DATA*prose*
BILLING SOLUTIONS
Smarter Statements ⓢ Better Results

This Production Agreement (Agreement) is made and entered into as of the 10th day of January, 2004 (Effective Date), by and between DataProse, Inc., a California Corporation (DataProse), and the City of Burleson, organized under the laws of Texas (Client). In consideration of the mutual promises and benefits contained herein, the parties hereby agree as follows:

ARTICLE 1   **SCOPE OF PRODUCTION AGREEMENT.** DataProse agrees to provide to Client services defined in Schedule 1.0, and Client agrees that DataProse shall be its exclusive provider of these goods and/or services to the extent that they relate to utility billings associated with customers who are provided what is defined as a Complete Set of utility services. For purposes of this contract, a Complete Set of utility services includes water, wastewater and solid waste collection. (Note: some customers who receive less than the total set of services are billed by other utility providers, in combination with their services. The City reserves the right to bill these services along with other miscellaneous municipal receivables, either internally or by agreement with other parties.) During the term of this Agreement, the Client agrees to produce a minimum monthly quantity of 9,000 invoices ("Monthly Minimum Commitment") for a period of 12 months, based upon the rates and terms provided herein. In the event that the Client does not fulfill the Monthly Minimum Commitment during any given month, or for the required period, then Client shall pay to DataProse a Minimum Processing Fee in an amount that shall be calculated based upon the Monthly Minimum Commitment and the rates and terms provided herein.

ARTICLE 2   **COMPENSATION.** In full and complete compensation for all goods and/or services provided by DataProse hereunder, Client agrees to pay DataProse according to the rates set forth in Schedule 1.0. DataProse will provide an invoice to Client after each production run consisting of the fees, as outlined in Schedule 1.0 and postage used. Invoices are due upon receipt and will be considered past due if not paid within 30 days. A monthly late charge will be assessed on statements not paid within thirty (30) days. The late payment charge will be 1-1/2% per month applied to the invoice amount unpaid (30) thirty days after billing to Client. The prices charged by DataProse to Client for the services listed in Schedule 1.0 will not be increased for a period of 12 months from the Effective Date of this Agreement ("Pricing Period"). All DataProse prices are subject to increase following this Initial Pricing Period or any subsequent Pricing Period, and upon written notice to Client. The rate of any price increase shall not exceed 10% at the completion of any pricing period.

ARTICLE 3   **TERM.** The initial term of this Agreement shall commence as of the Effective Date, and shall continue for three (3) years unless terminated earlier in accordance with provisions found elsewhere in this Agreement. This Agreement shall renew itself for successive one (1) year terms unless written notice of cancellation is received by one party from the other if a party exercises its right to terminate the Agreement at the end of the initial term or at the end of any succeeding one (1) year renewal term(s) by sending written notice of non-renewal to the other party no later than thirty (30) days before the expiration of the current term.

ARTICLE 4   **POSTAGE.** DataProse will require that Client maintain a permanent postage deposit in connection with this agreement. Client shall deposit in advance with DataProse the initial sum specified on Schedule 2.0 as the permanent postage deposit. The amount required to be deposited with DataProse may be changed by DataProse on a periodic basis based upon changes in Client's volume, postage usage, or payment history. Client will be notified in writing and in advance if the deposit is changed. Upon termination of this Agreement, DataProse shall return the deposit amount to Client after payment for all Services and postage has been paid by the Client. If this Agreement is terminated due to default of Client, DataProse may apply any of Client's funds it holds against any sum owed by Client to DataProse upon termination of this Agreement. IF CLIENT FAILS TO MAINTAIN THE DEPOSIT AT THE ADJUSTED LEVELS, OR IF CLIENT FAILS TO MAINTAIN CURRENT STATUS OF ALL INVOICES AS DESCRIBED IN ARTICLE 2, DATAPROSE MAY IMMEDIATELY SUSPEND ITS PERFORMANCE UNDER THIS AGREEMENT AND WILL HOLD CUSTOMER'S MAIL UNTIL THE DEPOSIT IS RECEIVED.

ARTICLE 5   **EXPENSES.** When Client has approved the amount of such costs and expenses in advance and in writing, Client will reimburse DataProse for costs and expenses associated with the performance of services for Client, such as cost of travel, expenses associated with travel, freight, delivery service and other required supplies in connection with providing the DataProse services associated with this Agreement.

ARTICLE 6   **TERMINATION.** Client or DataProse may terminate this Agreement for an event of default defined below if such default remains uncured (30) thirty days after written notice of the default has been received from the party declaring the default.

