

# Jurisdiction Online for Elevators Service Agreement

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This Service Agreement ("Agreement") dated 8/5/05 is by and between Praeses Corporation, a Georgia Corporation with its principal place of business at 330 Marshall Street, Suite 800, Shreveport, Louisiana 71101 ("Praeses") and the State of Connecticut, acting herein by the Department of Information Technology (DOIT) on behalf of the Department of Public Safety with offices at 101 East River Drive, East Hartford, Connecticut 06108 ("Connecticut" or "Jurisdiction").

WHEREAS, Connecticut has requested that Praeses provide certain software, access to certain Internet-based application software, and management services as hereinafter described, and Praeses is willing to provide such services under the terms and conditions set forth below;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

## 1. Definitions.

- 1.1. **Completed Inspection.** A Completed Inspection is a safety inspection report from a Connecticut elevator inspector indicating the conveyance has been inspected for normal use.
- 1.2. **Conveyance Registration.** Entry of Connecticut required information into the JO system.
- 1.3. **Inspection(s).** A physical evaluation of a Jurisdictional Object for the purpose of determining condition.
- 1.4. **Jurisdiction Online or JO.** Internet-based software application available to Jurisdictional authorities involved with Jurisdictional Object installation, registration, inspection, certification, maintenance, alteration or repair.
- 1.5. **Jurisdiction(s).** State governmental authority(ies) requiring Inspection of a Jurisdictional Object prior to certification or approval of its installation or use.
- 1.6. **Jurisdictional Object or Object.** A conveyance, including an elevator, dumbwaiter, escalator, moving sidewalk, platform lift, stairway chairlift, or other

automated people mover covered under Connecticut law that, according to state laws, which must be periodically inspected for safety or other concerns.

- 1.7. **Software.** Electronic information or coded instructions to a computer which comprise any part of JO created by Praeses.
- 1.8. **Users or Authorized Users.** Jurisdictions, Elevator Inspectors and their employees and/or agents, who use or subscribe to the JO Elevator Safety System.
- 1.9. **JO Update.** A revision of JO or the user's manual designed to correct an error or improve performance of existing functionality.
- 1.10. **JO Option.** A unit of functionality that is in addition to the basic feature set of JO and is not provided as part of the basic subscription price to the Jurisdictions. JO will continue to operate without the addition of any JO Options.

## 2. Services.

- 2.1. Not later than 180 days after approval of this Agreement as to form by the Connecticut Attorney General, Praeses will supply Connecticut access to JO to allow it to operate its elevator safety program, including the exchange of information as required by Connecticut's laws or regulations, to register Objects, issue invoices, track accounts receivable and payments on invoices, issue permits and issue Certificates of Operation.
- 2.2. This Agreement shall have a term of five (5) years, beginning on the date approved by the Attorney General, and shall automatically renew for successive one (1) year terms thereafter unless either party shall give written notice of termination to the other at least thirty (30) days before the end of the current term as per Notice provisions in Article 13 hereinbelow.
- 2.3. All User training on use of JO shall be conducted by Praeses personnel. At mutually agreed upon dates and times, Praeses will provide one two day initial training session at a location provided by Connecticut. Requests for additional training will be satisfied on a time and materials basis and can be conducted at the Praeses offices or a location selected by Connecticut. Specific fees, including reasonable expenses incurred and permitted by Connecticut's then current travel reimbursement policy, will be negotiated as part of the request. Requests for additional training materials or documentation will be satisfied on a time and materials basis.

- 2.4. Connecticut will be provided a complete copy of Connecticut's data (as defined by this document) monthly. The method of data transfer will be determined by mutual agreement. Connecticut shall be responsible for providing appropriate software and hardware as set forth in Attachment E to enable it to use the data provided. Connecticut shall not copy, other than for archival purposes, or provide the data provided hereunder in an exploitable format to any third party without the prior written consent of Praeses.
- 2.5. Praeses will create and maintain within JO an inventory relating to Objects within Connecticut, as supplied by authorized representatives of Connecticut or Users. Praeses will manage and provide access via the Internet to required information to Connecticut and Authorized Users as entered into the system by Connecticut or Users in the format required by Connecticut as of the date of execution of this Agreement.
- 2.6. Praeses, through JO, will provide e-mail and telephone support to Connecticut during the hours of 8 a.m. to 7 p.m. (Eastern time), Monday through Friday, except Connecticut holidays. Such included support is limited to the following:

Days after rollout	Hours of included support per month
Up to 30	200
31-60	160
61-90	120
91-120	80
121-150	40
150 and above	20

- 2.7. Additional support may be purchased by Connecticut under a separate agreement at mutually agreeable terms and pricing.
- 2.8. JO will have the minimum functional capabilities described in Attachment C.

