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June 4, 2021

City of Naperville
PO Box 3020
Naperville, Illinois 60566-7020

RE: Sole Source Procurement

To Whom It May Concern:

Please accept this letter as confirmation that Tyler Technologies, Inc. is the sole provider of the PACE (Planned Annual Continuing Education) services listed in the attached sales quotation. The PACE services are specific to Tyler's proprietary software, which can only be supported, and updated or modified by Tyler.

Please let me know if you have any additional questions.

Regards,

A handwritten signature in black ink that reads "Jisel Lopez".

Jisel Lopez
Senior Corporate Attorney



Quoted By: Joe Parent
 Date: 6/3/2021
 Quote Expiration: 9/30/2021
 Quote Name: City of Naperville ERP PACE Premier Plus 7
 Quote Number: 2021-129317
 Quote Description: City of Naperville ERP PACE Premier

Sales Quotation For

City of Naperville
 PO Box 3020
 Naperville, IL 60566-7020
 Phone +1 (630) 420-6111

Tyler Software and Related Services

Description	License	Impl. Hours	Impl. Cost	Data Conversion	Module Total	Year One Maintenance
Additional:						
PACE Premium	\$0.00	0	\$0.00	\$0.00	\$0.00	\$48,000.00
TOTAL:	\$0.00	0	\$0.00	\$0.00	\$0.00	\$48,000.00

Other Services

Description	Quantity	Unit Price	Unit Discount	Extended Price
PACE Day Add-On	7	\$800.00	\$0.00	\$5,600.00
TOTAL:				\$5,600.00

Summary

	One Time Fees	Recurring Fees
Total Tyler Software	\$0.00	\$48,000.00
Total Tyler Services	\$5,600.00	\$0.00
Total 3rd Party Hardware, Software and Services	\$0.00	\$0.00
Summary Total	\$5,600.00	\$48,000.00
Contract Total	\$53,600.00	

Unless otherwise indicated in the contract or amendment thereto, pricing for optional items will be held for six (6) months from the Quote date or the Effective Date of the contract, whichever is later.

Customer Approval: _____ Date: _____
Print Name: _____ P.O. #: _____

All primary values quoted in US Dollars

Comments

Client agrees that items in this sales quotation are, upon Client's signature or approval of same, hereby added to the existing agreement ("Agreement") between the parties and subject to its terms. Additionally, payment for said items, as applicable but subject to any listed assumptions herein, shall conform to the following terms:

- License fees for Tyler and third party software are invoiced upon the earlier of (i) deliver of the license key or (ii) when Tyler makes such software available for download by the Client;
- Fees for hardware are invoiced upon delivery;
- Fees for year one of hardware maintenance are invoiced upon delivery of the hardware;
- Annual Maintenance and Support fees, SaaS fees, Hosting fees, and Subscription fees are first payable when Tyler makes the software available for download by the Client (for Maintenance) or on the first day of the month following the date this quotation was signed (for SaaS, Hosting, and Subscription), and any such fees are prorated to align with the applicable term under the Agreement, with renewals invoiced annually thereafter in accord with the Agreement.
- Fees for services included in this sales quotation shall be invoiced as indicated below.
 - Implementation and other professional services fees shall be invoiced as delivered.
 - Fixed-fee Business Process Consulting services shall be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module.
 - Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, Tyler will invoice Client the actual services delivered on a time and materials basis.
 - Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment shall be invoiced upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be invoiced monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.
 - If Client has purchased any change management services, those services will be invoiced in accordance with the Agreement.
 - Notwithstanding anything to the contrary stated above, the following payment terms shall apply to services fees specifically for migrations: Tyler will invoice Client 50% of any Migration Fees listed above upon Client approval of the product suite migration schedule. The remaining 50%, by line item, will be billed upon the go-live of the applicable product suite. Tyler will invoice Client for any Project Management Fees listed above upon the go-live of the first product suite. Unless otherwise indicated on this Sales quotation, annual services will be invoiced in advance, for annual terms commencing on the date this sales quotation is signed by the Client. If listed annual service(s) is an addition to the same service presently existing under the Agreement, the first term of the added annual service will be prorated to expire coterminous with the existing annual term for the service, with renewals to occur as indicated in the Agreement.
- Expenses associated with onsite services are invoiced as incurred.

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the size and scope of your project. The actual amount of services depends on such factors as your level of involvement in the project and the speed of knowledge transfer.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and

Comments

remitting. Installations are completed remotely, but can be done onsite upon request at an additional cost.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Implementation hours are scheduled and delivered in four (4) or eight (8) hour increments.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

Pace Premium: Includes 20 PACE days, 5 passes to Tyler Connect, and one Investment Assessment annually. PACE Premium also includes the assignment of a PACE Project Manager who will meet with the client biweekly to assist them in the development and execution of a continuous improvement plan. PACE Premium provides the client with an option to consume PACE days and attend Tyler Connect either remotely or in-person at no additional cost. On-site PACE sessions must be scheduled in 3-day increments, and the client will be responsible for all travel costs incurred. PACE Premium's annual cycle will begin the first day of the month in which the conclusion of first phase Implementation services lies and will end the last day of the month preceding that date's anniversary the following year. Upon expiration of the first annual term, the term will renew automatically for an additional one (1) year term at the current rate plus the client's contracted annual maintenance increase percentage unless terminated in writing by either party at least thirty (30) days prior to the end of the term. PACE days may only be utilized on live modules. Tyler Connect passes for the current year are available to clients with a cycle start date on or before 03/01. Clients with a cycle start date of 04/01 or later will be eligible for Tyler Connect passes the following year. PACE Days, Investment Assessments, and Tyler Connect passes expire at the conclusion of the term. No credit will be granted for unused days, assessments, or passes.

Pace Day Add-On: PACE Day Add-ons do not change the annual subscription level of days and may only be used to increase the number of days available for services associated with Upgrade PM Assistance (Additional months of PM services, or upgrade training). Add-on Days are billed as incurred, and will expire upon closure of the project.

Tyler's pricing is based on the scope of proposed products and services being obtained from Tyler. Should portions of the scope of products or services be removed by the Client, Tyler reserves the right to adjust prices for the remaining scope accordingly.

Development modifications, interfaces and services, where applicable, shall be invoiced to the client in the following manner: 50% of total upon authorized signature to proceed on program specifications and the remaining 50% of total upon delivery of modifications, interface and services.