    (1)   Failure of Client to pay for all goods and/or services as provided in this Agreement. In addition to other remedies provided by this Agreement and pursuant to law, DataProse has the right to withhold production and mailing of any further production cycles until Client's account is brought current.

    (2)   Any other breach by Client or DataProse of a term or condition of this Agreement.

    (3)   Bankruptcy or insolvency of either party.

    (4)   Non-Appropriation of funds by city Council.

If DataProse terminates this Agreement in accordance with Article 6 herein, or the Client terminates this Agreement for any reason other than those specified in Article 6 prior to satisfying its Monthly Minimum Commitment, the Client agrees that it shall be liable to DataProse for liquidated damages ("Liquidated Damages") for its early termination, it being understood and agreed to by the parties that the measure of actual damages noted would be difficult to determine. The Liquidated Damages shall be an amount equal to the product of (a) the Monthly Minimum Commitment and (b) the sum of the number of months remaining in the current term of the Agreement and the number of months that any invoices remain unpaid by the Client.

ARTICLE 7   **FORCE MAJEURE.** Neither party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such party, including, without limitation: fire, explosion, power failure, flood, earthquake or other act of God; war, revolution, civil commotion, terrorism, or acts of public enemies; any law, order, regulation, ordinance, or requirement of any government or legal body or any representative of any such government or legal body; or labor unrest, including without limitation, strikes, slowdowns, picketing or boycotts. In such event, the party affected shall be excused from such performance (other than any obligation to pay money) on a day-to-day basis to the extent of such interference (and the other party shall likewise be excused from performance of its obligations on a day-to-day basis to the extent such party's obligations relate to the performance so interfered with).

ARTICLE 8   **CONFIDENTIALITY.** DataProse agrees that any and all data, reports and documentation supplied by Client or its affiliates or third parties on Client's behalf, which are confidential and which are clearly designated as confidential, shall be, subject only to the disclosure required for the performance of DataProse's obligations hereunder, held in strict confidence and shall not be disclosed or otherwise disseminated by DataProse without the consent of Client.

ARTICLE 9   **INDEMNIFICATION.** To the extent permitted by law, Client agrees to indemnify and hold DataProse harmless for any and all claims from any person, firm, or entity whatsoever that may arise in connection with Client's supplying to DataProse the data, reports or other documentation necessary to perform its duties under this Agreement, except that such indemnification shall not extend to any claims that result from action by DataProse, its officers, employees or agents or anyone acting on behalf of DataProse if such action is negligent or is in violation of one or more terms of this Agreement.

ARTICLE 10   **WARRANTIES.** DataProse shall provide all goods and/or services in a good and first class workmanlike manner in accordance with the terms specifically set forth in Schedule 1.0. The parties hereto agree that this Agreement is only for the production of goods and/or services.
EXCEPT FOR THE PERFORMANCE GUARANTEE CONTAINED IN SCHEDULE 3.0 HEREOF, THIS WARRANTY CONSTITUTES THE ONLY WARRANTY WITH RESPECT TO THE GOODS AND SERVICES TO BE PROVIDED TO CLIENT. THE STATED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTY OF MERCHANTABILITY AND THE WARRANTY OF FITNESS FOR PARTICULAR PURPOSE.

Client:_____ DataProse:_____

ARTICLE 11   **LIMITATION OF LIABILITY.** The liability of DataProse with respect to any failure to provide the goods and/or services as required under this Agreement shall in each case be limited to the compensation paid to DataProse for the defective goods or services. DATAPROSE IS NOT LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFIT OR INCOME, even if DataProse has been advised of the possibility of such loss or damage. This provision will not be affected by DataProse's failure to correct any defect or replace any defective work product to Client's satisfaction. Client has accepted this restriction on its right to recover consequential damages as a part of its bargain with DataProse. Client acknowledges what DataProse charges for its goods and services would be higher if DataProse were required to bear responsibility for Client's damages.

ARTICLE 12   **GOVERNING LAW AND JURISDICTION.** This Agreement shall be governed and interpreted in accordance with the laws of the state of Texas, without giving effect to the principles of choice of laws of such state. . The parties each consent to the jurisdiction and venue of the District Courts Texas, as to any matters initiated in state court, and to the courts of the Northern District of Texas for any matters initiated in federal court.

ARTICLE 13   **SEVERABILITY.** If a court or an arbitrator of competent jurisdiction holds any provision of this agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.

ARTICLE 14   **WAIVER; MODIFICATION OF AGREEMENT.** No waiver, amendment or modification of any of the terms of this Agreement shall be valid unless in writing and signed by authorized representatives of both parties hereto. Failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of such rights, nor shall a waiver by either party in one or more instances be construed as constituting a continuing waiver or as a waiver in other instances.