### **3. Connecticut's Responsibilities.**

- 3.1. During the term of this Agreement, Connecticut shall utilize JO for its only electronic interface for all Jurisdictional Object inspections and certifications, licensing and permit issuance for which Connecticut is responsible. Connecticut shall follow the user manuals provided with JO and shall use the proper protocol and priority to access Customer and Technical Support services provided herein.
- 3.2. Connecticut is responsible for the accuracy, completeness, and timeliness of the information it enters, or provides for entry, into JO.

- 3.3. Praeses has a claim of patents pending for various aspects of the JO system, including specifically a patent on the concept. Connecticut agrees to honor the confidential and proprietary nature of the system and during the term and any renewals. Connecticut shall not use the system for purposes other than expressly set forth herein, nor modify, sell or distribute works based on the Software or JO.
- 3.4. Without limiting the foregoing, copying or reproduction of the Software to any server or location not directly used for JO, or for further copying or reproduction, is expressly prohibited without the express written consent of Praeses, which consent shall be without cost and not be unreasonably withheld. Withholding consent to copying or reproduction of the Software to allow any person, firm or legal entity other than Connecticut, solely for the operation of its Elevator Safety Program, is a specific example of reasonable withholding of consent. The actions prohibited by this paragraph shall not be engaged in by Connecticut directly or indirectly, whether as manager, salesperson, agent, technical support, sales or service representative, developer, or otherwise.

#### **4. Praeses Fees.**

- 4.1. Connecticut shall pay Praeses according to the pricing matrix shown in Attachment D. After the third year of the Agreement and upon State receipt of ninety (90) calendar days' prior written notice, Praeses may update the Deliverable Price Schedule pricing by amending the Deliverable Price Schedule effective July 1 of any State of Connecticut fiscal year, provided: (1) the Deliverable Price Schedule amendment is transmitted and approved by Connecticut, (2) no software license, or Deliverable maintenance or service rate is increased within the first year of any Deliverable or Product acceptance, and (3) any such price increase shall not exceed the lesser of five percent (5%) or the Consumer Price Index in any State of Connecticut fiscal year. State shall provide Contractor written acknowledgement, for Contractor's records, of such received amendment. The pricing as referenced in Attachment D shall be fixed, and this clause shall not be applicable during the first three years of the Agreement.
- 4.2. Connecticut will not pay for e-mail support or telephone based support as provided herein other than by paying Praeses the fees described in Paragraphs 2.3, 2.6, 2.7, and 4.1, above. Should Connecticut request additional functionality or reporting through JO or additional IT services, consulting and/or training beyond the scope of services identified in Article 2 or specifically provided herein as identified on Attachment A, the fees, including reasonable expenses incurred and permitted by Connecticut's then current travel reimbursement policy, for such consulting shall be negotiated and set out in a separate agreement and/or Statement of Work for such consulting or training
- 4.3. Should Connecticut request additional consulting or support beyond the scope of services specifically provided herein, the fees and other terms for such consulting

shall be negotiated and noted in a separate agreement and Statement of Work for such consulting or support project.

- 4.4. Praeses shall bill for services provided hereunder monthly in arrears. Payment is due within forty-five (45) days of the receipt of a properly documented undisputed invoice. A 1.5 % per month fee will be assessed on undisputed amounts that are more than forty five (45) days overdue.
- 4.5. Payment will be made only after presentation of an undisputed properly documented invoice. All invoices shall be sent directly to Connecticut. All inquiries regarding the status of unpaid invoices shall also be directed to Connecticut. In cases where there is a good faith dispute concerning Praeses' claim for payment, the State agency shall contact Praeses prior to payment due date. Where there is a good faith dispute concerning Praeses' claim for payment, only the disputed portion of the claimed payment may be withheld. The parties agree to work in good faith to resolve any such disputes. If a payment or portion of any payment is disputed and withheld due to a failure by Praeses to provide the services in accordance with the terms and conditions herein, and Praeses corrects the failure within five (5) business days of being notified of such failure by Connecticut, Praeses shall be entitled to full payment of the disputed amount.

