As Director of Risk Management for a multi-hospital healthcare system he again developed and managed a large risk management program.

Mr. Lees has made several written and oral presentations on risk management issues. He has implemented many claims management and risk information systems. He is also a past president of the Michigan Society of Hospital Risk Managers.

Mark Tallman
Windows Client Services Manager

Current Responsibilities:

Mr. Tallman presently serves as the Windows Client Services Manager at DORN Technology Group, Incorporated. Mr. Tallman is responsible for administering both Professional and Flex Advantage Support Service Contracts, which involves over four hundred workstations. As a hands-on technology manger, Mark also coordinates new software release implementation, software testing and special client projects. Additional support management tasks include supporting MS-ACCESS, SQL SERVER, SYBASE and Informix database clients. Mr. Tallman serves on the management committee of DORN Technology Group, Inc. and reports directly to the company President.

Background:

Mr. Tallman has a degree in Theoretical Computer Science and a minor in Business Administration from Northern Illinois University. His background includes twelve years of experience in computer hardware, computer software and computer networks. He also has a Novell CNA designation.

Mr. Tallman regularly participates in projects involving data migration, report customization, project management and administrative duties. He has served as a senior Engineer with two of the largest software corporations in the world, as well as the sole proprietor of a successful technology and project management consulting firm. He is a member of The Project Management Institute.

Mr. Tallman can be reached on the main office line at DORN Technology Group, Incorporated or via EMAIL at mrtldorn@aol.com.

Jeffrey S. Ninowski
Training Consultant

Mr. Ninowski is responsible for new client training, current client re-training, curriculum development and New Program Implementation for RISKMASTER and RM/Win software products. He has over ten years experience in LAN, DOS and Windows environments. In addition, he has trained individuals in the use of MS Word, Excel, PowerPoint and Access.

Mr. Ninowski graduated from the University of Southern California with a B.A. in Business Administration. He later earned his M.B.A. from Webster University, St. Louis, and is in the process of completing his ARM designation.

Mr. Ninowski has been in the insurance industry for twelve years. He owned and operated a multi-line insurance agency dealing in Personal and Commercial Property and Casualty as well as in the Self Insured Health and Workers' Compensation fields. After selling his business, Mr. Ninowski joined the Farmers Insurance Group as its District Training Manager for the Southeastern Michigan region. His responsibilities included training and curriculum development, recruiting and facilitating the development of the region. In addition, Mr. Ninowski has taught and conducted seminars in the Management arena at local colleges and universities.

**Nancee R. Smith, ARM
Implementation Consultant**

Nancee Smith is responsible for training and implementation consulting on all RISKMASTER, RM/Win, and QUEST Software products. Her role includes administering both new client and current client system implementation management processes. In addition, Nancee acts as an industry liaison for specific risk management product requirements including OSHA, Safe Medical Devices Act, JCAHO and various State regulations. Nancee's experience and expertise includes system set up and implementation for DOS, Novell and AIX computer environments. She has had 10 years of direct hands-on product experience with the RISKMASTER Software Series including Workers' Compensation, General Claims, Incidents, Standard and Advanced Reporting and Payment Processing. Nancee typically works on four to six risk management implementations each month for clients in all industry settings throughout the U.S. and Canada.

Nancee Smith has been in the Risk Management field for eleven years and has held positions as an Assistant Risk Manager and Corporate Risk Manager for single parent and multi-facility self-insured organizations. Nancee has a degree in Business Management and has completed extensive insurance industry course work including ARM, Workers' Compensation, Medical Aspects of Claims, and Property and Liability Insurance Principles. Nancee has held leadership positions as Chapter President of RIMS and served on various Boards and Committees of other Risk Management organizations.

List of References:

**City of Tempe
Diane Kundrat
20 East Sixth Street
Tempe, AZ 85250**

**Maricopa County
Samantha Wright
301 W. Jefferson Suite 960
Phoenix, AZ 85003**

**City of Palm Springs
3200 E Tahquitz Canyon W.
Palm Springs, CA 92263**

**County of Merced
2222 M. Street
Merced, CA 95340**

**City of Corpus Christi
101 N. Shoreline
Corpus Christi, TX 78469**

Application Summaries

III. APPLICATION SUMMARIES

RISKMASTER/Win®

Product Mission Statement

The RISKMASTER/Win® product mission is to improve the quality, productivity and effectiveness of all organization who implement the product and related services, while maintaining the industries best price points for industry market-share leadership.

Product Design Strategy

The product integrates all cost effective technology components to provide a complete solution that is *process friendly* to the application needs of its users. Core product design criteria includes the adherence and use of *industry standards*, the full use of *object oriented design* and the integration of *client server* architecture. The product provides user-defined data views to orchestrate data entry and data reporting for different types of system users. The program also integrates the relationship of events to claims in a manner that reflects real life cycles within a claims environment. RISKMASTER/Win provides sound financial reporting and actuarial reporting. The product will support creative remote communication and WAN data interchange with authorized entities. By supporting a "Virtual Claim File" the product helps manage all forms of information that relate to risk management data or the people who manage or administer risk including WAV, AVI and Image files. The product integrates outside expertise in the form of rules, knowledge bases and data validation programs to improve the effectiveness of all users. The product is implemented using specialized products and services designed to increase the quality of all retrospective or concurrent data being processed from third parties including carriers, brokers and TPA's.

Product Components

- Windows/Win95™ Based Graphic User Interface Designed To Be Dynamically Configurable By Users For GL, WC, AL, Policy Mgt., and more
- Support Of Standards; ODBC, MAPI, TAPI
- Client Server Based Processing Model That Is Fully Scaleable For Intel And RISC Processors To Serve Clients With 100 to 100,000 Database Records
- Event To Claims™ Model Designed To Support A Life Cycle Processing Plan
- Full Microsoft Integration With Access, SQL Server, NT, Office, Back Office & SMS
- Extensive On-line Help - RTF File And Online Documentation Systems
- SORTMASTER/Win™ Reporting And Graphic Design Module Included
- Advanced Data Validation And Executive Data Analysis Modules

**How RISKMASTER/Win® Best Meets
Your Organizations Project Needs**

RISKMASTER IN

RISKMASTER/Win Technology & Standards

- We Have Microsoft **Technology Fit & More**
- We Have A Proven **Scaleable Product** To 500K
- We Can Extend Our Product To Be
Internet/Intranet Browser Based
- We Support ODBC, TAPI & MAPI **Standards**
- We Support **Virtual File** Objects
Voice, Video, Docs
- We Can DO LAN & WAN **Faster** With New
Rocket Data Programs
- We Have A Fast Product With Great
Benchmarks
- We Integrate With The **DeskTop Tools**
MS Office Word & Excel

RISKMASTER/Win Won The Product Of The Year Award In 1995

- We Have The **Most Client Server Installs** 150+
- We Have The **Widest Series Of Products**
- We Have **Competitive Prices & Easy
Contracts**

We Support A Consolidated Multiple Lines Of Business Data Model

- GL, Property, WC, Disability, Events,
Sprinklers, Stolen Vehicles, etc.
- We Invented The **Event To Claim Data Model**
- We Have The Widest Inquiry & Search
Functions

We Created A Data Standard We Use In Both Claims And Events

- We Complement IAIABC, NCCI, ANSI etc.
Data
- Becoming A **Nat. Risk Mgt Data Specification**
- We Just Sent 8000 Copies To The US/Canada

**How RISKMASTER/Win® Best Meets
Your Organizations Project Needs**

**We Have Up To Date FROI System, Do The State Forms And Won
Awards For Our WC Technology In 1996**

- We Use Rxlaser Cartridge/SIMMS Chip Process

**We Provide Customizable Quick Entry/Quick View Screens You Can
Tailor & Match For Your FROI/Accident/Client Data Needs And We
Also Provide Tailored Help Files & Definable Required Field Options**

**We Can Give You A Customer Driven Data System Using Better
Concepts**

- Dynamic Group Association Fields
Tailored Data Per Client Or Per Data Type
- Supplemental Fields In All Key Tables
- Text Everywhere You Could Think Of It
- **Parent Coding/Benchmarking & Data Extract**

**We Integrate Data Better Than Anyone Using Scaleable Product
Engines Designed For Speed, Flexibility And Quality**

- Data Import System & Data Director System
- Code Table Import System
- OLE Options

We Deliver Data Rules With Quality Tools For Data Control

- Data Validation System
60 Rules To Die For

**We Have The Best Direct Data SQL Based Report Writer/Graphics
Product Designed For Risk & Claims Management**

- SORTMASTER
- Delivered With A **Library Of Reports**
- **Color Support** & Calculated Derived Fields
- OLE TO Excel/Others
- **HTML Output** - Already Shipped And Working
- We Also Have A Standard Reports System

**How RISKMASTER/Win® Best Meets
Your Organizations Project Needs**

Our Security System Follows DES Standards And Has Key Features

- Per User, Per Group, Time Of Day etc.

You Could Take Over The Product, Modify It Or Support It Easily

- S-Designer, Source Safe, SUMS, VB/C++
- Database, Screens/Tables Well Documented

**We Are Independent And Insurance Industry Neutral With A
Tillinghast History And Actuarial Product Breeding**

We Are An Easy Partner To Have

- We Are Profitable, Debt Free, Have No
Litigation History
- And Have A 15 Year Product History

**Our Support Tools Are Better Than Anyone Else & Our Service Is
Good**

- Software Utilization Management System
(SUMS)
- Environmental Analysis & Assessment Program
(EAAP)
- Specially Designed Integrated Client Support
System And Four Online Intranets
- Internet Client Service Center 24x7 -
RISKMASTER.COM

**Our Training, Manuals And Teaching Tools Are Up To Date And
Useful**

- Three Manuals; User, Administrator And
Advanced Operations
- Online And Printed Versions, New CBT Tool
Shipping

**How RISKMASTER/Win® Best Meets
Your Organizations Project Needs**

We Believe We Are A Service Company And Act Accordingly

- Project Management With **90 Day Go Live Goals**
- Onsite Installation Process With System Certification Process
- Related Services And Custom Options

We Have The Specialty Programs You Might Need Others Do Not Have

- 1099 Interface System With Convey Systems
- Medical Bill Review With UCR/State Table With Medicode
- Event Scheduling System
- Check Processing & Funds Management
- Policy Management Integrated
- Bond Tracking, Certificate Tracking, Contract Management

We Have A Real Internet Product In Production Using The New MS InterDev/Internet Studio - It Extends The RISKMASTER/Win Product

- RISKMASTER/World™ - Internet/Intranet Product Options
- Hosted Universal Risk System™ - Provider Network Plan

We Help You "Play To Win" And Reduce Your Risk By How We Operate

RISKMASTER/Win® EVENTS VS. CLAIMS

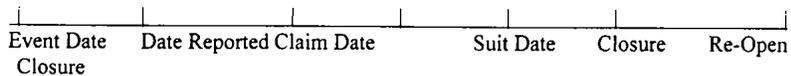
The RISKMASTER/Win® database distinguishes between an event (synonymous with incident or occurrence) and a claim filed later. An event can be as simple as someone tripping and falling on your premises with no resulting injury or as severe as an event resulting in the death of a person or persons. The event database allows you to enter and save event information such as the date, time, locations and description of what happened at the time of the event. When you learn about an event/occurrence, you can enter it in the database without waiting for a claim to be filed. This allows you to track your organization's frequency and severity of events that may lead to eventual claims. It also allows you to track events for trend analysis to be used for loss control and safety purposes. This type of data entry also allows you to track which events resulted in actual claims.

If and when a claim is filed, you retrieve the event record and then open the appropriate claims window (General Claims, Workers' Compensation or Vehicle Accident). Some fields from the event record are already completed. You are then ready to complete the other claim fields. The claim record contains fields for claimant identification, type of claim, litigation, defendant, witness and financial information such as reserves, payments, collections and total incurred value.

Please Note:

RISKMASTER/Win® allows you to enter a claim without first recording the event. If you do this, the system will automatically create an event and assign an event number. Before entering a claim in this manner, you should carefully consider the implications. With events that generate multiple claims, you will need more time to enter repetitive claim information, such as date and time. Also, you will have less flexibility in tracking your organization's safety history.

Illustrated below is a typical time line and key dates that can be tracked from event to closure of a claim:



The time between each date can vary greatly depending on the type of event or claim, its severity and efforts to resolve or close the issue. RISKMASTER/Win® can assist you in keeping track of these key dates in the evolution of events and claims.

RISKMASTER/Win® General Claims Module

Revised: 1/6/96

Product Summary

The General Claims module is versatile enough to address the many different types of claims including General Liability, Property Damage, Product Liability, Professional Liability, Errors And Omissions Liability, Fire Loss and more. By using the automatic RISKMASTER Dynamic Group Association function users have the unique capability and flexibility to tailor what extra data may be needed for collection that is specific to any type of claim type. The General Claims module logically monitors multiple claimants and co-defendants involved with the claim by employing a unique RISKMASTER Executive Management Data window process. In addition when processing a new claim any effective insurance policy automatically attaches to a claim with verification based on key data fields including coverage date, location and claim type. Through a financial processing and payment processing component of General Claims, you will be able to scrutinize the expenses or verify subrogation amounts that correspond to claim data. Users can more closely examine issues pertaining to risk administration, control and financing strategies.

Comprehensive

General Claims tracks important details about the claim including the claim type, date of loss, date of claim, location and description. You will know the current posture of the claim by monitoring the claim status, close date, closure method and duration. The General Claims module has the integrity to support a multiple-company environment. Different companies or subsidiaries are tracked on the system and subsequent reports can be requested on a corporate-wide basis or for a specific company. Additional RISKMASTER Executive Management Data windows automate all Witness, Adjuster, Litigation and Reopen History on the claim file.

Reserve History

General Claims records a complete and full history of the reserve adjustments that you can view through an inquiry option or through reports. In posting the new reserve, the adjustment is automatically calculated and displayed for you along with noting the reason and who made the change.

Payment Processing And Check Writing

Payments can be quickly posted using payee tables, automatic reserve editing and advanced security functions. Users can classify different types of payments and let the system automatically post them against the correct reserve. A full reserve history can easily be viewed and reported. The entire payment processing and check writing component is guarded by an additional level of system security to prevent any unauthorized access. The Paid To Date amount and the Account Balance are updated automatically as part of the ongoing payment entry process. MICR payment processing is available.

RISKMASTER/Win® Workers' Compensation Module

Revised: 1/6/96

Product Summary

The Workers' Compensation module is essential for any organization that must confront medical cost management issues, lost time cases, employee injuries and other employee safety issues. Using a easy to use window or panel style layout, users can quickly enter and identify *Long-Term Disability*, *Short-Term Disability* or *Medical Only* cases. The flexible database design of the system allows users to link pertinent claim data to the employee record in order to maintain a thorough history.

The product provides a First Report Of Injury system designed to process required FROI forms in all fifty states. This function can be administered for any single state independently or as part of a 800# call in program. The product also produces OSHA 101 and OSHA 200 reports.

Applying the Workers' Compensation module, users can evaluate changes in workers' compensation or safety trends by company location, job, employee and more. Users can also identify the type of accidents that are generating the greatest amount of lost time or financial losses by location, body part and more.

Comprehensive

The Workers' Compensation module allows you to indicate whether the claim is a *Injury or Illness* for OSHA reporting. The system automatically guarantees a complete record of loss time by posting the date the employee last worked and the date the employee returned. Information that describes the extent of the injury, the work restrictions, transitional duty details and the rehabilitation is included as standard data. You can even track which physicians are treating the employee and any treatment history.

Employee Registration

A comprehensive Employee Registration area lets you either download or enter information about the employee such as hire date, social security number, job title, dependents and current wage data. However, if you prefer to track just limited information on the employee, a Quick-Entry Employee Registration allows you to bypass the more comprehensive Employee Registration.

Reserve History

The Workers' Compensation module tracks a complete reserve history of changes on the Medical Reserve, Compensation Reserve and Legal Reserve. Other reserve categories can be set up uniquely by the system user. All payment processing, valuation reporting and actuarial reporting functions are linked back to the appropriate reserve type.

RISKMASTER/Win® Vehicle Accidents Module

Revised: 1/6/96

Product Summary

This module is designed for organizations that maintain a significant fleet of vehicles and units. Users will be able to leverage the Vehicle Accidents module of RISKMASTER to track accidents, claims and other issues surrounding the safety and maintenance of their fleet inventory. The Vehicle Accidents module *integrates accident, driver and vehicle unit information* in a logical manner. With the Vehicle Accidents module users can determine the number of accidents by location or driver. Through the evaluation of the payment history, users also can examine the expenses that are resulting from vehicle accidents and monitor the impact of risk prevention and control techniques.

Comprehensive

Essential information about vehicle accidents such as accident date, time, location, driver and description are standard data items in the system. Administrative information on state and Federal reports is recorded as well as any police agencies involved in the event.

Multiple Claimants

The Vehicle Accidents module records multiple claimants; identification, status, health, legal and reserve information for each of the claimants.

Reserve History

Reserves for Bodily Injury, Property Damage and Legal are incorporated into the design of the Vehicle Accident module.

First Party Damages

The Vehicle Accident module records vital first party damages information. Users can keep the estimated amount of the damages, the actual amount of the damages and the amount recovered on the damages.

Driver Profile

Users have the option of keeping a profile on each driver. The profile contains basic identification and license information.

Vehicle Unit Detail

Specific data concerning each vehicle in the fleet can be maintained in the Vehicle Accidents module. This information includes the model and make of the vehicle, the year it was purchased, identification numbers, maintenance background and the deductible on the vehicle

RISKMASTER/Win® Administrative Tracking Module

Revised: 1/6/96

Product Summary

The coordination of various administrative support data for risk managers has been a challenge that if not met completely, increases the potential for loss. The *Administrative Tracking Module* is a full set of programs to record, update and report other types of key information over and above the standard data found in the major RISKMASTER modules.

Major system programs provided by the Administrative Tracking Module include: *Certificate Tracking, Property Management, Hazardous Materials, Contract Coordination, Complaint Tracking, Litigation Management, Employee Health and more*. Users can also create their application files and modules to address individual needs.

All of the Administrative Tracking programs interface with the standard RISKMASTER/Win® products for reporting, word processing, productivity management and graphic modules of RISKMASTER.

RISKMASTER/Win® - Play to Win™

Revised 7/20/95

Product summary

The product started with a clear goal, "Re-invent the industries most proven risk management software program in a Windows™ architecture." The rest of the story shows how after leveraging thirteen years of software development experience, using insights gained from handling five million claim records and involving input from both industry consultants and Microsoft, have helped to produce the most powerful Windows™ based software available. The end result is, RISKMASTER/Win®, a program that can make you a "Winner" handling claims and risk management issues better and faster.

RISKMASTER/Win® For Winners In Lots Of Roles

RISKMASTER/Win has been designed for risk managers, claim managers, adjusters, insurance managers, attorneys, TPA's, safety managers and other key individuals involved in risk management. As series of independent software modules are designed to support risk and claims management, RISKMASTER/Win includes;

- Claims Management Modules
GC, Property, WC, VA and Others
- Policy Management
- Funds Management/Check Processing
- Event/Injury Reporting With First Report Of Injury/800# System For All 50 States
- SORTMASTER Reporting And Graphics Module
- Quick Entry & Quick View System

Designed To Help You "Win"

RISKMASTER/Win is designed to be "Process Friendly" as well as powerful. Process friendly, means you can leverage your organizations technology tool set and departmental work flow as you process claim and risk management data using RISKMASTER/Win. So don't be fooled by a few pretty windows, the value of the software is in what the software design offers you for solving real world issues and gaining a financial return on your investment.

Win, Using Industry Standards

The entire RISKMASTER/Win program is designed to adhere to industry standards that give you the full use of object oriented technology and client server architecture. Technology standards for the user interface as well as ODBC (Database), NLS (Language), MAPI (Mail), RTF (Help Files), OLE (Object Linking Into Excel), SQL (Structured Query Reporting Language) and TAPI (Telephone) are winning parts of the integrated system design. RISKMASTER/Win also operates with the main stream networking and database

products most organizations want including; Novell, NT Server, MS-Access, MS-SQL Server and related MS-Office programs.

With similar expertise, RISKMASTER/Win supports risk management standards for ACORD® Forms, OSHA Reporting, MedWatch and historical data file management for claim reserve adjusting details.

Win, With The First *Event To Claims*™ Data Model

The problem of accurately reporting events, injuries and occurrences as well as linking them to associated claims, has been a well known challenge for risk managers, brokers and TPA's. RISKMASTER/Win was designed to dynamically link multiple claims to the sponsoring event and to also transfer event data to any type of claim when and if the event evolves to an asserted claim record. This special design feature is called the, *Event To Claims*™ Data Model, and you can win by using it in managing your data. You can also report on total expenses and reserves and role up data to the appropriate event from claims generated from any line of business including General Liability, Workers' Compensation and Vehicle Accidents.

Win, By Using The *Life Cycle Data Processing Plan*™

The life cycle of a claim can easily last seven years; the problem is that most systems have never specialized in designing features to support that type of long term processing. The "Life Cycle Data Processing Plan™" provided by RISKMASTER/Win offers robust data collection in key areas including; adjuster notes, litigation management, diary management, reserve histories, location hierarchy, re-opening claims and other areas, to better support accurate claim life cycle reporting. The Life Cycle Data Processing Plan™ also features a rules and edit system that checks common data errors that can occur when dates of events, actions and claim functions, don't meet logical industry standards.

Win, Implementing Your Own Customized *Quick Entry System*™

You've probably notice that graphic user interfaces are not always the most tailored way to meet your unique needs. They are also not the fastest method for quick data entry. The *Customized Quick Entry System*™ offered by RISKMASTER/Win lets you define an unlimited number of customized "views" for data entry and inquiry screens. The *Quick Entry System*™ lets you help control the data entry process by defining what data fields are used and even what sequence they follow. You can also tailor your data views so they make sense for your key staff including; Adjusters, Claim Managers, Data Entry Analysts, Risk Managers, Safety Directors, Attorneys, Field Office Injury Report Specialists, Incident Entry Staff and other key members of the risk and claims management process. The *Quick Entry System*™ even lets you pick special data buttons and add user definable data fields to the quick entry process.

Win, Using A Powerful *Company Hierarchy Module*

Business keeps changing and your RISKMASTER/Win system can help. The structure of your company can change due to mergers, acquisitions, divestitures and internal reorganizations. RISKMASTER/Win features a powerful Company Hierarchy Module that lets you handle the changes as they happen with less data reporting hassles. Up to eight

levels of structure can be set up or modified to take you from company name down to your smallest location or area. The Company Hierarchy Module can be accessed with just a mouse click to show you the full range of hierarchies you are working with during data entry or data inquiry. If later you merge two operating divisions and need to automatically remap your claims data for reporting to reflect the change, all you need to do is change one parent code file entry. In thirty seconds you can be automatically producing reports showing the combined risk management experience the corporate change has initiated.

Win, Looking Sharp With *SORTMASTER/Win*® Reporting And Graphics

Data driven decisions require you to have a flexible report management system. SORTMASTER/Win gives you the data reporting and data graphing capabilities in one easy to use system. There is no need to learn complex report language commands or how to "join" all the hundreds of data tables. SORTMASTER does all that work for you so you just pick the data you need and click on the data view option to see it. Just as easily you can use the same data and select from a dozen different graphic display options including bar charts, histograms, Xbar style layouts and more.

But SORTMASTER also does much more to help you support the data communication and analysis process. You can save and mail reports or fax SORTMASTER reports using the integrated MS-Office options and WOSA architecture from Microsoft™. You can also use the powerful OLE drive functions to move your SORTMASTER data directly into Excel for further analyses. For those familiar with SQL, SORTMASTER actually creates an optimized SQL statement as you build your report and the same SQL statement can be pasted directly into Excel, Access or other systems that support this industry standard query tool.

Cheap tricks that are fun and easy to do in SORTMASTER help give you award winning output. Special data analysis features for *counts, averages, mean, mode* as well as graphics options for *shading, boxing and framing columns*, give you lots of quick control over the print format of a report or inquiry. With SORTMASTER/Win, you can look like you spent an hour creating a report or graph, in typically five minutes or less.

The preceding documents described all the application summary questions except for the online batch capabilities and the access rights.

- On line batching is via RAS or Internet. You can batch checks, reports or data uploads
- Access rights can be set up per workstation because it is a true client server environment. Extra security and user's rights can be set up based on a hierarchy structure.

Technical Summary

RISKMASTER WIN®

File Server Requirements and Recommendations

	Required	Recommended
System	Intel Pentium 166MHz w/parallel processing capability	Intel Pro-Pentium 200MHz w/dual processor or parallel processing capability
Memory	128MB RAM	256MB RAM or greater
Hard Disk	Depends upon database	Depends upon database
Network Operating System	Either Novell Netware 3.1x, 4.xx or Windows/NT Server 3.51, 4.0	Same
Protocol	IPX, TCP/IP, or NetBEUI	Same
LAN Speed	4MBit Token-ring or 10Mbit Ethernet	16Mbit Token-ring or 100Mbit Ethernet
WAN Speed	57.6Kbaud routers	T-1 routers or greater
Modem (For NT/Server only)	28.8 Kbaud	57.6 Kbaud
PCAnywhere (For NT/Server only)	pcANYWHERE/32	Same

NOTE: The aforementioned servers may be either dedicated, or non-dedicated with respect to RISKMASTER/Win. The Novell Netware option supports only the Microsoft Access option for RISKMASTER/Win. The Windows/NT Server option supports either the Microsoft Access option or the MS SQL Server option for RISKMASTER/Win.

Also note that RISKMASTER/Win Access installations may only be implemented in a LAN. WAN support does not exist for RISKMASTER/Win Access installation.

RISKMASTER WIN®

Server Database - Disk Space Recommendations

Database Size Per Database Source

General:

Table definitions, Index definitions, and Initial data will require about 8 MB of Space. The following table will help you decide the disk space needed per number of claims that you estimate to have in your system. Users should allow for five years of growth in disk space per estimated claim volume increases. Space required could increase as much as 50% more than the estimates noted, below due to large text requirements or large quantities of user definable datafields being added to the claim file.

Number Of Claims	Minimum Space Required (MB)		
	INFORMIX	Sybase	MS SQL Server
100	4.5	4.5	4.5
1,000	45.0	45.0	45.0
5,000	225.0	225.0	225.0
7,500	337.5	337.5	337.5
10,000	450.0	450.0	450.0
100,000	4500.0	4500.0	4500.0

A disk space estimate of an average of 45 KB per claim in INFORMIX, Sybase and SQL Server is required. If users expect to be utilizing most of the RISKMASTER/Win database fields or substantial free text/memo fields, an estimate of 80K per claim or higher should be used.

Note:

- Remember to add the 8 MB of the initial setup of tables and data.
- It is also recommended that you add about 30% of the final size to the actual estimated database for workspace and caching.
- Remember the disk space estimated values reflects populating all fields related to Claims. Your specific database may have lesser data disk space requirements.
- Appropriate client back up media and storage methods need to match the disk space estimates for reliable operational processing.
- Estimates reflect an average of four payments and four reserves per claim

RISKMASTER | WIN[®]

Microsoft SQL Server Requirements and Recommendations

	Required	Recommended
System	Intel Pentium 166MHz w/parallel processor capability	Intel Pro-Pentium 200MHz w/parallel processor capability
Memory	128MB RAM	256MB+ RAM or greater
Hard Disk	Depends upon database	Depends upon database
Network Operating System	Windows/NT Server 3.51 or 4.0	Same
MS SQL Server version	6.x	6.5
Protocol	IPX, TCP/IP, Named pipes or NetBEUI	Named pipes
ODBC SQL Server Driver version	2.50.0126	2.50.0126
LAN Speed	4Mbit Token-ring or 10Mbit Ethernet	16Mbit Token-ring or 100Mbit Ethernet
WAN Speed	57.6Kbaud routers	T-1 routers or greater
Modem (For NT/Server only)	28.8 Kbaud	57.6 Kbaud
PCAnywhere (For NT/Server only)	pcANYWHERE/32	Same

NOTE: The aforementioned server may be either dedicated, or non-dedicated, with respect to RISKMASTER/Win. It is recommended, however, that the SQL Server file server be dedicated to RISKMASTER/Win.

RISKMASTER WIN®

Data Entry/Inquiry Workstation Requirements and Recommendations

	Required	Recommended
System	Intel Pentium 120MHz	Intel Pentium 200MHz
Memory	16MB RAM	32MB RAM
Hard Disk/CDROM	200MB available	500MB available Plus CDROM
Operating System	MS-DOS 6.2x or better	Windows/95***
MS Windows	Version 3.11 for Wrkgrps	Windows/95***
Modem	14.4 baud	28.8 baud
PCAnywhere	Windows Version 2.0	pcANYWHERE/32
Microsoft Office Pro.	Version 4.3	Version 4.3

NOTE: As a database, Microsoft Access 2.0 is recommended only for Local Area Networks, stand-alone workstations, less than four system users and less than 15,000 records. It is the recommendation of DORN Technology Group, Inc. that any Client which exceeds any of these criteria graduate to a served-data environment such as Microsoft SQL Server, Informix, or Sybase. Report Processing workstations or large database system workstations require more memory as workspace and also 5K of disk space per claim record to process, prepare and print large results set reports.

Reporting/Large Database Workstation Requirements and Recommendations

	Required	Recommended
System	Intel Pentium 166MHz	Intel Pentium 200MHz
Memory	32MB RAM	64MB RAM
Hard Disk	500MB available	1+GB available
Operating System	MS-DOS 6.2 or better	Windows/95***
MS Windows	Version 3.11 for Wrkgrps	Windows/95***
Modem	14.4 baud	28.8 baud
PCAnywhere	Windows Version 2.0	pcANYWHERE/32
Microsoft Office Pro.	Version 4.3	Version 4.3

The following are additional requirements for the technical summary

- See Techspecs for platform and network protocols
- DBMS – Access, MS SQL Server, Informix, Sybase
- The software version is 3.5, the original release of RISKMASTER/Win was January 1994
- Programming language is C++ and Visual Basic

Sample Standard Reports

Sortmaster/Win Reports

SORTMASTER/WIN is a complete report management system that enables you to create and maintain custom reports. Analyze your risk management data in any report format by customizing established report templates or by creating your own report definition. With the Graph Option features, you can produce report data in a variety of graphic representations. Report criteria is automatically translated into an optimized SQL statement that can be used to export data into other report-writing systems or third-party spreadsheet applications, such as Excel, for further analysis.

Through SORTMASTER/WIN, you can access the data in any ODBC data source connected to RISKMASTER/WIN. You decide which data you want to include and define the output format for either text or graphical reports. You can quickly review the report data on the screen and make corrections or modifications before printing.

You can set up any SORTMASTER/WIN report to generate and print at a predetermined time or on a periodic basis, such as quarterly, by using the optional Event Scheduler module.

Creating or customizing report definitions requires very little typing and no programming skills. SORTMASTER/WIN handles the complex table joins and creates an optimized SQL statement for you, so anyone in your organization can easily reports and export report data.

With SORTMASTER/WIN, you have access to all data in RISKMASTER/Win. You can compile reports from all tables, fields, and supplemental data that exists on your system. You select parameters for gathering information, such as which tables to access, fields to include, and the order in which the fields are listed. You create the format of the report by defining titles, headers and footers, totals and breaks on columns, and graphical requirements.

For reports you use repeatedly, you can save the report definition as a file in SORTMASTER/WIN and specify the drive and directory information in which the file is stored. The next time you want to generate the report, you simply open the report file in SORTMASTER/WIN and print the report.

Derived fields have also been added to the latest version of SORTMASTER. This function allows the user to perform mathematical calculations based on information in other report fields without having to export the information to a third party product such as Excel or Lotus.

In addition, SORTMASTER is the first industry report writer to offer automatic HTML output. When used in conjunction with browsers such as Microsoft Explorer or Netscape, you can publish information directly to the World Wide Web without having to create the HTML code yourself. SORTMASTER does it all behind the scenes for you. This makes web publishing of even complicated reports extremely user-friendly.

A library of fifty preformatted ad-hoc reports is included on diskette with the system to give users a jump start on SORTMASTER's advanced capabilities. These reports are those which other SORTMASTER users have found to be the most commonly utilized in day to day activity. Several samples of the reports are included here.

Having a proprietary report writer written specifically for Riskmaster/Win® also gives the client several advantages on technical and support issues. The majority of RMIS systems on the market today utilize third party report writers. Should the RMIS system have the capability of adding additional user-defined data fields, these will then need to be custom written into the report writer. This is by no means an easy task and will be required for each and every field added. In the Riskmaster/Win® system, the table joins are automatically constructed by SORTMASTR when supplemental fields are added. No additional work is required. A secondary issue here is with regard to technical support or help desk inquiries regarding the report writer. Third party report writers are just that: third party. This means someone other than your RMIS vendor is responsible for technical support for the product, which means a second support contract is needed. Similarly, should an end-user require assistance in using the product, your RMIS vendor's help desk will be unable to provide any assistance. They will be forced to refer them to the third party vendor, who's help service might be an additional charge.

This is not an issue with the Riskmaster/Win® system. By using SORTMASTER, our proprietary report writer, you can get both user help and technical support for th product under our standard maintenance agreement. This means one less worry on your part as a client of DORN Technology Group.

SAMPLE SORTMASTER® REPORT LIBRARY INDEX

<u>Report</u>	<u>Report Title</u>	<u>Type of Report</u>
adjdiry.smr	Adjuster's Diary Report (Sample)	Operational
adjsumry.smr	Adjuster Claim Summary	Operational
allcodes.smr	All Codes Files List	Audit, Operational
clmcodes.smr	Code Tables for Claims	Operational
<u>Event Reports:</u>		
evtype.smr	Events by Type, Category and Indicator	Audit, Operational
evtime.smr	Events by Department and Time of Day	Managerial
evcatind.smr	Event Frequency with Person(s) Involved Details	Operational, Mgr.
evcatsum.smr	Summary of Events by Category	Managerial
evcatfqy.smr	Event Frequency by Category and Event Details	Operational
evpriloc.smr	Events by Primary Location	Audit, Operational
evclm.smr	Events Which Have Resulted in Claims	Managerial
<u>Claim and Financial Reports:</u>		
bodpart.smr	Claims by Body Part Injured	Audit, Mgr.
lagrpt.smr	Claim Lag Report	Operational, Mgr.
openclm.smr	Open Claims Financial Information	Operational, Mgr.
closeclm.smr	Closed Claim Financial Summary	Managerial
closemet.smr	Analysis of Closed Claims by Closure Method	Operational, Mgr.
lobclms.smr	Claim/Claimant Detail Report by Line of Business and Claimant	Operational, Mgr.
clmclmt.smr	Claim Report By Claimant	Audit
clmnmtype.smr	Claims Sorted by Claimant Type	Operational, Mgr.
clmfidet.smr	Financial Detail of Claims by Claim Type	Audit, Managerial
clmstat.smr	Claims Sorted by Claim Status	Operational, Mgr.
gcalphcl.smr	General Claims Alpha Listing by Claimant and Claim Type	Operational, Mgr.
claimlag.smr	GC Event to Claim Lag Time Report	Operational
opcomm.smr	Open claims Status Report (with comments)	Operational
pdsvrao.smr	Paid to Original Reserve Ratio	Managerial
lawsuits.smr	Lawsuits Sorted by Year Filed	Managerial
fhlosrun.smr	Loss Run "As of 12/31/1995" (As of Reporting and Financial History)	Managerial
sfstatus.smr	Claim Status Summary (Summary financial with global criteria)	Managerial
lossrato.smr	Paid Loss Ratio for Policy	Managerial
sfclmtyp.smr	Total Claims Incurred and Paid by Claim Type (Summary Financial)	Managerial

* Report includes a graphical representation

SAMPLE SORTMASTER® REPORT LIBRARY INDEX

<u>Report</u>	<u>Report Title</u>	<u>Type of Report</u>
fytotinc.smr	Total Incurred by Fiscal Year	Managerial
clmfisum.smr *	Financial Summary of Claims by LOB and Claim Type	Managerial
paytran.smr	Payment Transaction Log	Audit, Mgr.
acctsum.smr	Accounting Summary by claim	Managerial
voucher.smr	Report of Payments for Use in Creating Payment Vouchers	Audit, Oper, Mgr.
rsrvchg.smr	Reserve Change History	Managerial
wcdept.smr	W/C Open/Closed Claims by Department	Managerial
restdays.smr	W/C Restricted Days for All Open Claims	Managerial
wctime.smr	W/C Open/Closed Claims by Time of Day	Audit
position.smr *	W/C Open/Closed Claims by Job Position	Managerial
injury.smr	W/C Claims by Injury Sustained	Audit, Mgr.
lostime.smr	Total Days Lost Per Employee W/C Claim	Managerial

* Report includes a graphical representation

Standard Reports And Graphics RISKMASTER/Win®

How You Can Improve Your Results By Applying The Standardized Report Processing System

Author: Mark Dorn, President Revised: 4/12/96

1.0 Executive Summary:

The *RISKMASTER/Win Standardized Report Processing System* and related tools can help you respond in minutes to auditors, actuaries, operating unit Vice Presidents, CFO's and board members. Your ability to provide accurate data is enhanced with options that not only print reports but to also provide the data in an electronic CSV file format commonly used in MS-Excel. At the same time you can precisely illustrate how the data was processed by including a print out of the structured data query statement (SQL), for full documentation. Since many of the RISKMASTER/Win Standard Reports provide multiple processing passes through your claim, payment, reserve and policy data files, these important standard reports are faster than informally trying to provide similar reporting data using the SORTMASTER report processing module.

Related to the standards reports are various standard graphics that are also provided in RISKMASTER/Win to help you illustrate financial, legal and reserve data.

The standard reports provided by RISKMASTER/Win cover a wide full spectrum of needs in risk management, policy management and claims management. The reports are significantly different then typical standard reports because they allow the user a infinite range of user definable processing filters and options. Therefore, each report can fulfill a broader scope of uses and users can apply the RISKMASTER/Win reports to a sub category of data or to executive level needs for aggregate data.