ARTICLE 15   **NOTICE.** All notices must be in writing and if not personally delivered, be sent by facsimile or by first class mail, or by electronic mail. Notices will be effective on the day when delivered, addressed to the other party at the address show in this Agreement. Either party may change the address to which notices are to be sent by giving notice of such a change to the other party.

     Addresses for purpose of giving notice are as follows:

If to DataProse:
DataProse, Inc.
1451 North Rice Avenue, Suite A
Oxnard, CA 93030
Attention: Chief Executive Officer

If to Client:
City of Burleson
141 W Renfro Street
Burleson, TX 76028

ARTICLE 16   **ENTIRE AGREEMENT.** This Agreement and its exhibits constitute the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the production of goods and services for Client by DataProse, and supercedes all prior and contemporaneous understandings or agreements of the parties. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation or warranty outside those expressly set forth in this Agreement.

ARTICLE 17   **ATTORNEY FEES.** In the event of any claim, dispute or controversy arising out of or relating to this Agreement, including an action for declaratory relief, the prevailing party in such action or proceeding shall be entitled to recover its court costs and reasonable out-of-pocket expenses not limited to taxable costs, including but not limited to phone calls, photocopies, expert witness, travel, etc., and reasonable attorney fees to be fixed by the court. Such recovery shall include court costs, out-of-pocket expenses and attorney fees on appeal, if any. The court shall determine who is the prevailing party, whether or not the dispute or controversy proceeds to final judgment. If either party is reasonably required to incur such out-of-pocket expenses and attorney fees as a result of any claim arising out of or concerning this Agreement or any right or obligation derived hereunder, then the prevailing party shall be entitled to recover such reasonable out-of-pocket expenses and attorney fees whether or not action is filed.

ARTICLE 18   **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto. The parties hereto execute this Agreement through their duly authorized officers, as of the day and year first written above.

DATAPROSE, INC.:

By: _____
Glenn A. Carter, President
Date: _____ 1.15.04

CLIENT:

By: _____
Charles Harris
Title: Director of Finance   Date: 1/9/2004

Schedule 1.0 – Fees for Goods & Services

Paper Bill (Includes: data processing & simplex, 2-color, laser imaging, 8.5x11 at 3.5" from bottom, #10 double window env., #9 single window reply env., folding, inserting, presorting and delivery to USPS)	$0.135	Per Bill
Search & ViewBill (Includes: data processing, pdf creation, search & access capabilities & hosting of pdf files for 3 months from creation date)	$0.02	Per Bill
Fastforward Service (Service plus electronic report)	$0.50	Per Address Correction
Additional Impressions	$0.05	Per Impression
Oversized Surcharge (8-99 page bills – Group C)	$0.20	Per Bill
Oversized Surcharge (100+ page bills – Group D & E)	$4.00	Per Bill
Additional Inserts	$0.02	Per Insert
Basic Set up Fee (CityBill or Standard Format and Reports)	$250	
Technical Services (including additional set-up beyond standard, formatting or custom reports, conditional logic & insert/forms composition)	$125	Per Hour
Freight, Courier & Air Delivery	Cost	Per Request
Minimum Daily Processing/Production Fee	$75.00	Per Day
Postage	$0.301	Per One Ounce

Schedule 2.0 – Permanent Postage Deposit

Permanent Postage Deposit (Based on two (2) months estimated volume)	$6,020	(2 mos. Volume * .301)

Schedule 3.0 – Performance Guarantee

DataProse will deliver clients bills within an average of one (1) Business Day after the applicable Determination Date (as Defined herein). Such average time period will be determined by measuring the number of elapsed Business Days between each respective determination date and the date which a majority amount of the Client's bills were mailed for consecutive three (3) month period. The "Determination Date" is the date which data is received – either via electronic transmission (FTP or modem) or hard copy media (tape or disk) if prior to 10:00 AM, local time. If data is received after 10:00 AM, local time, or not on the date of the agreed upon production schedule, the Determination Date is the Business Day immediately following the date data is received.

FIRST AMENDMENT
TO THE
PRODUCTION AGREEMENT
BETWEEN
CSG SYSTEMS, INC.
AND
THE CITY OF BURLESON

THIS FIRST AMENDMENT (the "Amendment") is made by and between CSG Systems, Inc., successor in interest to DataProse, Inc. ("CSG") and The City of Burleson ("Client"). The Effective Date of this Amendment is the date last signed below. CSG and Client entered into a certain Production Agreement (CSG document #2305019) dated January 10, 2004 (the "Agreement") and now desire to amend the Agreement in accordance with the terms and conditions set forth in this Amendment. If the terms and conditions set forth in this Amendment shall be in conflict with the Agreement, the terms and conditions of this Amendment shall control. Any terms in initial capital letters or all capital letters used as a defined term but not defined in this Amendment shall have the meaning set forth in the Agreement. Upon execution of this Amendment by the parties, any subsequent reference to the Agreement between the parties shall mean the Agreement as amended by this Amendment. Except as amended by this Amendment, the terms and conditions set forth in the Agreement shall continue in full force and effect according to their terms.