## **5. User Submissions.**

- 5.1. Connecticut is responsible for its communications and for the consequences of its postings. Connecticut must not, and by using JO, agrees not to, take the following actions: infringe on another's intellectual property rights, post objectionable materials, post any advertisements, or post material that has the potential to damage or interfere with the operation of JO.
- 5.2. Praeses does not represent or guarantee the truthfulness, accuracy, or reliability of information or communications posted by Users or endorse any opinions expressed by Users. Connecticut's reliance on material posted by other Users will be at its own risk.
- 5.3. Praeses acts as a passive conduit for the online distribution and publication of User-submitted information and has no obligation to screen communications or information in advance and is not responsible for screening or monitoring material posted by Users, except as may specifically noted in this Agreement. If notified by a User of communications which allegedly do not conform to this Agreement, Praeses will investigate the allegation and determine in good faith whether to remove or request the removal of the communication. Praeses has no liability or responsibility to Users or Connecticut for performance or nonperformance of such activities. Praeses reserves the right to expel Users and prevent their further access to JO for violating this Agreement or the law and

further retains the right to remove communications which are abusive, illegal, or disruptive. Praeses may take any action with respect to User-submitted information that it deems necessary or appropriate if it believes it will create liability for Praeses or may cause Praeses to lose (in whole or in part) the services of its ISPs or other suppliers or business of other Users and customers.

## **6. Ownership of Data.**

- 6.1. Praeses owns JO, including the patented concept it represents, the source code, creating the software, and the processes and training materials which are created pursuant to the JO system.
- 6.2. Connecticut owns the data within JO which is posted there by Connecticut.
- 6.3. Praeses shall not sell data owned by Connecticut within JO. However, JO is supported by subscriptions and such access for a fee shall not be deemed to be marketing or sale of the data.

## **7. Registration and Password.**

Connecticut is responsible for taking reasonable steps to maintain the confidentiality of its information and password(s). Connecticut agrees to immediately notify Praeses of any unauthorized use of its registration or password(s).

## **8. Praeses' Liability.**

- 8.1. JO is only acting as a venue for Connecticut and Authorized Users to post Inspection data related to Jurisdictional Objects and may not screen or censor the information posted. Praeses may not be involved in the actual transaction between Connecticut and Authorized Users. Praeses has no control over the quality, safety or legality of the data posted, or the truth or accuracy of the submissions. Connecticut approves all Authorized Users who post data to JO related to Objects within Connecticut. Connecticut assumes all risks associated with dealing with all Authorized Users it approves through JO.
- 8.2. Praeses and its agents and employees shall not be responsible for claims, demands and damages (actual and consequential, direct and indirect) of every kind and nature, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising out of or in any way connected with disputes among or between users.
- 8.3. Praeses is under no legal obligation to, and generally does not, control the information provided by other Users which is made available through JO. Other

- User's information may be inaccurate, and in some cases may be mislabeled or deceptively labeled. Praeses makes no representations about the accuracy, reliability, completeness, or timeliness of JO or the material posted on JO. Praeses expects that Connecticut and other Users will use caution and common sense when using JO. The use of JO and the material is at Connecticut's own risk. Changes are periodically made to JO and may be made at any time.
- 8.4. Connecticut is solely responsible for the form, content and accuracy of any information placed by it on JO.
  - 8.5. Praeses warrants that JO shall perform in all material respects according to Praeses' specifications concerning JO when used with the appropriate computer software and equipment. In the event of any breach or alleged breach of this warranty, Connecticut shall promptly notify Praeses. Praeses shall correct JO so that it operates according to the warranty. This warranty shall not apply to JO if modified by anyone other than Praeses or if used improperly or on an operating environment not approved by Praeses.
  - 8.6. Praeses is not responsible for providing Connecticut access to the Internet, Internet browser software, nor for the reliability of any connection to the Internet.
  - 8.7. PRAESES DOES NOT WARRANT THAT JO WILL OPERATE ERROR-FREE OR THAT JO AND ITS SERVER ARE FREE OF COMPUTER VIRUSES OR OTHER HARMFUL MECHANISMS PLACED THERE BY OTHER PARTIES. IF CONNECTICUT'S USE OF JO OR THE MATERIAL RESULTS IN THE NEED FOR SERVICING OR REPLACING EQUIPMENT OR DATA, PRAESES IS NOT RESPONSIBLE FOR THOSE COSTS, UNLESS CAUSED BY PRAESES.
  - 8.8. UNLESS SPECIFICALLY STATED ELSEWHERE IN THIS AGREEMENT, JO IS PROVIDED ON AN "AS IS" BASIS WITHOUT ANY WARRANTIES OF ANY KIND.
  - 8.9. Notwithstanding any other terms of this Agreement, if Praeses terminates this Agreement for breach or if Connecticut terminates for convenience or lack of funding, then Connecticut shall not have a license to the JO software, shall not have the right to maintain or use an archival copy of the software (as may be provided elsewhere in this Agreement), nor shall Connecticut have the right to have the JO source code placed in escrow or retrieve and use JO source code which may be in escrow. Connecticut's data shall be provided in accordance with Article 23.
  - 8.10. If Praeses breaches this Agreement in a material way and such breach is not cured within thirty (30) days after Praeses' receipt of written notice of such

