

Dear City of Dalton Parks & Recreation,

This letter is to notify you that CivicPlus has recently made changes to its pricing structure and billing processes which will impact your account. Please review the following details to see how this change may impact your organization. The timing of this communication is to ensure your organization ample time to plan accordingly for your budget processes. Your Client Success Manager will also be happy to address any questions that arise from this notification.

What is changing?

Previously, you've been receiving monthly invoices for your CivicRec service. Beginning at your next renewal, CivicPlus will be invoicing all clients on an annual basis. This change is being made to reduce the amount of administrative overhead required for monthly invoicing. The amount of work it takes to send variable invoices to thousands of clients each month takes extraordinary time and resources. Changing to annual billing will also bring CivicRec's invoicing structure in line with our other products which makes it easier for our many clients who use multiple CivicPlus products. We hope your staff will also appreciate the reduction in time spent processing invoices and remitting payments.

Will the amount I pay annually change?

Some, but not all, clients will see changes in the annualized amount that they pay. CivicPlus is constantly assessing the pricing structure for our various products to ensure that we remain competitive. Our goal is to provide a high-level value in each of our products and at an affordable price. We will continue to do that.

Some CivicRec clients, especially ones who started during the days when the product was known as REC1, have not seen a price change in over a decade. While the product has continually evolved, our pricing has never been adjusted to reflect the increased role CivicRec plays for our clients. We are committed to adding resources to engineering, technical support, and account management, so that you continue to receive the continuous product enhancements and dedicated client experience that you expect from CivicRec and CivicPlus. Competitive pricing helps us achieve that.

Is a new contract required?

This change in billing terms will require an addendum to some legacy contracts where monthly billing was specified. If your agreement was determined to require an amendment, that has been included along with this notice. If an amendment was not included, but your organization feels it is required, our client success team will be able to send one along upon request. Simply request this information from your Client Success Manager at clientsuccess@civicplus.com.

What if I receive a monthly or semi-monthly credit card disbursement from CivicPlus?

If you receive a monthly or semi-monthly disbursement from CivicPlus, you will continue to receive that. However, it will only include merchant monies collected (less merchant fees) and will no longer have a software component to it. The software fees will be billed on an annual basis as described above and will no longer be withheld from your merchant disbursements.

June 10, 2019



We also strongly encourage you to consider our new CP Pay™ merchant processing option. This option takes our credit card processing capabilities to a new level. It is rated at the highest level of PCI compliance (Level 1 Service Provider), it allows for daily deposits into your bank account, and it has EMV support. For more information please contact your Client Success Manager at clientsuccess@civicplus.com.

Your pricing

The new annual fee for City of Dalton Parks & Recreation will be \$5,044. This amount will be invoiced for your renewal date of February 01, 2020 and will cover a 12-month period. Your organization will receive an annual renewal each year following 60 days prior to the renewal date each year going forward.

Next steps

Once you have reviewed the agreement addendum, simply return a signed copy to CivicPlus by emailing clientsuccess@civicplus.com or mail to the address outlined at the bottom of the agreement addendum. We ask to have all addendums returned with signature by October 1, 2019.

As always, thank you for being a valued CivicPlus client, and we look forward to continuing to serve your recreation management needs.

Sincerely,
CivicPlus





Amendment to the Agreement
Dalton Parks & Recreation Department, GA

AMENDMENT TO THE AGREEMENT

THIS AGREEMENT AMENDMENT (this "Amendment") is agreed to this _____ day of _____, 2019 ("Effective Date") by and between CivicPlus, LLC, d/b/a CivicPlus ("CivicPlus") and Dalton Parks & Recreation Department, GA ("Client") (jointly, "Parties") and shall be effective as of the date set forth above.

RECITALS

WHEREAS, Client entered into the Online Registration and Servicing Agreement dated February 2011 for the use of the software registration system, with Cirillian, Inc. dba Rec1 (the "Agreement");

WHEREAS, CivicPlus acquired Rec1 and all customers, contracts and obligations on December 30, 2016, and has since been providing all services under the Agreement to Client;

WHEREAS, thus far CivicPlus has maintained the Agreement's original payment terms, yet the cost of providing the services, maintenance, upgrades and service providers associated with the software has increased; and

WHEREAS, CivicPlus and Client have agreed to alter certain terms as set forth in the Agreement by this written instrument duly executed by the Parties, the modification of terms as specified in this Amendment.

NOW, THEREFORE, the Parties hereto mutually agree for good and valuable consideration, the receipt and adequacy of which is hereby agreed as follows:

1. "CivicPlus" shall hereby replace any mention of "Rec1" throughout the Agreement.
2. CivicPlus is shifting Client from a monthly billing cycle to an annual licensing subscription fee, to be paid once annually, on each anniversary of the Agreement signing date, as set forth in this Amendment.
3. Client's Annual Service Fee shall be in the amount of \$5,044, to be billed on the Agreement's next renewal term following the Effective Date of this Amendment.
4. The Annual Service Fee, which includes without limitation hosting, support and maintenance services, shall be subject to a 5% annual increase beginning in the third year of service following this Amendment.
5. CivicPlus reserves the right (but not the obligation) to audit Client once every 12 months to determine Client's actual transaction processing volume ("Actual Processing Volume"). In the event Client's Actual Processing Volume increases from prior year's Actual Processing Volume, CivicPlus will notify client within 30 days of the audit of the Actual Processing Volume and the applicable increase in the Annual Fees resulting from such Actual Processing Volume. The increase in the Annual Fees shall be implemented the first of the month following the notice.
6. All other terms and conditions of the Agreement, not modified herein, shall remain in full force and effect.

Acceptance

We, the undersigned, agreeing to the conditions specified in this Amendment, understand and authorize the provision of services outlined in this Amendment.

Client

CivicPlus

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____