CSG and Client agree as follows:

1. Article 1, <u>Scope of Production Agreement</u>, is deleted in its entirety and the following substituted in its place:

    ARTICLE 1. **SCOPE OF PRODUCTION AGREEMENT.** CSG agrees to provide to Client services defined in Schedule 1.0, and Client agrees that CSG shall be its exclusive provider of these goods and/or services to the extent that they relate to utility billings associated with customers who are provided what is defined as a Complete Set of utility services. For purposes of this Agreement, a Complete Set of utility services includes water, wastewater and solid waste collection. (Note: some customers who receive less than the total set of services are billed by other utility providers, in combination with their services. Client reserves the right to bill these services along with other miscellaneous municipal receivables, either internally or by agreement with other parties). During the term of this Agreement, the Client agrees to produce a minimum monthly quantity of 14,000 invoices ("Monthly Minimum Commitment"). In the event that the Client does not fulfill the Monthly Minimum Commitment during any given month, then Client shall pay to CSG a Minimum Processing Fee in an amount that shall be calculated based upon the Monthly Minimum Commitment and the rates for First Physical Page Print Processing provided herein.

2. The renewal Term of the Agreement as set forth in Article 3, <u>Term</u>, is hereby extended from the current expiration date of January 10, 2013 until January 10, 2016. Thereafter, this Agreement shall renew for successive one (1) year terms as described in Article 3.

3. CSG's address for notices under Article 15, <u>Notices</u>, is deleted and the following substituted in its place:

    <u>If to CSG:</u>:
    CSG Systems, Inc.
    9555 Maroon Circle
    Englewood, CO 80112
    Attn: General Counsel

4. Schedule 1.0 to the Agreement is deleted and the attached Schedule 1.0 substituted in its place.

5. Schedule 2.0 to the Agreement is deleted in its entirety and the following substituted in its place:

Schedule 2.0 – Permanent Postage Deposit

Permanent Postage Deposit (Based on two (2) months estimated volume)	$10,500	(2 mos. Volume * x ($0.37)

IN WITNESS WHEREOF the parties hereto have caused this Amendment to be executed by their duly authorized representatives.

CITY OF BURLESON ("CLIENT")	CSG SYSTEMS, INC. ("CSG")
By: _Dle Cheathan_	By: _(signature)_
Name: _Dale Cheathum_	Name: Michael J. Henderson
Title: _City Manager_	Title: EVP Sales & Marketing
Date: _2 April 13_	Date: _3/21/13_

CSG SYSTEMS, INC.
Reviewed
by
CL
3/21/13
LEGAL DEPARTMENT
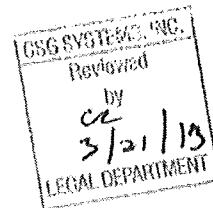
Schedule 1.0 – Fees for Goods and Services

Processing	Unit	Price
First Physical Page Print Processing – Duplex print, cut-sheet, black toner only, with automated insertion into #10 envelopes. Excludes materials and postage	Mail Piece	$0.0460
Each Additional Physical Page Print Processing – Duplex print, cut-sheet, black toner only, with automated insertion into #10 envelopes. Excludes materials.	Mail Piece	$0.0200

Materials	Unit	Price
Paper - 8-1/2 x 11, 24#, white bond with micro-perforated stub (3.5" up from the bottom), 2/0 inks	Physical Page	$0.0125
#10 Carrier Envelope – standard stock, single window, 24#, poly covered, 2/0	Envelope	$0.0185
#9 Return Envelope – standard stock, 24#, 1/0	Envelope	$0.0130

Optional Services	Unit	Price
Additional Generic Inserting (excludes materials)	Insert	$0.0200
Manual Insertion Fee – for hand insertion into 0x12 envelope or box	Mail Piece	$0.4000
Oversize Surcharge (100+ page bills)	Mail Piece	$4.0000
Data Processing – where printing is suppressed	Mail Piece	$0.0400
Search & ViewBill –pdf creation, search and access capability for 3 months from creation date	Mail Piece	$0.0100
ViewBill Transmission (includes: ftp transmission to client site OR files copied to CD-Rom)	Transmission/CD	$150.00
NCOA link (Address Correction Service)	Correction	$0.2500
Technical Services (set-up beyond standard requirement, formatting or custom reports, conditional logic & insert/forms composition)	Hour	$125.00
Custom Forms or Envelopes	Per Request	Quote
Freight, Courier & Air Delivery	Per Request	Cost
Postage – Subject to increase based upon USPS rate increases	Mail Piece	Actual Postage