breach, then Connecticut may terminate this Agreement without being granted a license to the software. If Connecticut does not exercise its right to terminate the agreement at 30 days and Praeses does not cure the breach within 90 days, Connecticut may terminate the agreement and if so terminated, shall be granted a non-exclusive, non-transferable license to the JO source code and software for a period of fifty (50) years from the signing of this Agreement. This license will allow Connecticut to perform the following:

- 8.10.1. Install JO only on Connecticut servers only for the purpose of supporting the inspection of elevators between only Connecticut and Authorized Users licensed to inspect elevators in Connecticut; and
- 8.10.2. Extend the software through the source code by adding new functionality related only to elevator inspections; and,
- 8.10.3. Connecticut is specifically prohibited from 1) selling any of the software or source code; 2) giving away any of the software or source code; or, 3) extending the software or source code to support other areas of business outside of elevator inspection and management.

## **9. Disclaimer of Consequential Damages.**

IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, INCIDENTAL AND CONSEQUENTIAL DAMAGES, LOST PROFITS, OR DAMAGES RESULTING FROM LOST DATA OR BUSINESS INTERRUPTION) RESULTING FROM THE USE OR INABILITY TO USE JO AND THE MATERIAL, WHETHER BASED ON WARRANTY, CONTRACT, TORT, OR ANY OTHER LEGAL THEORY, AND WHETHER OR NOT THAT PARTY IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## **10. Links to Other Sites.**

JO may contain links to third party web sites. These links are provided solely as a convenience to Connecticut and Users and not as an endorsement by Praeses of the contents on such third-party web sites. Praeses is not responsible for the content of linked third-party sites and does not make any representations regarding the content or accuracy of materials on such third party web sites. Users access linked third party web sites at their own risk.



## **11. Limitation of Liability.**

The aggregate liability of either party to the other party for all claims arising from the use of, or inability to use, JO or the material posted thereon is limited to \$25,000.

## **12. General.**

- 12.1. Praeses makes no claims that the materials posted on JO may be lawfully viewed or downloaded outside of the United States. Access to the materials may not be legal by certain persons or in certain countries. If Connecticut accesses JO from outside of the United States, it does so at its own risk and is responsible for compliance with the laws of the appropriate Jurisdiction.
- 12.2. If any provision of this Agreement is found to be invalid by any court having competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions of this Agreement, which shall remain in full force and effect.
- 12.3. No waiver of any term of this Agreement shall be deemed a further or continuing waiver of such term or any other term.
- 12.4. This Agreement constitutes the entire agreement between Connecticut and Praeses with respect to the use JO. No changes to this Agreement shall be made except by a written instrument executed by both parties. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof.
- 12.5. Neither this Agreement nor any interest in this Agreement may be assigned by either party without the prior express written approval of the other party. However, Praeses expressly reserves the right to assign the right to receive income from this Agreement.
- 12.6. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.
- 12.7. Each Party represents to the other that it has full authority to enter into and secure performance of this Agreement, and that the person signing this Agreement on behalf of the Party has been properly authorized to enter into this Agreement. Each Party further acknowledges that it has read this Agreement and agrees to be bound by all of its terms, conditions, and provisions.

### 13. Notice.

Any notice required by this Agreement or given in connection with it shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery services.

<b>If to Praeses:</b>	<b>If to Connecticut:</b>
JO Elevator Project Manager Praeses Corporation 330 Marshall Street, 8 <sup>th</sup> Floor Shreveport, LA 71101 (318) 424-8125 Fax (318) 213-8137 CC: Praeses Corporation, CEO	Director of Contracts and Purchasing State of Connecticut Dept. Of Information Technology 101 East River Drive East Hartford, CT 06108

### 14. Date Compliance

The contractor warrants that each hardware, software, and firmware product (“product”) or each developed, modified or remediated item of hardware, software, firmware (“item”) or each service delivered under this contract shall be able to:

- (1) accurately assess, present or process date/time data (including, but not limited to, management, manipulation, processing, comparing, sequencing and other use of date data, including single and multi-century formulae and leap years) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations;
- (2) properly exchange date/time data when used in combination with other information technology;
- (3) perform as a system, if so stipulated in the contract, and the warranty shall apply to those items as a system.

