EBIX Insurance No. S200003050

AGREEMENT FOR SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND MUNISERVICES, LLC, DBA AVENU MUNISERVICES LLC

PREAMBLE

This Agreement is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and MuniServices, LLC, doing business as Avenu MuniServices LLC, a Delaware limited liability company (Consultant). City and Consultant may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. City desires to secure the services more fully described in this Agreement, at Exhibit A, entitled "Scope of Services";

B. Consultant represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,

C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

The documents forming the entire Agreement between City and Consultant shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes

and replaces any previous agreements, representations and understandings, whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

2. TERM OF AGREEMENT

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on July 1, 2021 and terminate on June 30, 2026.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

Consultant shall perform those Services specified in Exhibit A within the time stated in Exhibit A. Time is of the essence.

4. WARRANTY

Consultant expressly warrants that all materials and services covered by this Agreement shall be fit for the purpose intended, shall be free from defect and shall conform to the specifications, requirements and instructions upon which this Agreement is based. Consultant agrees to promptly replace or correct any incomplete, inaccurate or defective Services at no further cost to City when defects are due to the negligence, errors or omissions of Consultant. If Consultant fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Consultant for the cost incurred by City.

5. QUALIFICATIONS OF CONSULTANT - STANDARD OF CARE

Consultant represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Consultant's representations regarding its skills and knowledge. Consultant shall perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

6. CONFLICT OF INTEREST (FORM 700)

In accordance with the California Political Reform Act (Government Code section 81000 et seq.) and the City's Conflict of Interest Code, Consultant shall cause each person who will be principally responsible for providing the service and deliverables under this Agreement as having to file a Form 700 to do each of the following:

A. Complete and file the Form 700 no later than thirty (30) calendar days after the date the person begins performing services under the Agreement

and all subsequent Form 700s in conformance with the requirements specified in the California Political Reform Act; and

B. File the Form 700 with the City's Clerk Office.

7. COMPENSATION AND PAYMENT

In consideration for Consultant's complete performance of Services, City shall pay Consultant for all materials provided and Services rendered by Consultant in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is set forth in Exhibit B, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Consultant's expense. Consultant shall not be entitled to any payment above the maximum compensation under any circumstance.

8. TERMINATION

A. Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Consultant.

B. Termination for Default. If Consultant fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Consultant.

C. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Consultant will deliver to City all City information or material that Consultant has in its possession.

D. Notwithstanding any other provisions of this Agreement, because the services performed by Consultant result in corrections of misallocations and other revenue after cessation of services performed by Consultant for the City, the City agrees that with regards to misallocations identified to the California Department of Tax and Fee Administration (CDTFA) whose Date of Knowledge (as defined in Exhibit B) occurred during Consultant performance of services for the City or for other revenue resulting from Consultant actions taken during the term of the Agreement, that the City's obligation to pay Consultant in accordance with the compensation language of the Agreement will survive expiration or termination of the Agreement for any reason. Additionally, notwithstanding any other provisions of the Agreement, if the Agreement is terminated or expires, Consultant will continue to pursue corrections of accounts identified during the term of the Agreement that have not been corrected by the CDTFA as

of the effective date of termination or expiration. The period after termination during which Consultant is pursuing correction of accounts identified before termination is referred to as the "completion period." The City will compensate Consultant in accordance with the compensation language contained in Exhibit B for corrected misallocations that result from Consultant efforts during the completion period. The City will also take all necessary steps to allow Consultant to continue to receive the required information from the CDTFA during this completion period.

9. ASSIGNMENT AND SUBCONTRACTING

City and Consultant bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Consultant shall not hire subcontractors without express written permission from City.

Consultant shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Consultant is for the acts and omissions of persons directly employed by it.

10. NO THIRD PARTY BENEFICIARY

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

11. INDEPENDENT CONTRACTOR

Consultant and all person(s) employed by or contracted with Consultant to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Consultant has full rights to manage its employees in their performance of Services under this Agreement.

12. CONFIDENTIALITY OF MATERIAL

A. All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Consultant and all other written information submitted to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Consultant which is otherwise known to Consultant or becomes generally known to the related industry shall be deemed confidential.