DATA*prose*®   AMENDMENT TO PRODUCTION AGREEMENT

This Second Amendment (the "Amendment") is made by and between DataProse, LLC, a Texas limited liability company ("DataProse") and successor in interest to CSG Systems, Inc ("CSG") and amends the First Amendment (the "First Amendment") made between CSG and the City of Burleson ("Client") dated 4/1/2013. The purpose of this Amendment is to amend the terms and conditions agreed to in this prior Amendment. The effective date of this Amendment is the date last signed below ("Effective Date"). In consideration of the mutual promises and benefits contained herein, the parties hereby agree as follows:

PURPOSE OF AMENDMENT. This Amendment shall become effective as of the Effective Date and makes the following changes to the prior Amendment.

- Replaces Schedule 1.0 from the Amendment with Schedule 1.1 (below) which amends the Fees for Goods & Services.
- Replaces Article 3 of the Amendment with Article 3.1 (below) which amends the Term of the Agreement.
- Replaces Article 15 of the Agreement with Article 15.1 (below) which amends the client notice of the Agreement.

DataProse and Client agree that this Amendment is hereby incorporated by reference into a certain Production Agreement (the "Agreement") dated January 10, 2004. The Agreement and this Amendment set forth the entire understanding between the Parties with respect to the Licensed Software/Services, as defined below.

Schedule 1.1 – Fees for Goods & Services

ServiceBill (Package Includes: data processing & simplex, CM·K (full color) imaging, 8.5x11, 24# white paper perforated at 3.5" from bottom, #10 window env., #9 single window reply env., folding, inserting, presorting and delivery to USPS)	$0.10	Per Bill

Optional Services

Search & ViewBill (Archive Package Includes: data processing, archive creation, search, access & hosting of archive files for twelve (12) months from creation date)	$0.01	Per Bill
ViewBill Transmission (includes FTP transmission to client site or files copied to CDRom)	$150.00	Per Transmission/CDRom
NCOALink – Automated address update service	$0.25	Per Address Correction
Additional Impressions	$0.035	Per Impression
Bill Suppression (data processing only – Group Y & Z)	$0.04	Per Bill
Oversized Surcharge (8-99 page bills – Group C)	$0.40	Per Bill
Oversized Surcharge (100+ page bills – Group D & E)	$4.00	Per Bill
Additional Inserts	$0.02	Per Insert
Offline Folding	$0.01	Per Piece
Technical Services (including additional set-up beyond standard, formatting or custom reports, conditional logic & insert/forms composition)	$125.00	Per Hour
Freight, Courier & Air Delivery	Cost	Per Request
Postage (1 oz.)	$0.385	Per Bill

ARTICLE 3.1   TERM.   The term of this Amendment shall commence as of the Effective Date, and shall continue for a period of not less than three (3) years, ending on the third anniversary of the Effective Date, unless terminated earlier in accordance with provisions found elsewhere in the Agreement. The Amendment shall renew itself for successive one (1) year terms unless written notice of cancellation is received by one party from the other at the end of the initial term or at the end of any succeeding one (1) year renewal term(s) by sending written notice of non-renewal to the other party no earlier than one hundred fifty (150), and no later than ninety (90), days before the expiration of the then current term.

ARTICLE 15.1   NOTICE.   All notices must be in writing and if not personally delivered, be sent by facsimile, first class mail, nationally recognized overnight delivery service or by electronic mail. Mailed notices will be effective on the third day after mailing. Notice by personal delivery or delivery service will be effective when delivered. When sent by facsimile or electronic mail, notice will be effective on the day the transmission is received by the recipient provided that (a) a duplicate copy of the notice is promptly given by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Either party may change the address to which notices are to be sent by giving notice of such a change to the other party.

If to DataProse:

DataProse
1122 W. Bethel Road, Suite 100
Coppell, TX 75019
Attention: COO

If to Client:

City of Burleson
141 W Renfro Street
Burleson, TX 76028
Attention: Director of Finance

IN WITNESS WHEREOF, The parties hereto have caused this Amendment to be executed and to be effective as of the Effective Date.

DataProse, LLC

By: _William K. Murray_
CEO
Date: 10/4/2018

City of Burleson:

By: _____
Title: City Manager   Date: 26 Sept 18