Notwithstanding any provision to the contrary in any vendor warranty or warranties, the remedies available to the State under this Year 2000 and Other Date warranty shall include repair or replacement of any listed product and/or item whose non-compliance with the Year 2000 and Other Date warranty is discovered and made known to the contractor in writing. This warranty remains in effect for 365 days following the RFP Warranty Period of this agreement.

Nothing in this warranty shall be construed to limit any rights or remedies the State may otherwise have under this contract with respect to defects other than Year 2000 and Other Date compliance.

In addition, the contractor warrants that products or items modified or remediated to achieve Year 2000 and Other Date compliance will remain unaffected with respect to their functioning or performance except for processing and exchanging date/time data. The contractor warrants that products or items not being modified or remediated directly will remain unaffected with respect to their normal functioning or performance.

#### **15. Nondiscrimination And Affirmative Action Provisions.**

Provider agrees to comply with Subsection (a) of Section 4a-60 of the General Statutes of Connecticut, as revised.

a. For the purposes of this section, "minority business enterprise" means any small contractor or supplier of materials fifty-one per cent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) Who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise and (3) who are members of a minority, as such term is defined in Subsection (a) of Conn. Gen. Stat. Section 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

For the purposes of this section, "commission" means the commission on human rights and opportunities.

For the purposes of this section, "public works contract" means any agreement between any individual, firm or corporation and the state or any political subdivision of the state other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the state, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

b. (1) The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical

disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved; (2) the contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the contractor, to state that it is an “affirmative action-equal opportunity employer” in accordance with regulations adopted by the commission; (3) the contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers’ representative of the contractor’s commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the contractor agrees to comply with each provision of this section and Conn. Gen. Stat. Sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to Conn. Gen. Stat. Sections 46a-56, 46a-68e and 46a-68f; (5) the contractor agrees to provide the commission on human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the contractor as relate to the provisions of this section and Conn. Gen. Stat. Section 46a-56. If the contract is a public works contract, the contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.

c. Determination of the contractor’s good faith efforts shall include but shall not be limited to the following factors: The contractor’s employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

d. The contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.

e. The contractor shall include the provisions of Subsection b of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Conn. Gen. Stat. Section 46a-56; provided, if such contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

f. The contractor agrees to comply with the regulations referred to in this section as they exist on the date of this contract and as they may be adopted or amended from time to time during the term of this contract and any amendments thereto.

## **16. Nondiscrimination Provisions Regarding Sexual Orientation.**

Provider agrees to comply with Subsection (a) Section 4a-60a of the General Statutes of Connecticut, as revised.

a. (1) The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the commission on human rights and opportunities advising the labor union or workers' representative of the contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56 of the general statutes; (4) the contractor agrees to provide the commission on human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the contractor which relate to the provisions of this section and section 46a-56 of the general statutes.

b. The contractor shall include the provisions of Subsection a of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56 of the general statutes; provided, if such contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

c. The contractor agrees to comply with the regulations referred to in this section as they exist on the date of this contract and as they may be adopted or amended from time to time during the term of this contract and any amendments thereto.

**17. Executive Order No. Three.**

This contract is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971 and, as such, this contract may be cancelled, terminated or suspended by the state labor commissioner for violation of or noncompliance with said Executive Order No. Three, or any state or federal law concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to this contract. The parties to this contract, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the state labor commissioner shall have continuing jurisdiction in respect to contract performance in regard to nondiscrimination, until the contract is completed or terminated prior to completion.

The contractor agrees, as part consideration hereof, that this contract is subject to the Guidelines and Rules issued by the state labor commissioner to implement Executive Order No. Three, and that he will not discriminate in his employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the state labor commissioner.

**18. Executive Order No. Sixteen.**

This Agreement is subject to the provisions of Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, and, as such, this Agreement may be canceled, terminated or suspended by the Contracting agency for violation of or noncompliance with said Executive Order No. Sixteen. The parties to this Agreement, as part of the consideration hereof, agree that Executive Order No. Sixteen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting State shall have jurisdiction in providing its employees a reasonably safe and healthy working environment, free from intimidation, harassment, threats, and /or violent acts.