2.0 Major Reports And Graphic Analysis Tools

The standard reports and graphic analysis tools in RISKMASTER/Win can process client data for the following areas,

2.1 Actuarial Reporting

Confidential Data - For Licensed Clients And Authorized Users Only

Claims Development Experience Reports;
Triangle, Tabular, Relative Loss Development
Average Claim Cost Summary Per Accident Year
Accident Year/Loss Year Analysis

2.2 Statistical Reporting

Claim Cost Distributions Per Fiscal Year With Total Paid Values
Multi-Year/Three Year Business Analysis Report - Freq/Costs/Status
Claim Status Analysis Per Payments, Reserves And Total Incurred
Matrix Reporting With Statistics
Exposure Data

2.3 Financial Reporting

Snapshot In Time (Evaluation Assessment)
Cost Of Risk Allocation Per Exposures

2.4 SORTMASTER/Library Reports - Options For Mean & Average

Organizational Hierarchy Review	Payment Analysis
Policy Review	Reserve Change Analysis
Loss Runs	Accounting Summary
Employee Occurrence/Claims	Transaction Logs
Claimant/Codefendant Report	Loss Date Financial Analysis
Occurrence To Claim Review	

2.5 Standardized Claim Graphics Library

2.6 Calculated Reports; Ultimate Loss Analysis

2.7 Regulatory Reports; OSHA 200, MEDWATCH

3.0 How You Can Improve Your Results By Applying The Reports

Using the RISKMASTER/Win reports and graphic capabilities you can immediately review claims data for reserving trends, payment practices and overall aggregate claim data valuations. RISKMASTER/Win can help in establishing the following changes;

New Payment Practices On Open Claims At Key Time Intervals
Revised Reserving Practices Based On Closed Claim Financial History
New Risk Funding Deductible Levels Based On Actuarial Modeling
Of Payment And Reserve Data Files
New Cost Allocation Plans Per Different Exposure Data Weighting
Changes In Occurrence Reporting Practices And Claim Notification To
Improve Lag Times And Reduce Escalating Open Claim Costs
Redefined Data Definitions For Key Financial Values To Provide Improved
Accuracy In Financial Performance Reporting

Verified Performance Improvements Based On New Loss Control
Practices, Inservice Education And Claim Management Practices
Define New Excess Layers Based On Claim Data Experience
New Insurance Policy Changes Per Different Policy Trigger Methods

Many managers will want to establish a base line or starting benchmark of performance by using old data or current values they can report on from SORTMASTER/Win. Others will want to review their current data with their actuary to determine areas to focus their attention for performance improvements. The only key requirement for success is using the standard reports regularly to meet your short term and long term objectives.

All standard reports can be set up to process unattended on an ongoing basis by implementing these reports within the *RISKMASTER/Win Event Scheduler Module*.

4.0 Major Reporting Levels

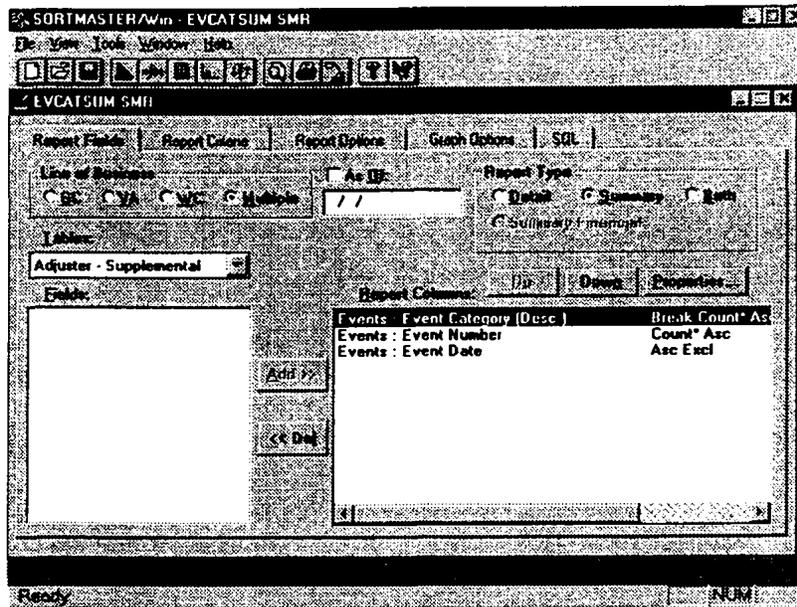
Most standard reports take advantage of common RISKMASTER/Win code tables and the organizational hierarchy system that allows nine levels of data filtering. The major report levels include;

1. Client
2. Company
3. Operation
4. Region
5. Entity
6. Division
7. Location
8. Facility
9. Department

For More Information Contact: RISKMASTER/Win Support Manager

SAMPLE SORTMASTER @ REPORT LIBRARY

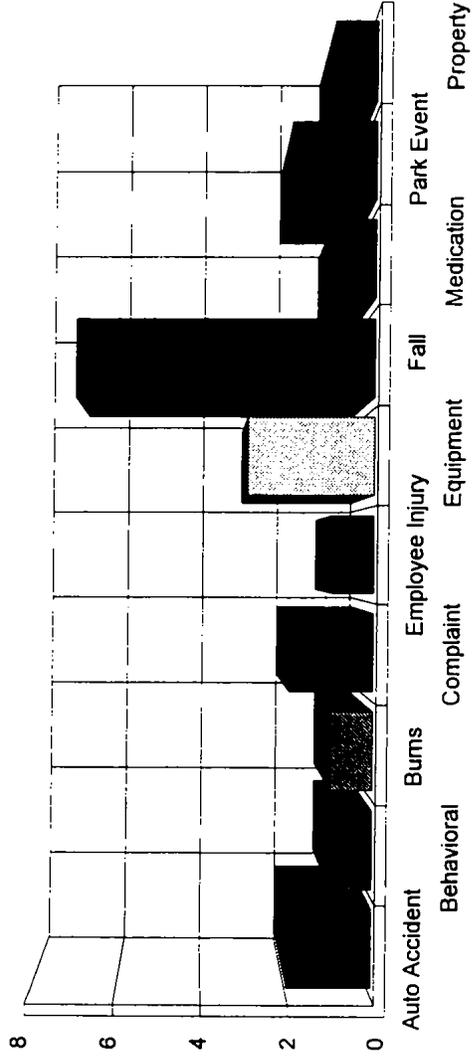
Report Title: SUMMARY OF EVENTS BY CATEGORY
File Name: evcatsum.smr
Type of Report: Managerial
Frequency: Monthly, Quarterly and Annually
Purpose: Provide management with a summary of the type of broad event categories for the organization. This report lends itself very nicely to a graphical representation of the data.



SUMMARY OF EVENTS BY CATEGORY

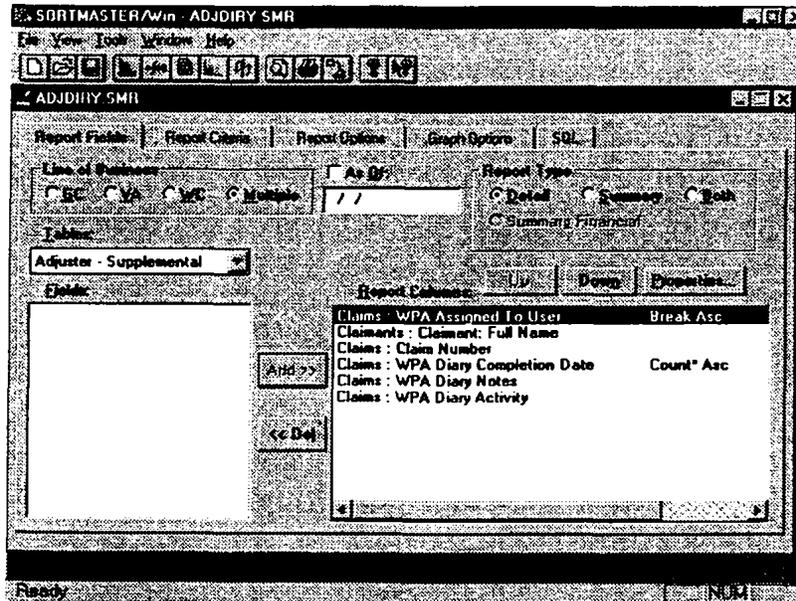
Event Category	Number of Events
Auto Accident	Records: 2
Behavioral	Records: 1
Burns	Records: 1
Complaint	Records: 2
Employee Injury	Records: 1
Equipment	Records: 3
Fall	Records: 7
Medication	Records: 1
Park Event	Records: 2
Property	Records: 1
Records: 19	Records: 21

Summary of Events by Category



SAMPLE SORTMASTER @ REPORT LIBRARY

Report Title: SAMPLE ADJUSTER'S DIARY REPORT
File Name: adjdiry.smr
Type of Report: Operational
Frequency: As Needed
Purpose: To provide a list of open diaries by adjuster. This report can also be run by an individual adjuster to review his/her open items for completion.



10/30/96

Dr.)

SAMPLE ADJUSTER'S DIARY REPORT

Adjuster	Claimant	Claim No.	Diary Date	Diary Notes	Diary Activity
jst	ABC Planting Plant 1,	GCPROP1993000009	12/01/1993	Verify payments have been up to date for employee.	Payment Activity
	Jackson, Brenda	GCGL1994000011	01/10/1996	Conf call with adjuster, claim mgr. and employee's athny	Conference Call
	Mason, Henry	WC1996000014	04/09/1996	Review file and contact employee and physician to check on status	File Update
Reserve 3					
kml	Anderson, Jim	WC1995000017	11/05/1995	Update reserves as needed	Reserve Update
	Anderson, Jim	WC1995000017	11/15/1995	Review and update reserves as needed	Reserve Update
	Jackson, Brenda	GCGL1994000011	01/10/1996	Conf call with adjuster, claim mgr. and employee's athny.	Conference Call
Reserve 3					
nrs	Hankely, Edwin	GCGL1992000006	10/01/1992	Contact Clinic handling medical portion of claim.	Medical Update
	ABC Planting Plant 1,	GCPROP1993000009	10/09/1993	Set up file review on claim. Make sure to contact Adjuster handling same.	File Review
	Jackson, Brenda	GCGL1994000011	12/01/1994	Set up claim for file review.	File Review
	Jackson, Brenda	GCGL1994000011	01/10/1996	Conf call with adjuster, claim mgr. and employee's athny	Conference Call
	Anderson, Henry	GCPL1996000008	11/12/1996	Set up file review on claim.	File Review
Reserve 3					
Reserve 11					

SAMPLE SORTMASTER @ REPORT LIBRARY

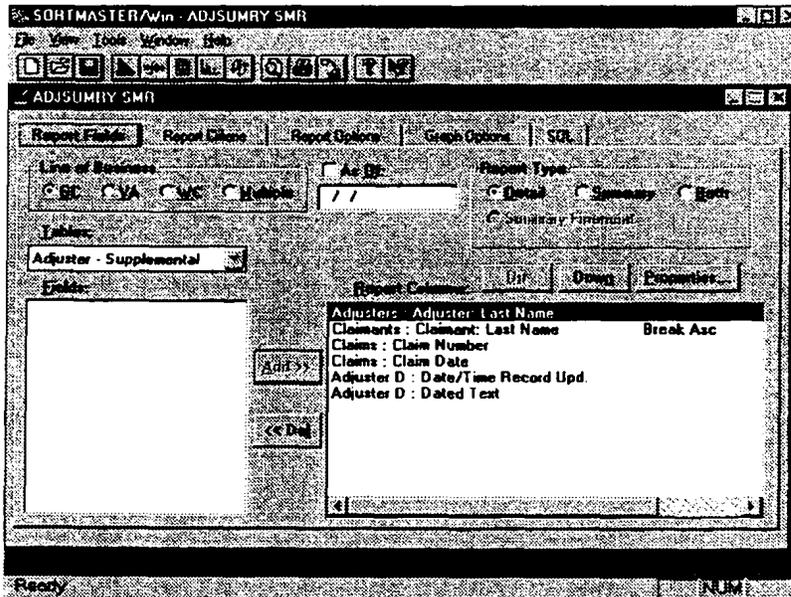
Report Title: ADJUSTER CLAIM SUMMARY
Sample of Text Field with Multiple Lines

File Name: adjsumry.smr

Type of Report: Operational

Frequency: As Needed

Purpose: Provide a report which includes adjuster text notes by adjuster and claim.



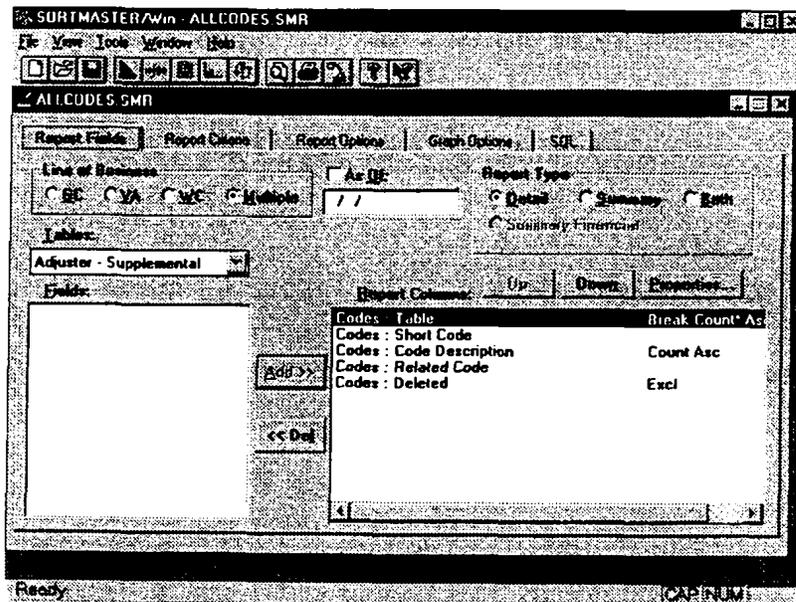
10/31/96

ADJUSTER CLAIM SUMMARY
Sample of Text Field with Multiple Lines

Adjuster	Claimant	Claim No.	Claim Date	Last Record Update	Adjuster Text
Green	ABC Plating Plant I	GCPROP1993000009	08/15/1993	10/25/1996 12:06:25	Adjuster notification of property damage. On site visit revealed that all glass windows and doors on the west side of the building were destroyed. Heavy water damage to interior contents.
Larson	Hankerly	GCGL1992000006	09/02/1992	10/25/1996 10:09:59	Spoke to lawyer at Baker Mackenzie re: probable investigation expenses associated with this claim. Jennifer stated that costs would be approx \$2500 given the claim history of claimant. Will recontact in 2 weeks.
Larson	Hankerly	GCGL1992000006	09/02/1992	10/25/1996 09:28:17	Contacted claimant to determine extent of injuries and why he failed to notify us sooner of any potential damages.

SAMPLE SORTMASTER ® REPORT LIBRARY

Report Title: ALL CODES FILE LIST
 File Name: Allcodes.smr
 Type of Report: Operational
 Frequency: As Needed
 Purpose: Provide a list of codes within your RMWin System



ALL CODES FILE LISTING

Table	Code	Code Description	Rel. Code
Accident Description	DTF	Driving Too Fast	" "
	DUI	Driving Under Influence	" "
	FS	Failure to Signal	" "
	HOC	Head on Collision	" "
	H	Highway	" "
	HR	Hit and run	" "
	IB	Improper Backing	" "
	IVHOV	IV Hit Other Vehicle	" "
	IVSO	IV Struck by Object/Anima	" "
	IVSR	IV Struck in Rear	" "
	IVSWP	IV Struck While Parked	" "
	PL	Parking Lot	" "
	RR	Run red light	" "
Accident Description		Records: 13	
Accident Type	B	Bus Accident	AL
	COL	Collision	" "
	CU	Cushman/Off Road Veh	AL
	GC	Golf Cart	" "
	HNOA	Hired/Non-Owned Auto	AL
	P	Parking	GL
	PED	Pedestrian Accident	AL
	PD	Property Damage	AL
UNK	Unknown	NA	
Accident Type		Records: 9	
Account Type	CDA	Cert of Deposit Account	" "
	CA	Checking Account	" "
	JA	Joint Account	" "
	SA	Savings Account	" "
Account Type		Records: 4	
Actions	ET	Emergency Treatment	" "
	EC	Employee Consulted	" "
	EM	Equipment Modified	" "
	NA	Not Applicable	" "
	NF	Notified Family	" "
	NP	Notified Physician	" "
	NS	Notified Supervisor	" "
	PC	Police Called	" "
	XR	X-ray Ordered/Taken	" "
Actions		Records: 9	
Activity Type (Project Tracking)	ADM	Administrative	" "
	CL	Clerical	" "
	MGT	Management	" "
	SOC	Social	" "
Activity Type (Project Tracking)		Records: 4	
Acuity Level	1	Acuity Level 1	" "
	2	Acuity Level 2	" "

ALL CODES FILE LISTING

Table	Code	Code Description	Rel. Code
Acuity Level	99	Not applicable	" "
Acuity Level		Records: 3	
Admission Source	2	Clinic Referral	" "
	7	Court/Law Enforcement	" "
	6	Emergency Room	" "
	3	HMO Referral	" "
	9	Information not Available	" "
	1	Physician Referral	" "
	5	Transfer From Health Care	" "
	4	Transfer From Hospital	" "
	8	Transfer from SNF	" "
Admission Source		Records: 9	
Admission Type	DA	Direct Admit	" "
	ER	Emergency Admit	" "
	IP	Inpatient	" "
	OP	Outpatient	" "
	SDS	Same Day Surgery Admit	" "
Admission Type		Records: 5	
Anesthesia Type	Ep	Epidural Block	" "
	G	General	" "
	Loc	Local	" "
	RB	Regional Block	" "
	SP	Spinal	" "
Anesthesia Type		Records: 5	
APS Anesthesia PS Codes	P6	Brain-dead patient	" "
	P5	Moribund patient	" "
	P1	Normal Healthy Patient	" "
	P4	Patient w/ severe systemic disea	" "
	P2	Patient with mild systemic disea	" "
	P3	Patient with severe systemic dis	" "
APS Anesthesia PS Codes		Records: 6	
ASA PS Class Code	P6	Brain-dead patient	" "
	P5	Moribund patient	" "
	P1	Normal Healthy Patient	" "
	P4	Patient w/ severe systemic disea	" "
	P2	Patient with mild systemic disea	" "
	P3	Patient with severe systemic dis	" "
ASA PS Class Code		Records: 6	
Bed Position Codes	2	High	" "
	1	Low	" "
	3	Not Applicable	" "
Bed Position Codes		Records: 3	
Body Parts	ABD	Abdomen	" "
	ANL	Ankle-Left	" "
	ANR	Ankle-Right	" "
	ARLL	Arm-Lower Left	" "

Support Services

Training Services And Client System Implementation Summary

Revised: 2/23/95

1.0 RISKMASTER/Win[®] Training Overview:

The training department designs training services, delivers end user training and coordinates post training session follow up on all RISKMASTER/Win software products. The training process and curriculum has several key objectives;

- Assist Clients In Learning The Major Functionality Of The Software Needed To Allow End User Objectives For Productivity And Job Tasks To Be Realized
- To Assist In Initial Client System Prototype Design As A Secondary Part Of The Training Process
- To Help Define Needed Client Assignments Both Before And After The Training To Assist In Clients Effectively Implementing The Software Functions

The training process focuses on providing software training that is appropriate for the roles and tasks and computer skills of the participant using the program. The training process is also divided between training topics, computer skills and specific simple implementation issues. Most training sessions involve using the proven "Four Cycles Of Learning" training model that includes:

- *Formal Presentation*
- *Example Modeling Of Tasks*
- *End User Lab or Practice Exercises*
- *"Ask The Expert" Question Sessions*

The training sessions provided are not intended to replace other needs for consulting, source document revisions, procedural changes, work flow redesign or other system implementation services. These services are often needed and should be contracted as an optional part of overall automation planning process.

2.0 Multi-Year Training Needs:

Most clients need a multi-year training plan to pre-plan training budgets for covering new software releases, staff turnover and new application requirements.

3.0 "Quick Tele-Training" Options:

Many clients find a need to get additional follow up training after initial training sessions. Besides attending on-site training center sessions, clients can contract for "Quick Tele-Train" sessions for a given topic or with a specific technical consultant.

4.0 Planning The Scope, Needs And Costs Of Your Software Training

The client has the option to select training courses that leverage existing computer skills they have already developed. In addition, clients can select courses that help them accomplish the expectations their organization may have for how the RISKMASTER/Win product solves defined application needs. The following *Training Plan Inventory And Work Sheet* can help users select the appropriate training investment. It is assumed that a minimum investment of *four days* is needed for any organization to have two people cover the basic standard claims management features. It would also be likely that *four to ten* other training days may be very necessary to cover the other topics of interest and technologies that the full program can provide.

Training Plan Inventory And Work Sheet

Production User:

Production User

- Standard Features Per LOB Module
- Level I,II,III Training Plan
- Typically Two To Four Days

Roles: Self Admin. Claims
Data Entry Responsibility
Limited Code Maintenance

Tasks: Tool Bar, Command Line, Screen Navigation Functions
System Inquiry, Searches And Query By Example
Entity Entry And Maintenance
Persons Involved/Employee Entry
Basic Claim Document Set Up, Claim No. And Entry
Tables, Lists And Codes Maintenance
Organization Hierarchy Code Use
Supplemental Data Fields And Text
Litigation, Defendants & Expert Witnesses
Claim Quick Summary Functions
Use Of Quick Views For Data Entry And Inquiry

Sub Topics:

Reserve Management Responsibility
Setting, Updating And Closing Reserves

Funds Management Responsibility
Check/Payment Processing
Bank Accounts And Reconciliation

Integrated Communication Tasks

MS- Mail, WPA, WPI, WORD

OSHA Or MEDWATCH Reporting

Regulatory Forms

Policy Management And Coverage's

Basic Policy Entry And Update

Exposures And Underwriting Data

Cost Of Risk Data Set Up And Updates

Administrative Tracking Assignments

Bonds, Complaints, Property Management, Other

System Administration User: Typically One To Two Days

Roles

Initial System Installation And Configuration Tasks
System Wide Security, Access And User Id, Privileges
Database And Third Party Software Integration

Tasks

System Installation, Back Up And Configuration Tasks
System Wide Security, Access And User Id, Privileges
Data Source Attachment And Third Party Software Integ.
Set Up CACHE Options And RAS Remote Access Server
Operating System Configuration And Management Tasks
System Notebook And Documentation Functions
System Parameter Tables, Events Log And Transc.Mgt.
Help System Set Up, Modification And Use

POWER User: Typically Two Days

Roles

Third Party System Data Integration Tasks
Customized Views For Data Entry And QBE
Advanced Reporting And Data Analysis

Tasks

SQL Paste / VBA Function From SORTMASTER
Excel Pivot Tables, Data Analysis And Graphic Options
Document Creation And Integration
Image Management Attachment
Quick View Set Up And Design

SORTMASTER User: Typically Two Days

Roles

Report Generation, Creation And Maintenance
Graphic Exhibits

Tasks

Design, Create And Modify Reports
Use Of The Column Properties Function
Selection Parameters
SQL Statement Uses And OLE Integration
Headers/Footers/Titles/Shading/Boxing/Fonts
Using All The Views And Table Files With Existing Joins
Screen View And Report Output Options
Use Of Print Preview And Mail Report Attachment

Productivity Plan Training Module: Typically One To Two Days

Roles Letter, Document, Mail And Scheduling Responsibility
Uses Windows For Work Groups, Mail, S+, Word, PPT
Tasks Production Of Documents And Schedule+ WPA Records
MS-Mail Of Claim Data Records

Windows Skills Basic And Intermediate Module: Typically One Day

Tasks Full Mouse Functions - Left/Right Click
Alt/Cntrl/Tab Functions
MDI And Minimize/Maximize
Help Files And Jump Functions
Tool Bars, Icons, Program Manager

NT Server Orientation And Installation Review Module: Typically One To Two Day

Roles Software Installation, Set Up And Configuration
Ongoing Domain Management And User
Tasks Domain, Security And System Management Orientation
File Systems (FAT or HPFS), MS Post Office, Trust Relationships

Windows For Work Groups System Orientation Module: Typically One Day

Roles Software Installation, Set Up And Configuration
Ongoing Schedule +, RAS And User Security
Tasks Security And System Management Orientation

Data Analysis Training Module: Typically One Day

Roles Advanced Data Reconciliation & Auditing
Report Presentation Graphics
Multiple Time Period Data Analysis
Tasks RISKMASTER/Win Data Analysis & Integration
Data View Building Functions

5.0 General Training Recommendations:

As a general training assessment most basic **Production Users** for standard features need two days of training and at least a half day planned for every two sub topics on claims that might covered. These would include sub topic specialties like Reserve Management, Funds Management, Exposure Management or other Line of Business Claim Modules for GC, WC, or VA.

System Administrators need to plan at least one day for basic system topics and set up exercises.

Power Users should allow one day to learn and one day to set up and prototype their basic work assignments.

SORTMASTER Users need one day to learn the program and set up basic reports and graphs.

The **Productivity Plan Training Module** covers a wide range of productivity type functions and should allow one to two days as a normal initial training plan.

The **Windows Training Module** provides a solid foundation for using the true functions of the Windows interface. All basic topics are covered in one day.

The **NT Training Module** can typically require one day or two days of training depending on how much installation service the client has already purchased from DORN Technology Group.

6.0 Training Center Facilities Profile:

The training center provides "hands-on" classroom training in a distraction free environment. The center is equipped with the latest color computer hardware, software and training equipment. Ergonomically correct training furniture as well as regular refreshment breaks help make for an enjoyable session. Video recording of key sessions can be made available and a low student to instructor ratio is maintained to ensure the quality of every session. Clients can also have their own organization's local software account pre-loaded so they can be trained on their exact software system. The center maintains a temperature controlled environment as well as integrated conference facilities to allow for the special break-out training session needs of small sub-groups or specific organizations. The center features the "Link System™", a teaching control system used by the instructor to link all workstations and teaching console PC equipment for a true interactive learning experience.

7.0 Easy Access

The training center is just a twenty-minute cab ride from the metropolitan airport. No rental car or special transportation is need from most local hotels to the training center. The training center has over six hotels within one mile of the facility. Clients can take advantage of reduced corporate rates at quality hotels that are attached to a large indoor shopping mall complete with movie theater and work-out facilities. Most training sessions start at 9:00 a.m. and end at 4:00 p.m. This will allow for convenient flight times as well as time for special client review sessions either before or after formal training.

8.0 Combine Your Trip

Some clients prefer to combine their training trip with other special needs. Additional implementation consulting service work, custom project review meetings, support service staff meetings or a formal client executive review day meeting with our senior staff members can be arranged for any client.

9.0 Training Education Summary:

New technology offers a lot of promises. With the proper training, those promises can show tangible returns in productivity and operational improvements. The DORN Technology Group Training Center provides key services that help empower software users and improve their essential skills. The center also specializes in client focused implementation, education and consulting. A major goal of the staff includes assisting clients in making productive use of all practical DORN Technology Group software and technology products in a cost effective systematic manner. Mastering new software functions, reinventing existing client processes and creatively leveraging the flexibility of the software are all part of how we help retool users for success and real world operational results.

Organizations already recognize investing in ongoing human capital is a reliable determinate of future competitive success. Doing more with computers is directly related to knowing more, including knowing more features, more system integration functions and more useful applications of the ever available new programs. The Training Center helps users assess their progress in learning and applying features. Additional pre and post training consultation of job or role redesign, source document enhancement suggestions, custom software interfaces and system communications options can all help complete the evolving implementation process.

Doing more with both less staff and fewer resources can be more practically realized with proven training and skill development. Independent discovery is not a time or task efficient method of learning. Clients can avoid this common problem by enrolling annually in a series of pre-funded basic training service plans to get regular access to training services for over a dozen different topics.

For More Information Contact:

Keith Lees, Training Manager or
Nancee Smith, Training Consultant
(313) 462-5800/ph or (313) 462-5807/fax

	IMS- Mail, WPA, WPI, Spell Check		2	
	OSHA Or MEDWATCH Reporting		1	
	Regulatory Reports & Forms		1	
	Policy Management And Coverage's		1	
	Basic Policy Entry And Update		0.5	
	Exposures And Underwriting Data		2	
	Cost of Risk Data Set Up and Updates		2	
	Administrative Tracking Assignments		2	
	Bonds, Complaints, Property Management, Other		2	
New - 3.5 Rel	WPA Diary And Work Flow Processing		2	
New - 3.5 Product	Diaries And Work List Processing		2	
	Best Practices		2	
	Best Practices Per Role And Task		2	
New - 3.5 Rel	Mail Merge Document Processing		2	
	1400 Mail Merge Fields		0.5	
	Data Validation System		1	
	Processing Rule Base System		8	
New - 3.5 Rel	Custom Query Processing System		24	
	Wizard Use and Custom Set Up		SA100	
	Bill Review System (BRS)			
	Medical Bill Adjudication & Custom EOB Form			
	Sub Total			
	Pre Implementation & System Administration User: Typically One To Two Days			
	Roles			
	Initial System Installation And Configuration Tasks			
	System Wide Security, Access And User Id. Privileges			
	Database And Third Party Software Integration			
	Tasks			
	System Installation, Back Up And Configuration Tasks		0.5	
	Duplicate Record Management System Per Line of Business		1	
	Event Task Scheduler Processing		2	
	Organizational Hierarchy Security Set Up		1	
	SUMS and EAAP Data Processing		0.5	
	System Wide Security, Access And User Id. Privileges		2	
	Data Source Attachment and Third Party Software Integ.		0.2	
	System Notebook and Documentation Functions		0.2	
New - 3.5 Rel				

	System Parameter Tables, Events Log and Transc. Mgt. Help System Set Up, Modification and Use	1
	Organization Hierarchy Data Set Up	4
	Code Table Development - 20 to 35 Tables	0.5
	Set Up Of Bank Accounts And Checks	0.5
New - 3.5 Product	Accounting System Data - Post Update File	4
	Sub Topics:	
	Data Director System (DBS)	
	Mapping, Data Rules, Upload CSV File Processing And Au	8
	Data Import System (DIS)	
	File Mapping, Upload Processing And Reporting	1
	Sub Total	26.4
POWER User:	Typically One Or Two Days	ADV100
	Third Party System Data Integration Tasks	
	Customized Views For Data Entry And QBE	
	Advanced Reporting And Data Analysis	
	SQL Paste / VBA Function From SORTMASTER With Excel Pivot Tables, Data Analysis And Graphic Options	2
	Dynamic Group Association Fields	0.5
	Document Creation And Integration	2
	Image Management Attachment	1
	Benchmarking System Processing	1
New - 3.5 Rel	Quick View Set Up And Design	0.5
	WPA Best Practices	4
New - 3.5 Product	User Privileging System	2
New - 3.5 Rel	1099 Dat Interface To Convey System	1
New - 3.5 Product	EDI Data Interface Processing	1
	Sub Total	15

DORN Technology Group, Inc.
Appendix Six
MASTER TRAINING SERVICES SCHEDULE OF FEES

1.0 DTG Training Fees - Training Center Based Training Services

- 1.1 **Consultation Rate** - Full Service Consultation And Instruction
\$800/day per person Basic To Advanced Curriculum
One Organization And One Trainer

- 1.2 **Training Rate** - Limited Consultation And Basic Instruction
\$700/day per person Basic To Intermediate Curriculum
Technical Issues And Support Topics
Included

- 1.3 **Basic Fee or Group Rate** - Certification And Special Topic Training
Sessions
\$600/day per person New Client Training
Re-Training Training

Note: Training fees cover all course manuals, lunches, facilities charges, computers equipment, daily refreshments, all software account set up services and travel from the hotel to the training center as well as departure travel to the airport.

2.0 DTG Training Fees - Client Site Based Training Services

- 2.1 **Onsite Fees** - At Client Location For Up To Three
\$1,750/day Attendees
per trainer Agenda And Topics Customized To Needs
Plus Travel

3.0 Additional Educational Materials

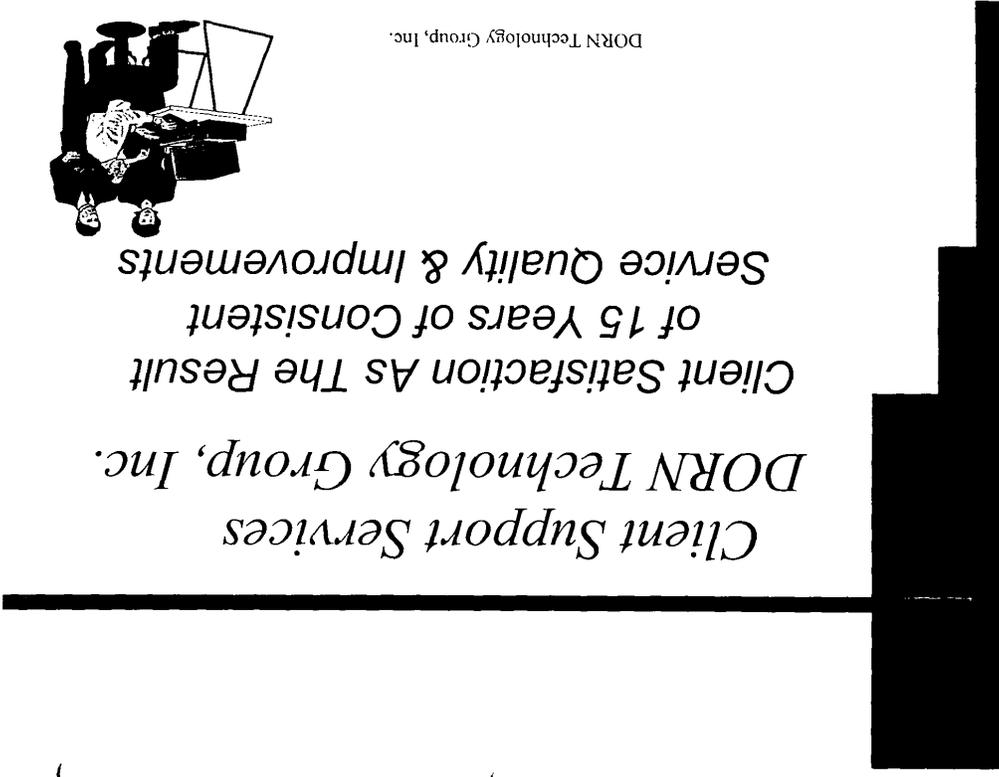
- 3.1 **Manuals** A Full Set Of Product Manuals With
\$295/set Slip Cover Case Including Shipping

TRNGSOW.DOC



DORN Technology Group, Inc.

Client Support Services
DORN Technology Group, Inc.
Client Satisfaction As The Result
of 15 Years of Consistent
Service Quality & Improvements



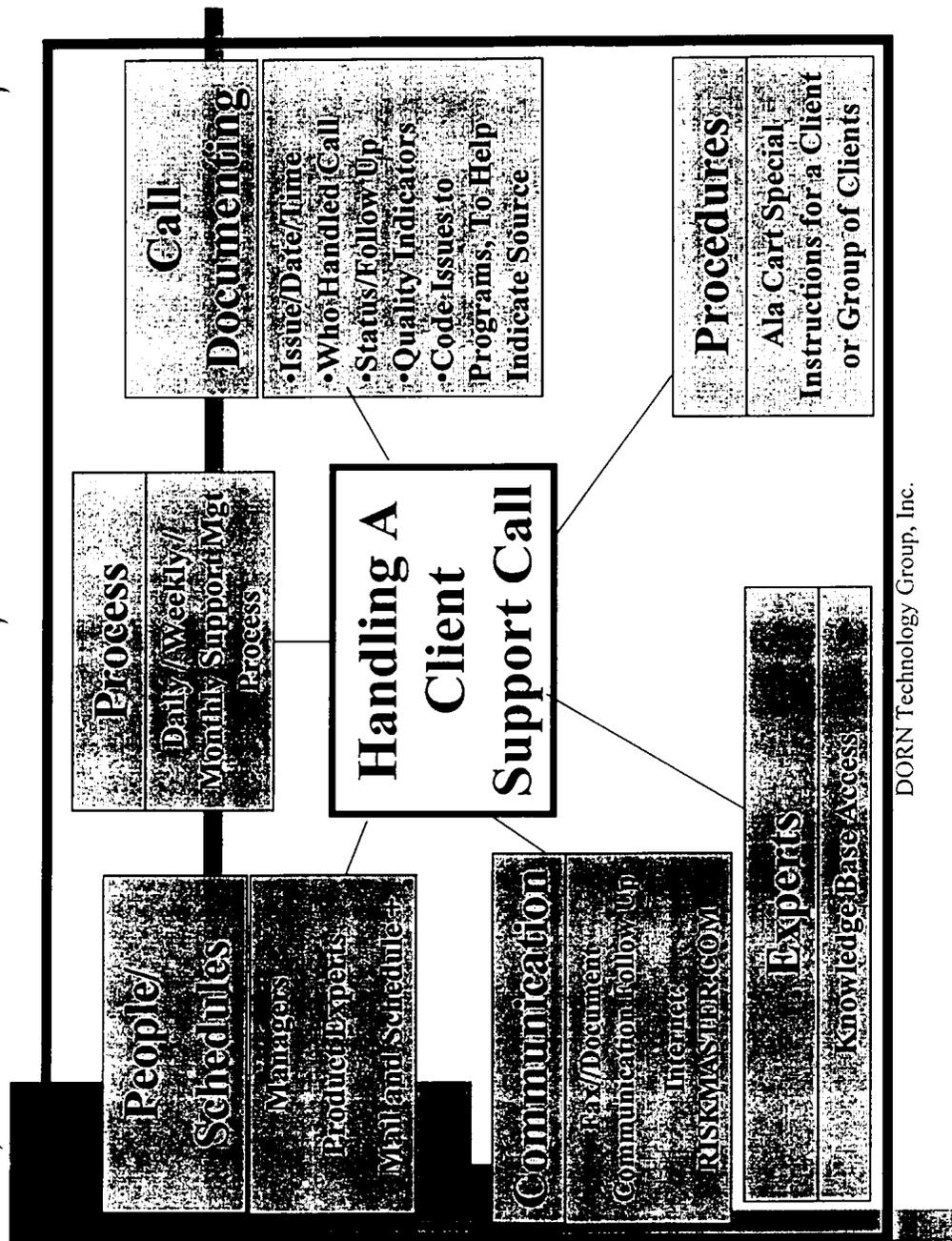
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DTG Client Services Factors

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Four Major Service Factors:

- *Access and Responsiveness*
- *Tech Assistance*
- *Personalized Client Service*
- *Customer Skills That Make a Difference*



Client Services Resource Investments

- *Innovative Tools Integrated In
RISKMASTERWin*
 - *DIS, DDS, ERROR LOG, Data Validation*
- *Support System 100% Integrated*
- *SUMS - Software Utilization Mgt.*
- *EAAP - Environmental Analysis*
- *New INTERNET: RISKMASTER.COM*
 - *Support Call Details, Releases & More*

Client Support Services

Service Where The Focus Is...