**19. Executive Order No. Seventeen.**

This contract is subject to the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this contract may be cancelled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be a party to this contract. The parties to this contract, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing

jurisdiction in respect to contract performance in regard to listing all employment openings with the Connecticut State Employment Service.

## **20. Workers' Compensation.**

Supplier agrees to carry sufficient workers' compensation and liability insurance in a company, or companies, licensed to do business in Connecticut, and furnish certificates if required.

## **21. Approval Of Agreement.**

Customer and Supplier represent that the persons who are their respective signatories to this Agreement are fully authorized to do so. This Agreement shall become effective upon its approval as to form by the Office of the Attorney General of the State of Connecticut.

## **22. Applicable Law. Jurisdiction.**

a. This contract shall be governed, interpreted and construed under and in accordance with the laws of the State of Connecticut without regard to its conflict of laws principles. This contract shall be deemed to have been made in Hartford, Connecticut.

b. The Provider irrevocably consents with respect to any permitted claims or remedies at law or equity, arising out of or in connection with this Agreement, to the jurisdiction of the Connecticut Superior Court or the U.S. District Court for the District of Connecticut and with respect to venue in the Judicial District of Hartford-New Britain at Hartford or the U.S. District Court for the District of Connecticut in Hartford, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise.

c. Provider agrees to appoint agents in the State to receive service of process. In the event Provider fails to appoint said agent the Secretary of the State of Connecticut is hereby appointed by Provider as its agent for service of process for any action arising out or as a result of this contract, such appointment to be in effect throughout the life of this contract including any supplements hereto and all renewals thereof, if any, and six (6) years thereafter except as otherwise provided by law.

## **23. Language Required Pursuant To C.G.S. §4d-44**

The provisions of Section 4d-44 of the Connecticut General Statutes concerning continuity of systems in the event of expiration or termination of contracts, amendments or default of the contractor are incorporated herein by reference.

Sec. 4d-44. Each contract, subcontract or amendment to a contract or subcontract shall include provisions ensuring continuity of state agency information system and telecommunication system facilities, equipment and services, in the event that work under such contract, subcontract or amendment is transferred back to the state or transferred to a different contractor, upon the expiration or termination of the contract, subcontract or amendment or upon the default of the contractor or subcontractor. Such provisions shall include, but not be limited to, (1) procedures for the orderly transfer to the state of (A) such facilities and equipment, (B) all software created or modified pursuant to the contract, subcontract or amendment, and (C) all public records, as defined in section 4d-33, which the contractor or subcontractor possesses or creates pursuant to such contract, subcontract or amendment, and (2) procedures for granting former state employees who were hired by such contractor or subcontractor the opportunity for reemployment with the state.

The Parties agree to enter into an amendment to this Agreement to comply with the provisions of C.G.S. §4d-44. Such amendment shall provide that Praeses shall cooperate with an orderly transition and transfer of public records, not to exceed 30 days from the date of termination, at Praeses' then-current fees.

#### **24. Termination in the Best Interest of the State**

Notwithstanding any provision or language in this contract to the contrary, the Commissioner may terminate this contract whenever he/she determines in his/her sole discretion that such termination is in the best interests of the State. Any such termination shall be effected by delivery to the Supplier of a written notice of termination. The notice of termination shall be sent by registered mail to the Supplier address furnished to the State for purposes of correspondence or by hand delivery. Upon receipt of such notice, the Supplier shall both immediately discontinue all services affected (unless the notice directs otherwise) and deliver to the State all data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by the Supplier in performing his duties under this contract, whether completed or in progress. All such documents, information, and materials shall become the property of the State. In the event of such termination, the Supplier shall be entitled to reasonable compensation as determined by the Commissioner of the Department of Information Technology, however, no compensation for lost profits shall be allowed.

#### **25. Tangible Personal Property**

Sec. 105. (NEW) (Effective from passage and applicable to sales occurring on or after July 1, 2003) (a) For any contract for provision of tangible personal property to the state entered into on or after the effective date of this section, each department head, as defined in section 4-5 of the general statutes, shall enter into an agreement with the contractor



pursuant to which such contractor shall agree, on its own behalf and on behalf of each affiliate, as defined in subsection (d) of this section, of such contractor, for the term of the state contract, to collect and remit to the state on behalf of its customers any use tax due to the state under the provisions of chapter 219 of the general statutes for items of tangible personal property sold by the contractor or by any of its affiliates in the same manner as if the contractor and its affiliates were engaged in the business of selling tangible personal property for use in this state and had sufficient nexus with this state to be required to collect use tax due to the state. (b) The following provisions shall apply to and be made part of any agreement entered into pursuant to subsection (a) of this section: (1) The contractor and its affiliates are not liable for use tax not paid to them by a customer; (2) A customer's payment of a use tax to the contractor or its affiliates relieves the customer of liability for the use tax; (3) The contractor and its affiliates shall remit all use taxes they collect from customers on or before the due date specified in the agreement, which may not be later than the last day of the month next succeeding the end of a calendar quarter or other tax collection period during which the tax was collected; and (4) Any contractor or affiliate who fails to remit use taxes collected on behalf of its customers by the due date specified in the agreement shall be subject to the interest and penalties provided for persons required to collect sales tax under chapter 219 of the general statutes. (c) Any agreement entered into under subsection (a) of this section may provide that the contractor and its affiliates shall collect the use tax only on items that are subject to the six per cent rate of tax. (d) For purposes of this section, "affiliate" means any person, as defined in section 12-1 of the general statutes, that controls, is controlled by, or is under common control with another person. A person controls another person if the person owns, directly or indirectly, more than ten per cent of the voting securities of the other person. For purposes of this subsection, "voting security" means a security that confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business, or that is convertible into, or entitles the holder to receive, upon its exercise, a security that confers such a right to vote. "Voting security" includes a general partnership interest.

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**26. Signatures.**

This Agreement is entered into by authority of Sections 4d-2, 4d-5 and 4d-8 of the Connecticut General Statutes.

In witness whereof, Praeses and Connecticut have executed this Service Agreement on the day and year first above written.

**Praeses Corporation**

By: Frank M. Auer  
Frank M. Auer, CEO

**State of Connecticut**

By: Diane S. Wallace  
Signature

DIANE SWALLACE, CIO  
Printed Name and Title

**Connecticut Attorney General**

By: W B NK

Assoc. Atty. General  
Printed Name and Title

Date Approved: 8/5/05

## Attachment A

### Reports included with JO at no additional charge to Connecticut

REPORT NAME		DESCRIPTION
1.	Certificates To Print - By Jurisdiction Number	List of Certificates that are ready to print - Listed by Jurisdiction Number
2.	Certificates To Print - By Location	List of Certificates that are ready to print - Listed by Location
3.	Inspector Statistics	Count of Inspections for Each Inspector and Company
4.	Invoice Detail Report	Lists details for all invoices created in a specified date range.
5.	Invoice Summary Report	Lists summary of all invoices created within a specified date range.
6.	Location Detail Report	Displays information about the location and lists the Objects.
7.	Location Summary Report	Summary Information for Locations.
8.	Objects Due Inspection - Summary Report	Count of object Inspections overdue, due in current month, and due in 1, 2, or 3 months
9.	Overdue Inspection List	Overdue Inspections for Active objects
10.	Payment Detail Report	Payment Detail Report
11.	Payment Summary Report	Payment Summary Report
12.	Possible Incorrect Expiration Dates	List of objects with possible incorrect expiration dates
13.	Receipts Detail Report	Lists details for all payments entered in a specified date range
14.	Receipts Summary By Day	Receipts for a specified time period summarized by day
15.	Refund Detail Report	Listing of refunds during a specified time period
16.	User Detail	Detail of User Information
17.	User Summary	Summary of Users Like User Search Screen
18.	Voided Invoice Report	Lists invoices voided during a specified time period

## Attachment B

The services described below are **specifically excluded** from the Jurisdiction Online Service Agreement. Praeses shall not:

### 1. Technical Foundation

- 1.1. Provide a means for Users or Connecticut to access the Internet or other networks.
- 1.2. Provide the hardware/software necessary to connect to JO.
- 1.3. Provide any software/hardware necessary to use JO.
- 1.4. Provide a printer or supplies required to print material generated through JO.

### 2. Ongoing Operations

- 2.1. Be responsible for gathering or distributing data from JO to third parties.
- 2.2. Be responsible for setting up or updating user accounts once the initial accounts, groups and Jurisdictional administrative accounts have been established.

### 3. Ongoing Support

- 3.1. Be responsible for entering, modifying, or interpreting any data on behalf of Authorized Users or jurisdictional personnel in Jurisdiction where a method for this action is provided in JO.
- 3.2. Be responsible for accuracy of User changes made during the data entry process.
- 3.3. Be responsible for training Users added after the initial training.
- 3.4. Provide free support to Users that have not been appropriately trained.

### 4. System Functionality

- 4.1. Be responsible to develop additional functionality not specifically mentioned in the agreement, unless included in a future revision to Attachment C hereof.