Long Term Client Partnerships

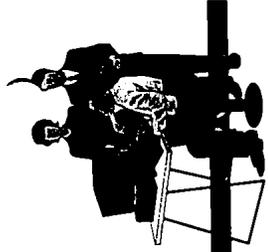
- *Good Value For A Fair Fee*
- *Better Staff Training/Skills*
- *DTG Resource Investments*
- *The Best Software Enhancements*
- *Advanced Tools & Process*
- *Internet Enabled Support*

DORN Technology Group, Inc.

RISKMASTER Client Support

Scope of Service

- *Professional Advantage Plan*
- *Flex Advantage Plan*
- *Database Support Module (DSM)*
- *Extra Free First Year Support Hours*
- *Integrated Client Implementation*
 - *Project Mgt, Installation, Training & Support - All Part Of A 90 Day Plan*



Results And Facts About Our Service

- *Two Major Software Releases 96 & 97'*
- *130+ Clients In Windows/Client Server*
- *DTG Authorized MS Solution Provider*
 - *Since 1995 - Plus Informix/Sybase*
- *Two Free Client Training Sessions 96'*
- *Overall Client Survey Satisfaction Rate
Of 89-92% Good to Excellent 94-96'*

Support Services

Hours of Operation

- 8:30am - 8:30pm, Eastern Standard Time
- 24 hour internet access

*Recommended Implementation
Approach*

Steps to Go Live on RISKMASTER/Win®

Client Responsibilities

Completed By _____ Date _____

1.0 Complete Prototype System

Verify Organization Hierarchy is complete	_____	/ /
Complete all Code Tables	_____	/ /
Verify all Claim Types are linked to Coverage Types	_____	/ /
Verify Transaction Types are linked to appropriate Reserve Types	_____	/ /
Verify Event Indicators are linked to Event Categories	_____	/ /
Complete Entity and People Tables	_____	/ /
Complete Attorney Tables	_____	/ /
Verify Individual Attorneys are linked to Parent Attorney Firm	_____	/ /
Complete Insurer Entity Tables (if using Policy Management)	_____	/ /
Verify System Setups in Utilities for each Line of Business	_____	/ /
Verify user Id's and Security	_____	/ /
Set up Quick Entry Screens	_____	/ /
Set up Supplemental fields	_____	/ /
Establish Word Documents	_____	/ /
Create a Core SORTMASTER Library	_____	/ /

2.0 Define System Manager role

Establish System Management Roles and Procedures	_____	/ /
Establish Problem Notification Procedure	_____	/ /
Establish Procedures for Codes and Supplemental Fields	_____	/ /
Establish and test regularly backup and restoration procedures	_____	/ /
Send S.U.M.S. information to DTG	_____	/ /

3.0 Assess Users' skills

Verify items in Operational Checklist (see attached form)	_____	/ /
Internal User Documentation	_____	/ /
On line User Documentation	_____	/ /
Review following White Papers:	_____	/ /
SORTMASTER Reporting And Graphics		
Standard Reports And Graphics		
Reserves And Payments		
If RISKMASTER DOS to Windows Conversion review these White Papers also	_____	/ /
Converting your RISKMASTER DOS Based Software to RISKMASTER/Win		
DOS to Windows Conversion, Frequently Asked Questions		
Determine reports that will be used regularly	_____	/ /
Final user training	_____	/ /
Continual User Skill enhancement	_____	/ /

4.0 Verify Printing Capabilities

Print SORTMASTER Reports	_____	/ /
Print Standard Reports	_____	/ /
Test Check Printing (if applicable)	_____	/ /

Test First Report of Injury Cartridge (if applicable)

_____ / /

5.0 Conversion Audit Process

Run Audit Reports on original data
Run Audit Reports on Converted data
Compare and reconcile above reports
Spot check claims (reserves, payments, claimants, etc.)

_____ / /
_____ / /
_____ / /
_____ / /

6.0 Further Installation Activities

Install converted RISKMASTER/Win data
Install OLE
Upsize Database (if applicable)

_____ / /
_____ / /
_____ / /



Just thinking about data conversion giving you headaches?

Data Director System™ is the ultimate aspirin

The functional boundaries of RISKMASTER/Win are not limited to entering data by keyboard. The new Data Director System is the industry's first commercial program designed to incorporate unattended, automated processing of multiple third-party claims data within a Windows risk management system. In the past, this process has been constrained by custom programs that required expensive, labor-intensive efforts to map data, map data fields, edit and verify data.

Product Objectives

The Data Director System product objectives include the following process-oriented improvements:

- Improve the quality of all data being converted into RISKMASTER/Win by using consistent data validation and procedures
- Avoid custom programming usually associated with data conversion and related data cleanup
- Reduce the risk of tampering with incoming data
- Increase the system security controlling all users
- Expand the ongoing reporting and data analysis associated with data conversion process
- Combine one-time data conversion processes and ongoing data conversion processes into one system
- Synchronize and integrate the data conversion/Data Director System with all ongoing RISKMASTER/Win software updates
- Expand workflow communication and management communications of the Data Director System using automatic messaging to key staff
- Adhere to industry database standards and Microsoft application design standards
- Convert and upload all major claim types per Line of Business (GC, WC, AL, and other property casualty lines).

Key Software Modules

The Data Director System provides a complete system for directing data for a one-time upload or an ongoing claims data conversion interface. The complete Data Director System includes the following key modules:

1. Data Mapping & Validation	Data Specification
2. Data Viewer & Editor	Data Correction
3. Data Upload	Data Conversion Engine
4. Processing Error	Data Quality
5. Scheduler	Automated Processing
6. System Reporting & Messaging	SORTMASTER/Win Reporting & Mail Integration

Product Design

The core design of the system begins with a flexible data specification for incoming data. The specification includes four common claim data files that help administer the conversion process. The four files are: *Claims*, *Payments/reserves*, *Notes*, and *Account Details*. The data specification also allows for unique supplemental data fields to be included in the data conversion process. By adhering to the use of an incoming data specification, no errors in translating data fields can occur. The data specification also minimizes introducing errors that result from applying incorrect logic or data terminology.

Major Product Features

Typical features used in data conversion processing include *user functions* and *system functions*. The Data Director System allows the processing of multiple data files, from multiple carriers or sources.

The Data Director System can automatically create codes, employee records, claims and events as part of the data conversion processing functions included in the product.

Special utilities exist to establish, prior to conversion, error threshold levels and to validate data balance totals. Both features can help avoid unproductive data conversion sessions.

Database integrity checking includes the use of special "checksum" techniques to help avoid tampering.

Data Director System provides both automatic or scheduled data conversion processing functions.

Incoming data files can be estimated to forecast the necessary processing time required to help coordinate appropriate work planning.

All Data Director System processes create system log files and are automatically linked to SORTMASTER/Win reports. A series of pre-defined reports are included with the system.

Purchase Details

Clients can license the Data Director System for use on a per-server, per-account basis. A one-day training and system planning day is suggested. A first year support service fee provides all related software releases and technical service assistance. Additional technical services and/or programming time is available on a time and materials basis.

Implementation Details

Clients are expected to have their incoming claim data match the defined RISKMASTER/Win Data Specification. This data, as specified by DORN Technology Group, Inc., can be processed without substantial additional programming work by following proper operation of the Data Director System. Client should plan to have their incoming data file validated and if needed corrected prior to live system data conversion processing.

Let DORN Technology Group's Data Director System end your data conversion headaches.

RiskMaster/Win has been consistently recognized as one of the most widely used and popular risk management information systems. Riskmaster/Win was one of four finalists in the 1997 Microsoft Solutions Providers Awards, in addition to having won the Product of the Year Award in 1995. Our latest addition to the Riskmaster line, Riskmaster/World, the first Internet based RMIS system, recently won the Product of the Year Award for 1997.

Please contact DORN Technology Group to find out more about our award winning Riskmaster/Win software.

DORN Technology Group : (734) 462-5800
Scottsdale, Arizona office : (602) 423-7775

Web site : www.dorn.com

Proposed Hardware and Operating Configuration

** See technical specifications*

System Performance Estimates

RISKMASTER/Win 3.1 & 3.5
Benchmark Results

Profile	MS-Access 2.0		SQL Server 6.5			
	Single Processor		Dual Processor			
Server Environment	RM/Win 3.1.3	RM/Win 3.1.3	RM/Win 3.5.4	RM/Win 3.5.4	RM/Win 3.5.4	RM/Win 3.5.4
Version	14, 592	20,024	72,233	100,024	100,024	100,024
# of Claim Records	5, 695	74, 533	101,679	369, 554	508, 784	508, 784
# of Funds Records	20, 914	13, 327	6,493	75,449	6,498	6,498
# of Codes Records	2, 869	18, 016	1,178	6,032	1,794	1,794
Operation						
Claim Lookup	0.7695 sec.	0.6946 sec.	0.35 sec 1	0.55 sec 1	0.69 sec 2	0.69 sec 2
Claim Move Last	2.089 sec.	0.9921 sec.	0.36 sec 1	0.82 sec 1	1.17 sec 2	1.17 sec 2
Claim Move First	2.140 sec.	0.8203 sec.	0.28 sec 1	0.50 sec 1	0.96 sec 2	0.96 sec 2
Claim Move Next	2.082 sec.	0.8289 sec.	0.22 sec 1	0.50 sec 1	0.54 sec 2	0.54 sec 2
Filing a Claim	0.3891 sec.	0.7125 sec.	0.18 sec 1	0.16 sec 1	0.19 sec 1	0.19 sec 1
Filing a Payment	0.4394 sec.	0.4150 sec.	0.15 sec 1	0.21 sec 1	0.25 sec 1	0.25 sec 1
Filing a Quick Entry	0.6601 sec.	0.4671 sec.	0.21 sec 1	0.43 sec 1	0.56 sec 1	0.56 sec 1
Rebuild SOUNDINDEX	20, 914 => 2 min. 45 secs.	13, 327 => 1 min. 44 secs.	6,498 approx 1.5 min.	75,455 approx 6 mins	6,498 approx 1.5 min	6,498 approx 1.5 min
Other People Lookup	23.35 secs.	6.77 secs.	0.90 sec 1	0.11 sec 1	0.14 sec 2	0.14 sec 2
Employee Lookup	3.05 sec.	7.55 sec.	0.26 sec 1	0.26 sec 1	0.26 sec 2	0.26 sec 2
Codes (State) Lookup	0.93 sec.	0.79 sec.	0.05 sec 1	0.06 sec 1	0.06 sec 2	0.06 sec 2
Supplemental Field Screen Display (10 Fields)	1.09 sec.	1.23 sec.	7 Fields @ 0.1094	7 Fields @ 0.06	7 Fields @ 0.06	Not Available/No Supp Fields

¹ Based on an average of five moves using claims records

² Based on an average of ten moves using claims records

³ Completed by R. Chandran on 3/14/97. Client Pentium 166 with 16MB RAM

⁴ Client Pentium 166 with 24MB RAM

RISKMASTER/Win Database Engine Comparisons (Jet vs. ODBC)

Response times & % increases

Query Name	2.75			3.0			3.1			3.1			3.0			2.75			2.75		
	RM Win	% Inc. Over	RM Win	RM Win	% Inc. Over	RM Win	RM Win	% Inc. Over	RM Win	RM Win	% Inc. Over	RM Win	RM Win	% Inc. Over	RM Win	RM Win	% Inc. Over	RM Win	RM Win	% Inc. Over	
...	1.81	1.48	27%	1.10	1.10	0%	1.10	1.10	0%	1.10	1.10	0%	1.10	1.10	0%	1.10	1.10	0%	1.10	1.10	0%
...	4.12	2.25	83%	2.28	2.28	0%	2.28	2.28	0%	2.28	2.28	0%	2.28	2.28	0%	2.28	2.28	0%	2.28	2.28	0%
...	7.20	1.15	52%	3.33	3.33	0%	3.33	3.33	0%	3.33	3.33	0%	3.33	3.33	0%	3.33	3.33	0%	3.33	3.33	0%
...	1.26	.82	34%	1.10	1.10	0%	1.10	1.10	0%	1.10	1.10	0%	1.10	1.10	0%	1.10	1.10	0%	1.10	1.10	0%
...	4.73	1.37	71%	2.21	2.21	0%	2.21	2.21	0%	2.21	2.21	0%	2.21	2.21	0%	2.21	2.21	0%	2.21	2.21	0%
...	40.8	13.5	203%	68	68	0%	68	68	0%	68	68	0%	68	68	0%	68	68	0%	68	68	0%
...	95.8	27.2	252%	1.96	1.96	0%	1.96	1.96	0%	1.96	1.96	0%	1.96	1.96	0%	1.96	1.96	0%	1.96	1.96	0%
...	137	31.2	339%	2.49	2.49	0%	2.49	2.49	0%	2.49	2.49	0%	2.49	2.49	0%	2.49	2.49	0%	2.49	2.49	0%

- 2.75 Uses Microsoft Jet Exclusively
- 3.0 Uses Primarily Microsoft Jet with some ODBC Direct
- 3.1 Uses DTG's Rocket ODBC Direct Interface

Cost Quotation

** See attached contract*



PRICE SHEET

Materials Management
8401 W Monroe St., Rm 150
Peoria, AZ 85345
Telephone: (602) 412-7115
Fax: (602) 412-7118

Solicitation Number: P8-0052

Company Name:

Offeror must state a total fee for the completion of all work herein:

* SEE ATTACHED CONTRACT

Software (Please list individual modules and costs on module price sheet) \$

Training (Include estimate of number of hours) \$

Installation and Conversion Services
(include estimate of number of hours) \$

Estimated Travel Costs (Include estimate of number of trips:) \$

A. Total Software and Implementation \$

Post-Implementation Support (Hourly Rate) \$

Maintenance of Software (Annual Fee) Year 1 \$

Maintenance of Software (Annual Fee) Year 2 \$

Maintenance of Software (Annual Fee) Year 3 \$

Maintenance of Software (Annual Fee) Year 4 \$

Maintenance of Software (Annual Fee) Year 5 \$

B. Total Ongoing Costs \$

Total Software and Ongoing Costs Solution (A + B) \$



PRICE SHEET

Solicitation Number: P8-0052

Materials Management
8401 W Monroe St., Rm 150
Peoria, AZ 85345
Telephone: (602) 412-7115
Fax: (602) 412-7118

Company Name: _____

Please list individual modules offered and the associated costs. In addition to this pricing sheet please attach a detailed cost breakout by module which would include support, maintenance costs, etc.

MODULE PRICE SHEET	
MODULE	COST PER MODULE
1	\$
2	\$
3	\$
4	\$
5	\$
6	\$
7	\$
8	\$
9	\$
10	\$
11	\$
12	\$
13	\$
14	\$
15	\$
16	\$
17	\$
18	\$

Contract Documents

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: April 30, 1998

1. "CLIENT" NAME: City Of Peoria
 COMPLETE ADDRESS: 8401 West Monroe Street
 Room 340
 Peoria, Az 85345
 (602)412-7234

2. TYPE OF LICENSE: RISKMASTER/Win®: Class IV (Windows or Win95 - 16Bit Client Server)
 LICENSE USE TERM: Perpetual Use-One Time Fee
 DATABASE Design Module(s): _____ Microsoft Access 2.0, or
 _____ MS-SQL 6.5 (recommended)

STANDARD WORKSTATIONS: 5
 REMOTE WORKSTATIONS: 0
 ACCOUNTS: 1
 QTY SERVERS and TYPE(s): 1
 SOFTWARE RELEASE LEVEL: 3.5 Release -16 Bit Per Technical Specification Effective 2/97

3. STANDARD SOFTWARE LICENSE AND DOCUMENTATION:

<u>Product Name</u>	<u>Description</u>	<u>License Fees/Costs</u>
RISKMASTER/Win®	MAIN SERVER SOFTWARE SYSTEM MODULES: Includes Security System, Utility System Module, Database File in MS Access MDB Format, Help System, Supplemental Field System, System Code/Entry Module, Data Validation subsystem, Standard Actuarial Reports, Query By Example (QBE) Look Up System, Event System, Diary System, One Complete Set of User Manuals (*) Required System Module.	\$27,500.00 (*)
SORTMASTER ® MODULE:	\$4,995 Reporting /Graphics/SQL Module	\$4,995.00
WORKSTATION PACKAGE OPTIONS:		
QUICK START SYSTEM PACKAGE	\$2,500/Work Station () Quantity of Work Stations Includes: One Line of Business GC/WC/VA Claim/Claimant Flexible Reserve System, Organizational Hierarchy Module, Exposure Module, Funds Management System, Full Claimants File, Full Defendants File.	\$ 00
STANDARD SYSTEM PACKAGE	\$3,500/Work Station () Quantity of Work Stations Includes: All Quick Start Modules, Two Lines of Business GC/WC/VA, Policy Management System, Diary Management, Litigation Management, Expert Witness File, Adjuster File, MICR Check Processing System* (Also requires Check Cartridge for \$995.00).	\$ 00
PROFESSIONAL SYSTEM PACKAGE	\$5,000/Work Station (5) Quantity of Work Stations Includes: All Quick Start and Standard System Modules, All Lines of Business GC/WC/VA, Quick Entry/View System	\$25,000.00
OPTIONAL OTHER MODULES AVAILABLE: Modules Purchased Are Indicated With An Arrow ==		
Administrative Tracking	\$4,995 for 10 Users; \$300/User for Additional Users	
Executive Data Analysis & Reporting (EDA)	\$1,995 - Only For MS Access & MS SQL Server Platforms	
Full Set of Printed Manuals	\$295 Full Set Includes Shipping Costs	
FROI Forms Cartridge	\$3,995 One State; \$5,995 All States Including Cartridge No Support Plan Or Form Upgrades Provided (See Note 3) Upgrades are not supplied with this version of this product.	
MICR Check Printing Cartridge	\$995 Standard Check Layout; Additional Custom Check/Voucher Layouts Extra (See Note 3)	
Data Validation System	\$2,995 all Files	
Data Import System	\$2,995 One File; \$4,995 All Files	
Fee Schedule For BRS	\$9,995.00 For 3Users, \$2,000 Each Additional (Client Can Obtain Schedules From Medicode Or Can Manually Enter)	
SQL Based Database Servers	Additional RISKMASTER/Win® Server Fees: \$10,000 Server System Fee for RISC/AIX Systems <i>INFORMIX 10.2, SYBASE</i> (SYBASE Version 10.0.2.7 Requires AIX 3.2.5 or Higher)	
SUB TOTAL SOFTWARE		\$57,495.00
TOTAL SOFTWARE		\$57,495.00

Note 1: Client is responsible for acquiring and installing for each user: MS Office, Database Software and other Windows based programs

Note 2: Media Fee--\$295.00 for each additional printed user manual set. One manual set provided with server system included free

Note 3: FROI/Checks: All RxLaser work to set up signatures, logos or custom programming is a separate RxLase responsibility and cost

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: April 30, 1998

		<u>License Fees/Costs</u>	
4.	TRAINING - Per Contract Statement Of Work And Schedule Of Fees (Type And Amount Of Training RM/WTN#)		
	- System Prototype Training <u>Two (2) People at DTG Training Center (\$3,000.00/16 Hours)</u>		\$3,000.00
	- Training Available at Client Site for up to four (4) People- \$1,750.00 per day All out of pocket travel costs are billable		<u>\$7,000.00</u>
	TOTAL		\$10,000.00
5.	INSTALLATION AND PROJECT MANAGEMENT SERVICE FEES - Per Contract Statement Of Work And Schedule Of Fees Includes <u>16 hours</u> of Software Installation Services Travel is billable if on-site work is requested by Client		
	TOTAL: MICROSOFT SEQUEL SERVER RISKMASTER/Win Installation		\$2,995.00
	PROJECT MANAGEMENT - Review of client procedures/work flow tasks Lists duties, includes up to <u>40 hours</u> of project management Tele-conference call on project management tasks Coordinate data conversion, acceptance of application Scheduling of all client events Upload DTG Client Management System Client review of SUMS data Includes attending one day prototyping software session		\$1,995.00
6.	SOFTWARE SERVICES/CUSTOM PROGRAMMING FEES - Per Contract Statement Of Work Data Validation Analysis and Data Conversion can be performed on a Time and Material basis Client may do their own data conversion using the RISKMASTER/Win# Data Specification and upload programs Services are billable at the rate of <u>\$135.00 per hour</u> . Upon final assessment of data, a statement of work will be provided indicating the work to be performed and the estimated costs involved for the Client's sign-off. This cost estimate is based on the Data Source having an accurate file record layout An estimate (per source for one line of business) for data conversion and analysis is <u>\$7,500.00</u> One day of user training is also required.	OPTIONAL (*)	
	(*) Line of Business Carrier or Data Source Ongoing or One Time		
	<u>DATA DIRECTOR SYSTEM</u>	<u>\$4,995.00</u>	NOT INCLUDED
	<u>TECHNICAL TRAINING - ONE DAY</u>	<u>\$1,240.00</u>	NOT INCLUDED
	<u>DOS TO WINDOWS WINPORT PROJECT</u>	<u>\$7,495.00</u>	NOT INCLUDED
7.	SOFTWARE SUPPORT And SERVICE PACK FEES - Per Contract Agreement		
	7.1 SOFTWARE SUPPORT PLAN MODULE(S) LICENSED		
	Type: Professional Advantage Service Plan	<u>Total Hours Per Year</u>	<u>New Service Packs</u>
	SORTMASTER™	38	Included
		<u>12 (First Year Only)</u>	Included
			<u>License Fees/Costs</u>
			\$10,350.00/Year
			Included/First Year
Note 4.	SORTMASTER™ Includes twelve (12) support hours during the first year.		
Note 5.	Additional Support time if requested by Client is billed at \$135.00/Hour.		
	7.2 DATABASE SUPPORT MODULE(S) LICENSED And Warm Site SERVICE		<u>License Fees/Costs</u>
	Type: RISKMASTER/Win# Database Design Module (<u>Define Server Version</u>)		
	<u>X</u> Microsoft SQL Server (6.5)		\$1,995.00/Year
Note 6.	Software Support Plan and Database Support License Fees are for a two (2) year period and this is optionally renewable annually.		
	GRAND TOTAL		<u>\$87,830.00</u>

**DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages**

Agreement No. JG-CP

Prices Valid Until: April 30, 1998

BY SIGNING BELOW, SCHEDULE OF FEES, APPENDIX ONE:

"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT: City Of Peoria

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

Approved By

Approved By

Name Printed

Mark E. Dorn

Name Printed

Title

President
Title

Date: ____/____/1998

Date: ____/____/1998

3/27/98JMG

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: April 30, 1998

System Profile Addendum:

Please identify the number of claims you intend to process per year for all lines of business in table 1. Please identify the historical data, if any that will be processed in table 2. Please list the users, mode of connection, and location in table 3.

Table 1: New Claims Per Year:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

Table 2: Total Historical Claims:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until April 30, 1998

DORN Technology Group, Inc. ("DTG") on its behalf and on behalf of DTG Services, Inc. and the undersigned ("CLIENT") agree that these Terms and Conditions govern the sale and licensing of DTG Software and Services and third party hardware and software.

1. DEFINITIONS

1.1 **Database Support Module or DSM** means modules(s) containing programs supplied or developed by DTG or third parties for use with Software which contains the physical and logical design for file storage and implementation.

1.2 **Documentation** means manuals, help files and handbooks supplied with Software or in connection with Services.

1.3 **Products** means Software, Database Design Modules, Documentation and Third Party Products

1.4 **Server**, unless otherwise indicated on the Schedule of Fees, means the processor or equipment configuration on which the Software is first executed pursuant to the license herein.

1.5 **Services** means training, consulting, Project Management, and custom programming provided by DTG or DTG Services, Inc.

1.6 **Software** means RISKMASTER/Win © (16 Bit Client/Server Version) as more specifically described in the Schedule of Fees, Service Pack releases and warranty updates which may be provided by DTG.

1.7 **Third Party Product** means hardware and software products identified on the Schedule of Fees or programs integrated in software provided by DTG which may be licensed directly to CLIENT by parties other than DTG.

1.8 **Workstation** means a discrete equipment configuration which has access to the Server.

2. **PRICES AND FEES** are specified on the Schedule of Fees. Any Services which are requested that are not set out on the Schedule of Fees will be billed on a time and materials basis and are due and payable by CLIENT upon receipt of invoice. CLIENT agrees to pay DTG for all reasonable and customary travel expenses incurred in the installation of the products or delivery of Services at CLIENT's site.

3. **TAXES.** CLIENT is responsible for all applicable taxes and tariffs on the sale, license or use of the Products and Services. DTG is responsible for taxes based on its net income.

4. **DELIVERY.** Products will be shipped F.O.B. DTG's place of business in Livonia, Michigan. Third Party Products will be shipped F.O.B. manufacturer's plant. CLIENT will be responsible for charges and insurance as set out in the Schedule of Fees.

5. PAYMENT.

5.1 Payment of license fees for Software, DSMs, if any, or for Third Party Products shall be made in two installments: (i) fifty (50%) percent due upon return of this Agreement executed by CLIENT or submission of a purchase order from CLIENT and (ii) fifty (50%) percent plus all applicable taxes, duties and levies due upon installation of Software or Third Party Products at the CLIENT's site or, if applicable, delivery of the Products to CLIENT site via shipping agent, completion of a New Client Project Teleconference, delivery of the Starter Kit and completion of the initial training session. DTG will ship Software, Documentation and Starter Kit materials upon receipt of the deposit.

5.2 The DSM fee is billed on an annual basis after the Software installation is completed.

5.3 Training fees and related travel costs are billed as incurred per each training session completed. Travel expenses are billed in accordance with DTG's standard H.R. policy. Installation, Project Management, Consulting, and custom programming fees are billed as incurred less any pre-paid deposit amounts.

5.4 Support plan options are billed upon delivery of the Starter Kit and billed on an annual basis.

5.5 Any DTG supplied Third Party Products are billed when the software is delivered. No DTG third party products are charged for unless otherwise defined on the Schedule Of Fees. Other CLIENT programs licensed by CLIENT directly from third parties or parties other than DTG are billed under the terms and conditions of the third party.

5.6 Payment for Services is due upon receipt of invoice by CLIENT. A monthly late charge of one and a half (1.5%) per cent of unpaid fees will be assessed thirty (30) days after payment is due.

6. **CANCELLATION AND RESCHEDULING CHARGES.** In the event of cancellation or rescheduling by CLIENT of an order for Third Party Products, CLIENT is liable for any cancellation or rescheduling charge which is assessed by the Third Party hardware or software supplier. Rescheduling of an order is subject to acceptance by DTG.

7. INSTALLATION

7.1 CLIENT may contract with DTG for installation of Software, configuration of Server(s), Workstation(s), Software and Third Party Products and other set-up services at CLIENT's facility in the United States or Canada.

7.2 Installation shall be deemed complete upon the successful execution of DTG diagnostic programs or completion of DTG training checklist.

7.3 Third Party Products will be installed as set forth in the Schedule of Fees. Installation of Third Party Products are deemed complete upon execution of the diagnostic programs.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. JG-CP

Prices Valid Until April 30, 1998

7.4 CLIENT is responsible for preparation of a safe and suitable site in accordance with DTG's Software and site specifications.

8. LIMITED WARRANTY

8.1 DTG warrants to CLIENT that Software and DSM(s) will perform in accordance with the Documentation for ninety (90) days after delivery of the respective Software or DSM(s) to the CLIENT. DTG does not warrant that the execution of Software and DSM(s) shall be uninterrupted or error free. Additional custom programming may be required and can be provided on a time and materials basis.

8.2 DTG does not warrant Third Party Products which DTG provides "as is". DTG agrees to assign any warranty rights it may have to CLIENT.

8.3 This warranty is a limited warranty and does not apply to improper use of the Products or other external causes as more fully set out in the Documentation.

8.4 DTG warrants that Services which it provides will be performed in a good and workmanlike manner. Any and all warranties by DTG Services, Inc. are set forth in the agreement describing the Services to be provided and are subject to the disclaimer set forth in Paragraph 8.7 below.

8.5 DTG warrants to CLIENT that Software will allow for entry of the year 2000 on data entry screen and in the database and has four year digit year capabilities. CLIENT acknowledges that the Third Party Products may not be Year 2000 compliant.

8.6 CLIENT's remedies for DTG's obligations under this Paragraph are set forth in Paragraph 13.

8.7 THE ABOVE WARRANTIES ARE THE EXCLUSIVE REMEDIES AND NO OTHER WARRANTY, EXPRESS OR IMPLIED, SHALL APPLY. THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE SPECIFICALLY DISCLAIMED.

9. SOFTWARE AND DSM LICENSE

9.1 Software License. Upon CLIENT's execution of this Agreement, DTG grants CLIENT a Software License for use of the Software and DSM(s) described in the Schedule of Fees by a single user unless otherwise set forth in the Schedule of Fees. DTG grants no other software licenses whatsoever, either explicitly or implicitly, except upon execution of this Agreement and payment of license fees. CLIENT's License is personal and non-exclusive, and may not be transferred without DTG's express consent. Title to Software and DSM(s) shall remain in DTG. CLIENT shall execute the Software on the designated Server only and may load, copy or transmit the Software and DSM(s), in whole or in part, only as necessary for execution on the Server, except that CLIENT may execute the Software or DSM(s)(except diagnostic Software) on another single processor or equipment configuration on a

temporary basis during a malfunction which prevents execution of the Software or DSM(s) on the Server or during extraordinary circumstances such as disaster recovery for no more than 120 days, and may load, transmit, or copy the Software or DSM(s) as necessary for such temporary execution. CLIENT may make backup or archival copies of the Software and DSM(s) and copies for off-site storage provided CLIENT agrees to reproduce DTG's copyright and all other legal or proprietary notices. CLIENT will authorize DTG to utilize all client data in industry performance and benchmarking studies. DTG will not identify the supplying organizations as a part of this data conversion process.

9.2 License Limitation. CLIENT shall not decompile or reverse assemble the Software or DSM(s), or analyze or otherwise examine the Software, including any hardware or firmware implementation of the Software for the purpose of reverse engineering. CLIENT cannot loan, rent, lease or sublicense Software or DSM(s) or any copy. CLIENT cannot have more Workstations accessing Software or DSM(s) than the number of Workstations provided for on the Schedule of Fees. This License is for use of the Software object code only.

9.3 License Termination. CLIENT's License shall continue unless terminated as provided herein. DTG may terminate any License granted if CLIENT neglects or fails to perform or observe any of its obligations to DTG under these Terms and Conditions, and such condition is not remedied within thirty (30) days after written notice has been given to CLIENT. Before any termination by CLIENT becomes effective, or in the event of termination by DTG, CLIENT shall: (i) destroy all copies of all versions of Software, Documentation and DSM(s) in CLIENT's possession, and (ii) remove all portions of the DSM(s) and all versions of the Software for any adaptations made by purchaser and destroy such portions and (iii) certify in writing that all copies, including all those included in CLIENT's adaptations, have been destroyed or returned to DTG.

9.4 Confidentiality. CLIENT acknowledges that Software, DSM(s) and Documentation contain the trade secrets and proprietary technology of DTG and agrees to hold the Software, DSM(s) and Documentation in confidence and not to disclose or make available the Software, DSM(s) or Documentation except to its employees to the extent needed to use the Software, DSM(s) and Documentation in accordance with this License. CLIENT's third party contractors shall not access Software, DSMs, Documentation or the client specific portions of DTG's web site. CLIENT's obligations under this Section will survive termination of the Software and DSM License.

9.5 Third Party Products. Any Third party products or software defined in the attached Schedule Of Fees, is licensed in accordance with the Terms and Conditions of the third party license agreement accompanying the software. CLIENT is solely responsible for obtaining and complying with the terms of third party license agreements.

10. MAINTENANCE MATERIAL. Diagnostic Software (including source code), Documentation, equipment or other material used by DTG or DTG Services, Inc. in the

DORN Technology Group, Inc./DORN Technology Group services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. JG-CP

Prices Valid Until April 30, 1998

performance of installation, warranty, or Services may be furnished with Products or stored at CLIENT's facility DTG grants no title or license to such material, and it remains the exclusive property of DTG. CLIENT agrees to properly secure such material and not to use it in any manner or make it available to third parties without DTG's prior consent.

11. **SERVICES** Training will be provided at DTG's or DTG Services, Inc.'s place of business or clients site as further set forth in the Schedule of Fees. DTG or DTG Services, Inc. will provide one (1) year of telephone support not to exceed the amount of hours as set forth on the Schedule of Fees.

12. INFRINGEMENT INDEMNIFICATION

12.1 DTG shall defend, at its expense, any claim (including any suit) brought against CLIENT alleging that any Software or Documentation furnished hereunder infringe a United States patent, copyright, or mask work right, and shall pay all costs and damages finally awarded, provided that CLIENT gives DTG prompt written notice of such claim, and information, reasonable assistance and sole authority to defend or settle the claim. In the defense or settlement of the claim, DTG may obtain for CLIENT the right to continue using the Software or Documentation, replace or modify the Software or Documentation so they become non-infringing or, if such remedies are not reasonably available, grant CLIENT a credit for the Software or Documentation as depreciated on a three (3) year straight line basis and accept their return. DTG shall not have any liability if the alleged infringement is based upon the use, license or sale of the Software or Documentation in combination with other products (including software) not furnished by DTG. DTG DISCLAIMS ALL OTHER LIABILITY FOR VIOLATION, MISAPPROPRIATION OR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, AND FURTHER DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

12.2 CLIENT shall be responsible for securing license or authorized use agreement for any code files, databases, data field indicators or non-DTG software. CLIENT shall indemnify DTG and DTG Services, Inc. for and hold DTG and DTG Services, Inc. harmless from any claim, lawsuit or other action brought against DTG or DTG Services, Inc. for breach or violation of a license or use agreement or other infringement claim including all damages assessed or settlements paid together with reasonable costs and attorney fees incurred by DTG or DTG Services, Inc.

13. REMEDIES AND LIMITATIONS

13.1 These remedies are CLIENT's exclusive remedies and are in lieu of any other remedy at law or in equity.

13.2 In all situations involving performance or non-performance of Software furnished hereunder, CLIENT'S remedy is correction or replacement by DTG (at DTG's option) of defective Software with Software that performs in accordance with the Documentation if DTG is notified by CLIENT in writing of a material defect within the warranty period and CLIENT provides sufficient information to allow DTG to recreate the defect. If DTG cannot meet its support

obligations as defined in the support plan agreement and has exhausted its resources for support through its related companies, divisions, or subsidiaries, then DTG will provide CLIENT the then current release of all source code material relating to the most current software products which CLIENT has acquired through a software license. Source Code will reside at the following Authorized DTG Source Code Agent: STEVEN ALEXSY, ESQ., MAY, SIMPSON & STROTE, 100 W. LONG LAKE ROAD, SUITE 200, BLOOMFIELD HILLS MI 48304.

13.3 DTG'S AND DTG SERVICES, INC.'S LIABILITY TO CLIENT FOR ANY CAUSE WHATSOEVER SHALL BE LIMITED TO THE PURCHASE PRICE PAID TO DTG FOR THE PRODUCTS AND SERVICES THAT ARE THE SUBJECT OF CLIENT'S CLAIM. THIS LIMITATION WILL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER CONTRACT OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE. THE FOREGOING LIMITATION DOES NOT APPLY TO DAMAGES RESULTING FROM PERSONAL INJURY CAUSED BY DTG OR DTG SERVICES, INC.'S NEGLIGENCE.

13.4 IN NO EVENT WILL DTG OR DTG SERVICES, INC. BE LIABLE FOR ANY DAMAGES RESULTING FROM LOSS OF DATA OR USE, LOST PROFITS OR ANY INDIRECT, INCIDENTAL SPECIAL OR CONSEQUENTIAL DAMAGES.

13.5 Any action against DTG or DTG Services, Inc. must be brought within twelve (12) months after the cause of action arises.

13.6 This Agreement is governed by and construed under the laws of Michigan. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute under this Agreement shall be submitted to binding arbitration in Oakland or Washtenaw Counties, Michigan under the then prevailing rules of the American Arbitration Association. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction.

14. GENERAL CONDITIONS

14.1 DTG agrees to comply with Section 1861 (v) (1) (I) of the Social Security Act as amended and the applicable rules and regulations requiring maintenance of records to verify cost of Products.

14.2 DTG agrees to comply with Federal and state statutes regarding affirmative action and the Immigration Reform and Control Act of 1986.

14.3 DTG agrees to maintain standard workers compensation insurance and comprehensive and general liability insurance coverages or provide adequate self insurance coverage.

14.4 For a period of up to one (1) year after completion of the last CLIENT service period, CLIENT and DTG shall not

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
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solicit each others employees involved in performance of services to undertake employment with CLIENT/DTG respectively or any entity related to either CLIENT/DTG.

14.5 These Terms and Conditions will supersede any previous communications, representations, or agreements by either party whether verbal or written including any terms and conditions on CLIENT'S order. Any modification to these Terms and Conditions must be in writing and signed by authorized representatives of DTG and CLIENT.

14.6 If any term of this agreement is found to be illegal or unenforceable then notwithstanding this agreement shall remain in full force and effect and such term shall be deemed stricken.

14.7 CLIENT is licensing Software designed to operate with Data Volumes on the following platforms: (i) Access up to 10,000 records, (ii) MS Sequel System up to 20,000 records, and (iii) Informix System up to 40,000 records. Volumes above the levels listed may be acceptable but require certification on the CLIENT's specific hardware and communication environment. Certification is billable at the DTG standard labor rate.

14.8 CLIENT authorizes DTG to utilize all client data in industry performance and bench marking studies. DTG will not identify the supplying organizations as a part of this data process.

15. ACCEPTANCE

15.1 Acceptance of Products or Services is specific to each product or service provided by DTG. Software is deemed accepted upon successful installation. Services are deemed accepted upon delivery. CLIENT may be asked to approve acceptance or release forms specific to services being performed for products being delivered. Under no circumstance is payment or acceptance of Products tied to data conversions, data reconciliation, custom programming, installation services or project management. These services may also require CLIENT to get third party or internal staff co-operation and participation for DTG to complete a specific service.

15.2 For Custom Software Contract data conversion project not utilizing the Data Director specifications DTG recommends CLIENT contract for Data Validation Services. It is also recommended that the Third Party DTG data questionnaire be completed. Data conciliation services are not included as part of contracted data conversion work, outlined in the Schedule of Fees.