- 4.2. Provide alternative methods for allowing data entry.
  - 4.3. Provide alternative methods for allowing access to the data.
  - 4.4. Be responsible for attending Jurisdiction meetings related to services that are not provided by Praeses.
  - 4.5. Provide additional reports or functionality requested by Jurisdiction that is already provided by JO in a slightly different format.
  - 4.6. Provide custom integration.
  - 4.7. Provide custom and/or electronic integration with third parties except through JO. For example, JO does not provide electronic invoicing, electronic payment, or self-serve payments.
5. Rules and Collection
- 5.1. Be responsible for updating, modifying, or creating rules and regulations for Connecticut, Department of Public Safety, Bureau of Elevators.
  - 5.2. Be responsible for communicating, interpreting, or enforcing Connecticut elevator safety laws.
  - 5.3. Be responsible for creating, collecting, or enforcing any fees for Jurisdictions.

## Attachment C

### Minimum Functionality

1. Electronic Submission - Users submit data using a web browser.
2. Up-to-Date Data - Data is securely edited in a central staging database on the Internet.
3. Address Validation - Addresses are validated and compared to the US postal service database of known addresses. Addresses that do not match trigger a notification with options for correction or override.
4. Manufacturer Validation - The manufacturer data field is validated against a list of manufacturers' names in the system.
5. Online-Maps / Routes - Clicking any address provides access to on-line maps and routes. This feature shall continue as long as there is a suitable free service available.
6. Supports All Connecticut Forms - JO includes information regarding location of the inspected Object and will display the appropriate Connecticut data fields for the inspector. This includes the appropriate choices (the domain) for each data field in a drop down list of choices where applicable.
7. Streamlined Data Entry - The User will edit the previous data where available, not enter it on a blank form.
8. Context Sensitive Help - JO includes context sensitive help. This includes customized help based upon Jurisdiction, and object type. Additional support options include email and telephone.
9. Single Distribution Point - All data will clear through the JO staging database instead of being sent by paper or electronically to numerous different physical locations.
10. Change History - JO tracks important changes that have occurred to the data since implementation of JO, including the User making the change and date of the change.
11. Ad hoc Reporting – JO includes the ability to create a variety of ad hoc reports based upon the jurisdictional data.
12. Due Date Reporting – JO includes reports to determine the due date of Inspections in various areas.

13. Activity Reporting – JO includes the reports related to Inspection activity.
14. Inspector Approval and Removal -- JO includes the ability for Connecticut to approve inspectors and firms to access the system for Objects in Connecticut. Connecticut will also be able to unilaterally remove access of any Licensees for Objects in Connecticut.

**Attachment D  
Pricing Matrix\***

<b>Description – Licensing</b>	<b>Unit Price</b>
Elevator Mechanic License (Initial and Renewal)	N/A
Elevator Inspector License (Initial and Renewal)	N/A
Elevator Contractor License (Initial and Renewal)	N/A
Temporary Elevator Mechanic License (Initial and Renewal)	N/A
Emergency Elevator Mechanic License (Initial and Renewal)	N/A
Replacement License	N/A
<b>Description – Permitting</b>	
Conveyance Registration – Initial	N/A
New Installation Permit	N/A
Alteration Permit	N/A
Variance Permit	N/A
<b>Description – Inspection and Operation</b>	
Inspection filing	0
Violation reporting and filing	0
Certificate of Operation – New <sup>1</sup>	\$5.00
Certificate of Operation – Annual Renewal <sup>1,2</sup>	\$5.00
Certificate of Operation – Temporary	\$0
Citation	\$0

Fees for services shall be billable to Connecticut at same time Connecticut bills owner/user for Connecticut fees.

1. These fees do not apply to elevators defined as exempt under Connecticut Statute 29-196, including elevators registered to The State of Connecticut and Private Residence elevators which have opted to not annually renew.
2. There will be no charge for replacement or duplicate certificates that have been previously paid for the current certificate period.

\*Any services listed that Connecticut does not now use have a zero price. Once those services are used and Connecticut bills fees to its owner/users, the parties may mutually agree to alter this pricing matrix to include fees for those items and reduce the amount of fees by Praeses for certificates.



**Attachment E**  
**Hardware and Software Requirements for JO**

Personal Computer with the following software installed and running:

Microsoft Internet Explorer, ver. 5.5 or higher

Adobe Acrobat Reader ver. 5.0 or higher

Printer

Access to Internet with minimum speed of 28.8 kbps and preferred 56.0 kbps