"EASY CONTRACT" ATTACHMENTS:

Schedule of Fees:

RM/Win® Data Entry/Workstation Requirements & Recommendations

RM/Win® Database - Disk Space Recommendations

RM/Win® System Requirements: Software Release 3.1

"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read the Schedule of Fees and this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT: City of Peoria

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

Signature _____

Signature _____

Name Printed _____

Mark E. Dorn
Name Printed _____

Title _____

President
Title _____

Date: ____/____/1998

Date: ____/____/1998

L:SALES:1997
(date/initials)

System Requirement Responses

Requirements Description	Code	Comment
1.1 General Support and Contract Issues		
<i>Does the vendor provide the following in the way of customer service and software support?</i>		
1.1.1 Initial customer / user training		
On -site	Included	
Off-site	Included	
1.1.2 Initial technical training		
On-site	Included	
Off-site	Included	
1.1.3 On-going training		
On-site	Included	
Off-site	Included	
1.1.4 On-site implementation support		
Planning	Included	
Implementation	Included	
Post implementation support	Included	
1.1.5 On-line help and wizards	Included	

<i>Requirements Description</i>	<i>Code</i>	<i>Comment</i>
1.1.6 800 number hot line/help desk	Included	Not an 800#, support from 8 - 8:30 EST.
1.1.7 Timely problem resolution	Included	
1.1.8 Reasonably scheduled releases	Included	
1.1.9 Quality assurance testing before releases	Included	
1.1.10 User Group	Included	Annual user's conference
1.1.11 Contract option		
Leasing	Included	Lease to buy
Time sharing	No	
Licensing	Included	
1.1.12 Internet Home Page Support	Included	
1.1.13 Support Options available to City	Included	
1.1.14 Policies for software distribution and how often is software upgraded	Included	
1.1.15 List any on going costs not included in base price	Included	All costs are outlined in contract
<i>Does the software possess the following general functionality?</i>		
1.2.1 Actuarial Analysis	Included	
1.2.2 Claims Management	Included	

<i>Requirements Description</i>		<i>Code</i>	<i>Comment</i>
1.2.3	Exposure Analysis	Included	
1.2.4	Issue Insurance Certificates	No	
1.2.5	Litigation Management	Included	
1.2.6	Medical Cost Containment	Included	
1.2.7	Program Design	Included	
1.2.8	Risk Financing Analysis	Included	
1.2.9	Safety and Loss Control	Included	
1.2.10	OSHA Compliance	Included	
1.2.11	Worker's Compensation	Included	
2.1 Software Reliability/Compatibility			
<i>Does the software have the following attributes?</i>			
2.1.1	Work in a Novel MAN environment	Included	Only in Access data base w/ 4 users or less
2.1.3	Compatible with Windows 95	Included	
2.1.4	Compatible with Windows 3.11	Included	
2.1.5	Compatible with WIN NT	Included	

<i>Requirements Description</i>	<i>Code</i>	<i>Comment</i>
2.1.6 ODBC compatible	Included	
2.1.7 SQL compatible	Included	
2.1.8 Well documented with easy to use Reference Manuals	Included	
2.1.9 Use consistent coding conventions and user maintained tables rather than hard coded data (when appropriate)	Included	
2.1.10 Minimal operator intervention on a daily basis	Included	
2.1.11 Use relational database technology (if so, supply vendor name)	Included	MS SQL Server, Informix, Sybase, Access, Oracle
2.1.12 Ability to map data from other forms into a claims file	Included	
2.1.13 Ability to import and/or export data from other applications such as MS Word, Excel and Paradox	Included	
2.1.14 Ability to upload to and download from a database to a flat file	Included	
2.1.15 Interface with an E-mail system like Microsoft Mail or GroupWise	Included	Exchange or Outlook
2.1.16 Expert System capabilities	Included	
2.1.17 Image scanning capabilities	Included	
2.1.18 Year 2000 compliant	Included	
2.1.19 Ability of software to allow simultaneous/multi-user access. Please describe methodology.	Included	Client based, each workstation has software downloaded. If accessing the same record, first person to open file is only one that can save changes, others can view or run reports but can not save information.

Requirements Description	Code	Comment
2.2 Application Guidelines		
<i>Does the software support the following basic processing practices?</i>		
2.2.1 Records should move to a history file, based on user defined parameters	Included	
2.2.2 Records should be purged based on user defined parameters	Included	
2.2.3 True on-line, real-time transaction editing and updating of master files, after edits/validations have been satisfied	Included	
2.2.4 Pop up windows after invalid data entry	Included	Pop up when saving information
2.3 Control/Security		
<i>Does the software contain the following set of controls? Please attach Description how the software addresses processing controls.</i>		
2.3.1 Security controls including password entry for users	Included	
2.3.2 Multiple level security structure	Included	
2.3.3 Field level security	No	
2.3.4 Terminal specific security based on user defined parameters	Included	
2.3.5 Hidden fields based security parameters	Included	
2.3.6 Transaction logging (example: tracking transactions by terminal and/or user	No	

Requirements Description	Code	Comment
security breach attempts reported, all available as an on-line inquiry and/or control report on request)		
2.3.7 Easily customized screens, and the ability to add, change or delete screens From the application	Included	
2.4 Reporting and Report Generator		
<i>Does the software provide for the following reporting functionality? A list and Description of standard reports should be attached</i>		
2.4.1 A user friendly report generator	Included	
2.4.2 Reports based on any one or any combination of fields (Boolean logic), codes, dates, search on words	Included	
2.4.3 Reports detail and/or summary level	Included	
2.4.4 Displayed Reports	Included	
On-line?	Included	
Printed to a local printer?	Included	
Printed to network printer?	Included	
Can reports be written to a file?	Included	
2.4.5 Print only fields the user has access to view based on security parameters	Included	With Entity Level Security module

Requirements Description	Code	Comment
2.4.6 Report titles and arguments should be saved, displayed on request and be available to be used for generating new reports	Included	
2.4.7 Reports built with the report generator should be able to be scheduled for automatic processing by day, month, quarter, annually or by date(s)	Included	With Event Scheduler
2.4.8 Standard reports including: (A) First Report of Injury (B) OSHA Report (C) Loss Triangles	Included	
2.4.9 Library of Ad Hoc reports	Included	
2.5 Claim Entry		
<i>Does the software provide the following functionality relative to the logging of claims and building of history data?</i>		
2.5.1 When logging a claim, existing claims are found by either name, phone number, location, social security number or the date when the event/incident occurred	Included	
2.5.2 When a claimant is not found, identification data will be entered and logged for a new incident/claim using a system generated sequential claim number	Included	
2.5.3 Support a separate incident reporting database for Human Resources. Information in this database would be maintained by Human Resources. Linking of data between RMIS and Human Resource database may be needed on a limited basis.	?	You can track Incidents in Riskmaster

<i>Requirements Description</i>	<i>Code</i>	<i>Comment</i>
2.5.4 A separate incident number process is available for the Human Resources Database		You can track incidents in Riskmaster
2.5.5 Fields may be completely user defined including edit requirements, data Type, Length, auto display characteristics, default values, etc.	Included	
2.5.6 Describe other search capabilities (e.g. key word search on any text field)	Included	User-defined search functions
2.6 Multiple Event History		
<i>Does the software provide the following functionality relative to history files and multiple events?</i>		
2.6.1 When multiple claims occur for a single event, one claim number is assigned with suffixes for claims under the same event, or an event number is linked to individual claim numbers	Included	
2.6.2 Upon request the data for related claims should be displayed. The operators should be able to print the record, and return to the original screen	Included	
2.7 Processing requirements		
<i>Does the software provide the following basic processing capabilities?</i>		
2.7.1 Inquiry capabilities on existing records by any field or combination of fields	Included	
2.7.2 Edit capability to existing records, based on rules defined by security	Included	

<i>Requirements Description</i>	<i>Code</i>	<i>Comment</i>
2.7.3 Delete capability to existing records, based on rules defined by security	Included	
2.7.4 Deleted claim number are never re-assigned	Included	
2.7.5 Based on the date of the claim, the system should put out a warning for follow-up (Diary date)	Included	
2.7.6 Multiple claims within one incident	Included	
2.7.7 When a reserve amount is entered to a claim with "New" status, the status should automatically change to "Open"	Included	
2.7.8 Status changes prompts to "Closed" if \$ reserves become zero	No	User driven functions, not automatic
2.7.9 Status should never change to "Closed" if \$ reserves are other than zero	No	User driven functions, not automatic
2.7.10 The system should keep track of the number of open claims	Included	
2.7.12 The system should let the user access multiple claims on the screen (multiple windows)	Included	
2.7.13 Support multiple reserve categories in each line	Included	
2.7.14 Support subrogation process	Included	
2.7.15 Support insured and self-insured programs	Included	
2.7.16 Handle full payment processing	Included	
2.7.17 Handle full reserve capabilities	Included	
2.7.18 Payments to a closed claim	Included	
2.7.19 Does product require 3rd Party vendor product. If so, describe support arrangements	No	

<i>Requirements Description</i>	<i>Code</i>	<i>Comment</i>
2.8 Configuration Requirements		
2.8.1 Is the software configurable to consolidation hierarchy	Included	8 levels of hierarchy
2.8.2 Does software support reporting at the consolidation hierarchy levels?	Included	
2.8.3 Is organizational chain of command and division structure able to be utilized in data structure and reporting?	Included	
2.8.4 Can overall costs be allocated by organizational units	Included	
2.8.5 Does software have forecasting capabilities?	Included	
Does software forecast by "as-of" dates?	Included	Can specify any time frame
Does software have capability to forecast development patterns?	Included	
Does software have capability to forecast loss triangles?	Included	
2.8.6 Does software have budgeting capabilities.	No	
2.8.7 Does software have extrapolation capabilities.	Included	
2.8.8 Describe industry standard look-up tables or samples your product provides	?	
2.8.9 Do you provide transition support and if so, what is basis of cost	?	

System 2000 Compliance

July 14, 1997

**Re: Year 2000 Data Compliance Details
Confidential Data For Only Authorized Users**

Dear RISKMASTER/Win CLIENT:

Thanks for your interest in Year 2000 data compliance. We share your concerns for planning data migration and in fact during 1996 created a new industry wide *Claim Data Specification* for Risk Management. Over 10,000 copies of the data specification and resource materials have been distributed to help the industry improve data quality and better define date fields and common system edits. You can download a free copy of the Claim Specification Standards from our Internet Web site, DORN.COM or request a copy on diskette from our support staff.

With respect to our RISKMASTER/Win software product we feel that all the programs achieve Year 2000 A.D. compliance within the constraints outlined within this document. RISKMASTER/Win was designed as completely new product during 1994-97 and all releases are four digit Year 2000 compatible, including the current **RISKMASTER/Win 3.1 Release version which shipped January 1997**. No Year 2000 date program fixes have been required by our firm for RISKMASTER/Win. The program provides checks and data validation techniques within RISKMASTER/Win to support four digit year data compliance.

Under any circumstance associated with RISKMASTER/Win data processing, the warranties, damages, limitations, terms and conditions defined in the clients approved license agreement contracts will continue apply regardless of what is described within this letter. This letter does not modify, change or expand our previous mutual agreements or obligations.

RISKMASTER/Win application programs stores data in fixed length character string and stores the date data in a YYYYMMDD format. This format is often referred to as the *Gregorian calendar date format*. Because the date is stored in this format by RISKMASTER/Win, the date is not directly reliant on Year 2000 compliance of the operating system or database in how we store data. For all for non customized standard RISKMASTER/Win program data storage, screen displays, data calculation, reports and data interfaces, the standard RISKMASTER/Win product preserves the century for each date. Clients are responsible for not accepting non Year 2000 compliant data or two digit year data imports when using the following RISKMASTER/Win modules; *Data Director System and Data Import System*.

Clients are required to enter dates with a four digit year and RISKMASTER/Win will not handle entering the date data as a *01/01/01* style date. The reason for doing this is the client application requirement for unlimited preservation of historical data prior to 1900 is often a necessary for claims, policy and property files.

RISKMASTER/Win will recognize the Year 2000 as a Leap Year with 366 days. RISKMASTER/Win will process and recognize February 29, 2000.

RISKMASTER/Win **does not use or support Julian date formats** in the software (ex. YYDDD or 00060 or 00366).

RISKMASTER/Win **does not use or support Binary date formats**.

RISKMASTER does not use or support the Century date formats (ex. MMDDCCYY).

The RISKMASTER/Win program operates with a variety of state of the art databases via ODBC including: MS Access 2.0, SQL Server 6.5, Sybase and Informix. Clients running RISKMASTER/Win on UNIX servers with AIX operating systems should make sure they are on Year 2000 compatible versions of these operating systems and a sample listing is attached in the *AIX Year 2000 Summary* document.

Clients should also review the attached related MICROSOFT article that defines the Year 2000 topic. The RISKMASTER/Win product is directly influenced by MICROSOFT. RISKMASTER/Win is dependent on MICROSOFT database technologies as well as user settings on the desk top operating system including: Windows, Windows For Work Groups, WIN95 and NT. **Clients are required to change the default format in the Regional Setting utilities of Windows to MM/DD/YYYY**, which then enforces the requirement for users to enter data with the four digit year mask edit. Do not use the short date format (ex MM/DD/YY). RISKMASTER/Win then accepts the dates entered in the correct four digit year format. If clients fail to use the Workstation four digit year settings after 12/31/99, then dates entered starting in the Year 2000 would not be stored in the correct year in the RISKMASTER/Win (Ex. 01/01/01 verses 01/01/2000).

Sincerely,

Mark E. Dorn, President
DORN Technology Group, Inc.

MICROSOFT Year 2000 Compliance

Note This article contains the text of a written statement delivered September 10, 1996 before the Science Subcommittee on Technology and the Government Reform and Oversight Subcommittee on Government Management, Information and Technology, in the U.S. House of Representatives, Washington, D.C. 20515. It expands on, and replaces, the earlier article on this topic published on MS TechNet and various Web sites.

Introduction

Mr. Chairman, Members of the Subcommittees, Microsoft greatly appreciates the opportunity to share with you our perspective on the issues surrounding the transition to the year 2000, as they relate to personal computers and personal computer software.

We commend your efforts to raise the visibility of this issue while there is ample time for consumers and high technology firms to prepare critical computer-based systems for the year 2000. Microsoft's products are "year 2000-ready." Still, we are working to raise consumer awareness of this issue and develop solutions—even though our products are not directly involved in the problem. We are committed to working with others in the computer industry to encourage and assist organizations and individuals to review their information systems thoroughly to ensure they transition smoothly into the next millennium.

As noted above, Microsoft's products are year 2000 ready. Preparations for the turn of the century began over past twenty years ago, beginning with the initial work on the MS-DOS operating system. (An operating system is software that acts as a computer's "central nervous system," allocating computer memory, scheduling basic functions, and controlling data flow among various system components.) Since MS-DOS Microsoft has incorporated the capability to handle dates well into the next century into its products. Quality and testing practices regarding the year 2000 transition continue today. And we are including recommendations on best software development practices below.

While Microsoft's products are designed to handle the year 2000 dates and beyond, date-related problems may arise when other products are used in conjunction with our products. For example, a user could make a request from their PC for date-sensitive information that was stored on a computer server (that is a computer which stores shared information and coordinates the activities of multiple "clients," usually individual PCs). If a date was incorrect, it may be very difficult for the PC user to identify the source of their bad data. For example, the date may have been incorrectly entered by another person, incorrectly stored or retrieved by a computer, or inaccurately displayed by their PC.

Similar problems may arise for PC users connected to legacy mainframe operational systems or for those using custom-built software applications developed for a specific company or use. Many mainframe operating systems written three or four decades ago may still be in use at the beginning of the new millennium. Many of these systems will only have the capacity to store two digits to represent the year and will likely be a primary source of year 2000 date transition problems. Additionally, custom software applications, including macros, may not meet the same rigorous programming standards as commercial applications and may not process dates properly. If such problems do arise, end users may incorrectly attribute the error caused by mainframe- or custom-based application to their PC software or operating system.

Given the possibility for date-related problems to occur when January 1, 2000 arrives, Microsoft encourages all organizations and individuals to examine the information systems critical to their day-to-day operations. Such a review may include evaluating their readiness for this change, addressing any known problems that would prevent a smooth transition, and developing backup plans in the event that problems do occur.

The Year 2000 Issue

Historically, computer software has been programmed to make assumptions about the century when given a date that only uses two digits to represent the year (e.g., storing the

year 1996 as "96"). In fact, using just two digits was considered a clever programming approach to achieving good performance and making efficient use of valuable data storage space. Although these assumptions have been perfectly acceptable the past few decades, they are potential cause for concern for software used in the year 2000 and beyond. Specifically, this abbreviated date format makes it difficult for an application or computer user to distinguish between dates starting with 19xx and 20xx.

Such assumptions may cause problems when processing dates entered by the user, stored in files, or received from other electronic equipment such as cash registers and gas pumps. Using these assumptions might produce the wrong results when computing ages of inventory or people, calculating interest payments, or any other calculation which involves dates or elapsed time. The majority of potential year 2000 software problems can be traced in one way or another to these assumptions. A special case of this two-digit problem is software which displays or prints dates using an algorithm that assumes all years are in the range 1900 to 1999. It may display a date in the year 2003 as "1903."

The solutions to these kinds of problems are fairly minor—a small change to the existing software to use different assumptions for 2-digit year data, or simply using 4-digit year data. However, in some cases it may be difficult for a consumer to detect in advance that a change needs to be made. Or, particularly in the case of more personalized software created by small third-party vendors, the solution may be more complicated because the original coders may not be available. While some consumers facing this situation may choose to upgrade their existing software or purchase new software, they will have several other options at their disposal should such problems arise. Many may choose to modify the assumptions built into their existing software, work around the problems, or simply ignore them.

While all Microsoft products can process four-digit year data well into the next century, it is possible that application software developed by third-party software developers could perform incorrectly if developers have not used the built-in date formats and functions supplied by Microsoft's products. Research conducted by the Gartner Group research ("PCs and the Year 2000", by N. Jones, Applications Development & Management Strategies, Strategic Planning note number SPA-980-1278, January 30, 1996) has led analysts to estimate that approximately three percent of applications will have year 2000 errors at the end of 1999. Therefore, organizations and PC users should take steps now to determine whether their software falls into that estimated three percent category, and to ensure that all of their vital applications smoothly transition to the next century.

Microsoft's Products Today

From day one, Microsoft has been preparing its products for dates well into the next century. All of Microsoft's operating systems (MS-DOS, Windows 3.x, Windows 95, and Windows NT) can handle files created up to the year 2108. It should be noted that date stamps on file systems do not tend to cause problems. What tends to be most relevant to organizations and PC users is how the date field in an operational system represents a date (like a database that contains accounting records or patients' dates of birth). Win32® (the Windows® 95 and Windows NT® programmatic interface used by software developers) is capable of handling dates for 119 years starting from 1980—applications which rely on the Win32 format support dates up to the year 2099. All of Microsoft's database products (Microsoft Access, Visual FoxPro, and Microsoft SQL Server) have the ability today to handle four digit dates up to the year 9999. It should be noted that Microsoft Access database product shipping today stores these short hand dates "00" to "99" as "1900" to "1999," but will be updated to recognize shorthand dates into the 21st century with the next major release of Access, due out in 1997. Excel, Microsoft's spreadsheet application, has a working date range from 1900 to 2078. These product date limits are summarized in Table 1 below. Note that most of Microsoft's other products rely on the operating system or database provided dates, and thus are not itemized below.

Product Name Year Limit

Microsoft Access 95 (full 4-digit "YYYY" year)	9999
Microsoft Access 95 (2-digit "YY" year shorthand)	1999
Microsoft Access (2-digit shorthand in next major version)	2029
Microsoft Excel 95 ("YYYY" year)	2078
Microsoft Excel 95 ("YY" year)	2019
Microsoft Excel – next major version ("YY" year)	2029
Microsoft Excel – next major version ("YYYY" year)	9999
Microsoft Project 95 (and previous versions)	2049
Microsoft SQL Server™	9999
MS-DOS® file system (FAT16)	2108
Visual C++® (4.x) runtime library	2036
Visual FoxPro™ ("YYYY" year)	9999
Windows 3.x file system (FAT16)	2108
Windows 95 file system (FAT16)	2108
Windows 95 file system (FAT32)	2108
Windows 95 runtime library (WIN32)	2099
Windows for Workgroups (FAT16)	2108
Windows NT file system (FAT16)	2108
Windows NT file system (NTFS)	future centuries
Windows NT runtime library (WIN32)	2099

Table 1. The last year handled by current versions of specific Microsoft products.

Microsoft's Products In 1997

Although Microsoft's products are ready for the year 2000 today, many users may opt to upgrade their PC software prior to the next century for ease of use. As the Table above illustrates, many of Microsoft's products can handle the two-digit shorthand for years well into the next century. Others require the full four digits to be used.

Many users today prefer typing a short hand form of date when entering information into their computer. When entering "September 10, 1996," rather than spelling this out as 9/10/1996, one can type 9/10/96 using just the last two digits of the year. Microsoft's products take these two digits, in this case assuming the full year to be 1996, and permanently stores that as a complete four digit year. In 1997, those Microsoft's products that assume the year from these short dates will be updated to make it easier to assume a 2000-based year. Here are two specific examples:

- The last three major versions of Microsoft Excel (versions 7.x, 5.x, and 4.x) already are year 2000 savvy. Excel recognizes the short hand years from "00" to "19" as "2000" to "2019" respectively. In addition, Excel assumes the short hand years from "20" to "99" are "1920" to "1999." The user can easily override these assumptions by typing all four digits of the year. The next major version of Excel, due out in 1997, will update these assumptions to store "00" to "29" as "2000" to "2029" and "30" to "99" as "1930" to "1999." One more update for Excel will extend its recognized four digit year range from 1900 to 2078 today to a valid range from 1900 to 9999 in the next major version.
- Similarly, the Microsoft Access database product shipping today stores these short hand dates "00" to "99" as "1900" to "1999." The next major release of Access, due out in 1997, will be updated to store "00" to "29" as "2000" to "2029" and "30" to "99" as "1930" to "1999" just like Excel. Access already recognizes four digit dates up to the year 9999.

Microsoft Supports Government Standards Today

Concern has been expressed that Microsoft products do not conform with broadly accepted date formats. A recent article entitled "Microsoft 2000 Plan Already Nonstandard" in the *Government Computer News* (Volume 15, Number 17; July 15, 1996; page 1) incorrectly asserted that, "Microsoft products follow the *mm/dd/yyyy* long date format which is incompatible with the *yyyy/mm/dd* format endorsed by the American National Standards Institute [ANSI] and the Commerce Department's National Institute of Standards and Technology [NIST]." In fact, Microsoft products support the ANSI/NIST standard but also accommodate other globally recognized standards. Microsoft's products are sold worldwide and are designed to be flexible and support the standard date formats from the 70+ countries in which we do business. Microsoft's products follow the standards relevant to their product area (e.g., the Microsoft Visual C++ development system follows the ANSI standard date format for the C++ language) and our Windows-based operating systems properly handle the standard date format *yyyy/mm/dd* endorsed by ANSI and NIST today. For example, to make this change on a Windows 95-based system, a PC user can go to the Control Panel, double click the Regional Settings icon, then select the Date tab and enter "*yyyy/mm/dd*" in the "Short date style" field. Then the applications running on the system, like Exchange or Windows Explorer, will use the NIST format.

Recommendations for Safe Dates

Microsoft's development tools and database management systems provide the flexibility for people to represent dates in many different ways. It is important that organizations provide training for all of their developers (including those using macro languages or building custom database reports using products like Microsoft Access) to use date formats that accommodate the transition to the year 2000. Recommendations for safe date formats include:

- Use the operating system runtime library's date format and routines as much as possible.
- Use long dates (*mm/dd/yyyy*) when short hand dates (*mm/dd/yy*) may be misinterpreted as outside of the current century.
- If a development environment or database has a formal date format, use it.
- When creating a custom date format with a programming language, development tool, or database, use a date format that captures more than the last two digits of a year and include testing to ensure a smooth transition into the next century.
- Do not assign hidden meaning to special dates. One technique that has been used is to associate the special date "9/9/99" with a piece of information that should never be erased or should be erased after a short time period. Problems can occur in this type of software when the special date is reached that could cause all data to be erased.
- Validate that backup procedures are working properly in late 1999 so that valuable information is not permanently lost in case a serious problem occurs.
- Remember that 2000 is a leap year. Some examples of the impact of missing this could be credit card or mortgage interest calculations that were off by a day, or not being able to tell what day of the week starts March of 2000 or January of 2001.

In addition to these system management guidelines, there are certain software products (such as Microsoft's Systems Management Server, a part of the Microsoft BackOffice family) which can be used to identify and fix programs and applications affected by date problems. Products such as SMS can be used to check for and inventory known defective modules, distribute and run test programs to search for problem modules, distribute fixes to problem systems, and remotely help users to install fixes or diagnose problems.

Additional assistance

Many organizations may seek outside assistance when planning for a smooth year 2000 transition. Since nobody has direct experience with computers crossing a major century boundary, it will be necessary to look at companies that have expertise related to the type of

systems to be inspected and potentially updated. Other sources of advice on this topic can be obtained from industry analyst firms like Gartner Group (56 Top Gallant Road, Stamford, CT 06904-2212; 203-964-0096) and from Internet sites such as IBM's Web site at (<http://www.software.hosting.ibm.com/year2000/index.html>).

Other Potential PC Software Issues

The list below highlights other software, related to PCs, that should be closely inspected for potential century transition problems:

When hardware vendors build PCs, they embed low-level software that controls the Basic Input and Output System (called BIOS) that may result in the date on a PC being reset to January 4, 1980 rather than January 1, 2000. This same result can occur when the PC battery runs out of power. One simple and low-tech way to avoid this is to leave the PC running at the turn of the century so that the operating system can ensure a smooth transition to the year 2000. In the event that the date is reset to 1980, the easiest fix is to set the correct date by hand the first time the system is used on or after January 1, 2000. There are utilities that can do this, but it is generally more work to install the utility than it is to reset the date by hand. If using a Microsoft operating system, one can manually reset the PC to the correct year 2000 date using the MS-DOS "date" command or the "Date/Time" service in the Control Panel on Windows-based systems. While this BIOS problem is not related to Microsoft products, Microsoft intends to do what it can to provide a free solution (nominal Internet access fees may apply) that will correct a PC's system software, before the fact, to prevent this from happening:

- Some companies provide alternative software to handle some of the core system services like dates for Windows-based systems that use a third-party runtime library (i.e., not Win32);
- Mainframe-based or other existing server-based applications that are accessed from a PC; and
- Custom-built application software especially if it was developed for one user or one company and therefore may not have had extensive year 2000 testing performed.

Such software libraries could contain date-related functions that do not operate correctly in the year 2000.

Different types of complex systems like vehicles, manufacturing machinery, chemical compounds, and even government or business organizations, may have individual components which operate correctly according to their target specifications, but may not function correctly as a system when connected with many other components. For this reason, Microsoft believes that information systems should be evaluated as a whole for their year 2000 readiness.

Conclusion

It is critical to raise public awareness of the year 2000 impact on information systems.

Consumers should give the highest priority to evaluating and fixing mission-critical functions that could operate incorrectly or stop altogether if year data is incorrectly interpreted. Then an organization or end user needs to determine whether resources should be applied to address less critical concerns such as a user needing to type in two more numbers to identify the desired year clearly.

Congress can provide a valuable service by encouraging all levels of government—federal, state, and local—as well as companies providing computer-based solutions, to take seriously the need for planning a smooth transition into the year 2000. It is important to start evaluating existing information systems for year 2000 problems right away. Many business processes involve calculating events in the future: Drivers licenses which are valid for one year; elevator inspection permits which span two years; business licenses that are renewed every three years; car payments that extend for five years; and mortgages or government bonds that last

for 30 years. Software applications supporting these tasks can encounter year 2000 problems long before we reach the year 2000.

While Microsoft's products are year 2000-ready, as a leader in the PC software industry, Microsoft feels an obligation to raise the visibility of this issue, so that the public and private sector can avoid costly mistakes through reasonable preparation. Microsoft will use many different channels including its Internet Web sites (<http://www.microsoft.com/cio/year2000.htm>) to continue communicating the latest information regarding the year 2000 issue.

As organizations start new software development projects, they should use software and systems that are year 2000 ready today and follow the safe date recommendations detailed above. Microsoft's products have long been ready for the year 2000, and we are committed to working with our customers—governments, businesses, and individuals—to make the transition into the next millennium a smooth one.

Source: Microsoft TechNet, November 1996, Volume 4, Issue 11

**DORN Technology Group, Inc.
Is An Authorized MICROSOFT Solution Provider
And 1997 Awards Finalist For Best Business Product**

**Year 2000 AIX Users
Summary Details For Clients**

Revised: 5/19/97

The purpose of this document is to provide an overview of activities related to the Year 2000 processing. This document will only cover clients that use RISKMASTER/Win on a IBM RS/6000 platform running AIX as the operating system. The information on IBM was gathered off of their web sites and clients should contact these vendors directly for more accurate and timely information.

There are four areas to consider when determining if one is ready for the Year 2000. The four areas are:

- **The Hardware/Firmware**
- **The Operating System**
- **The Database**
- **RISKMASTER/Win Product Versions**

The Hardware

The major concern with the hardware is that the internal hardware timer will support the change from 1999 to 2000. All RS/6000 systems contain a hardware timer which marks time even when AC power is removed (as long as the internal battery has life). All models of the following machine types have been tested and return dates properly: 7006, 7009, 7011, 7012, 7013, 7015, 7024, 7025, 7030, 7043, 7247, 7248, 7249, and 9076.

Machine type 7020 requires a firmware update to correctly handle the year change.

Clients need to determine what RS/6000 machine type(s) they have. Clients with Machine type 7020 will need to get the firmware update from IBM. If you have one of the other tested machine types, you need do nothing. If your machine type is not listed above, please contact your local IBM representative for further instructions.

The Operating System

Which version of AIX you are running will determine what you will have to do to make it Year 2000 ready. People with AIX version 4.1.5/4.2 are most likely ready for the Year 2000. People with AIX version 4.1 through 4.1.4 will have to install the following fixes:

IX56229 - U445680 - YEAR 2000 AND THE EXPIRE ATTRIBUTE
IX56229 - U445680 - ERRCLEAR FAILS WHEN YEAR DATE IS > 2000
IX55509 - U441500 - R410 SCCS COMMANDS FOR YEARS > 1999

People with AIX version 3.2.5 will have the following fixes:

IX59790 - U444250 - YEAR 2000 AND THE EXPIRE ATTRIBUTE
IX59591 - U444180 - TOUCH -T CAN NOT SET THE TIMES 2000
IX59438 - U444197 - ERRCLEAR FAILS WHEN YEAR DATE IS > 2000
IX55509 - U441369 - R320 SCCS COMMANDS FOR YEARS > 1999

People with AIX versions prior to 3.2.5 will have to contact their local IBM representative for further instructions. Clients may be required to upgrade to version 3.2.5 or newer.

Visit the IBM Year 2000 Information Sources website <http://www.ibm.com/year2000>

You can also visit the technical support area for questions about Year 2000 Technical Support Centers via e-mail at y2ktsc@vnet.ibm.com or call 1 888-232-8925.

Call your IBM representative regardless of what version of AIX you may have to be sure to get the latest information on Year 2000 date compliance.

DORN
Technology
Group, Inc.

Software, Services & Consulting

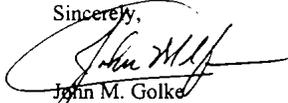
October 19, 1998

Dan Zenko
City Of Peoria
8401 West Monroe Street
Peoria, AZ 85345

Dear Dan Zenko,

Please find attached copy of the Certificate of Insurance as required by Request for Proposal P8-0052 from the City of Peoria. If you have any questions, please do not hesitate to call me at (602) 423-7766.

Sincerely,



John M. Golke

Software Consultant, Southwest Region

ACORD. CERTIFICATE OF INSURANCE		DATE (MM/DD/YY) 10/19/98			
PRODUCER HOWES & ASSOCIATES INSURANCE SERVICES INC. 26622 Woodward, Suite 100 Royal Oak, MI 48067		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.			
INSURED DORN TECHNOLOGIES INC. 38705 Seven Mile Road Livonia, Michigan 48152		COMPANIES AFFORDING COVERAGE COMPANY A CITIZENS INSURANCE COMPANY B ACCIDENT FUND OF MICHIGAN COMPANY C MONTICELLO INSURANCE COMPANY COMPANY D			
COVERAGES THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.					
CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMPREHENSIVE FORM PREMISES/OPERATIONS UNDERGROUND EXPLOSION & COLLAPSE HAZARD PRODUCTS/COMPLETED OPER CONTRACTUAL INDEPENDENT CONTRACTORS BROAD FORM PROPERTY DAMAGE PERSONAL INJURY	MPC 0522793	8/31/98	8/31/99	BODILY INJURY OCC \$ BODILY INJURY AGG \$ PROPERTY DAMAGE OCC \$ PROPERTY DAMAGE AGG \$ BI & PD COMBINED OCC \$ 1,000,000 BI & PD COMBINED AGG \$ 2,000,000 PERSONAL INJURY AGG \$ 1,000,000
A	AUTOMOBILE LIABILITY ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS (Private Pass) ALL OWNED AUTOS (Other than Private Passenger) <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS DAMAGE LIABILITY	CAC 98094	5/16/98	5/16/99	BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$ BODILY INJURY & PROPERTY DAMAGE COMBINED \$ 1,000,000
A	EXCESS LIABILITY <input checked="" type="checkbox"/> UMBRELLA FORM OTHER THAN UMBRELLA FORM	C 9853	8/31/98	8/31/99	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL	276441	8/31/98	8/31/99	STATUTORY LIMITS EACH ACCIDENT \$ 100,000 DISEASE - POLICY LIMIT \$ 500,000 DISEASE - EACH EMPLOYEE \$ 100,000
C	OTHER PROFESSIONAL SERVICES LIABILITY	MPS 103819	9/22/98	9/22/99	\$500,000
DESCRIPTION OF OPERATIONS/LOCATIONS/VESICLES/SPECIAL ITEMS					
CERTIFICATE HOLDER CITY OF PEORIA 8401 West Monroe Peoria, Arizona 85345			SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE: <i>[Signature]</i>		
ACORD 25-N (3/95)			© ACORD CORPORATION 1993		

DORN
Technology
Group, Inc.

Software, Services & Consulting

September 10, 1998

Dan Zenko
City Of Peoria
8401 West Monroe Street
Peoria, AZ 85345

Dear Dan,

I appreciate your diligent work and the work Steve Gonzales has done to resolve the contract issues. I received documentation via fax from Mr. Gonzales with a redraft of section 13.6 of the contract.

The redraft from Mr. Gonzales reads as follows:

13.6 This Agreement is governed by and construed under the laws of Arizona. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute involving money damages of fifty thousand dollars (\$50,000.00) or less under this Agreement shall be submitted to binding arbitration under the then prevailing rules of the American Arbitration Association in a mutually agreeable location in Arizona. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction. All other claims shall be submitted to a court of competent jurisdiction in Arizona.

Because of the concessions we have made in dealing with the contract as well as the reduced cost of the contract, Dorn Technology Group requests the following draft:

13.6 The Agreement is governed by and construed under the laws of Arizona. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute involving money damages of fifty thousand dollars (\$50,000.00) or less under this Agreement shall be submitted to binding arbitration under the then prevailing rules of the American Arbitration Association in a mutually agreeable location. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction.

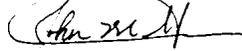
There are several reasons for requesting the documentation this way. I want to reiterate the fact that we are not trying to be difficult. I expressed some of our concerns in our conversation on September 9, 1998. In no way am I implying that the City of Peoria will

partake in any frivolous lawsuits, but as a company we need to protect ourselves from law suits taking place. We feel having both the Arizona law and an Arizona location slants the field in the favor of the City of Peoria. Because we have greatly discounted the price of the software, the chance of additional litigation costs including understanding Arizona law and travel to Arizona for every court appearance is too large of a financial risk for us to partake in.

I feel we have worked very hard to get this contract put together in a manner amiable to both parties. Dorn Technology conceded on several contract issues, however, because of the other concessions, this is not one on which we can concede.

Please call me with any questions. We really want to have the City as a client and look forward to it. At Dorn Technology Group we build client relationships so that any issues can be worked out as a partnership between our clients and us. Our history of no litigation is testimony that this philosophy works. I hope that this issue will not be a hindrance to us moving forward and getting the City up and running on a great risk management software package.

Sincerely,



John M. Golke
Software Consultant, Southwest Region



Office of the City Attorney
8401 West Monroe Street
Peoria, Arizona 85345
602-412-7330
Fax 602-412-7043

September 9, 1998

Mr. John M. Golke, Sr. Software Consultant
Dorn Technology Group, Inc.
7150 East Camelback Road, Suite 300
Scottsdale, AZ 85251

Dear Mr. Golke:

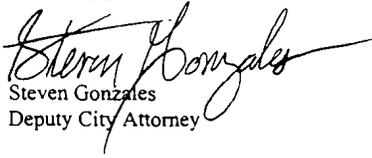
Thank you for your fax of this date and resolve to work out the details of an agreement with the City of Peoria concerning risk management software. I tried phoning you Wednesday afternoon and left a message. Perhaps it is for the best since it is difficult to precisely describe the necessary terminology and much better to simply craft the terms. Accordingly, below is our redraft of the troublesome Section 13.6 in a manner acceptable to us:

Delete the entire paragraph 13.6 and replace with the following:

13.6 This Agreement is governed by and construed under the laws of Arizona. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute involving money damages of fifty thousand dollars (\$50,000.00) or less under this Agreement shall be submitted to binding arbitration under the then prevailing rules of the American Arbitration Association in a mutually agreeable location in Arizona. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction. All other claims shall be submitted to a court of competent jurisdiction in Arizona.

The rest of your fax, i.e., up to and including the reference to Section 8.7, is acceptable to the City. Please finalize the draft for submission to us, should you agree with this correspondence. Thank you for your attention to this important matter.

Very truly yours,


Steven Gonzales
Deputy City Attorney



City of Peoria

8401 West Monroe Street, Peoria, Arizona 85345

September 2, 1998

Mr. John M. Golke
Sr. Software Consultant
Dorn Technology Group
38705 Seven Mile Road, Suite 450
Livonia, MI 48152

Re: Request for Proposal P8-0052, Risk Management Software, Price Extension and Contract Finalization, 4th Best and Final Offer

Dear Mr. Golke:

The City of Peoria is asking Dorn Technology Group to extend the pricing offered in their 3rd Best and Final Offer for the proposed Risk Management Software for a total of 60 more days. It is the intent of the City of Peoria to finalize negotiations and move forward with this project once all issues have been resolved. There is only one other outstanding issue needing resolution at this time.

1. The language for item 13.6 is close to being resolved. As of this date Dorn Technology Group's attorney has not contacted the City of Peoria's attorney to resolve the contract language issue. The remaining issue centers around Arizona being the jurisdiction for arbitration not Michigan. The contact person for the City of Peoria to resolve this issue is Steve Gonzales, Deputy City Attorney (602) 412-7234.

Please submit your 4th Best and Final Offer by September 16, 1998, if no response is received we will consider your previous offer as Best and Final. If you have any questions, please contact me at 412-7115.

Sincerely,

Dan Zenko
Contract Officer

CC: Scottsdale AZ Office

DORN
Technology
Group, Inc.
Software, Services & Consulting

Suite 450
38705 Seven Mile Road
Livonia, MI 48152-1005
(313) 462-5800
Fax (313) 462-5807

Dan Zenko
City Of Peoria
8401 West Monroe Street
Room 150
Peoria, AZ 85345

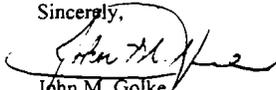
Dear Dan,

Thank you again for your hard work and diligence in getting the RFP information together and your consistent follow up. Enclosed is the 3rd Best and Final Offer which includes the contract addendum. I have also gotten the total amount down to the \$90,000 budgeted.

Please note that the pricing is good only through the end of August. If nothing is signed after that point, I will need to get approval through our executive review board to maintain the cost structure. If the offer is amiable but the City of Peoria is not ready to sign the contract, we can do a letter of intent to make sure we lock in the pricing.

I am excited about working with the City in the future and it is my hope that the contract set forth will be acceptable to all parties involved. Please do not hesitate to call if there are any questions.

Sincerely,



John M. Golke
Software Consultant, Southwest Region

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP003

Prices Valid Until: August 30, 1998

1. "CLIENT" NAME: City Of Peoria
- COMPLETE ADDRESS:
 8401 West Monroe Street
 Room 340
 Peoria, Az 85345
 (602)412-7234
2. TYPE OF LICENSE: RISKMASTER/Wia®: Class IV (Windows or Win95 - 16Bit Client Server)
 LICENSE USE TERM: Perpetual Use-One Time Fee
 DATABASE Design Module(s): X MS-SQL 6.5 (recommended)
 STANDARD WORKSTATIONS: 5
 REMOTE WORKSTATIONS: 0
 ACCOUNTS: 1
 QTY SERVERS and TYPE(s): 1
 SOFTWARE RELEASE LEVEL: 3.5 Release -16 Bit Per Technical Specification Effective 2/97

3. STANDARD SOFTWARE LICENSE AND DOCUMENTATION:

<u>Product Name</u>	<u>Description</u>	<u>License Fees/Costs</u>
RISKMASTER/Wia®	MAIN SERVER SOFTWARE SYSTEM MODULES: Includes: Security System, Utility System Module, Database File in MS Access MDB Format, Help System, Supplemental Field System, System Code/Entry Module, Data Validation subsystem, Standard Actuarial Reports, Query By Example (QBE) Look Up System, Event System, Diary System, One Complete Set of User Manuals (*) Required System Module.	\$24,995.00 (*)
SORTMASTER® MODULE:	\$4,995 Reporting /Graphics/SQL Module	\$4,995.00
WORKSTATION PACKAGE OPTIONS:		
QUICK START SYSTEM PACKAGE:	\$2,500/Work Station () Quantity of Work Stations Includes: One Line of Business GC/WC/VA Claim/Claimant Flexible Reserve System, Organizational Hierarchy Module, Exposure Module, Funds Management System, Full Claimants File, Full Defendants File	\$ 0.00
STANDARD SYSTEM PACKAGE:	\$3,500/Work Station () Quantity of Work Stations Includes: All Quick Start Modules, Two Lines of Business GC/WC/VA, Policy Management System, Diary Management, Litigation Management, Expert Witness File, Adjuster File, MICR Check Processing System* (Also requires Check Cartridge for \$995.00).	\$ 0.00
PROFESSIONAL SYSTEM PACKAGE:	\$5,000/Work Station (5) Quantity of Work Stations Includes: All Quick Start and Standard System Modules, All Lines of Business GC/WC/VA, Quick Entry/View System.	\$25,000.00
OPTIONAL OTHER MODULES AVAILABLE: Modules Purchased Are Indicated With An Arrow =>		
>Administrative Tracking	\$4,995 for 10 Users; \$300/User for Additional Users	\$3,745.00
>Executive Data Analysis & Reporting (EDA)	\$1,995 - Only For MS Access & MS SQL Server Platforms	
Full Set of Printed Manuals	\$295 Full Set Includes Shipping Costs	
FROI Forms Cartridge	\$3,995 One State; \$5,995 All States Including Cartridge No Support Plan Or Form Upgrades Provided (See Note 3) Upgrades are not supplied with this version of this product.	
MICR Check Printing Cartridge	\$995 Standard Check Layout; Additional Custom Check/Voucher Layouts Extra (See Note 3)	
>Data Validation System	\$2,995 all Files	\$2,995.00
>Data Import System	\$2,995 One File; \$4,995 All Files	\$4,995.00
Fee Schedule For BRS	\$9,995.00 For 3Users, \$2,000 Each Additional (Client Can Obtain Schedules From Medicode Or Can Manually Enter)	
SQL Based Database Servers	Additional RISKMASTER/Wia® Server Fees: <u>\$10,000</u> Server System Fee for RISC/ALX Systems <i>INFORMIX 10.2, SYBASE</i> (SYBASE Version 10.0.2.7 Requires ALX 3.2.5 or Higher)	
SUB TOTAL SOFTWARE		\$66,725.00
Less discount		\$6,298.00
TOTAL SOFTWARE		\$60,427.00

- Note 1: Client is responsible for acquiring and installing for each user: MS Office, Database Software and other Windows based programs
- Note 2: Media Fee--\$295.00 for each additional printed user manual set. Two manual sets provided with server system included free.
- Note 3: FROI/Checks: All RxLaser work to set up signatures, logos or custom programming is a separate RxLase responsibility and cost.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP003

Prices Valid Until: August 30, 1998

		<u>License Fees/Costs</u>	
4.	TRAINING - Per Contract Statement Of Work And Schedule Of Fees (Type And Amount Of Training, RM/WIN®)		
	- System Prototype Training: Two (2) People at DTG Training Center (\$3,000.00/16 Hours)		\$3,000.00
	- Training Available at Client Site for up to four (4) People - \$1,750.00 per day. All out of pocket travel costs are billable.		\$7,000.00
	- Sortmaster Computer Based Training		\$500.00
	TOTAL		\$10,500.00
5.	INSTALLATION AND PROJECT MANAGEMENT SERVICE FEES - Per Contract Statement Of Work And Schedule Of Fees Includes 16 hours of Software Installation Services. Travel is billable if on-site work is requested by Client.		
	TOTAL: MICROSOFT SEQUEL SERVER RISKMASTER/Win Installation		\$2,995.00
	PROJECT MANAGEMENT - Review of client procedures/work flow tasks. Lists duties; includes up to 30 hours of project management. Tele-conference call on project management tasks. Coordinate data conversion, acceptance of application. Scheduling of all client events. Upload DTG Client Management System. Client review of SUMS data. Includes attending one day prototyping software session.		\$3,084.00
6.	SOFTWARE SERVICES/CUSTOM PROGRAMMING FEES - Per Contract Statement Of Work		
	Data Validation Analysis and Data Conversion can be performed on a Time and Material basis. Client may do their own data conversion using the RISKMASTER/Win® Data Specification and upload programs. Services are billable at the rate of \$135.00 per hour . Upon final assessment of data, a statement of work will be provided indicating the work to be performed and the estimated costs involved for the Client's sign-off. This cost estimate is based on the Data Source having an accurate file record layout. An estimate (per source for one line of business) for data conversion and analysis is \$7,500.00 . One day of user training is also required.		
	OPTIONAL (*)		
	(*) Line of Business Carrier or Data Source Ongoing or One Time		
	DATA DIRECTOR SYSTEM	\$4,995.00	NOT INCLUDED
	TECHNICAL TRAINING - ONE DAY	\$1,240.00	NOT INCLUDED
	DOS TO WINDOWS WINPORT PROJECT	\$7,495.00	NOT INCLUDED
7.	SOFTWARE SUPPORT And SERVICE PACK FEES - Per Contract Agreement		
	7.1 SOFTWARE SUPPORT PLAN MODULE(S) LICENSED		
	Type: Professional Advantage Service Plan	<u>Total Hours Per Year</u>	<u>New Service Packs</u>
	SORTMASTER™	38	Included
	Data Director System (DDS)	12 (First Year Only)	Included
		3	Included
			\$10,200.00/Year
			\$799.00
Note 4:	SORTMASTER™ includes twelve (12) support hours during the first year.		
Note 5:	Additional Support time if requested by Client is billed at \$135.00/Hour.		
7.2	DATABASE SUPPORT MODULE(S) LICENSED And Warm Site SERVICE		<u>License Fees/Costs</u>
	Type: RISKMASTER/Win® Database Design Module (<u>Define Server Version</u>)		
	<input checked="" type="checkbox"/> Microsoft SQL Server (6.5)		\$1,995.00/Year
Note 6:	Software Support Plan and Database Support License Fees are for a two (2) year period and this is optionally renewable annually.		
GRAND TOTAL			<u>\$90,000.00</u>

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP003

Prices Valid Until: August 30, 1998

BY SIGNING BELOW, SCHEDULE OF FEES, APPENDIX ONE:

"CLIENT" and DORN Technology Group, Inc. & DORN Technology Group Services, Inc., acknowledge that each has read this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT: City Of Peoria

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

Approved By _____

Approved By _____

Name Printed _____

Mark E. Dom
Name Printed _____

Title _____

President
Title _____

Date: ____/____/1998

Date: ____/____/1998

8/14/98JMG

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
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System Profile Addendum:

Please identify the number of claims you intend to process per year for all lines of business in table 1. Please identify the historical data, if any that will be processed in table 2. Please list the users, mode of connection, and location in table 3.

Table 1: New Claims Per Year:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

Table 2: Total Historical Claims:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Customer Flexibility Pricing Packages

Agreement No. JG-CP002

Prices Valid Until August 30, 1998:

DORN Technology Group, Inc. ("DTG") on its behalf and on behalf of DTG Services, Inc. and the undersigned ("CLIENT") agree that these Terms and Conditions govern the sale and licensing of DTG Software and Services and third party hardware and software.

1. DEFINITIONS

1.1 **Database Support Module or DSM** means modules(s) containing programs supplied or developed by DTG or third parties for use with Software which contains the physical and logical design for file storage and implementation.

1.2 **Documentation** means manuals, help files and handbooks supplied with Software or in connection with Services.

1.3 **Products** means Software, Database Design Modules, Documentation and Third Party Products.

1.4 **Server**, unless otherwise indicated on the Schedule of Fees, means the processor or equipment configuration on which the Software is first executed pursuant to the license herein

1.5 **Services** means training, consulting, Project Management, and custom programming provided by DTG or DTG Services, Inc.

1.6 **Software** means RISKMASTER/Win © (16 Bit Client/Server Version) as more specifically described in the Schedule of Fees, Service Pack releases and warranty updates which may be provided by DTG.

1.7 **Third Party Product** means hardware and software products identified on the Schedule of Fees or programs integrated in software provided by DTG which may be licensed directly to CLIENT by parties other than DTG.

1.8 **Workstation** means a discrete equipment configuration which has access to the Server.

2. **PRICES AND FEES** are specified on the Schedule of Fees. Any Services which are requested that are not set out on the Schedule of Fees will be billed on a time and materials basis and are due and payable by CLIENT upon receipt of invoice. CLIENT agrees to pay DTG for all reasonable and customary travel expenses incurred in the installation of the products or delivery of Services at CLIENT's site.

3. **TAXES.** CLIENT is responsible for all applicable taxes and tariffs on the sale, license or use of the Products and Services. DTG is responsible for taxes based on its net income.

4. **DELIVERY.** Products will be shipped F.O.B. DTG's place of business in Livonia, Michigan. Third Party Products will be shipped F.O.B. manufacturer's plant. CLIENT will be responsible for charges and insurance as set out in the Schedule of Fees.

5. PAYMENT.

5.1 Payment of license fees for Software, DSMs, if any, or for Third Party Products shall be made in two installments: (i) fifty (50%) percent due upon return of this Agreement executed by CLIENT or submission of a purchase order from CLIENT and (ii) fifty (50%) percent plus all applicable taxes, duties and levies due upon installation of Software or Third Party Products at the CLIENT's site or, if applicable, delivery of the Products to CLIENT site via shipping agent, completion of a New Client Project Teleconference, delivery of the Starter Kit and completion of the initial training session. DTG will ship Software, Documentation and Starter Kit materials upon receipt of the deposit.

5.2 The DSM fee is billed on an annual basis after the Software installation is completed.

5.3 Training fees and related travel costs are billed as incurred per each training session completed. Travel expenses are billed in accordance with DTG's standard H.R. policy. Installation, Project Management, Consulting, and custom programming fees are billed as incurred less any pre-paid deposit amounts.

5.4 Support plan options are billed upon delivery of the Starter Kit and billed on an annual basis.

5.5 Any DTG supplied Third Party Products are billed when the software is delivered. No DTG third party products are charged for unless otherwise defined on the Schedule Of Fees. Other CLIENT programs licensed by CLIENT directly from third parties or parties other than DTG are billed under the terms and conditions of the third party.

5.6 Payment for Services is due upon receipt of invoice by CLIENT. A monthly late charge of one and a half (1.5%) per cent of unpaid fees will be assessed thirty (30) days after payment is due.

6. **CANCELLATION AND RESCHEDULING CHARGES.** In the event of cancellation or rescheduling by CLIENT of an order for Third Party Products, CLIENT is liable for any cancellation or rescheduling charge which is assessed by the Third Party hardware or software supplier. Rescheduling of an order is subject to acceptance by DTG.

7. INSTALLATION

7.1 CLIENT may contract with DTG for installation of Software, configuration of Server(s), Workstation(s), Software and Third Party Products and other set-up services at CLIENT's facility in the United States or Canada.

7.2 Installation shall be deemed complete upon the successful execution of DTG diagnostic programs or completion of DTG training checklist.

7.3 Third Party Products will be installed as set forth in the Schedule of Fees. Installation of Third Party Products are deemed complete upon execution of the diagnostic programs.

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7.4 CLIENT is responsible for preparation of a safe and suitable site in accordance with DTG's Software and site specifications.

8. LIMITED WARRANTY

8.1 DTG warrants to CLIENT that Software and DSM(s) will perform in accordance with the Documentation for ninety (90) days after delivery of the respective Software or DSM(s) to the CLIENT. DTG does not warrant that the execution of Software and DSM(s) shall be uninterrupted or error free. Additional custom programming may be required and can be provided on a time and materials basis.

8.2 DTG does not warrant Third Party Products which DTG provides "as is". DTG agrees to assign any warranty rights it may have to CLIENT.

8.3 This warranty is a limited warranty and does not apply to improper use of the Products or other external causes as more fully set out in the Documentation.

8.4 DTG warrants that Services which it provides will be performed in a good and workmanlike manner. Any and all warranties by DTG Services, Inc. are set forth in the agreement describing the Services to be provided and are subject to the disclaimer set forth in Paragraph 8.7 below.

8.5 DTG warrants to CLIENT that Software will allow for entry of the year 2000 on data entry screen and in the database and has four year digit year capabilities. CLIENT acknowledges that the Third Party Products may not be Year 2000 compliant.

8.6 CLIENT's remedies for DTG's obligations under this Paragraph are set forth in Paragraph 13.

8.7 THE ABOVE WARRANTIES ARE THE EXCLUSIVE REMEDIES AND NO OTHER WARRANTY, EXPRESS OR IMPLIED, SHALL APPLY. THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE SPECIFICALLY DISCLAIMED.

9. SOFTWARE AND DSM LICENSE

9.1 Software License. Upon CLIENT's execution of this Agreement, DTG grants CLIENT a Software License for use of the Software and DSM(s) described in the Schedule of Fees by a single user unless otherwise set forth in the Schedule of Fees. DTG grants no other software licenses whatsoever, either explicitly or implicitly, except upon execution of this Agreement and payment of license fees. CLIENT's License is personal and non-exclusive, and may not be transferred without DTG's express consent. Title to Software and DSM(s) shall remain in DTG. CLIENT shall execute the Software on the designated Server only and may load, copy or transmit the Software and DSM(s), in whole or in part, only as necessary for execution on the Server, except that CLIENT may execute the Software or DSM(s) (except diagnostic Software) on another single processor or equipment configuration on a temporary basis during a malfunction which prevents

execution of the Software or DSM(s) on the Server or during extraordinary circumstances such as disaster recovery for no more than 120 days, and may load, transmit, or copy the Software or DSM(s) as necessary for such temporary execution. CLIENT may make backup or archival copies of the Software and DSM(s) and copies for off-site storage provided CLIENT agrees to reproduce DTG's copyright and all other legal or proprietary notices. CLIENT will authorize DTG to utilize all client data in industry performance and benchmarking studies. DTG will not identify the supplying organizations as a part of this data conversion process.

9.2 License Limitation. CLIENT shall not decompile or reverse assemble the Software or DSM(s), or analyze or otherwise examine the Software, including any hardware or firmware implementation of the Software for the purpose of reverse engineering. CLIENT cannot loan, rent, lease or sublicense Software or DSM(s) or any copy. CLIENT cannot have more Workstations accessing Software or DSM(s) than the number of Workstations provided for on the Schedule of Fees. This License is for use of the Software object code only.

9.3 License Termination. CLIENT's License shall continue unless terminated as provided herein. DTG may terminate any License granted if CLIENT neglects or fails to perform or observe any of its obligations to DTG under these Terms and Conditions, and such condition is not remedied within thirty (30) days after written notice has been given to CLIENT. Before any termination by CLIENT becomes effective, or in the event of termination by DTG, CLIENT shall: (i) destroy all copies of all versions of Software, Documentation and DSM(s) in CLIENT's possession, and (ii) remove all portions of the DSM(s) and all versions of the Software for any adaptations made by purchaser and destroy such portions and (iii) certify in writing that all copies, including all those included in CLIENT's adaptations, have been destroyed or returned to DTG.

9.4 Confidentiality. CLIENT acknowledges that Software, DSM(s) and Documentation contain the trade secrets and proprietary technology of DTG and agrees to hold the Software, DSM(s) and Documentation in confidence and not to disclose or make available the Software, DSM(s) or Documentation except to its employees to the extent needed to use the Software, DSM(s) and Documentation in accordance with this License. CLIENT's third party contractors shall not access Software, DSMs, Documentation or the client specific portions of DTG's web site. CLIENT's obligations under this Section will survive termination of the Software and DSM License.

9.5 Third Party Products. Any Third party products or software defined in the attached Schedule Of Fees, is licensed in accordance with the Terms and Conditions of the third party license agreement accompanying the software. CLIENT is solely responsible for obtaining and complying with the terms of third party license agreements.

10. **MAINTENANCE MATERIAL**. Diagnostic Software (including source code), Documentation, equipment or other material used by DTG or DTG Services, Inc. in the performance of installation, warranty, or Services may be

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furnished with Products or stored at CLIENT's facility. DTG grants no title or license to such material, and it remains the exclusive property of DTG. CLIENT agrees to properly secure such material and not to use it in any manner or make it available to third parties without DTG's prior consent.

11. **SERVICES.** Training will be provided at DTG's or DTG Services, Inc.'s place of business or clients site as further set forth in the Schedule of Fees. DTG or DTG Services, Inc. will provide one (1) year of telephone support not to exceed the amount of hours as set forth on the Schedule of Fees.

12. INFRINGEMENT INDEMNIFICATION

12.1 DTG shall defend, at its expense, any claim (including any suit) brought against CLIENT alleging that any Software or Documentation furnished hereunder infringe a United States patent, copyright, or mask work right, and shall pay all costs and damages finally awarded, provided that CLIENT gives DTG prompt written notice of such claim, and information, reasonable assistance and sole authority to defend or settle the claim. In the defense or settlement of the claim, DTG may obtain for CLIENT the right to continue using the Software or Documentation, replace or modify the Software or Documentation so they become non-infringing or, if such remedies are not reasonably available, grant CLIENT a credit for the Software or Documentation as depreciated on a three (3) year straight line basis and accept their return. DTG shall not have any liability if the alleged infringement is based upon the use, license or sale of the Software or Documentation in combination with other products (including software) not furnished by DTG. DTG DISCLAIMS ALL OTHER LIABILITY FOR VIOLATION, MISAPPROPRIATION OR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, AND FURTHER DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

12.2 CLIENT shall be responsible for securing license or authorized use agreement for any code files, databases, data field indicators or non-DTG software. CLIENT shall indemnify DTG and DTG Services, Inc. for and hold DTG and DTG Services, Inc. harmless from any claim, lawsuit or other action brought against DTG or DTG Services, Inc. for breach or violation of a license or use agreement or other infringement claim including all damages assessed or settlements paid together with reasonable costs and attorney fees incurred by DTG or DTG Services, Inc.

13. REMEDIES AND LIMITATIONS

13.1 These remedies are CLIENT's exclusive remedies and are in lieu of any other remedy at law or in equity.

13.2 In all situations involving performance or non-performance of Software furnished hereunder, CLIENT'S remedy is correction or replacement by DTG (at DTG's option) of defective Software with Software that performs in accordance with the Documentation if DTG is notified by CLIENT in writing of a material defect within the warranty period and CLIENT provides sufficient information to allow DTG to recreate the defect. If DTG cannot meet its support obligations as defined in the support plan agreement and has exhausted its resources for support through its related

companies, divisions, or subsidiaries, then DTG will provide CLIENT the then current release of all source code material relating to the most current software products which CLIENT has acquired through a software license. Source Code will reside at the following Authorized DTG Source Code Agent: STEVEN ALEXSY, ESQ., MAY, SIMPSON & STROTE, 100 W. LONG LAKE ROAD, SUITE 200, BLOOMFIELD HILLS MI 48304.

13.3 DTG'S AND DTG SERVICES, INC.'S LIABILITY TO CLIENT FOR ANY CAUSE WHATSOEVER SHALL BE LIMITED TO THE PURCHASE PRICE PAID TO DTG FOR THE PRODUCTS AND SERVICES THAT ARE THE SUBJECT OF CLIENT'S CLAIM. THIS LIMITATION WILL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER CONTRACT OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE. THE FOREGOING LIMITATION DOES NOT APPLY TO DAMAGES RESULTING FROM PERSONAL INJURY CAUSED BY DTG OR DTG SERVICES, INC.'S NEGLIGENCE.

13.4 IN NO EVENT WILL DTG OR DTG SERVICES, INC. BE LIABLE FOR ANY DAMAGES RESULTING FROM LOSS OF DATA OR USE, LOST PROFITS OR ANY INDIRECT, INCIDENTAL SPECIAL OR CONSEQUENTIAL DAMAGES.

13.5 Any action against DTG or DTG Services, Inc. must be brought within twelve (12) months after the cause of action arises.

13.6 This Agreement is governed by and construed under the laws of Michigan. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute under this Agreement shall be submitted to binding arbitration in Oakland or Washtenaw Counties, Michigan under the then prevailing rules of the American Arbitration Association. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction.

14. GENERAL CONDITIONS

14.1 DTG agrees to comply with Section 1861 (v) (1) (I) of the Social Security Act as amended and the applicable rules and regulations requiring maintenance of records to verify cost of Products.

14.2 DTG agrees to comply with Federal and state statutes regarding affirmative action and the Immigration Reform and Control Act of 1986.

14.3 DTG agrees to maintain standard workers compensation insurance and comprehensive and general liability insurance coverages or provide adequate self insurance coverage.

14.4 For a period of up to one (1) year after completion of the last CLIENT service period, CLIENT and DTG shall not solicit each others employees involved in performance of

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
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services to undertake employment with CLIENT/DTG respectively or any entity related to either CLIENT/DTG.

14.5 These Terms and Conditions will supersede any previous communications, representations, or agreements by either party whether verbal or written including any terms and conditions on CLIENT'S order. Any modification to these Terms and Conditions must be in writing and signed by authorized representatives of DTG and CLIENT.

14.6 If any term of this agreement is found to be illegal or unenforceable then notwithstanding this agreement shall remain in full force and effect and such term shall be deemed stricken.

14.7 CLIENT is licensing Software designed to operate with Data Volumes on the following platforms: (i) Access up to 10,000 records, (ii) MS Sequel System up to 20,000 records, and (iii) Informix System up to 40,000 records. Volumes above the levels listed may be acceptable but require certification on the CLIENT's specific hardware and communication environment. Certification is billable at the DTG standard labor rate.

14.8 CLIENT authorizes DTG to utilize all client data in industry performance and bench marking studies. DTG will not identify the supplying organizations as a part of this data process.

15. ACCEPTANCE

15.1 Acceptance of Products or Services is specific to each product or service provided by DTG. Software is deemed accepted upon successful installation. Services are deemed accepted upon delivery. CLIENT may be asked to approve acceptance or release forms specific to services being performed for products being delivered. Under no circumstance is payment or acceptance of Products tied to data conversions, data reconciliation, custom programming, installation services or project management. These services may also require CLIENT to get third party or internal staff co-operation and participation for DTG to complete a specific service.

15.2 For Custom Software Contract data conversion project not utilizing the Data Director specifications DTG recommends CLIENT contract for Data Validation Services. It is also recommended that the Third Party DTG data questionnaire be completed. Data conciliation services are not included as part of contracted data conversion work, outlined in the Schedule of Fees.

"EASY CONTRACT" ATTACHMENTS:

Schedule of Fees:

RM/Win® Data Entry/Workstation Requirements & Recommendations

RM/Win® Database - Disk Space Recommendations

RM/Win® System Requirements: Software Release 3.1

"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read the Schedule of Fees and this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT: CITY OF PEORIA

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

Signature

Signature

Name Printed

Mark E. Dorn

Name Printed

Title

President

Title

Date: ____/____/1998

Date: ____/____/1998

ADDENDUM
TO
DORN TECHNOLOGY GROUP, INC/DORN
TECHNOLOGY GROUP SERVICES, INC.
EASY CONTRACT STANDARD TERMS AND CONDITIONS
DATED August 14, 1998

ADDENDUM, entered into on August 14, 1998 by and between DORN Technology Group, Inc./DORN Technology Group Services, Inc. (hereinafter "DTG") and the City of Peoria (hereinafter "CLIENT") amends the DORN Technology Group, Inc./DORN Technology Group Services, Inc. Easy Contract Standard Terms and Conditions dated August 14, 1998 ("Effective Date")(hereinafter the "Agreement"). The terms and conditions of this Addendum shall supercede those of the Agreement. In the event of a conflict between the terms and conditions of the Agreement and those of this Addendum, the terms and conditions of this Addendum shall govern.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 4 is hereby amended to read as follows:

Products will be shipped F.O.B. Destination, freight and insurance prepaid. DTG will be responsible for freight, insurance and any destination charges.

Section 8.1 is hereby amended by replacing "ninety (90) days" with "one-hundred and eighty (180) days."

Section 8.7 is hereby amended by adding "REFERENCED" after "THE ABOVE" in the first line.

The third and fourth sentences of Section 13.6 is hereby deleted and replaced with the following:

Any dispute involving money damages of \$50,000 or less, shall be submitted to binding arbitration in Oakland or Washtenaw Counties, Michigan under the then prevailing rules of the American Arbitration Association. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction. All other claims shall be submitted to a court of competent jurisdiction in Michigan.

The last two sentences of Section 9.1 are hereby deleted.

Section 14.8 is hereby deleted.

All other terms and conditions of the Agreement remain unchanged and shall be in full force and effect.

CITY OF PEORIA
(CLIENT)

DORN TECHNOLOGY GROUP INC/
DORN TECHNOLOGY GROUP
SERVICES, INC. (DTG)

Name Signed (Duly Authorized)

Name Signed (Duly Authorized)

Name Printed (Duly Authorized)

Name Printed (Duly Authorized)

Title

Title

Date

Date

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: June 30, 1998

1. "CLIENT" NAME: City Of Peoria
 COMPLETE ADDRESS:
 8401 West Monroe Street
 Room 340
 Peoria, Az 85345
 (602)412-7234
2. TYPE OF LICENSE: RISKMASTER/Win®: Class IV (Windows or Win95 - 16Bit Client Server)
 LICENSE USE TERM: Perpetual Use-One Time Fee
 DATABASE Design Module(s): X MS-SQL 6.5 (recommended)
 STANDARD WORKSTATIONS: 5
 REMOTE WORKSTATIONS: 0
 ACCOUNTS: 1
 QTY SERVERS and TYPE(s): 1
 SOFTWARE RELEASE LEVEL: 3.5 Release -16 Bit Per Technical Specification Effective 2/97

3. STANDARD SOFTWARE LICENSE AND DOCUMENTATION:

Product Name	Description	License Fees/Costs
RISKMASTER/Win®	MAIN SERVER SOFTWARE SYSTEM MODULES: Includes: Security System, Utility System Module, Database File in MS Access MDB Format, Help System, Supplemental Field System, System Code/Entry Module, Data Validation subsystem, Standard Actuanal Reports, Query By Example (QBE) Look Up System, Event System, Diary System, One Complete Set of User Manuals (*) Required System Module	\$24,995.00 (*)
SORTMASTER [®] MODULE:	\$4,995 Reporting /Graphics/SQL Module	\$4,995.00
WORKSTATION PACKAGE OPTIONS:		
QUICK START SYSTEM PACKAGE	\$2,500/Work Station () Quantity of Work Stations Includes: One Line of Business GC/WC/VA Claim/Claimant Flexible Reserve System, Organizational Hierarchy Module, Exposure Module, Funds Management System, Full Claimants File, Full Defendants File.	\$ 0.00
STANDARD SYSTEM PACKAGE	\$3,500/Work Station () Quantity of Work Stations Includes: All Quick Start Modules, Two Lines of Business GC/WC/VA, Policy Management System, Diary Management, Litigation Management, Expert Witness File, Adjuster File, MICR Check Processing System* (Also requires Check Cartridge for \$995.00)	\$ 0.00
PROFESSIONAL SYSTEM PACKAGE	\$5,000/Work Station (5) Quantity of Work Stations Includes: All Quick Start and Standard System Modules, All Lines of Business GC/WC/VA, Quick Entry/View System.	\$25,000.00
OPTIONAL OTHER MODULES AVAILABLE: Modules Purchased Are Indicated With An Arrow ⇒		
⇒ Administrative Tracking	\$4,995 for 10 Users; \$300/User for Additional Users	\$3,745.00
Executive Data Analysis & Reporting (EDA)	\$1,995 - Only For MS Access & MS SQL Server Platforms	
Full Set of Printed Manuals	\$295 Full Set Includes Shipping Costs	
FROI Forms Cartridge	\$3,995 One State; \$5,995 All States Including Cartridge No Support Plan Or Form Upgrades Provided (See Note 3) Upgrades are not supplied with this version of this product.	
MICR Check Printing Cartridge	\$995 Standard Check Layout; Additional Custom Check/Voucher Layouts Extra (See Note 3)	
⇒ Data Validation System	\$2,995 all Files	\$2,995.00
⇒ Data Import System	\$2,995 One File; \$4,995 All Files	\$4,995.00
Fee Schedule For BRS	\$9,995.00 For 3Users, \$2,000 Each Additional (Client Can Obtain Schedules From Medicare Or Can Manually Enter)	
SQL Based Database Servers	Additional RISKMASTER/Win® Server Fees: \$10,000 Server System Fee for RISC/AIX Systems <i>INFORMIX 10.2, SYBASE</i> (SYBASE Version 10.0.2.7 Requires AIX 3.2.5 or Higher)	
SUB TOTAL SOFTWARE		\$66,725.00
Less discount		<\$6,298.00>
TOTAL SOFTWARE		\$60,427.00

- Note 1: Client is responsible for acquiring and installing for each user: MS Office, Database Software and other Windows based programs.
- Note 2: Media Fee--\$295.00 for each additional printed user manual set. One manual set provided with server system included free.
- Note 3: FROI/Checks: All RxLaser work to set up signatures, logos or custom programming is a separate RxLase responsibility and cost.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: June 30, 1998

		<u>License Fees/Costs</u>																				
4.	TRAINING - Per Contract Statement Of Work And Schedule Of Fees (Type And Amount Of Training, RM/WIN@) <ul style="list-style-type: none"> - System Prototype Training: <u>Two (2) People at DTG Training Center (\$3,000.00/16 Hours)</u> \$3,000.00 - Training Available at Client Site for up to four (4) People- \$1,750.00 per day. All out of pocket travel costs are billable. \$7,000.00 - Sortmaster Computer Based Training \$ 500.00 TOTAL \$10,500.00 																					
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6.	SOFTWARE SERVICES/CUSTOM PROGRAMMING FEES - Per Contract Statement Of Work Data Validation Analysis and Data Conversion can be performed on a Time and Material basis. Client may do their own data conversion using the RISKMASTER/Win@ Data Specification and upload programs. Services are billable at the rate of <u>\$135.00 per hour</u> . Upon final assessment of data, a statement of work will be provided indicating the work to be performed and the estimated costs involved for the Client's sign-off. This cost estimate is based on the Data Source having an accurate file record layout. An estimate (per source for one line of business) for data conversion and analysis is <u>\$7,500.00</u> . One day of user training is also required. OPTIONAL (*) (*) <table border="0" style="width: 100%;"> <thead> <tr> <th align="left"><u>Line of Business</u></th> <th align="left"><u>Carrier or Data Source</u></th> <th align="left"><u>Ongoing or One Time</u></th> <th></th> </tr> </thead> <tbody> <tr> <td>DATA DIRECTOR SYSTEM</td> <td></td> <td>\$4,995.00</td> <td>NOT INCLUDED</td> </tr> <tr> <td>TECHNICAL TRAINING - ONE DAY</td> <td></td> <td>\$1,240.00</td> <td>NOT INCLUDED</td> </tr> <tr> <td>DOS TO WINDOWS WINPORT PROJECT</td> <td></td> <td>\$7,495.00</td> <td>NOT INCLUDED</td> </tr> </tbody> </table>	<u>Line of Business</u>	<u>Carrier or Data Source</u>	<u>Ongoing or One Time</u>		DATA DIRECTOR SYSTEM		\$4,995.00	NOT INCLUDED	TECHNICAL TRAINING - ONE DAY		\$1,240.00	NOT INCLUDED	DOS TO WINDOWS WINPORT PROJECT		\$7,495.00	NOT INCLUDED					
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7.	SOFTWARE SUPPORT And SERVICE PACK FEES - Per Contract Agreement 7.1 SOFTWARE SUPPORT PLAN MODULE(S) LICENSED <table border="0" style="width: 100%;"> <thead> <tr> <th>Type:</th> <th><u>Total Hours Per Year</u></th> <th><u>New Service Packs</u></th> <th><u>License Fees/Costs</u></th> </tr> </thead> <tbody> <tr> <td>Professional Advantage Service Plan</td> <td align="center"><u>38</u></td> <td>Included</td> <td>\$10,200.00/Year</td> </tr> <tr> <td>SORTMASTER™</td> <td align="center"><u>12 (First Year Only)</u></td> <td>Included</td> <td>Included/First Year</td> </tr> <tr> <td>Data Director System (DDS)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Data Import System (DIS)</td> <td align="center"><u>3</u></td> <td>Included</td> <td>\$799.00</td> </tr> </tbody> </table> <p>Note 4: SORTMASTER™ Includes twelve (12) support hours during the first year. Note 5: Additional Support time if requested by Client is billed at \$135.00/Hour.</p> 7.2 DATABASE SUPPORT MODULE(S) LICENSED And Warm Site SERVICE <u>License Fees/Costs</u> Type: RISKMASTER/Win@ Database Design Module (<u>Define Server Version</u>) X_Microsoft SQL Server (6.5) \$1,995.00/Year	Type:	<u>Total Hours Per Year</u>	<u>New Service Packs</u>	<u>License Fees/Costs</u>	Professional Advantage Service Plan	<u>38</u>	Included	\$10,200.00/Year	SORTMASTER™	<u>12 (First Year Only)</u>	Included	Included/First Year	Data Director System (DDS)				Data Import System (DIS)	<u>3</u>	Included	\$799.00	
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Data Import System (DIS)	<u>3</u>	Included	\$799.00																			
Note 6: Software Support Plan and Database Support License Fees are for a two (2) year period and this is optionally renewable annually.																						
GRAND TOTAL		<u>\$91,911.00</u>																				

RISKMASTER WIN®

Server Database - Disk Space Recommendations

Database Size Per Database Source

General:

Table definitions, Index definitions, and Initial data will require about 8 MB of Space. The following table will help you decide the disk space needed per number of claims that you estimate to have in your system. Users should allow for five years of growth in disk space per estimated claim volume increases. Space required could increase as much as 50% more than the estimates noted, below due to large text requirements or large quantities of user definable datafields being added to the claim file.

Number Of Claims	Minimum Space Required (MB)		
	INFORMIX	Sybase	MS SQL Server
100	4.5	4.5	4.5
1,000	45.0	45.0	45.0
5,000	225.0	225.0	225.0
7,500	337.5	337.5	337.5
10,000	450.0	450.0	450.0
100,000	4500.0	4500.0	4500.0

A disk space estimate of an average of 45 KB per claim in INFORMIX, Sybase and SQL Server is required. If users expect to be utilizing most of the RISKMASTER/Win database fields or substantial free text/memo fields, an estimate of 80K per claim or higher should be used.

Note:

- Remember to add the 8 MB of the initial setup of tables and data.
- It is also recommended that you add about 30% of the final size to the actual estimated database for workspace and caching.
- Remember the disk space estimated values reflects populating all fields related to Claims. Your specific database may have lesser data disk space requirements.
- Appropriate client back up media and storage methods need to match the disk space estimates for reliable operational processing.
- Estimates reflect an average of four payments and four reserves per claim

*Regardless Of Version, Windows/Win95 Must Be Fully Installed On The Local Hard Drive, Not The Server.

RISKMASTER | WIN®

File Server Requirements and Recommendations

	Required	Recommended
System	Intel Pentium 166MHz w/parallel processing capability	Intel Pro-Pentium 200MHz w/dual processor or parallel processing capability
Memory	128MB RAM	256MB RAM or greater
Hard Disk	Depends upon database	Depends upon database
Network Operating System	Either Novell Netware 3.1x, 4.xx or Windows/NT Server 3.51, 4.0	Same
Protocol	IPX, TCP/IP, or NetBEUI	Same
LAN Speed	4MBit Token-ring or 10Mbit Ethernet	16Mbit Token-ring or 100Mbit Ethernet
WAN Speed	57.6Kbaud routers	T-1 routers or greater
Modem (For NT/Server only)	28.8 Kbaud	57.6 Kbaud
PCAnywhere (For NT/Server only)	pcANYWHERE/32	Same

NOTE: The aforementioned servers may be either dedicated, or non-dedicated with respect to RISKMASTER/Win. The Novell Netware option supports only the Microsoft Access option for RISKMASTER/Win. The Windows/NT Server option supports either the Microsoft Access option or the MS SQL Server option for RISKMASTER/Win.

Also note that RISKMASTER/Win Access installations may only be implemented in a LAN. WAN support does not exist for RISKMASTER/Win Access installation.

*Regardless Of Version, Windows/Win95 Must Be Fully Installed On The Local Hard Drive, Not The Server.



Microsoft SQL Server Requirements and Recommendations

	Required	Recommended
System	Intel Pentium 166MHz w/parallel processor capability	Intel Pro-Pentium 200MHz w/parallel processor capability
Memory	128MB RAM	256MB+ RAM or greater
Hard Disk	Depends upon database	Depends upon database
Network Operating System	Windows/NT Server 3.51 or 4.0	Same
MS SQL Server version	6.x	6.5
Protocol	IPX, TCP/IP, Named pipes or NetBEUI	Named pipes
ODBC SQL Server Driver version	2.50.0126	2.50.0126
LAN Speed	4Mbit Token-ring or 10Mbit Ethernet	16Mbit Token-ring or 100Mbit Ethernet
WAN Speed	57.6Kbaud routers	T-1 routers or greater
Modem (For NT/Server only)	28.8 Kbaud	57.6 Kbaud
PCAnywhere (For NT/Server only)	pcANYWHERE/32	Same

NOTE: The aforementioned server may be either dedicated, or non-dedicated, with respect to RISKMASTER/Win. It is recommended, however, that the SQL Server file server be dedicated to RISKMASTER/Win.

*Regardless Of Version, Windows/Win95 Must Be Fully Installed On The Local Hard Drive, Not The Server.



Data Entry/Inquiry Workstation Requirements and Recommendations

	Required	Recommended
System	Intel Pentium 120MHz	Intel Pentium 200MHz
Memory	16MB RAM	32MB RAM
Hard Disk/CDROM	200MB available	500MB available Plus CDROM
Operating System	MS-DOS 6.2x or better	Windows/95***
MS Windows	Version 3.11 for Wrkgprs*	Windows/95***
Modem	14.4 baud	28.8 baud
PCAnywhere	Windows Version 2.0	pcANYWHERE/32
Microsoft Office Pro.	Version 4.3	Version 4.3

NOTE: As a database, Microsoft Access 2.0 is recommended only for Local Area Networks, stand-alone workstations, less than four system users and less than 15,000 records. It is the recommendation of DORN Technology Group, Inc. that any Client which exceeds any of these criteria graduate to a served-data environment such as Microsoft SQL Server, Informix, or Sybase. Report Processing workstations or large database system workstations require more memory as workspace and also 5K of disk space per claim record to process, prepare and print large results set reports.

Reporting/Large Database Workstation Requirements and Recommendations

	Required	Recommended
System	Intel Pentium 166MHz	Intel Pentium 200MHz
Memory	32MB RAM	64MB RAM
Hard Disk	500MB available	1+GB available
Operating System	MS-DOS 6.2 or better	Windows/95***
MS Windows	Version 3.11 for Wrkgprs*	Windows/95***
Modem	14.4 baud	28.8 baud
PCAnywhere	Windows Version 2.0	pcANYWHERE/32
Microsoft Office Pro.	Version 4.3	Version 4.3

*Regardless Of Version, Windows/Win95 Must Be Fully Installed On The Local Hard Drive, Not The Server.



City of Peoria

8401 West Monroe Street, Peoria, Arizona 85345

August 12, 1998

Mr. John M. Golke
Sr. Software Consultant
Dorn Technology Group
38705 Seven Mile Road, Suite 450
Livonia, MI 48152

Re: Request for Proposal P8-0052, Risk Management Software, 3rd Best and Final Offer

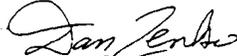
Dear Mr. Golke:

At this time the City of Peoria is asking Dorn Technology Group to submit a 3rd Best and Final Offer for the proposed Risk Management Software. There are three outstanding issues needing resolution at this time.

1. Item 4 (freight) was deleted from the contract. The City is asking Dorn Technology Group to acknowledge that freight will be FOB Destination and that Dorn Technology Group will pay all freight, insurance and destination charges.
2. The language for item 13.6 has been resolved. Please incorporate the agreed upon language into 13.6 limiting arbitration to \$50,000.00.
3. The total cost of the project is listed as \$91,911.00. The City of Peoria has budgeted funds of \$90,000.00 for this project. Dorn Technology Group is being asked to revise their pricing to reflect a total price of \$90,000.00.

Please submit your 3rd Best and Final Offer by August 27, 1998, if no response is received we will consider your previous offer as Best and Final. If you have any questions, please contact me at 412-7115.

Sincerely,


Dan Zenko
Contract Officer

CC: Scottsdale AZ Office

**DORN
Technology
Group, Inc.**

Software, Services & Consulting

Suite 450
38705 Seven Mile Road
Livonia, MI 48152-1005
(313) 462-5800
Fax (313) 462-5807

Mr. Dan Zenko
Contract Officer
City of Peoria
8401 West Monroe Street
Peoria, AZ 85345

RE: Request for proposal P8-0052, Contract

Dear Mr. Zenko,

DORN Technology Group has submitted for approval a revised Best and Final Offer. We agreed to the terms requested by the City of Peoria from your letter dated July 9, 1998 with the exception of item 4. Please note that we made changes stating that the jurisdiction will be changed to Arizona with arbitration to be held in a mutually agreeable location. As stated, other municipalities in Arizona have accepted this contract provision. Because of sovereign immunity in Arizona, it is my understanding that litigation could not be brought against the City of Peoria if the contract is worded in this fashion.

Secondly, pricing on the project will be acceptable until September 10 as to give the City ample time to evaluate the purchase.

I hope that this addendum is mutually acceptable. If there are any questions, our attorney would be happy to set up a time to talk to the city's attorney to find terms that would be amiable to both parties. Thank you for your patience and diligence, and please call me at (602) 423-7766 if you have any questions.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: August 10, 1998

1. "CLIENT" NAME: City Of Peoria
 COMPLETE ADDRESS: 8401 West Monroe Street
 Room 340
 Peoria, Az 85345
 (602)412-7234

2. TYPE OF LICENSE: RISKMASTER/Win® Class IV (Windows or Win95 - 16Bit Client Server)
 LICENSE USE TERM: Perpetual Use-One Time Fee
 DATABASE Design Module(s): X MS-SQL 6.5 (recommended)
 STANDARD WORKSTATIONS: 5
 REMOTE WORKSTATIONS: 0
 ACCOUNTS: 1
 QTY SERVERS and TYPE(s): 1
 SOFTWARE RELEASE LEVEL: 3.5 Release -16 Bit Per Technical Specification Effective 2/97

3. STANDARD SOFTWARE LICENSE AND DOCUMENTATION:

<u>Product Name</u>	<u>Description</u>	<u>License Fees/Costs</u>
RISKMASTER/Win®	MAIN SERVER SOFTWARE SYSTEM MODULES: Includes: Security System, Utility System Module, Database File in MS Access MDB Format, Help System, Supplemental Field System, System Code/Entity Module, Data Validation subsystem, Standard Actuarial Reports, Query By Example (QBE) Look Up System, Event System, Diary System, One Complete Set of User Manuals (*) Required System Module	\$24,995.00 (*)
SORTMASTER ® MODULE:	\$4,995 Reporting /Graphics/SQL Module	\$4,995.00
WORKSTATION PACKAGE OPTIONS:		
QUICK START SYSTEM PACKAGE	\$2,500/Work Station () Quantity of Work Stations Includes: One Line of Business GC/WC/VA Claim/Claimant Flexible Reserve System, Organizational Hierarchy Module, Exposure Module, Funds Management System, Full Claimants File, Full Defendants File	\$ 0.00
STANDARD SYSTEM PACKAGE	\$3,500/Work Station () Quantity of Work Stations Includes: All Quick Start Modules, Two Lines of Business GC/WC/VA, Policy Management System, Diary Management, Litigation Management, Expert Witness File, Adjuster File, MICR Check Processing System* (Also requires Check Cartridge for \$995.00)	\$ 0.00
PROFESSIONAL SYSTEM PACKAGE	\$5,000/Work Station (5) Quantity of Work Stations Includes: All Quick Start and Standard System Modules, All Lines of Business GC/WC/VA, Quick Entry/View System.	\$25,000.00
OPTIONAL OTHER MODULES AVAILABLE: <u>Modules Purchased Are Indicated With An Arrow ⇒</u>		
⇒ Administrative Tracking	\$4,995 for 10 Users; \$300/User for Additional Users	\$3,745.00
Executive Data Analysis & Reporting (EDA)	\$1,995 - Only For MS Access & MS SQL Server Platforms	
Full Set of Printed Manuals	\$295 Full Set Includes Shipping Costs	
FROI Forms Cartridge	\$3,995 One State; \$5,995 All States Including Cartridge No Support Plan Or Form Upgrades Provided (See Note 3) Upgrades are not supplied with this version of this product.	
MICR Check Printing Cartridge	\$995 Standard Check Layout; Additional Custom Check/Voucher Layouts Extra (See Note 3)	
⇒ Data Validation System	\$2,995 all Files	\$2,995.00
⇒ Data Import System	\$2,995 One File; \$4,995 All Files	\$4,995.00
Fee Schedule For BRS	\$9,995.00 For 3Users, \$2,000 Each Additional (Client Can Obtain Schedules From Medicode Or Can Manually Enter)	
SQL Based Database Servers	Additional RISKMASTER/Win® Server Fees: \$10,000 Server System Fee for RISC/AIX Systems <i>INFORMIX 10.2, SYBASE (SYBASE Version 10.0.2.7 Requires AIX 3.2.5 or Higher)</i>	
SUB TOTAL SOFTWARE		\$66,725.00
Less discount		-\$6,298.00
TOTAL SOFTWARE		\$60,427.00

Note 1 Client is responsible for acquiring and installing for each user MS Office, Database Software and other Windows based programs

Note 2 Media Fee--\$295.00 for each additional printed user manual set. One manual set provided with server system included free

Note 3 FROI/Checks All RxLaser work to set up signatures, logos or custom programming is a separate RxLase responsibility and cost

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions
SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: August 10, 1998

		<u>License Fees/Costs</u>	
4.	TRAINING - Per Contract Statement Of Work And Schedule Of Fees (Type And Amount Of Training, RM/WIN@)		
	- System Prototype Training: <u>Two (2) People at DTG Training Center (\$3,000.00/16 Hours)</u>		\$3,000.00
	- Training Available at Client Site for up to four (4) People- \$1,750.00 per day All out of pocket travel costs are billable		\$7,000.00
	- Sortmaster Computer Based Training		\$ 500.00
	TOTAL		\$10,500.00
5.	INSTALLATION AND PROJECT MANAGEMENT SERVICE FEES - Per Contract Statement Of Work And Schedule Of Fees Includes 16 hours of Software Installation Services Travel is billable if on-site work is requested by Client		
	TOTAL: MICROSOFT SEQUEL SERVER RISKMASTER/Win Installation		\$2,995.00
	PROJECT MANAGEMENT - Review of client procedures/work flow tasks Lists duties, includes up to 40 hours of project management. Tele-conference call on project management tasks. Coordinate data conversion, acceptance of application. Scheduling of all client events Upload DTG Client Management System. Client review of SUMS data. Includes attending one day prototyping software session.		\$4,995.00
6.	SOFTWARE SERVICES/CUSTOM PROGRAMMING FEES - Per Contract Statement Of Work		
	Data Validation Analysis and Data Conversion can be performed on a Time and Material basis Client may do their own data conversion using the RISKMASTER/Win@ Data Specification and upload programs Services are billable at the rate of \$135.00 per hour . Upon final assessment of data, a statement of work will be provided indicating the work to be performed and the estimated costs involved for the Client's sign-off This cost estimate is based on the Data Source having an accurate file record layout. An estimate (per source for one line of business) for data conversion and analysis is \$7,500.00 One day of user training is also required.		
	OPTIONAL (*)		
	(*) Line of Business Carrier or Data Source Ongoing or One Time		
	<u>DATA DIRECTOR SYSTEM</u>	<u>\$4,995.00</u>	NOT INCLUDED
	<u>TECHNICAL TRAINING - ONE DAY</u>	<u>\$1,240.00</u>	NOT INCLUDED
	<u>DOS TO WINDOWS WINPORT PROJECT</u>	<u>\$7,495.00</u>	NOT INCLUDED
7.	SOFTWARE SUPPORT And SERVICE PACK FEES - Per Contract Agreement		
	7.1 SOFTWARE SUPPORT PLAN MODULE(S) LICENSED		
		<u>Total Hours Per Year</u>	<u>New Service Packs</u>
	Type Professional Advantage Service Plan	<u>38</u>	Included
	SORTMASTER™	<u>12 (First Year Only)</u>	Included
	Data Director System (DDS)		
	Data Import System (DIS)	<u>3</u>	Included
			\$799.00
	Note 4. SORTMASTER™ Includes twelve (12) support hours during the first year.		
	Note 5. Additional Support time if requested by Client is billed at \$135.00/Hour		
	7.2 DATABASE SUPPORT MODULE(S) LICENSED And Warm Site SERVICE		<u>License Fees/Costs</u>
	Type. RISKMASTER/Win@ Database Design Module (<u>Define Server Version</u>)		
	<u>X</u> Microsoft SQL Server (6.5)		\$1,995.00/Year
	Note 6. Software Support Plan and Database Support License Fees are for a two (2) year period and this is optionally renewable annually		
	GRAND TOTAL		<u>\$91,911.00</u>

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: August 10, 1998

BY SIGNING BELOW, SCHEDULE OF FEES, APPENDIX ONE:

"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT: City Of Peoria

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

Approved By _____

Approved By _____

Name Printed _____

Mark E. Dom
Name Printed _____

Title _____

President
Title _____

Date: ____/____/1998

Date: ____/____/1998

7/27/98JMG

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: August 10, 1998

System Profile Addendum:

Please identify the number of claims you intend to process per year for all lines of business in table 1. Please identify the historical data, if any that will be processed in table 2. Please list the users, mode of connection, and location in table 3.

Table 1: New Claims Per Year:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

Table 2: Total Historical Claims:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Customer Flexibility Pricing Packages

Agreement No. JG-016

Prices Valid Until August 10, 1998

DORN Technology Group, Inc. ("DTG") on its behalf and on behalf of DTG Services, Inc. and the undersigned ("CLIENT") agree that these Terms and Conditions govern the sale and licensing of DTG Software and Services and third party hardware and software.

1. DEFINITIONS

1.1 **Database Support Module or DSM** means modules(s) containing programs supplied or developed by DTG or third parties for use with Software which contains the physical and logical design for file storage and implementation

1.2 **Documentation** means manuals, help files and handbooks supplied with Software or in connection with Services

1.3 **Products** means Software, Database Design Modules, Documentation and Third Party Products.

1.4 **Server**, unless otherwise indicated on the Schedule of Fees, means the processor or equipment configuration on which the Software is first executed pursuant to the license herein.

1.5 **Services** means training, consulting, Project Management, and custom programming provided by DTG or DTG Services, Inc.

1.6 **Software** means RISKMASTER/Win ® (16 Bit Client/Server Version) as more specifically described in the Schedule of Fees, Service Pack releases and warranty updates which may be provided by DTG

1.7 **Third Party Product** means hardware and software products identified on the Schedule of Fees or programs integrated in software provided by DTG which may be licensed directly to CLIENT by parties other than DTG

1.8 **Workstation** means a discrete equipment configuration which has access to the Server.

2. **PRICES AND FEES** are specified on the Schedule of Fees. Any Services which are requested that are not set out on the Schedule of Fees will be billed on a time and materials basis and are due and payable by CLIENT upon receipt of invoice. CLIENT agrees to pay DTG for all reasonable and customary travel expenses incurred in the installation of the products or delivery of Services at CLIENT's site.

3. **TAXES.** CLIENT is responsible for all applicable taxes and tariffs on the sale, license or use of the Products and Services. DTG is responsible for taxes based on its net income.

4. Item four deleted

5. PAYMENT

5.1 Payment of license fees for Software, DSMs, if any, or for Third Party Products shall be made in two

installments: (i) fifty (50%) percent due upon return of this Agreement

executed by CLIENT or submission of a purchase order from CLIENT and (ii) fifty (50%) percent plus all applicable taxes, duties and levies due upon installation of Software or Third Party Products at the CLIENT's site or, if applicable, delivery of the Products to CLIENT site via shipping agent, completion of a New Client Project Teleconference, delivery of the Starter Kit and completion of the initial training session. DTG will ship Software, Documentation and Starter Kit materials upon receipt of the deposit.

5.2 The DSM fee is billed on an annual basis after the Software installation is completed.

5.3 Training fees and related travel costs are billed as incurred per each training session completed. Travel expenses are billed in accordance with DTG's standard H.R. policy. Installation, Project Management, Consulting, and custom programming fees are billed as incurred less any pre-paid deposit amounts.

5.4 Support plan options are billed upon delivery of the Starter Kit and billed on an annual basis.

5.5 Any DTG supplied Third Party Products are billed when the software is delivered. No DTG third party products are charged for unless otherwise defined on the Schedule Of Fees. Other CLIENT programs licensed by CLIENT directly from third parties or parties other than DTG are billed under the terms and conditions of the third party.

5.6 Payment for Services is due upon receipt of invoice by CLIENT. A monthly late charge of one and a half (1.5%) per cent of unpaid fees will be assessed thirty (30) days after payment is due.

6. **CANCELLATION AND RESCHEDULING CHARGES.** In the event of cancellation or rescheduling by CLIENT of an order for Third Party Products, CLIENT is liable for any cancellation or rescheduling charge which is assessed by the Third Party hardware or software supplier. Rescheduling of an order is subject to acceptance by DTG.

7. INSTALLATION

7.1 CLIENT may contract with DTG for installation of Software, configuration of Server(s), Workstation(s), Software and Third Party Products and other set-up services at CLIENT's facility in the United States or Canada.

7.2 Installation shall be deemed complete upon the successful execution of DTG diagnostic programs or completion of DTG training checklist.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. JG-016

Prices Valid Until August 10, 1998

7.3 Third Party Products will be installed as set forth in the Schedule of Fees. Installation of Third Party Products are deemed complete upon execution of the diagnostic programs.

7.4 CLIENT is responsible for preparation of a safe and suitable site in accordance with DTG's Software and site specifications.

8. LIMITED WARRANTY

8.1 DTG warrants to CLIENT that Software and DSM(s) will perform in accordance with the Documentation for one hundred eighty (180) days after delivery of the respective Software or DSM(s) to the CLIENT. DTG does not warrant that the execution of Software and DSM(s) shall be uninterrupted or error free. Additional custom programming may be required and can be provided on a time and materials basis.

8.2 DTG does not warrant Third Party Products which DTG provides "as is". DTG agrees to assign any warranty rights it may have to CLIENT.

8.3 This warranty is a limited warranty and does not apply to improper use of the Products or other external causes as more fully set out in the Documentation.

8.4 DTG warrants that Services which it provides will be performed in a good and workmanlike manner. Any and all warranties by DTG Services, Inc. are set forth in the agreement describing the Services to be provided and are subject to the disclaimer set forth in Paragraph 8.7 below.

8.5 DTG warrants to CLIENT that Software will allow for entry of the year 2000 on data entry screen and in the database and has four year digit year capabilities. CLIENT acknowledges that the Third Party Products may not be Year 2000 compliant.

8.6 CLIENT's remedies for DTG's obligations under this Paragraph are set forth in Paragraph 13.

8.7 THE ABOVE WARRANTIES ARE THE EXCLUSIVE REMEDIES AND NO OTHER WARRANTY, EXPRESS OR IMPLIED, SHALL APPLY.

9. SOFTWARE AND DSM LICENSE

9.1 Software License. Upon CLIENT's execution of this Agreement, DTG grants CLIENT a Software License for use of the Software and DSM(s) described in the Schedule of Fees by a single user unless otherwise set forth in the Schedule of Fees. DTG grants no other software licenses whatsoever, either explicitly or implicitly, except upon execution of this Agreement and payment of license fees. CLIENT's License is personal and non-exclusive, and may not be transferred without DTG's express consent. Title to Software and DSM(s)

shall remain in DTG. CLIENT shall execute the Software on the designated Server only and may load, copy or transmit the Software and DSM(s), in whole or in part, only as necessary for execution on the Server, except that CLIENT may execute the Software or DSM(s) (except diagnostic Software) on another single processor or equipment configuration on a temporary basis during a malfunction which prevents execution of the Software or DSM(s) on the Server or during extraordinary circumstances such as disaster recovery for no more than 120 days, and may load, transmit, or copy the Software or DSM(s) as necessary for such temporary execution. CLIENT may make backup or archival copies of the Software and DSM(s) and copies for off-site storage provided CLIENT agrees to reproduce DTG's copyright and all other legal or proprietary notices. CLIENT will authorize DTG to utilize all client data in industry performance and bench marking studies. DTG will not identify the supplying organizations as a part of this data conversion process.

9.2 License Limitation. CLIENT shall not decompile or reverse assemble the Software or DSM(s), or analyze or otherwise examine the Software, including any hardware or firmware implementation of the Software for the purpose of reverse engineering. CLIENT cannot loan, rent, lease or sublicense Software or DSM(s) or any copy. CLIENT cannot have more Workstations accessing Software or DSM(s) than the number of Workstations provided for on the Schedule of Fees. This License is for use of the Software object code only.

9.3 License Termination. CLIENT's License shall continue unless terminated as provided herein. DTG may terminate any License granted if CLIENT neglects or fails to perform or observe any of its obligations to DTG under these Terms and Conditions, and such condition is not remedied within thirty (30) days after written notice has been given to CLIENT. Before any termination by CLIENT becomes effective, or in the event of termination by DTG, CLIENT shall: (i) destroy all copies of all versions of Software, Documentation and DSM(s) in CLIENT's possession, and (ii) remove all portions of the DSM(s) and all versions of the Software for any adaptations made by purchaser and destroy such portions and (iii) certify in writing that all copies, including all those included in CLIENT's adaptations, have been destroyed or returned to DTG.

9.4 Confidentiality. CLIENT acknowledges that Software, DSM(s) and Documentation contain the trade secrets and proprietary technology of DTG and agrees to hold the Software, DSM(s) and Documentation in confidence and not to disclose or make available the Software, DSM(s) or Documentation except to its employees to the extent needed to use the Software, DSM(s) and Documentation in accordance with this License. CLIENT's third party contractors shall not access Software, DSMs, Documentation or the client specific portions of DTG's web site. CLIENT's obligations under this Section will survive termination of the Software and DSM License.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
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9.5 **Third Party Products.** Any Third party products or software defined in the attached Schedule Of Fees, is licensed in accordance with the Terms and Conditions of the third party license agreement accompanying the software. CLIENT is solely responsible for obtaining and complying with the terms of third party license agreements.

10. **MAINTENANCE MATERIAL.** Diagnostic Software (including source code), Documentation, equipment or other material used by DTG or DTG Services, Inc. in the performance of installation, warranty, or Services may be furnished with Products or stored at CLIENT's facility. DTG grants no title or license to such material, and it remains the exclusive property of DTG. CLIENT agrees to properly secure such material and not to use it in any manner or make it available to third parties without DTG's prior consent.

11. **SERVICES.** Training will be provided at DTG's or DTG Services, Inc.'s place of business or clients site as further set forth in the Schedule of Fees. DTG or DTG Services, Inc. will provide one (1) year of telephone support not to exceed the amount of hours as set forth on the Schedule of Fees

12. INFRINGEMENT INDEMNIFICATION

12.1 DTG shall defend, at its expense, any claim (including any suit) brought against CLIENT alleging that any Software or Documentation furnished hereunder infringe a United States patent, copyright, or mask work right, and shall pay all costs and damages finally awarded, provided that CLIENT gives DTG prompt written notice of such claim, and information, reasonable assistance and sole authority to defend or settle the claim. In the defense or settlement of the claim, DTG may obtain for CLIENT the right to continue using the Software or Documentation, replace or modify the Software or Documentation so they become non-infringing or, if such remedies are not reasonably available, grant CLIENT a credit for the Software or Documentation as depreciated on a three (3) year straight line basis and accept their return. DTG shall not have any liability if the alleged infringement is based upon the use, license or sale of the Software or Documentation in combination with other products (including software) not furnished by DTG. DTG DISCLAIMS ALL OTHER LIABILITY FOR VIOLATION, MISAPPROPRIATION OR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, AND FURTHER DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

12.2 CLIENT shall be responsible for securing license or authorized use agreement for any code files, databases, data field indicators or non-DTG software. CLIENT shall indemnify DTG and DTG Services, Inc. for and hold DTG and DTG Services, Inc. harmless from any claim, lawsuit or other action brought against DTG or DTG Services, Inc. for breach or violation of a license

or use agreement or other infringement claim including all damages assessed or settlements paid together with reasonable costs and attorney fees incurred by DTG or DTG Services, Inc.

13. REMEDIES AND LIMITATIONS

13.1 These remedies are CLIENT's exclusive remedies and are in lieu of any other remedy at law or in equity.

13.2 In all situations involving performance or non-performance of Software furnished hereunder, CLIENT'S remedy is correction or replacement by DTG (at DTG's option) of defective Software with Software that performs in accordance with the Documentation if DTG is notified by CLIENT in writing of a material defect within the warranty period and CLIENT provides sufficient information to allow DTG to recreate the defect. If DTG cannot meet its support obligations as defined in the support plan agreement and has exhausted its resources for support through its related companies, divisions, or subsidiaries, then DTG will provide CLIENT the then current release of all source code material relating to the most current software products which CLIENT has acquired through a software license. Source Code will reside at the following Authorized DTG Source Code Agent, STEVEN ALEXSY, ESQ., MAY, SIMPSON & STROTE, 100 W. LONG LAKE ROAD, SUITE 200, BLOOMFIELD HILLS MI 48304

13.3 DTG'S AND DTG SERVICES, INC.'S LIABILITY TO CLIENT FOR ANY CAUSE WHATSOEVER SHALL BE LIMITED TO THE PURCHASE PRICE PAID TO DTG FOR THE PRODUCTS AND SERVICES THAT ARE THE SUBJECT OF CLIENT'S CLAIM. THIS LIMITATION WILL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER CONTRACT OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE. THE FOREGOING LIMITATION DOES NOT APPLY TO DAMAGES RESULTING FROM PERSONAL INJURY CAUSED BY DTG OR DTG SERVICES, INC.'S NEGLIGENCE.

13.4 IN NO EVENT WILL DTG OR DTG SERVICES, INC. BE LIABLE FOR ANY DAMAGES RESULTING FROM LOSS OF DATA OR USE, LOST PROFITS OR ANY INDIRECT, INCIDENTAL SPECIAL OR CONSEQUENTIAL DAMAGES.

13.5 Any action against DTG or DTG Services, Inc. must be brought within twelve (12) months after the cause of action arises.

13.6 This Agreement is governed by and construed under the laws of Arizona. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute under this Agreement shall be submitted to binding arbitration in a mutually agreeable location under the then prevailing rules of the American Arbitration

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Association. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction.

14. GENERAL CONDITIONS

14.1 DTG agrees to comply with Section 1861 (v) (1) (I) of the Social Security Act as amended and the applicable rules and regulations requiring maintenance of records to verify cost of Products.

14.2 DTG agrees to comply with Federal and state statutes regarding affirmative action and the Immigration Reform and Control Act of 1986.

14.3 DTG agrees to maintain standard workers compensation insurance and comprehensive and general liability insurance coverages or provide adequate self insurance coverage.

14.4 For a period of up to one (1) year after completion of the last CLIENT service period, CLIENT and DTG shall not solicit each others employees involved in performance of services to undertake employment with CLIENT/DTG respectively or any entity related to either CLIENT/DTG.

14.5 These Terms and Conditions will supersede any previous communications, representations, or agreements by either party whether verbal or written including any terms and conditions on CLIENTS order. Any modification to these Terms and Conditions must be in writing and signed by authorized representatives of DTG and CLIENT

14.6 If any term of this agreement is found to be illegal or unenforceable then notwithstanding this agreement shall remain in full force and effect and such term shall be deemed stricken.

14.7 CLIENT is licensing Software designed to operate with Data Volumes on the following platforms: (i) Access up to 10,000 records, (ii) MS Sequel System up to 20,000 records, and (iii) Informix System up to 40,000 records. Volumes above the levels listed may be acceptable but require certification on the CLIENT's specific hardware and communication environment. Certification is billable at the DTG standard labor rate.

15. ACCEPTANCE

15.1 Acceptance of Products or Services is specific to each product or service provided by DTG. Software is deemed accepted upon successful installation. Services are deemed accepted upon delivery. CLIENT may be asked to approve acceptance or release forms specific to services being performed for products being delivered. Under no circumstance is payment or acceptance of Products tied to data conversions, data reconciliation, custom programming, installation services or project management. These services may also require CLIENT to get third party or internal staff co-operation and participation for DTG to complete a specific service.

15.2 For Custom Software Contract data conversion project not utilizing the Data Director specifications DTG recommends CLIENT contract for Data Validation Services. It is also recommended that the Third Party DTG data questionnaire be completed. Data conciliation services are not included as part of contracted data conversion work, outlined in the Schedule of Fees.

"EASY CONTRACT" ATTACHMENTS:

Schedule of Fees:

RM/Win® Data Entry/Workstation Requirements & Recommendations

RM/Win® Database - Disk Space Recommendations

RM/Win® System Requirements: Software Release 3.1

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. JG-016

Prices Valid Until August 10, 1998

"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read the Schedule of Fees and this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT: City of Peoria

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

Signature

Signature

Name Printed

Mark E. Dorn

Name Printed

Title

President
Title

Date: ____/____/1998

Date: ____/____/1998

L.SALES\1997
(date/initials)

DORN Technology Group, Inc.
ADDENDUM TO STANDARD TERMS AND CONDITIONS

Addendum:

Agreement No.

The Agreement to which this Addendum relates and of which this Addendum forms a part ("Agreement") is the Standard Terms And Conditions between DORN TECHNOLOGY GROUP, INC. and The City of Peoria "Client". Any terms contained in the Agreement to the contrary notwithstanding, the parties agree that the Agreement is amended as follows:

- 1.0 Two sets of Manuals will be provided to the City of Peoria at no extra cost. Additional manuals can be purchased for \$299 per set.
- 2.0 DORN Technology Group shall have all Insurance requirements met within 10 days of contract award notification.

CITY OF PEORIA

DORN TECHNOLOGY GROUP, INC.

By:

By:

Signature

Signature

Name Printed

Mark E. Dorn

Name Printed

Title

President

Title

Date

Date



City of Peoria

8401 West Monroe Street, Peoria, Arizona 85345

July 9, 1998

Mr. John M. Golke
Sr. Software Consultant
Dorn Technology Group
38705 Seven Mile Road, Suite 450
Livonia, MI 48152

Re: Request for Proposal P8-0052, Risk Management Software, 2nd Best and Final Offer

Dear Mr. Golke:

At this time the City of Peoria is asking Dorn Technology Group to submit a 2nd Best and Final Offer for the proposed Risk Management Software. Items are addressed in the same order as the first Best and Final Offer.

1. The reply to item one (1) needs clarification. The City is asking Dorn Technology Group to acknowledge that freight will be FOB Destination and that Dorn Technology Group will pay all freight, insurance and destination charges.
2. Item two (2) is acknowledged as now being warranted for 180 days at no additional cost to the City.
3. Item three (3) is very explicit as to how the statement needs to read. "The above referenced warranties are the exclusive remedies and no other warranty, express or implied, shall apply." This was reviewed by the City Attorney and needs to be acknowledged by Dorn's attorney.
4. Item four (4) is also very explicit. Dorn Technology Group needs to acknowledge that Binding Arbitration is agreed to, only up to a \$5,000.00 limit.
5. Item five (5) is acknowledged as deleted.
6. *Item six (6) is acknowledged as being five (5) workstations.*

7. Item seven (7), the response is not clear. The City of Peoria is asking for two (2) sets of manuals to be provided at no cost to the City.
8. Item eight (8), the City acknowledges that additional technical manuals can be purchased for \$299.00 per set.
9. Item nine (9), as a counter offer, the City of Peoria is requesting that Dorn Technology Group offer a discount of 25% on the Administrative Tracking Module.
10. Item ten (10), Insurance requirements shall be met within 10 days of contract award notification, as outlined in the Request for Proposal (P8-0052).
11. Item eleven (11), the pricing structure for additional modules is acknowledged. There is no listing for the computer-based training in the pricing structure. Please acknowledge that this is included in the pricing structure.
12. Item twelve (12), new pricing structure is acknowledged.

Please submit your 2nd Best and Final Offer by July 21, 1998, if no response is received we will consider your previous offer as Best and Final. If you have any questions, please contact me at 412-7115.

Sincerely,



Dan Zenko
Contract Officer

CC: Scottsdale AZ Office



City of Peoria

8401 West Monroe Street, Peoria, Arizona 85345

May 28, 1998

Mr. John M. Golke
Sr. Software Consultant
Dorn Technology Group
38705 Seven Mile Road, Suite 450
Livonia, MI 48152

Re: Request for Proposal P8-0052, Risk Management Software, Best and Final Offer

Dear Mr. Golke:

At this time the City of Peoria is asking Dorn Technology Group to submit a Best and Final Offer for the proposed Risk Management Software. Items specifically needing addressed in your Best and Final Offer are as follows:

1. The City of Peoria takes exception to the Dorn Technology Group, Easy Contract, Item 4 Delivery. Freight will be FOB Destination. Dorn Technology Group will pay all freight, insurance, and destination charges
2. The City of Peoria takes exception to the Dorn Technology Group, Easy Contract, Item 8.1. The current warranty is ninety (90) days after delivery. The City of Peoria is requesting that this warranty be extended to six (6) months after delivery at no additional cost to the City.
3. The City of Peoria takes exception to the Dorn Technology Group, Easy Contract, Item 8.7. The second sentence in its entirety is to be deleted. The statement will read "The above referenced warranties are the exclusive remedies and no other warranty, express or implied, shall apply."
4. The City of Peoria takes exception to the Dorn Technology Group, Easy Contract, Item 13.6. Binding arbitration is agreed to only up to a \$5,000.00 limit.
5. The City of Peoria takes exception to the Dorn Technology Group, Easy Contract, Item 14.8. The City shall not supply data of any type. Delete entire paragraph.

6. The City of Peoria would like the type of users for the proposed software package to be FIVE (5) CONCURRENT USERS, not workstations.
7. The City of Peoria takes exception to the Dorn Technology Group, Schedule of Fees, Note 2: Media Fee. One manual set provided with server system included free. The City is requesting two (2) manual sets to be included free.
8. Additional pricing is requested on Technical Manuals and User Manuals. Can these be purchased separately and at what price.
9. The City is requesting that the Administrative Tracking Module be included at no additional cost to the City.
10. Insurance requirements as outlined in the Request for Proposal (P8-0052) are to be included in this contract.
11. The City of Peoria is requesting that the following software be included in the proposal: Data Import (\$4,995.00), Data Validation (\$2,995.00), and Computer Based Training (\$500.00) software. It is understood that this change will also increase the ongoing maintenance for the additional software by the standard 18% maintenance costs, for a increase of \$1438.20 in maintenance costs and an increase in software costs of \$8490.00 for a total of \$9,928.20.
12. The City of Peoria is requesting that Dorn Technology Group revisit their pricing structure for the proposed software. The City of Peoria is requesting that the total price for the software which is \$87,830.00 plus additions of \$9,928.20 for a new total price of \$97,758.20, be reduced to an \$80,000.00 total price with no reduction in services provided.

Please submit your Best and Final Offer by June 9, 1998, if no response is received we will consider your previous offer as Best and Final. If you have any questions, please contact me at 412-7115.

Sincerely,



Dan Zenko
Contract Officer

CC: Scottsdale AZ Office

DORN
Technology
Group, Inc.

software, Services & Consulting

June 4, 1998

Dan Zenko
Contract Officer
City Of Peoria
8401 West Monroe Street, Room 340
Peoria, Az 85345

Re: Response to Best and Final Offer

Dear Dan,

Attached is the response for the Best and Final Offer from Request for Proposal P8-0052. Responses are numbered in the order presented on the document sent to me on May 28, 1998.

1. Item 4 regarding delivery has been deleted from Dorn Technology Group's Easy Contract.
2. Item 8.1 has been modified to include (180) days for the extended warranty at no additional cost to the City.
3. For Item 8.7 on the Easy Contract, it would be necessary for you to speak with our attorney, Frank Mancuso.
4. For Item 13.6 in Dorn Technology's Easy Contract referring to binding arbitration, it would be necessary to speak with our attorney.
5. Item 14.8 in the Dorn Technology Group, Easy Contract, has been deleted.
6. It is not possible because the software is true client/server technology; it is loaded on each workstation.
7. To eliminate the need to produce multiple paper manuals, Dorn Technology Group includes an online manual with each workstation.
8. Additional technical manuals can be purchased for \$299 per set.
9. The Administrative Tracking module can not be added at no additional cost to the City, however, it can be purchased at a 10% discounted price.
10. Insurance requirements are in process from Harry Howes Insurance.

11. Items have been included in the updated contract and have been discounted.

12. Pricing structure for the City has been discounted as seen on the contract attached.

Thank you for your interest in the Riskmaster/Win software package and please call me with any questions at 423-7766.

Sincerely,

A handwritten signature in black ink, appearing to read "John M. Golke". The signature is written in a cursive style with a large initial "J" and "G".

John M. Golke
Software Consultant, Southwest Region

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: June 30, 1998

1. "CLIENT" NAME: City Of Peoria
- COMPLETE ADDRESS:
 8401 West Monroe Street
 Room 340
 Peoria, Az 85345
 (602)412-7234
2. TYPE OF LICENSE: RISKMASTER/Win®: Class IV (Windows or Win95 - 16Bit Client Server)
 LICENSE USE TERM: Perpetual Use-One Time Fee
 DATABASE Design Module(s): X MS-SQL 6.5 (recommended)
 STANDARD WORKSTATIONS: 5
 REMOTE WORKSTATIONS: 0
 ACCOUNTS: 1
 QTY SERVERS and TYPE(s): 1
 SOFTWARE RELEASE LEVEL: 3.5 Release -16 Bit Per Technical Specification Effective 2/97

3. STANDARD SOFTWARE LICENSE AND DOCUMENTATION:

<u>Product Name</u>	<u>Description</u>	<u>License Fees/Costs</u>
RISKMASTER/Win®	MAIN SERVER SOFTWARE SYSTEM MODULES: Includes: Security System, Utility System Module, Database File in MS Access MDB Format, Help System, Supplemental Field System, System Code/Entity Module, Data Validation subsystem, Standard Actuarial Reports, Query By Example (QBE) Look Up System, Event System, Diary System, One Complete Set of User Manuals (*) Required System Module	\$24,995.00 (*)
SORTMASTER * MODULE:	\$4,995 Reporting /Graphics/SQL Module	\$4,995.00
WORKSTATION PACKAGE OPTIONS:		
QUICK START SYSTEM PACKAGE:	\$2,500/Work Station () Quantity of Work Stations Includes: One Line of Business GC/WC/VA Claim/Claimant Flexible Reserve System, Organizational Hierarchy Module, Exposure Module, Funds Management System, Full Claimants File, Full Defendants File	\$ 0.00
STANDARD SYSTEM PACKAGE:	\$3,500/Work Station () Quantity of Work Stations Includes: All Quick Start Modules, Two Lines of Business GC/WC/VA, Policy Management System, Diary Management, Litigation Management, Expert Witness File, Adjuster File, MICR Check Processing System* (Also requires Check Cartridge for \$995.00)	\$ 0.00
PROFESSIONAL SYSTEM PACKAGE:	\$5,000/Work Station (5) Quantity of Work Stations Includes: All Quick Start and Standard System Modules, All Lines of Business GC/WC/VA, Quick Entry/View System.	\$25,000.00
OPTIONAL OTHER MODULES AVAILABLE: Modules Purchased Are Indicated With An Arrow =>		
Administrative Tracking	\$4,995 for 10 Users; \$300/User for Additional Users	
Executive Data Analysis & Reporting (EDA)	\$1,995 - Only For MS Access & MS SQL Server Platforms	
Full Set of Printed Manuals	\$295 Full Set Includes Shipping Costs	
FROI Forms Cartridge	\$3,995 One State; \$5,995 All States Including Cartridge No Support Plan Or Form Upgrades Provided (See Note 3) Upgrades are not supplied with this version of this product.	
MICR Check Printing Cartridge	\$995 Standard Check Layout; Additional Custom Check/Voucher Layouts Extra (See Note 3)	
>Data Validation System	\$2,995 all Files	\$2,995.00
>Data Import System	\$2,995 One File; \$4,995 All Files	\$4,995.00
Fee Schedule For BRS	\$9,995.00 For 3Users, \$2,000 Each Additional (Client Can Obtain Schedules From Medicode Or Can Manually Enter)	
SQL Based Database Servers	Additional RISKMASTER/Win® Server Fees: \$10,000 Server System Fee for RISC/AIX Systems INFORMIX 10.2, SYBASE (SYBASE Version 10.0.2.7 Requires AIX 3.2.5 or Higher)	
SUB TOTAL SOFTWARE		\$62,980.00
Less discount		<\$6,228.00>
TOTAL SOFTWARE		\$56,682.00

- Note 1: Client is responsible for acquiring and installing for each user: MS Office, Database Software and other Windows based programs.
- Note 2: Media Fee--\$295.00 for each additional printed user manual set. One manual set provided with server system included free
- Note 3: FROI/Checks: All RxLaser work to set up signatures, logos or custom programming is a separate RxLase responsibility and cost.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: June 30, 1998

		<u>License Fees/Costs</u>																
4.	TRAINING - Per Contract Statement Of Work And Schedule Of Fees (Type And Amount Of Training: RM/WIN®) - System Prototype Training <u>Two (2) People at DTG Training Center (\$3,000.00/16 Hours)</u> \$3,000.00 - Training Available at Client Site for up to four (4) People- \$1,750.00 per day. All out of pocket travel costs are billable. <u>\$7,000.00</u> TOTAL \$10,000.00																	
5.	INSTALLATION AND PROJECT MANAGEMENT SERVICE FEES - Per Contract Statement Of Work And Schedule Of Fees includes <u>16 hours</u> of Software Installation Services. Travel is billable if on-site work is requested by Client. TOTAL: MICROSOFT SEQUEL SERVER RISKMASTER/Win Installation \$2,995.00 PROJECT MANAGEMENT - Review of client procedures/work flow tasks. Lists duties; includes up to <u>40 hours</u> of project management. Tele-conference call on project management tasks. Coordinate data conversion, acceptance of application. Scheduling of all client events. Upload DTG Client Management System. Client review of SUMS data. Includes attending one day prototyping software session. \$4,995.00																	
6.	SOFTWARE SERVICES/CUSTOM PROGRAMMING FEES - Per Contract Statement Of Work Data Validation Analysis and Data Conversion can be performed on a Time and Material basis. Client may do their own data conversion using the RISKMASTER/Win® Data Specification and upload programs. Services are billable at the rate of \$135.00 per hour . Upon final assessment of data, a statement of work will be provided indicating the work to be performed and the estimated costs involved for the Client's sign-off. This cost estimate is based on the Data Source having an accurate file record layout. An estimate (per source for one line of business) for data conversion and analysis is \$7,500.00 . One day of user training is also required. OPTIONAL (*) (*) <table border="0"> <thead> <tr> <th>Line of Business</th> <th>Carrier or Data Source</th> <th>Ongoing or One Time</th> <th></th> </tr> </thead> <tbody> <tr> <td>DATA DIRECTOR SYSTEM</td> <td></td> <td>\$4,995.00</td> <td>NOT INCLUDED</td> </tr> <tr> <td>TECHNICAL TRAINING - ONE DAY</td> <td></td> <td>\$1,240.00</td> <td>NOT INCLUDED</td> </tr> <tr> <td>DOS TO WINDOWS WINPORT PROJECT</td> <td></td> <td>\$7,495.00</td> <td>NOT INCLUDED</td> </tr> </tbody> </table>	Line of Business	Carrier or Data Source	Ongoing or One Time		DATA DIRECTOR SYSTEM		\$4,995.00	NOT INCLUDED	TECHNICAL TRAINING - ONE DAY		\$1,240.00	NOT INCLUDED	DOS TO WINDOWS WINPORT PROJECT		\$7,495.00	NOT INCLUDED	
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TECHNICAL TRAINING - ONE DAY		\$1,240.00	NOT INCLUDED															
DOS TO WINDOWS WINPORT PROJECT		\$7,495.00	NOT INCLUDED															
7.	SOFTWARE SUPPORT And SERVICE PACK FEES - Per Contract Agreement 7.1 SOFTWARE SUPPORT PLAN MODULE(S) LICENSED <table border="0"> <thead> <tr> <th>Type: Professional Advantage Service Plan</th> <th>Total Hours Per Year</th> <th>New Service Packs</th> <th>License Fees/Costs</th> </tr> </thead> <tbody> <tr> <td>SORTMASTER™</td> <td><u>38</u></td> <td>Included</td> <td>\$10,200.00/Year</td> </tr> <tr> <td>Data Director System (DDS)</td> <td><u>3</u> (First Year Only)</td> <td>Included</td> <td>Included/First Year</td> </tr> <tr> <td>Data Import System (DIS)</td> <td><u>3</u></td> <td>Included</td> <td>\$799.00</td> </tr> </tbody> </table> <p>Note 4: SORTMASTER™ Includes twelve (12) support hours during the first year. Note 5: Additional Support time if requested by Client is billed at \$135.00/Hour.</p>	Type: Professional Advantage Service Plan	Total Hours Per Year	New Service Packs	License Fees/Costs	SORTMASTER™	<u>38</u>	Included	\$10,200.00/Year	Data Director System (DDS)	<u>3</u> (First Year Only)	Included	Included/First Year	Data Import System (DIS)	<u>3</u>	Included	\$799.00	
Type: Professional Advantage Service Plan	Total Hours Per Year	New Service Packs	License Fees/Costs															
SORTMASTER™	<u>38</u>	Included	\$10,200.00/Year															
Data Director System (DDS)	<u>3</u> (First Year Only)	Included	Included/First Year															
Data Import System (DIS)	<u>3</u>	Included	\$799.00															
	7.2 DATABASE SUPPORT MODULE(S) LICENSED And Warm Site SERVICE Type: RISKMASTER/Win® Database Design Module (<u>Define Server Version</u>) <table border="0"> <tr> <td><input checked="" type="checkbox"/> Microsoft SQL Server (6.5)</td> <td align="right">\$1,995.00/Year</td> </tr> </table> <p>Note 6: Software Support Plan and Database Support License Fees are for a two (2) year period and this is optionally renewable annually.</p>	<input checked="" type="checkbox"/> Microsoft SQL Server (6.5)	\$1,995.00/Year															
<input checked="" type="checkbox"/> Microsoft SQL Server (6.5)	\$1,995.00/Year																	
GRAND TOTAL		<u>\$88,465.00</u>																

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: June 30, 1998

BY SIGNING BELOW, SCHEDULE OF FEES, APPENDIX ONE:

"CLIENT" and DORN Technology Group, Inc. & DORN Technology Group Services, Inc., acknowledge that each has read this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT: City Of Peoria

DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.

Approved By

Approved By

Name Printed

Mark E. Dom

Name Printed

Title

President
Title

Date: ____/____/1998

Date: ____/____/1998

6/4/98JMG

DORN Technology Group, Inc./DORN Technology Group Services, Inc.

"Easy Contract" Standard Terms And Conditions

SCHEDULE OF FEES - Customer Flexibility Pricing Packages

Agreement No. JG-CP

Prices Valid Until: June 30, 1998

System Profile Addendum:

Please identify the number of claims you intend to process per year for all lines of business in table 1. Please identify the historical data, if any that will be processed in table 2. Please list the users, mode of connection, and location in table 3.

Table 1: New Claims Per Year:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

Table 2: Total Historical Claims:

Approximate Claim Volumes	Please Check One:	User Verified:
0-300		
300-5,000		
5,000-10,000		
10,000-20,000		
20,000-50,000		
(*) 50,000-100,000		
(*) 100,000-150,000		
(*) 150,000-250,000		

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Customer Flexibility Pricing Packages

Agreement No.

Valid Until June 30, 1998

DORN Technology Group, Inc. ("DTG") on its behalf and on behalf of DTG Services, Inc. and the undersigned ("CLIENT") agree that these Terms and Conditions govern the sale and licensing of DTG Software and Services and third party hardware and software.

1. DEFINITIONS

1.1 **Database Support Module or DSM** means modules(s) containing programs supplied or developed by DTG or third parties for use with Software which contains the physical and logical design for file storage and implementation.

1.2 **Documentation** means manuals, help files and handbooks supplied with Software or in connection with Services.

1.3 **Products** means Software, Database Design Modules, Documentation and Third Party Products.

1.4 **Server**, unless otherwise indicated on the Schedule of Fees, means the processor or equipment configuration on which the Software is first executed pursuant to the license *herein*.

1.5 **Services** means training, consulting, Project Management, and custom programming provided by DTG or DTG Services, Inc.

1.6 **Software** means RISKMASTER/Win ® (16 Bit Client/Server Version) as more specifically described in the Schedule of Fees, Service Pack releases and warranty updates which may be provided by DTG.

1.7 **Third Party Product** means hardware and software products identified on the Schedule of Fees or programs integrated in software provided by DTG which may be licensed directly to CLIENT by parties other than DTG.

1.8 **Workstation** means a discrete equipment configuration which has access to the Server.

2. **PRICES AND FEES** are specified on the Schedule of Fees. Any Services which are requested that are not set out on the Schedule of Fees will be billed on a time and materials basis and are due and payable by CLIENT upon receipt of invoice. CLIENT agrees to pay DTG for all reasonable and customary travel expenses incurred in the installation of the products or delivery of Services at CLIENT's site.

3. **TAXES.** CLIENT is responsible for all applicable taxes and tariffs on the sale, license or use of the Products and Services. DTG is responsible for taxes based on its net income.

5. PAYMENT.

5.1 Payment of license fees for Software, DSMs, if any, or for Third Party Products shall be made in two installments: (i) fifty (50%) percent due upon return of this Agreement executed by CLIENT or submission of a purchase order from CLIENT and (ii) fifty (50%) percent plus all applicable taxes, duties and levies due upon installation of Software or Third Party Products at the CLIENT's site or, if applicable, delivery

of the Products to CLIENT site via shipping agent, completion of a New Client Project Teleconference, delivery of the Starter Kit and completion of the initial training session. DTG will ship Software, Documentation and Starter Kit materials upon receipt of the deposit.

5.2 The DSM fee is billed on an annual basis after the Software installation is completed.

5.3 Training fees and related travel costs are billed as incurred per each training session completed. Travel expenses are billed in accordance with DTG's standard H.R. policy. Installation, Project Management, Consulting, and custom programming fees are billed as incurred less any pre-paid deposit amounts.

5.4 Support plan options are billed upon delivery of the Starter Kit and billed on an annual basis.

5.5 Any DTG supplied Third Party Products are billed when the software is delivered. No DTG third party products are charged for unless otherwise defined on the Schedule Of Fees. Other CLIENT programs licensed by CLIENT directly from third parties or parties other than DTG are billed under the terms and conditions of the third party.

5.6 Payment for Services is due upon receipt of invoice by CLIENT. A monthly late charge of one and a half (1.5%) per cent of unpaid fees will be assessed thirty (30) days after payment is due.

6. **CANCELLATION AND RESCHEDULING CHARGES.** In the event of cancellation or rescheduling by CLIENT of an order for Third Party Products, CLIENT is liable for any cancellation or rescheduling charge which is assessed by the Third Party hardware or software supplier. Rescheduling of an order is subject to acceptance by DTG.

7. INSTALLATION

7.1 CLIENT may contract with DTG for installation of Software, configuration of Server(s), Workstation(s), Software and Third Party Products and other set-up services at CLIENT's facility in the United States or Canada.

7.2 Installation shall be deemed complete upon the successful execution of DTG diagnostic programs or completion of DTG training checklist.

7.3 Third Party Products will be installed as set forth in the Schedule of Fees. Installation of Third Party Products are deemed complete upon execution of the diagnostic programs.

7.4 CLIENT is responsible for preparation of a safe and suitable site in accordance with DTG's Software and site specifications.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. _____

Valid Until June 30, 1998

8. LIMITED WARRANTY

8.1 DTG warrants to CLIENT that Software and DSM(s) will perform in accordance with the Documentation for ninety (180) days after delivery of the respective Software or DSM(s) to the CLIENT. DTG does not warrant that the execution of Software and DSM(s) shall be uninterrupted or error free. Additional custom programming may be required and can be provided on a time and materials basis.

8.2 DTG does not warrant Third Party Products which DTG provides "as is". DTG agrees to assign any warranty rights it may have to CLIENT.

8.3 This warranty is a limited warranty and does not apply to improper use of the Products or other external causes as more fully set out in the Documentation.

8.4 DTG warrants that Services which it provides will be performed in a good and workmanlike manner. Any and all warranties by DTG Services, Inc. are set forth in the agreement describing the Services to be provided and are subject to the disclaimer set forth in Paragraph 8.7 below.

8.5 DTG warrants to CLIENT that Software will allow for entry of the year 2000 on data entry screen and in the database and has four year digit year capabilities. CLIENT acknowledges that the Third Party Products may not be Year 2000 compliant.

8.6 CLIENT's remedies for DTG's obligations under this Paragraph are set forth in Paragraph 13.

8.7 THE ABOVE WARRANTIES ARE THE EXCLUSIVE REMEDIES AND NO OTHER WARRANTY, EXPRESS OR IMPLIED, SHALL APPLY. THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE SPECIFICALLY DISCLAIMED.

9. SOFTWARE AND DSM LICENSE

9.1 Software License. Upon CLIENT's execution of this Agreement, DTG grants CLIENT a Software License for use of the Software and DSM(s) described in the Schedule of Fees by a single user unless otherwise set forth in the Schedule of Fees. DTG grants no other software licenses whatsoever, either explicitly or implicitly, except upon execution of this Agreement and payment of license fees. CLIENT's License is personal and non-exclusive, and may not be transferred without DTG's express consent. Title to Software and DSM(s) shall remain in DTG. CLIENT shall execute the Software on the designated Server only and may load, copy or transmit the Software and DSM(s), in whole or in part, only as necessary for execution on the Server, except that CLIENT may execute the Software or DSM(s) (except diagnostic Software) on another single processor or equipment configuration on a temporary basis during a malfunction which prevents execution of the Software or DSM(s) on the Server or during extraordinary circumstances such as disaster recovery for no more than 120 days, and may load, transmit, or copy the Software or DSM(s) as necessary for such temporary

execution. CLIENT may make backup or archival copies of the Software and DSM(s) and copies for off-site storage provided CLIENT agrees to reproduce DTG's copyright and all other legal or proprietary notices. CLIENT will authorize DTG to utilize all client data in industry performance and bench marking studies. DTG will not identify the supplying organizations as a part of this data conversion process.

9.2 License Limitation. CLIENT shall not decompile or reverse assemble the Software or DSM(s), or analyze or otherwise examine the Software, including any hardware or firmware implementation of the Software for the purpose of reverse engineering. CLIENT cannot loan, rent, lease or sublicense Software or DSM(s) or any copy. CLIENT cannot have more Workstations accessing Software or DSM(s) than the number of Workstations provided for on the Schedule of Fees. This License is for use of the Software object code only.

9.3 License Termination. CLIENT's License shall continue unless terminated as provided herein. DTG may terminate any License granted if CLIENT neglects or fails to perform or observe any of its obligations to DTG under these Terms and Conditions, and such condition is not remedied within thirty (30) days after written notice has been given to CLIENT. Before any termination by CLIENT becomes effective, or in the event of termination by DTG, CLIENT shall: (i) destroy all copies of all versions of Software, Documentation and DSM(s) in CLIENT's possession, and (ii) remove all portions of the DSM(s) and all versions of the Software for any adaptations made by purchaser and destroy such portions and (iii) certify in writing that all copies, including all those included in CLIENT's adaptations, have been destroyed or returned to DTG.

9.4 Confidentiality. CLIENT acknowledges that Software, DSM(s) and Documentation contain the trade secrets and proprietary technology of DTG and agrees to hold the Software, DSM(s) and Documentation in confidence and not to disclose or make available the Software, DSM(s) or Documentation except to its employees to the extent needed to use the Software, DSM(s) and Documentation in accordance with this License. CLIENT's third party contractors shall not access Software, DSMs, Documentation or the client specific portions of DTG's web site. CLIENT's obligations under this Section will survive termination of the Software and DSM License.

9.5 Third Party Products. Any Third party products or software defined in the attached Schedule Of Fees, is licensed in accordance with the Terms and Conditions of the third party license agreement accompanying the software. CLIENT is solely responsible for obtaining and complying with the terms of third party license agreements.

10. **MAINTENANCE MATERIAL.** Diagnostic Software (including source code), Documentation, equipment or other material used by DTG or DTG Services, Inc. in the performance of installation, warranty, or Services may be furnished with Products or stored at CLIENT's facility. DTG grants no title or license to such material, and it remains the exclusive property of DTG. CLIENT agrees to properly secure

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
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such material and not to use it in any manner or make it available to third parties without DTG's prior consent.

11. **SERVICES.** Training will be provided at DTG's or DTG Services, Inc.'s place of business or clients site as further set forth in the Schedule of Fees. DTG or DTG Services, Inc. will provide one (1) year of telephone support not to exceed the amount of hours as set forth on the Schedule of Fees.

12. INFRINGEMENT INDEMNIFICATION

12.1 DTG shall defend, at its expense, any claim (including any suit) brought against CLIENT alleging that any Software or Documentation furnished hereunder infringe a United States patent, copyright, or mask work right, and shall pay all costs and damages finally awarded, provided that CLIENT gives DTG prompt written notice of such claim, and information, reasonable assistance and sole authority to defend or settle the claim. In the defense or settlement of the claim, DTG may obtain for CLIENT the right to continue using the Software or Documentation, replace or modify the Software or Documentation so they become non-infringing or, if such remedies are not reasonably available, grant CLIENT a credit for the Software or Documentation as depreciated on a three (3) year straight line basis and accept their return. DTG shall not have any liability if the alleged infringement is based upon the use, license or sale of the Software or Documentation in combination with other products (including software) not furnished by DTG. DTG DISCLAIMS ALL OTHER LIABILITY FOR VIOLATION, MISAPPROPRIATION OR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, AND FURTHER DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

12.2 CLIENT shall be responsible for securing license or authorized use agreement for any code files, databases, data field indicators or non-DTG software. CLIENT shall indemnify DTG and DTG Services, Inc. for and hold DTG and DTG Services, Inc. harmless from any claim, lawsuit or other action brought against DTG or DTG Services, Inc. for breach or violation of a license or use agreement or other infringement claim including all damages assessed or settlements paid together with reasonable costs and attorney fees incurred by DTG or DTG Services, Inc.

13. REMEDIES AND LIMITATIONS

13.1 These remedies are CLIENT's exclusive remedies and are in lieu of any other remedy at law or in equity.

13.2 In all situations involving performance or non-performance of Software furnished hereunder, CLIENT'S remedy is correction or replacement by DTG (at DTG's option) of defective Software with Software that performs in accordance with the Documentation if DTG is notified by CLIENT in writing of a material defect within the warranty period and CLIENT provides sufficient information to allow DTG to recreate the defect. If DTG cannot meet its support obligations as defined in the support plan agreement and has exhausted its resources for support through its related companies, divisions, or subsidiaries, then DTG will provide CLIENT the then current release of all source code material

relating to the most current software products which CLIENT has acquired through a software license. Source Code will reside at the following Authorized DTG Source Code Agent: STEVEN ALEXSY, ESQ., MAY, SIMPSON & STROTE, 100 W. LONG LAKE ROAD, SUITE 200, BLOOMFIELD HILLS MI 48304.

13.3 DTG's AND DTG SERVICES, INC.'s LIABILITY TO CLIENT FOR ANY CAUSE WHATSOEVER SHALL BE LIMITED TO THE PURCHASE PRICE PAID TO DTG FOR THE PRODUCTS AND SERVICES THAT ARE THE SUBJECT OF CLIENT'S CLAIM. THIS LIMITATION WILL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER CONTRACT OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE. THE FOREGOING LIMITATION DOES NOT APPLY TO DAMAGES RESULTING FROM PERSONAL INJURY CAUSED BY DTG OR DTG SERVICES, INC.'s NEGLIGENCE.

13.4 IN NO EVENT WILL DTG OR DTG SERVICES, INC. BE LIABLE FOR ANY DAMAGES RESULTING FROM LOSS OF DATA OR USE, LOST PROFITS OR ANY INDIRECT, INCIDENTAL SPECIAL OR CONSEQUENTIAL DAMAGES.

13.5 Any action against DTG or DTG Services, Inc. must be brought within twelve (12) months after the cause of action arises.

13.6 This Agreement is governed by and construed under the laws of Michigan. The parties expressly exclude the application of the Convention on Contracts for the International Sale of Goods to this Agreement. Any dispute under this Agreement shall be submitted to binding arbitration in Oakland or Washtenaw Counties, Michigan under the then prevailing rules of the American Arbitration Association. Judgment upon any award made may be entered and enforced in any court of competent jurisdiction.

14. GENERAL CONDITIONS

14.1 DTG agrees to comply with Section 1861 (v) (1) (I) of the Social Security Act as amended and the applicable rules and regulations requiring maintenance of records to verify cost of Products.

14.2 DTG agrees to comply with Federal and state statutes regarding affirmative action and the Immigration Reform and Control Act of 1986.

14.3 DTG agrees to maintain standard workers compensation insurance and comprehensive and general liability insurance coverages or provide adequate self insurance coverage.

14.4 For a period of up to one (1) year after completion of the last CLIENT service period, CLIENT and DTG shall not solicit each others employees involved in performance of services to undertake employment with CLIENT/DTG respectively or any entity related to either CLIENT/DTG.

DORN Technology Group, Inc./DORN Technology Group Services, Inc.
"EASY CONTRACT" STANDARD TERMS AND CONDITIONS-Schedule Of Fees
Payment And Acceptance

Agreement No. _____

Valid Until June 30, 1998

14.5 These Terms and Conditions will supersede any previous communications, representations, or agreements by either party whether verbal or written including any terms and conditions on CLIENT'S order. Any modification to these Terms and Conditions must be in writing and signed by authorized representatives of DTG and CLIENT.

14.6 If any term of this agreement is found to be illegal or unenforceable then notwithstanding this agreement shall remain in full force and effect and such term shall be deemed stricken.

14.7 CLIENT is licensing Software designed to operate with Data Volumes on the following platforms: (i) Access up to 10,000 records, (ii) MS Sequel System up to 20,000 records, and (iii) Informix System up to 40,000 records. Volumes above the levels listed may be acceptable but require certification on the CLIENT's specific hardware and communication environment. Certification is billable at the DTG standard labor rate.

15. ACCEPTANCE

15.1 Acceptance of Products or Services is specific to each product or service provided by DTG. Software is deemed accepted upon successful installation. Services are deemed accepted upon delivery. CLIENT may be asked to approve acceptance or release forms specific to services being performed for products being delivered. Under no circumstance is payment or acceptance of Products tied to data conversions, data reconciliation, custom programming, installation services or project management. These services may also require CLIENT to get third party or internal staff co-operation and participation for DTG to complete a specific service.

15.2 For Custom Software Contract data conversion project not utilizing the Data Director specifications DTG recommends CLIENT contract for Data Validation Services. It is also recommended that the Third Party DTG data questionnaire be completed. Data conciliation services are not included as part of contracted data conversion work, outlined in the Schedule of Fees.

"EASY CONTRACT" ATTACHMENTS:

Schedule of Fees:

- RM/Win@ Data Entry/Workstation Requirements & Recommendations**
- RM/Win@ Database - Disk Space Recommendations**
- RM/Win@ System Requirements: Software Release 3.1**

"CLIENT" and DORN Technology Group, Inc., & DORN Technology Group Services, Inc., acknowledge that each has read the Schedule of Fees and this Agreement and accepts the Standard Terms and Conditions. The Parties further agree that this Agreement together with the appropriate appendices designated constitutes the entire Agreement between the parties with respect to its subject matter.

CLIENT:

Signature

Name Printed

Title

Date: ____/____/1998

**DORN Technology Group, Inc. &
DORN Technology Group Services, Inc.**

Signature

Mark E. Dorn

Name Printed

President

Title

Date: ____/____/1998

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

CC NO: _____ AMEND NO: _____

Date Prepared: October 22, 1998
Meeting Date: November 3, 1998

TO: Terry Ellis, City Manager
FROM: Steve Kemp, City Attorney
PREPARED BY: Pam Dorsey, Risk Management Technician
SUBJECT: Award of a fixed price contract to Dorn Technology Group, Inc. for Risk Management software and to approve the appropriation transfer of \$15,000.00 from contingency.

RECOMMENDATION:

That Council award a fixed price contract (P8-0052) to Dorn Technology Group, Inc. for Risk Management software in the amount of \$90,000.00. An additional \$5,000.00 for training and travel expenses directly related to this contract will be budgeted, bringing the total expenditure for this project to \$95,000.00. Funding is available and will be paid from the IS & T Reserve account 340-380-5-300.21 and the Risk Management Insurance Reserve accounts 320-361-5-420.71 and 320-361-5-205.02. Council is also being asked to approve the appropriation transfer of \$15,000.00 from contingency account 100-030-5-700.00 for this purchase. Of the \$15,000.00 contingency transfer, \$10,000.00 is to transfer into the Risk Management Insurance reserve account 320-361-5-420.07 as part of the actual software purchase and \$5,000.00 is to transfer into the Risk Management Insurance Reserve account 320-361-5-205.02 for associated training and travel costs.

SUMMARY:

The Risk Management Division of the City Attorney's Office is in need of a Risk Management software program to track claim abstract data, payment history, insurance policies and renewals. The Risk Management software will enable more timely and effective accounting and reporting of complex information related to the handling and management of property and liability insurance, workers compensation claims and the performance of detailed analysis of funds expended from self-insurance. The software will facilitate forecasting and improve allocation of insurance charges to departments.

Motion: _____
Second: _____
Approved: _____ Failed: _____
Nays: _____

Ord. # _____ Res. # _____
Action _____

COUNCIL AGENDA ITEM ROUTING/TOPIC FORM

Council Meeting Date: <u>November 3, 1998</u>	Today's Date: <u>October 22, 1998</u>
Initiating Department: <u>City of Peoria</u>	Telephone #: <u>(602) 412-7147</u>
Contact Person: <u>Pam Dorsey</u>	
<input type="checkbox"/> Study Session <input type="checkbox"/> Special Meeting <input checked="" type="checkbox"/> Regular Meeting <input type="checkbox"/> Regular Agenda - New Business <input checked="" type="checkbox"/> Consent Agenda - New Business <input type="checkbox"/> Reports from Mayor <input type="checkbox"/> Regular Agenda - Unfinished Business <input type="checkbox"/> Consent Agenda - Unfinished Business <input type="checkbox"/> Reports from City Council <input type="checkbox"/> Presentation/Proclamation <input type="checkbox"/> Reports from City Manager <input type="checkbox"/> Other:	
SUBJECT/RECOMMENDATION: That Council award a fixed price contract (P8-0052) to Dorn Technology Group, Inc. for Risk Management software in the amount of \$90,000.00. An additional \$5,000.00 for training and travel expenses directly related to this contract will be budgeted, bringing the total expenditure for this project to \$95,000.00. Funding is available and will be paid from the IS & T Reserve account 340-380-5-300.21 and the Risk Management Insurance Reserve accounts 320-361-5-420.71 and 320-361-5-205.02. Council is also being asked to approve the appropriation transfer of \$15, 000.00 from contingency account 100-030-5-700.00 for this purchase.	
AGENDA ITEM: (Check all that apply) <input checked="" type="checkbox"/> Action Item <input type="checkbox"/> No Action Necessary <input type="checkbox"/> Resolution <input type="checkbox"/> Public Hearing <input type="checkbox"/> Ordinance <input type="checkbox"/> Report/Information <input type="checkbox"/> Presentation/Proclamation <input checked="" type="checkbox"/> Contract/Agreement <input type="checkbox"/> Other:	FOLLOW-UP ACTION BY CITY CLERK: (Check all that apply) <input type="checkbox"/> Signatures <input type="checkbox"/> Posting <input type="checkbox"/> Recordation <input type="checkbox"/> Certification <input type="checkbox"/> Official Files <input type="checkbox"/> Publication <input type="checkbox"/> Other:
<p style="text-align: center;">FINANCIAL APPROVAL</p> <p><i>If the agenda item has a fiscal impact, route to Management Services Director for signature, prior to submission to the City Clerk.</i></p> <p>_____ Date _____</p> <p>Management Services Director</p>	<p style="text-align: center;">LEGAL APPROVAL</p> <p><i>If the agenda item is a resolution, ordinance, agreement, contract, or other legal document, route to City Attorney for review and approval as to form signature on document and routing form prior to submission to the City Clerk.</i></p> <p>_____ Date _____</p> <p>City Attorney</p>
CITY CLERK USE ONLY: Date Received: _____ Time Received: _____ AM PM	
COMMENTS: _____ _____ _____	
COUNCIL MEETING DATE: _____ CC#: _____	
APPROVAL DATE: _____ ORD#: _____	
ROUTING COMPLETED: _____ RES#: _____	
ROUTING COMPLETED: _____ LCON#: _____	
ROUTING COMPLETED: _____ LL#: _____	

Yellow - Attach to Original Council Communication
 White Copy - Hand carry or E-Mail to City Clerk as Topic Copy

Routing.Upd
 CCO Rev: 8/97

Pam-

Save this transfer and attach a

copy of the C.C. once it has

been approved by council, then

return to me in Budget

thanks

Tew

**CITY OF PEORIA
BUDGET TRANSFER AUTHORIZATION**

Transfer Number: 40 Period Ending: _____
 Requested by: Pam Dorsey Date Requested: 10/20/98
 Prepared by: *J. Balligan* Date Prepared: 10/20/98

100	30	5700	\$5,660,828	(\$15,000)	\$5,645,828
320	361	5420.07	\$0	\$10,000	\$10,000
320	361	5205.02	\$4,160	\$5,000	\$9,160
				\$0	

Comment: Request transfer of budget appropriation for costs associated with Risk Software project. \$10,000 balance of contract for software not funded with carry over (\$80,000) and \$5,000 for training on new software. Inputted?

Authorizations: (See "Budget Transfers" Policies and Procedures for approval requirements.)

Initiating Department Director _____ Management Services Director (if required) _____
 2nd Department Director (if required) _____ City Manager (if required) _____
 Budget Office Approval _____

- NOTES:**
1. All forms to be forwarded to the Budgeted Office.
 2. See "Budget transfers" Policies and Procedures for instructions on when to use this form.
 3. See "Transfer Form" Policies and Procedures for instructions on how to fill out this form.

Budget Office only below this line

SUPPORTING DOCUMENT

Council Communication
 Other _____

BUDGET OFFICE PROCESSING

Posted By: _____
 Date: _____

ACORD. CERTIFICATE OF INSURANCE

DATE (MM/DD/YY)
12/8/98

PRODUCER

HOWES & ASSOCIATES
INSURANCE SERVICES INC.
26022 Woodward, Suite 100
Royal Oak, Michigan 48067

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

- COMPANY A HANOVER INSURANCE
- COMPANY B CITIZENS INSURANCE
- COMPANY C ACCIDENT FUND OF MICHIGAN
- COMPANY D MONTICELLO INSURANCE COMPANY

INSURED

DORN TECHNOLOGY GROUP INC.
38705 Seven Mile Road
Livonia, Michigan 48152

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CC CTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY				
	X COMPREHENSIVE FORM				BODILY INJURY OCC \$
	X PREMISES OPERATIONS				BODILY INJURY AGG \$
	X EXPLOSION & COLLAPSE HAZARD	ZHH 5209061	8/31/98	8/31/99	PROPERTY DAMAGE OCC \$
	X PRODUCTS COMPLETED OPER				PROPERTY DAMAGE AGG \$
	X CONTRACTUAL				BI & PD COMBINED OCC \$ 1,000,000
	X INDEPENDENT CONTRACTORS				BI & PD COMBINED AGG \$ 2,000,000
	BROAD FORM PROPERTY DAMAGE				PERSONAL INJURY AGG \$ 1,000,000
	X PERSONAL INJURY				
	AUTOMOBILE LIABILITY				
	ANY AUTO				BODILY INJURY (Per person) \$
	X ALL OWNED AUTOS (Private Pass)	CAC 98094	5/16/98	5/16/99	BODILY INJURY (Per accident) \$
	X ALL OWNED AUTOS OTHER THAN Private Passenger				
	X HIRED AUTOS				PROPERTY DAMAGE \$
	X NON-OWNED AUTOS				
	WAREHOUSING				BODILY INJURY & PROPERTY DAMAGE COMBINED \$ 1,000,000
	SAUSAGE LIABILITY				
	EXCESS LIABILITY				
	X UMBRELLA FORM	C 9853	8/31/98	8/31/99	EACH OCCURRENCE \$ 1,000,000
	OTHER THAN UMBRELLA FORM				AGGREGATE \$ 1,000,000
	WORKERS COMPENSATION AND EMPLOYERS LIABILITY				STATUTORY LIMITS
	THE PROPRIETOR	NCL 276441	8/31/98	8/31/99	EACH ACCIDENT \$ 100,000
	PARTNERS EXECUTIVE OFFICERS ARE	EXCL			DISEASE POLICY LIMIT \$ 500,000
	OTHER				DISEASE EACH EMPLOYEE \$ 100,000
	PROFESSIONAL SERVICES LIABILITY	MPS 103819	9/22/98	9/22/99	\$500,000

DESCRIPTION OF OPERATIONS, LOCATIONS, VEHICLES/SPECIAL ITEMS

CERTIFICATE HOLDER & ADDITIONAL INSURED

CITY OF PEORIA, ARIZONIA
8401 West Monroe Room #340
Peoria, Arizona 85345

Attn: Dan Zenko

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES AUTHORIZED REPRESENTATIVE

DUPLICATE ORIGINAL

Agreement Software Support Services Renewal April 29, 2003 - Prices Valid for 5 Days

LCON 14798B P8-0052

Agreement No. 005001-3

Addendum No. 1

This Addendum is effective February 1, 2003 ("Anniversary Date"), and is hereby made a part of and incorporated into the "Easy Contract" Standard Terms and Conditions Agreement No. 005001-3 and any Addendum to Agreement No. 005001-3 ("Agreement") by and between Computer Sciences Corporation ("CSC") and City of Peoria ("CUSTOMER") located at 8401 West Monroe Street, Room 340, Peoria, AZ 85345. In the event that any provision of this Addendum and any provision of the Agreement is inconsistent or conflicting, the inconsistent or conflicting provision of this Addendum shall be and constitute an amendment of the Agreement and shall control, but only to the extent that such provision is inconsistent or conflicting with the Agreement.

CSC and CUSTOMER hereby agree as follows:

1. CUSTOMER is hereby renewing its Software Support Services under the terms of the "Agreement" in accordance with the following (the "Current Renewal Term"):
 - 3 Year Additional Software Services Support Renewal
2. The annual fee is as follows:

Year 1 \$	13,893.00 (Support \$ 11,898.00; + DSM Fee \$1,995.00)
Year 2 \$	13,893.00 (Support \$ 11,898.00; + DSM Fee \$1,995.00)
Year 3 \$	13,893.00 (Support \$ 11,898.00; + DSM Fee \$1,995.00)
3. CSC will invoice CUSTOMER annually prior to the Anniversary Date. Upon conclusion of the Current Renewal Term, the Customer Software Support Services fee can be increased to the then current rate at the time of renewal. For Year 1, CSC shall invoice CUSTOMER upon execution of this Addendum.
4. Upon conclusion of the Current Renewal Term, the Customer Software Support Services fee can be increased to the then current rate at the time of renewal. In addition, unless either party provides the other with at least 30 days prior written notice of non-renewal or a new Agreement is entered into, this Agreement shall automatically renew for additional terms of one year upon the expiration of each term hereof, subject to the then current annual rate.
5. CSC shall provide telephone and internet support and/or technical assistance as defined in the "Agreement" ("Scope of Services") as set forth in the Schedule of Fees or Schedule of Charges and/or as outlined below. Such support and assistance will be provided by telephone or internet at or from CSC's product center offices during the following hours: Monday through Friday 8:00 a.m. to 8:30 p.m., EST (or EDT as applicable).
 - i. The "Scope of Services" under this renewal shall be for unlimited hours of telephone and internet support.
 - ii. These services shall not include customized report preparation, on or offsite training, SORTMASTER report creation, data validation clean up, or other services more properly covered under a separate agreement or work order at the applicable hourly rate.
6. CSC reserves the right to immediately increase the Software Support Services annual fee if Customer increases the number of workstations and/or purchases additional software.
7. Notwithstanding anything in this Addendum to the contrary, Customer may terminate this Addendum at any time and without cause by providing CSC thirty (30) days prior written notice of said termination. Such termination shall not relieve Customer of any payment obligations under this Addendum through the date of termination nor entitle Customer to any refund of fees paid.
8. All other terms and conditions of the "Agreement" as previously amended by the parties, remain unchanged and shall be in full force and effect.

Total Addendum Amount: \$41,679.00

CSC and CUSTOMER certify by their undersigned authorized agents that they have read this Addendum and the Agreement and agree to be bound by their terms and conditions.

CSC
Computer Sciences Corporation

By: 
 (Authorized Signature)
 (in non-black ink, please)

RAYMOND A. AUGUST
 (Name)

EVP
 (Title)

4/29/03
 (Execution Date)

Customer
City of Peoria

* By: 
 (Authorized Signature)
 (in non-black ink, please)

Herman Koebergen
 (Name)

Materials Manager
 (Title)

5-2-03
 (Execution Date)

Riskmaster - WDR

L CON 14798

B

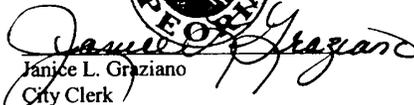
* See Attached Signature Addendum

DUPLICATE
ORIGINAL

P8-0052 Signature Addendum

APPROVED AS TO FORM:


Stephen M. Kemp
City Attorney

ATTESTED BY 

Janice L. Graziano
City Clerk

L CON 14798 B

DUPLICATE ORIGINAL

Computer Sciences Corporation Addendum April 29, 2003 - Prices Valid for 30 Days

LCON 14798C P8-0052

Agreement No. 005001-3

Addendum No. 2

This Addendum is effective April 29, 2003, and is hereby made a part of and incorporated into the "Easy Contract" Standard Terms and Conditions Agreement No. 005001-3 and any Addendums to Agreement No. 005001-3 ("Agreement") by and between Computer Sciences Corporation ("CSC") and City of Peoria ("CUSTOMER") located at 8401 West Monroe Street, Room 340, Peoria, AZ 85345. In the event that any provision of this Addendum and any provision of the Agreement is inconsistent or conflicting, the inconsistent or conflicting provision of this Addendum shall be and constitute an amendment of the Agreement and shall control, but only to the extent that such provision is inconsistent or conflicting with the Agreement.

CSC and CUSTOMER hereby agree as follows:

- 1. CUSTOMER desires to license seven (7) additional User Licenses ("Software") pursuant to the terms and conditions of the Agreement.
2. Notwithstanding anything to the contrary in the Agreement, CSC and CUSTOMER agree that for CUSTOMER'S authorization to license such Software, CUSTOMER promises and agrees to pay CSC a license charge of seven thousand dollars (\$7,000.00) which shall be due and payable upon execution hereof.
3. All other terms and conditions of the Agreement shall remain in full force and effect.

Total Addendum Amount: \$7,000.00

CSC and CUSTOMER certify by their undersigned authorized agents that they have read this Addendum and the Agreement and agree to be bound by their terms and conditions.

CSC Computer Sciences Corporation

Customer City of Peoria

By: [Signature] (Authorized Signature) (in non-black ink, please) RAYMOND A. AUGUST (Name) EVP (Title) 4/29/03 (Execution Date)

By: [Signature] (Authorized Signature) (in non-black ink, please) Herman Koebergen (Name) Materials Manager (Title) 5-2-03 (Execution Date)

APPROVED AS TO FORM:

ATTESTED BY:

[Signature] Stephen M. Kemp City Attorney

[Signature] Janice L. Graziano City Clerk



Agreement No. 005001-3

Addendum No. 3

This Addendum is effective February 1, 2006 ("Anniversary Date"), and is by and between **Computer Sciences Corporation** ("CSC") as successor in interest to DORN Technology Group, Inc. and **City of Peoria** ("Customer") located at 8401 West Monroe Street, Room 340, Peoria, AZ 85345 and is hereby made a part of and incorporated into the "Easy Contract" Standard Terms and Conditions Agreement No. 005001-3 ("Agreement") and any Addendums to the Agreement by and between DORN Technology Group, Inc. and Customer. In the event that any provision of this Addendum and any provision of the Agreement is inconsistent or conflicting, the inconsistent or conflicting provision of this Addendum shall be and constitute an amendment of the Agreement and shall control, but only to the extent that such provision is inconsistent or conflicting with the Agreement.

CSC and Customer hereby agree as follows:

1. Definitions

1.1 Annual (MESA) Charge ("AMC"): The amount of money to be paid annually to CSC by Customer for the right to receive MESA. MESA is defined in Section 1.4.

1.2 Authorized Location: The location where Customer's server resides which is listed below and is owned and operated by Customer. CSC is only obligated to provide Maintenance and Enhancements at the Authorized Location. Customer may change the Authorized Location upon written notice to CSC.

**8401 West Monroe Street, Room 340
Peoria, AZ 85345**

1.3 Documentation: Written materials and manuals (and machine-readable text subject to display and printout) describing the functional processes, assumptions, specifications and principles of operation of the computer programs to a System and designated as the official documentation to such System by CSC.

1.4 MESA: The collective reference to Maintenance, Enhancements and Services Available.

1.4.1 Maintenance: The correction of a Nonconformity, at CSC's expense, in the most current Release of a System for those parts of such System which have not been modified or affected by any modification.

1.4.2 Nonconformity: A failure of the computer programs of a "System" to operate in accordance with such System's manuals designated by CSC and provided to Customer as Documentation to such programs.

1.4.3 Enhancements: Any addition to, change in or modification of the most current Release of a System which CSC makes generally available to licensees of the System, at CSC's expense, if and when such development is completed.

1.4.4 Services Available: Services other than Maintenance and Enhancements which are available during the MESA Term at CSC's then current charges and conditions.

1.5 MESA Term: The period during which CSC shall be obligated to provide MESA for a System.

1.6 Release: An edition of the entire System which is made generally available to licensees of the System with MESA in force and which is the most current edition of the System at the time of such general availability.

1.7 System: The collection(s) of CSC computer programs named in the Agreement as amended by Addenda. A System includes all materials related thereto supplied to Customer under this Agreement, which may include, without limitation, Documentation, flow charts, logic diagrams, source codes, object codes, and materials of any type whatsoever (tangible or intangible and machine or human readable) which incorporate or reflect the design, specifications, or workings of such programs and any changes, additions or modifications provided through Maintenance or Enhancements. System may refer to more than one System, despite the use of the singular.

Agreement No. 005001-3

Addendum No. 3

2. MESA

- 2.1 CSC shall provide MESA to Customer at the Authorized Location for one production copy and one non-production testing copy of a System during the MESA Term subject to the conditions set forth below.
- 2.2 Provided that Customer is current on its MESA obligations hereunder, CSC will provide Maintenance services for up to two (2) pre-authorized Customer staff members. Such support will be provided by telephone, internet or at CSC's product center office during CSC's normal business hours which are Monday through Friday 8:00 a.m. to 8:30 p.m., EST (or EDT as applicable excluding CSC holidays). These services shall not include customized report preparation, on or offsite training, SORTMASTER report creation, or data validation clean up, which services are more properly covered under a separate agreement or work order at the applicable hourly rate.
- 2.3 In order to receive Maintenance, Customer shall advise CSC of a suspected Nonconformity and shall submit all necessary Documentation for Nonconformity determination by CSC. If the Nonconformity prevents Customer's processing of substantially all of its data, CSC shall provide immediate Maintenance services at the Authorized Location. Maintenance will normally be performed at CSC's offices and the materials and instructions necessary to correct the Nonconformity shall be delivered to Customer.
- 2.4 The cost associated with installing Maintenance and Enhancements is Customer's responsibility.
- 2.5 Customer is encouraged to participate in the following activities including: (i) providing a written quarterly confirmation report of any new or anticipated Customer priorities and service requests, (ii) sending in CSC support surveys, securing any necessary support, or obtaining software upgrades or revisions for Third Party Products, (iii) editing, validating and auditing Customer site software, including all Customer data entry work, on a monthly basis, (iv) participating in ongoing CSC recommended Product training sessions, (v) documenting and defining in writing any internal procedures, support issues or requests not addressed by the daily CSC support process, (vi) securing, testing, maintaining and updating hardware, operating system software, available telephone lines, network communication equipment support, and other maintenance peripherals or printers in accordance with the then current system requirements, (vii) upgrading Customer's software system using the upgrade programs provided by CSC unless contracted for as a separate service activity, and (viii) monitoring and correcting Customer's computer system's exposure to computer virus related programs.
- 2.6 The following activities are not included in the scope of Maintenance services: (i) hardware support, (ii) operating system support, (iii) custom programming, (iv) general systems management, (v) moving Customer data, (vi) moving, relocating or reinstalling software programs or printers, (vii) verification or correction of errors that result from data entry or procedural errors, (viii) unauthorized third party report writers, and (ix) training.

3. MESA TERM AND FEES

- 3.1 CUSTOMER is hereby renewing its MESA under the terms of this Addendum for the following MESA Term:
 5 Year MESA Term
- 3.2 The MESA Term shall begin on the Anniversary Date and continue until expiration of the MESA Term. The annual MESA fee is as follows: Year 1 - \$14,487.90 per year (Support \$12,492.90; + DSM Fee \$ 1,995.00)
Year 2 - \$14,922.54 per year (Support \$12,927.54; + DSM Fee \$ 1,995.00)
Year 3 - \$15,370.21 per year (Support \$13,375.21; + DSM Fee \$ 1,995.00)
Year 4 - \$15,831.32 per year (Support \$13,836.32; + DSM Fee \$ 1,995.00)
Year 5 - \$16,306.26 per year (Support \$14,311.26; + DSM Fee \$ 1,995.00)

Agreement No. 005001-3

Addendum No. 3

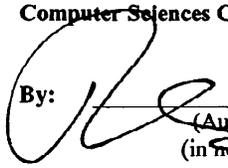
- 3.3 CSC will invoice Customer annually prior to the Anniversary Date. Upon conclusion of the Current MESA Term, the Customer Software Support Services fee can be increased to the then current rate at the time of renewal. For Year 1, CSC shall invoice Customer upon execution of this Addendum.
- 3.4 CSC reserves the right to immediately increase the MESA annual fee if Customer increases the number of workstations.
- 3.5 All other terms and conditions of the "Agreement" as previously amended by the parties, remain unchanged and shall be in full force and effect.

Total Addendum Amount: \$76,918.23

CSC and CUSTOMER certify by their undersigned authorized agents that they have read this Addendum and the Agreement and agree to be bound by their terms and conditions.

CSC
Computer Sciences Corporation

Customer
City of Peoria

By: 
(Authorized Signature)
(in non-black ink, please)

By: 
(Authorized Signature)
(in non-black ink, please)

RAY CONZA, III
(Name)

Herman Koebergen
(Name)

PRESIDENT, P&C INS., FSG
(Title)

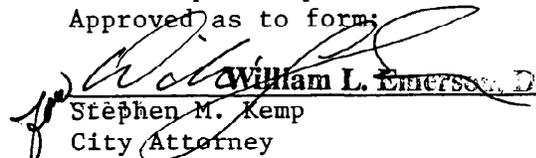
Materials Manager
(Title)

2/24/06
(Execution Date)

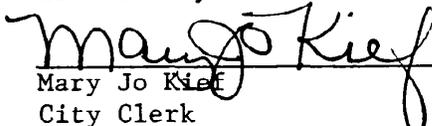
1/30/06
(Execution Date)

FAX COPY PREVIOUSLY SIGNED
ON 2/13/06

CITY OF PEORIA, ARIZONA
A Municipal Corporation
Approved as to form:


William L. Emerson, Deputy City Attorney
Stephen M. Kemp
City Attorney

Attested by:


Mary Jo Kief
City Clerk



Computer Sciences Corporation
Addendum
November 15, 2009 – Prices Valid for 30 Days

Agreement No.
P8-0052, LCON14798E

Agreement No. 005001-3

Addendum No. 4

This Addendum is effective November 15, 2009, and is by and between **Computer Sciences Corporation** ("CSC") as successor in interest to DORN Technology Group, Inc. and **City of Peoria** ("CUSTOMER") located at 8401 West Monroe Street, Room 340, Peoria, AZ 85345 and is hereby made a part of and incorporated into the "Easy Contract" Standard Terms and Conditions Agreement No. 005001-3 ("Agreement") and any Addenda to the Agreement by and between DORN Technology Group, Inc. and CUSTOMER. In the event that any provision of this Addendum and any provision of the Agreement are inconsistent or conflicting, the inconsistent or conflicting provision of this Addendum shall be and constitute an amendment of the Agreement and shall control, but only to the extent that such provision is inconsistent or conflicting with the Agreement.

CSC and CUSTOMER hereby agree as follows:

1. CUSTOMER desires to license the following Software pursuant to the terms and conditions of the Agreement:
 - RISKMASTER Data Analytics - \$10,000.00
 - MMSEA Template - \$2,000.00

2. Notwithstanding anything to the contrary in the Agreement, CSC and CUSTOMER agree that for CUSTOMER'S authorization to license such Software, CUSTOMER promises and agrees to pay CSC a license charge plus prorated support as set forth below which shall be due and payable upon execution hereof.

Total License Charge:	\$12,000.00
Prorated Support:	\$ 500.00 (12/1/09 – 1/31/10)
Total Due on Execution:	\$12,500.00

3. All other terms and conditions of the Agreement shall remain in full force and effect.

Note 1: The above support fees are in addition to the current MESA / Support Services Plan fees. The amount due is prorated in accordance with the anniversary/renewal date of your MESA / Support Services agreement. Customer's support plan runs February to January. Customer's current support plan expires January 31, 2011. A support amount of \$3,000.00 will be added to each succeeding support year. Upon expiration of the current support plan, the support term for this addendum may be extended for an additional 5 year term at the rate in effect for the immediately preceding support year at the time of renewal subject to a maximum increase equal to the percentage increase in the Consumer Price Index for all Urban Consumers (Professional Services) ("CPI"), published by the United States Bureau of Labor Statistics, from the immediately preceding January 1 at the time of renewal as adjusted annually for CPI.

Note 2: Authorized Location: 8401 West Monroe Street, Room 340, Peoria, AZ 85345.

Note 3: Customer acknowledges that the Software licensed pursuant to this Addendum (1) is for use with the RISKMASTER System only and (2) is for one server (up to 4 CPUs).

Note 4: CSC's Data Analytics contains third party software ("Third Party Software") provided to Customer by CSC for use with the System and such Third Party Software is listed in Schedule A. The Third Party Software is provided to Customer in accordance with the attached Schedule A. Customer acknowledges that Data Analytics licensed pursuant to this Addendum is for use with the RISKMASTER System only.

Computer Sciences Corporation
Addendum
November 15, 2009 – Prices Valid for 30 Days

Agreement No. 005001-3

Addendum No. 4

CSC and CUSTOMER certify by their undersigned authorized agents that they have read this Addendum and the Agreement and agree to be bound by their terms and conditions.

CSC
Computer Sciences Corporation

Customer
City of Peoria, Arizona
A Municipal Corporation

By: Jeffery C. Schwalk
(Authorized Signature)
(in non-black ink, please)

By: for Dan Zenker
(Authorized Signature)
(in non-black ink, please)

Jeffery C. Schwalk
(Name)

Herman Koebergen
(Name)

President, P & C / General Insurance Division
(Title)

Materials Manager
(Title)

11/23/09
(Execution Date)

November 12, 2009
(Execution Date)

Approved as to form:
Ellen Van Riper, Assistant City Attorney

Ellen M. Kemp
for Stephen M. Kemp, City Attorney
City of Peoria

Attested by:

Rhonda L. Waddell
for Mary Jo Waddell, City Clerk
City of Peoria



L CON 14798E

SCHEDULE A: THIRD PARTY SOFTWARE

The following Third Party Software is being provided as part of the System:

1.SAP Business Objects, formerly known as Business Objects of America (“BOA”) software

The Licensed System includes one or more of the following BOA software products at CSC’s discretion (“BOA Products”):

BusinessObjects End User Bundle, consisting of:

- Data Integrator

Customer’s use of the BOA Products shall be subject to the following additional terms and conditions:

1.1 Restrictions.

Customer will not (a) modify, reverse engineer, or decompile the BOA Products; or (b) remove any of BOA's proprietary notices or legends, including any BOA trademark contained in or on the BOA Products or related BOA documentation.

1.2 No Consequential Damages.

IN NO EVENT SHALL BOA BE LIABLE TO THE CUSTOMER FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF DATA, LOSS OF PROFITS, LOSS OF USE, INTERRUPTION OF BUSINESS, AND THE LIKE) ARISING FROM OR IN RELATION TO THE USE OF THE BOA PRODUCTS, HOWEVER CAUSED AND REGARDLESS OF THE THEORY OF LIABILITY. THIS LIMITATION WILL APPLY EVEN IF BOA HAS BEEN ADVISED OR IS AWARE OF THE POSSIBILITY OF SUCH DAMAGES.

1.3 Limitation of Liability.

IF, DESPITE ANY OF THE OTHER PROVISIONS OF THIS AGREEMENT, THERE SHALL BE ANY LIABILITY OF BOA TO CUSTOMER OR ANY THIRD PARTY THAT ARISES OUT OF OR IS IN ANY WAY CONNECTED TO THE USE OF THE BOA PRODUCTS, BOA’S AGGREGATE LIABILITY FOR ALL CLAIMS, DAMAGES, AND LOSSES ARISING OUT OF THE SUBJECT MATTER OF THIS AGREEMENT, WHETHER IN CONTRACT, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE), OR OTHERWISE, SHALL NOT EXCEED THE TOTAL AMOUNTS PAID BY CUSTOMER FOR THE BOA PRODUCTS HEREUNDER DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DAY THE ACT OR OMISSION OCCURRED THAT GAVE RISE TO THE MOST RECENT CLAIM. THIS LIMITATION OF LIABILITY IS COMPLETE AND EXCLUSIVE, SHALL APPLY EVEN IF BOA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL CLAIMS, LOSSES, OR DAMAGES, AND SHALL APPLY REGARDLESS OF THE SUCCESS OR EFFECTIVENESS OF ANY OTHER REMEDIES POSSESSED BY THE CUSTOMER OR ANY THIRD PARTIES. THIS LIMITATION OF LIABILITY REFLECTS AN AGREED ALLOCATION OF RISK BETWEEN THE PARTIES IN VIEW OF THE NATURE OF THIS TRANSACTION. THE FOREGOING LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED WARRANTY OR REMEDY.

1.4 Third Party Beneficiary

BOA is an intended third-party beneficiary of the additional terms and conditions contained in Section 1 of this Schedule A and is entitled to enforce such additional terms and conditions.

ORIGINAL

**Computer Sciences Corporation
Work Order
November 15, 2009 - Prices Valid for 30 Days**

Agreement No.
P8-0052, LCON14798E

Agreement No. 005001-3

Work Order No. 11

This Work Order is effective November 15, 2009, and is by and between **Computer Sciences Corporation** ("CSC") as successor in interest to DORN Technology Group, Inc. and **City of Peoria** ("CUSTOMER") located at 8401 West Monroe Street, Room 340, Peoria, AZ 85345 and is hereby made a part of and incorporated into the "Easy Contract" Standard Terms and Conditions Agreement No. 005001-3 ("Agreement") and any Addenda to the Agreement by and between DORN Technology Group, Inc. and CUSTOMER. In the event that any provision of this Work Order and any provision of the Agreement are inconsistent or conflicting, the inconsistent or conflicting provision of this Work Order shall be and constitute an amendment of the Agreement and shall control, but only to the extent that such provision is inconsistent or conflicting with the Agreement. CSC and CUSTOMER hereby agree as follows:

IMPLEMENTATION SERVICES – DATA ANALYTICS MMSEA TEMPLATE

<u>Description</u>	<u>Estimated No. of Hours</u>	<u>Hourly Rate</u>
Installation, consulting and project implementation services.	50	\$165.00

ASSUMPTIONS:

- Customer has a workstation with Windows XP sp2 available for installation (Windows Vista not supported).
- Installation is remote. On-site installation is available, but customer is also responsible for travel expenses and one-way travel time.
- Data Analytics Installation will be stand-alone with no user interface integration to RISKMASTER or Business Analytics.
- Service hours covers; installation, setup and training.
- Data Analytics only supports SQL Server and Oracle. Customers on Access, Informix or DB2 must migrate to SQL Server or Oracle.

Note 1: CUSTOMER will pay all reasonable travel-related expenses incurred by employees of CSC in connection with this project. Customer will pay one-way travel time for CSC Consultant(s) fulfilling T&M tasks at the hourly rate of \$165.00 per person hour.

Note 2: CUSTOMER acknowledges that the above amounts are good faith estimates based upon the information known to CSC. Estimates are not intended as price or performance guarantee. Number of hours is estimated for budgetary purposes only. The estimate should not be deemed an absolute cap nor does it transform this scope of work into a fixed fee agreement.

Note 3: In the event Customer cancels or reschedules a services appointment (e.g. including but not limited to training or installation) with CSC, within fourteen days (14) of the scheduled date, Customer shall pay CSC a cancellation / rescheduling charge equal to eight (8) hours of services, plus any non-refundable expenses (including but not limited to airfare, hotel, car rental etc.) incurred by CSC.

Note 4: Authorized Location: 8401 West Monroe Street, Room 340, Peoria, AZ 85345.

Computer Sciences Corporation
Work Order
November 15, 2009 - Prices Valid for 30 Days

Work Order No. 4

Agreement No. 005001-3

CUSTOMER and CSC certify by the signature of their authorized agent that they have read this Work Order and Agreement and accept the terms and conditions.

CSC

Computer Sciences Corporation

By: *Jeffery C. Schwalk*
(Authorized Signature)
(in non-black ink, please)

Jeffery C. Schwalk
(Name)

President, P & C / General Insurance Division
(Title)

11/23/09
(Execution Date)

Customer

City of Peoria, Arizona
A Municipal Corporation

By: *Don Zerbin*
(Authorized Signature)
(in non-black ink, please)

for Herman Koebergen
(Name)

Materials Manager
(Title)

November 12, 2009
(Execution Date)

Approved as to form:

Ellen Van Riper, Assistant City Attorney

Stephen M. Kemp
Stephen M. Kemp, City Attorney
City of Peoria

Attested by:

Mary Jo Waddell
Mary Jo Waddell, City Clerk
City of Peoria



AMENDMENT NO. 1

to

ADDENDUM NO. 4

This Amendment is effective January 31, 2011, and is hereby made a part of and incorporated into Addendum No. 4 by and between Computer Sciences Corporation ("CSC") and City of Peoria ("Customer"), dated effective November 15, 2009 (the "Addendum"). In the event that any provision of this Amendment and any provision of the Addendum are inconsistent or conflicting, the inconsistent or conflicting provision of this Amendment shall be and constitute an amendment of the Addendum and shall control, but only to the extent that such provision is inconsistent or conflicting with the Addendum.

CSC and Customer hereby agree to amend the above referenced Addendum as follows:

1. Effective February 1, 2011, Customer (a) no longer maintains a license for the Software licensed pursuant to Addendum 4; (b) MESA for the Software terminates January 31, 2011 and (c) Customer is not entitled to any Software updates until MESA for the Software is reinstated. Customer may retain possession of the Software in the event that it desires to reactivate its license in the future. In addition, Customer shall not pay any MESA Charge for the Software in Addendum 4 after January 31, 2011.
2. In addition, Customer agrees to pay the following CSC invoices as a condition of CSC granting the rights herein: 6208015791; 6208016193; 6208016516; 6208017377; 6208017596
3. All other terms and conditions remain in full force and effect.

CSC and Customer certify by their undersigned authorized agents that they have read this Amendment and the Addendum and agree to be bound by their terms and conditions.

CSC

Customer

Computer Sciences Corporation

City of Peoria

By: [Signature]
(Authorized Signature)
(in non-black ink, please)

By: [Signature]
(Authorized Signature)
(in non-black ink, please)

Jeffery G. Schwalk
(Name)
PRES. LIFE + ANNUITY, FSG
President of Property & Casualty Solutions
(Title)

Herman Koebergen
(Name)

Materials Manager
(Title)

2-25-2011
(Execution Date)

2-16-2011
(Execution Date)

L CON 14798F

Wheat - GDC

Computer Sciences Corporation
Addendum - MESA
November 4, 2010 - Prices Valid Until 1/31/11

Agreement No. 005001-3

Addendum No. _____

This Addendum is effective February 1, 2011 ("Anniversary Date"), and is by and between **Computer Sciences Corporation ("CSC")** as successor in interest to DORN Technology Group, Inc. and **City of Peoria ("Customer")** located at 8401 West Monroe Street, Room 340, Peoria, AZ 85345 and is hereby made a part of and incorporated into the "Easy Contract" Standard Terms and Conditions Agreement No. 005001-3 ("Agreement") and any Addendums to the Agreement by and between DORN Technology Group, Inc. and Customer. In the event that any provision of this Addendum and any provision of the Agreement are inconsistent or conflicting, the inconsistent or conflicting provision of this Addendum shall be and constitute an amendment of the Agreement and shall control, but only to the extent that such provision is inconsistent or conflicting with the Agreement.

CSC and Customer hereby agree as follows:

1. Definitions

1.1 Annual (MESA) Charge ("AMC"): The amount of money to be paid annually to CSC by Customer for the right to receive MESA for RISKMASTER. MESA is defined in Section 1.4.

1.2 Authorized Location: The location where Customer's server resides which is listed below and is owned and operated by Customer. CSC is only obligated to provide Maintenance and Enhancements at the Authorized Location. Customer may change the Authorized Location upon written notice to CSC.

8401 West Monroe Street
Room 340
Peoria, AZ 85345

1.3 Documentation: Written materials and manuals (and machine-readable text subject to display and printout) describing the functional processes, assumptions, specifications and principles of operation of the computer programs to a System and designated as the official documentation to such System by CSC.

1.4 MESA: The collective reference to Maintenance, Enhancements and Services Available.

1.4.1 Maintenance: The correction of a Nonconformity, at CSC's expense, in the most current Release of a System for those parts of such System which have not been modified or affected by any modification.

1.4.2 Nonconformity: A failure of the computer programs of a "System" to operate in accordance with such System's manuals designated by CSC and provided to Customer as Documentation to such programs.

1.4.3 Enhancements: Any addition to, change in or modification of the most current Release of a System which CSC makes generally available to licensees of the System, at CSC's expense, if and when such development is completed.

1.4.4 Services Available: Services other than Maintenance and Enhancements which are available during the MESA Term at CSC's then current charges and conditions.

1.5 MESA Term: The period during which CSC shall be obligated to provide MESA for a System.

1.6 Release: An edition of the entire System which is made generally available to licensees of the System with MESA in force and which is the most current edition of the System at the time of such general availability.

1.7 System: For purposes of this MESA Addendum, System shall mean RISKMASTER. A System includes all materials related thereto supplied to Customer under this Agreement, which may include, without limitation, Documentation, flow charts, logic diagrams, source codes, object codes, and materials of any type whatsoever (tangible or intangible and machine or human readable) which incorporate or reflect the design, specifications, or workings of such programs and any changes, additions or modifications provided through Maintenance or Enhancements. System may refer to more than one System, despite the use of the singular.

Computer Sciences Corporation
Addendum - MESA
November 4, 2010 - Prices Valid Until 1/31/11

Agreement No. 005001-3

Addendum No. _____

2. MESA

- 2.1 CSC shall provide MESA to Customer at the Authorized Location for one production copy and one non-production testing copy of a System during the MESA Term subject to the conditions set forth below.
- 2.2 Provided that Customer is current on its MESA obligations hereunder, CSC will provide Maintenance services for up to two (2) pre-authorized Customer staff members. Such support will be provided by telephone, internet or at CSC's product center office during CSC's normal business hours which are Monday through Friday 8:00 a.m. to 8:30 p.m., eastern time excluding CSC holidays. These services shall not include customized report preparation, on or offsite training, SORTMASTER report creation, or data validation clean up, which services are more properly covered under a separate agreement or work order at the applicable hourly rate.
- 2.3 In order to receive Maintenance, Customer shall advise CSC of a suspected Nonconformity and shall submit all necessary Documentation for Nonconformity determination by CSC. If the Nonconformity prevents Customer's processing of substantially all of its data, CSC shall provide immediate Maintenance services at the Authorized Location. Maintenance will normally be performed at CSC's offices and the materials and instructions necessary to correct the Nonconformity shall be delivered to Customer.
- 2.4 The cost associated with installing Maintenance and Enhancements is Customer's responsibility.
- 2.5 Customer is encouraged to participate in the following activities including: (i) providing a written quarterly confirmation report of any new or anticipated Customer priorities and service requests, (ii) sending in CSC support surveys, securing any necessary support, or obtaining software upgrades or revisions for Third Party Products, (iii) editing, validating and auditing Customer site software, including all Customer data entry work, on a monthly basis, (iv) participating in ongoing CSC recommended Product training sessions, (v) documenting and defining in writing any internal procedures, support issues or requests not addressed by the daily CSC support process, (vi) securing, testing, maintaining and updating hardware, operating system software, available telephone lines, network communication equipment support, and other maintenance peripherals or printers in accordance with the then current system requirements, (vii) upgrading Customer's software system using the upgrade programs provided by CSC unless contracted for as a separate service activity, and (viii) monitoring and correcting Customer's computer system's exposure to computer virus related programs.
- 2.6 The following activities are not included in the scope of Maintenance services: (i) hardware support, (ii) operating system support, (iii) custom programming or custom report creation, (iv) report creation; (v) general systems management, (vi) data validation or clean up; (vii) moving Customer data, (viii) moving, relocating or reinstalling software programs or printers, (ix) verification or correction of errors that result from data entry or procedural errors, (x) unauthorized third party report writers, (xi) on or off site training or (xii) other services more properly covered under a separate agreement or work order at the applicable hourly rate.

3. MESA TERM AND FEES

- 3.1 CUSTOMER is hereby renewing its MESA under the terms of this Addendum for the following MESA Term:
- 5 Year MESA Term
- 3.2 The MESA Term shall begin on the Anniversary Date and continue until expiration of the MESA Term. The annual MESA fee is:
- Year 1 - \$15,176.82
- Year 2 - \$15,903.89
- Year 3 - \$16,660.05
- Year 4 - \$17,446.45
- Year 5 - \$18,264.31

Computer Sciences Corporation
Addendum - MESA
November 4, 2010 - Prices Valid Until 1/31/11

Agreement No. 005001-3

Addendum No. 5

- 3.3 CSC will invoice Customer annually prior to the Anniversary Date. Upon conclusion of the Current MESA Term, the Customer Software Support Services fee can be increased to CSC's then current rate at the time of renewal. For Year 1, CSC shall invoice Customer upon execution of this Addendum.
- 3.4 CSC reserves the right to immediately increase the MESA annual fee if Customer increases the number of workstations or licenses additional software.
- 3.5 Customer acknowledges that at the end of the MESA Term, MESA can be renewed at the rate in effect for the immediately preceding MESA year subject to a maximum annual increase of 10 % per year.
- 3.6 All other terms and conditions of the "Agreement" as previously amended by the parties, remain unchanged and shall be in full force and effect.

Total Addendum Amount: \$TBD

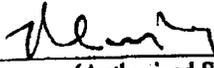
Note 1: CUSTOMER acknowledges that the above MESA fee reflects software licensed through November 4, 2010. Software licensed after November 4, 2010 will be subject to a supplementary invoice until the completion of the current renewal term.

CSC and CUSTOMER certify by their undersigned authorized agents that they have read this Addendum and the Agreement and agree to be bound by their terms and conditions.

CSC
Computer Sciences Corporation

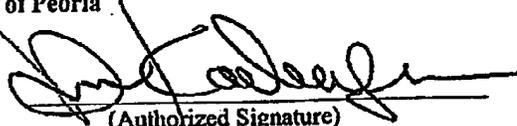
Customer
City of Peoria

By:



(Authorized Signature)
(in non-black ink, please)

By:



(Authorized Signature)
(in non-black ink, please)

~~Jeffery C. Schwalk~~ MICHAEL W. RISLEY

(Name)

Herman Koebergen

(Name)

PRES. LIFE & ANNUITY DIV, FSC.
~~President, P & C/General Insurance Division~~

(Title)

Materials Manager

(Title)

2-25-2011

(Execution Date)

2-16-2011

(Execution Date)

Agreement No. P8-0052
Contract No. LCON14798F

CITY OF PEORIA, ARIZONA
A Municipal Corporation

Approved as to form:

Ellen Van Riper, Assistant City Attorney

Ellen Van Riper

Stephen M. Kemp, City Attorney
City of Peoria

Attested by:



Wanda Nelson

Wanda Nelson, City Clerk
City of Peoria

02/22/2011

Date

L CON 14798F

Computer Sciences Corporation
Work Order
September 6, 2012 -Quote Valid for 60 Days

Agreement No. 005001-3

Work Order No. 5

This Work Order is effective September 6, 2012, and is by and between Computer Sciences Corporation ("CSC") as successor in interest to DORN Technology Group, Inc. and City of Peoria ("CUSTOMER") located at 8401 West Monroe Street, Room 280, Peoria, AZ 85345 and is hereby made a part of and incorporated into the "Easy Contract" Standard Terms and Conditions Agreement No. 005001-3 ("Agreement") and any Addendums to the Agreement by and between DORN Technology Group, Inc. and CUSTOMER. In the event that any provision of this Work Order and any provision of the Agreement are inconsistent or conflicting, the inconsistent or conflicting provision of this Work Order shall be and constitute an amendment of the Agreement and shall control, but only to the extent that such provision is inconsistent or conflicting with the Agreement. CSC and CUSTOMER hereby agree as follows:

TRAINING

<u>Type of Training</u>	<u>Estimated No. of Hours</u>	<u>Hourly Rate</u>
RISKMASTER Net and Sortmaster webinar	16 - 24	\$165.00

PROJECT IMPLEMENTATION

<u>Description</u>	<u>Estimated No. of Hours</u>	<u>Hourly Rate</u>
Project Implementation Services	4 - 6	\$165.00

- Note 1: CUSTOMER acknowledges that the above amounts are good faith estimates based upon the information known to CSC. Estimates are not intended as price or performance guarantee. Estimates are for budgetary purposes only. The estimate should not be deemed an absolute cap nor does it transform this scope of work into a fixed fee agreement.
- Note 2: Training sessions will be set forth in a separately agreed upon initial schedule to be negotiated with the CSC Training Staff and the Office of the City Attorney's Business Analyst and/or Law Office Administrator. In that travel by the trainers in not part of this training agreement, changes in time for specific sessions may be rescheduled to mutually agreeable alternative dates/times with 48 hours notice and mutual agreement of CSC and City of Peoria. Such permitted rescheduled sessions shall not result in any additional charge to the City of Peoria if requested by CSC or if requested by the City of Peoria 48 hours or more prior to the session to be cancelled or rescheduled. A cancellation/rescheduling charge equal to one (1) hour of services at \$165 for each cancelled/rescheduled training session. The City of Peoria anticipates the full training schedule may span one or more weeks, comprised of one or two 4 hour sessions per day, initially scheduled on consecutive and/or non-consecutive business days.
- Note 3: Training classes are limited to 12 participants. Class sizes over 12 require pre-approval by the Project Manager and may incur additional costs.
- Note 4: Authorized Location: 8401 West Monroe Street, Room 280, Peoria, AZ 85345, or alternate agreed-upon City of Peoria training lab located on the City of Peoria campus for webinar based classroom training
- Note 5: Notwithstanding the cancellation charge in Note 2, in no event shall Customer be invoiced in excess of the above estimates unless additional hours are agreed to in writing by Customer and CSC.

Computer Sciences Corporation
Work Order
September 6, 2012 - Quote Valid for 60 Days

Agreement No. 005001-3

Work Order No. 5

Note 6: City of Peoria requests the advance receipt of digital copies of training materials to be used in the training sessions at no additional cost. Attendee copies of such training materials will be reproduced by the City of Peoria for use in the scheduled training sessions and to be retained by City of Peoria users as internal reference materials. The training materials may not be reproduced or distributed for any other purpose.

CUSTOMER and CSC certify by the signature of their authorized agent that they have read this Work Order and Agreement and accept the terms and conditions.

CSC
Computer Sciences Corporation

By:

Jeffery C. Schwalk
(Authorized Signature)
(in non-black ink, please)

Jeffery C. Schwalk
(Name)

President, P & C / General Insurance Division
(Title)

10/22/12
(Execution Date)

CUSTOMER
City of Peoria

By:

Dan Zenko
(Authorized Signature)
(in non-black ink, please)

Dan Zenko
(Name)

Materials Management Supervisor
(Title)

October 10, 2012
(Execution Date)

Approved as to Form:

By:

Stephen M. Kemp
Stephen M. Kemp, City Attorney
City of Peoria

Attested by:

Rhonda Geriminsky
Rhonda Geriminsky, Interim City Clerk
City of Peoria