B. Confidentiality Requirements Section 7056 of the State of California Revenue and Taxation code specifically limits the disclosure of

confidential taxpayer information contained in the records of the California Department of Tax and Fee Administration. This section specifies the conditions under which a City may authorize persons other than City officers and employees to examine State Sales, Use and Transactions Tax records. The following conditions specified in Section 7056 (b), (1) of the State of California Revenue and Taxation Code are hereby made part of this agreement: (i) Consultant is authorized by this Agreement to examine sales, use or transactions a retailer, as defined in California Revenue & Taxation Code Section 6015, during the and use tax records of the Department of Tax and Fee Administration provided to City pursuant to contract under the Bradley-Burns Uniform Sales and Use Tax Law; (ii) Consultant is required to disclose information contained in, or derived from, those sales, use or transactions and use tax records only to an officer or employee of the City who is authorized by resolution to examine the information; (iii) Consultant is prohibited from performing consulting services for a retailer during the term of this Agreement; (iv) Consultant is prohibited from retaining the information contained in, or derived from those sales or transactions and use tax records, after this Agreement has expired. Information obtained by examination of Department of Tax and Fee Administration records shall be used only for purposes related to collection of local sales and use tax or for other governmental functions of the City as set forth by resolution adopted pursuant to Section 7056 (b) of the Revenue and Taxation Code. The resolution shall designate the Consultant as a person, authorized to examine sales and use tax records and certify that this Agreement meets the requirements set forth above and in Section 7056 (b), (1) of the Revenue and Taxation Code.

13. OWNERSHIP OF MATERIAL

All material, which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement shall be the property of City but Consultant may retain and use copies thereof. City shall not be limited in any way or at any time in its use of said material. However, Consultant shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties.

14. RIGHT OF CITY TO INSPECT RECORDS OF CONSULTANT

City, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Consultant for the purpose of verifying any and all charges

made by Consultant in connection with Consultant compensation under this Agreement, including termination of Consultant. Consultant agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City. Consultant shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Consultant shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Consultant agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Consultant's Services hereunder.

15. HOLD HARMLESS/INDEMNIFICATION

A. To the extent permitted by law, Consultant agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the Services performed by Consultant pursuant to this Agreement – including claims of any kind by Consultant's employees or persons contracting with Consultant to perform any portion of the Scope of Services – and shall expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited.

B. Consultant's obligation to protect, defend, indemnify, and hold harmless in full City and City's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors or other agents of Contractor, against City (either alone, or jointly with Contractor), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.

C. To the extent Contractor is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Contractor warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Consultant's responsibilities under the Act.

16. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit C, Consultant shall provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

17. WAIVER

Consultant agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

18. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: Finance Department
1500 Warburton Avenue
Santa Clara, CA 95050
and by e-mail at MMcCahan@SantaClaraCA.gov, and
manager@santaclaraca.gov

And to Consultant addressed as follows:

MuniServices, LLC
7625 N. Palm Avenue
Suite 108
Fresno, CA 93711
Attention: Contracts Department
and by e-mail at contracts@avenuinsights.com and
Thomas.adams@avenuinsights.com

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

19. COMPLIANCE WITH LAWS

Consultant shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, Consultant's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20),

Business Tax Certificate (SCCC section 3.40.060), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally Consultant has read and agrees to comply with City's Ethical Standards (http://santaclaraca.gov/home/showdocument?id=58299).

20. CONFLICTS OF INTEREST

Consultant certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Consultant and that no person associated with Consultant has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Consultant is familiar with the provisions of California Government Code section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Consultant will advise City if a conflict arises.

21. FAIR EMPLOYMENT

Consultant shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

22. NO USE OF CITY NAME OR EMBLEM

Consultant shall not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

23. GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

24. SEVERABILITY CLAUSE

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

25. AMENDMENTS

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

26. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

for BRIAN DOYLE
City Attorney

Dated: 6/16/2021

DEANNA J. SANTANA
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

MUNISERVICES, LLC DBA AVENU MUNISERVICES LLC
a Delaware limited liability company

Dated: 4/29/2021

By (Signature): Mike Melka

Name: Mike Melka

Title: Chief Financial Officer

Principal Place of Business Address: 5860 Trinity Parkway, Ste 120, Centreville VA 20120

Email Address: Mike.melka@avenuinsights.com

Telephone: (571) 441-2793

Fax: ( )

"CONSULTANT"

EXHIBIT A
SCOPE OF SERVICES

1. GENERAL

1.1. Sales tax is the City's General Fund's second largest revenue source, and one of its most volatile. The City's current sales tax rate is 9%, of which the City of Santa Clara receives 1%. For every $100 dollars spent in Santa Clara on taxable purchases, $9.00 is collected in sales tax of which the City of Santa Clara receives $1.00.

1.2. To the extent not inconsistent with this Agreement between the City and Consultant including this Scope of Services, the City's RFP 20-21-32 (including subsequent updates), Consultant's proposal response dated November 17, 2020 and Consultant's oral demonstration materials dated February 2, 2021 are hereby incorporated by reference herein, and shall supplement this Scope of Services and be subject to the terms and conditions of the Agreement.

2. CONDUCT AUDITS

Consultant shall examine all sales and use tax records of the California Department of Tax and Fee Administration (CDTFA) pertaining to sales and use tax collected by the CDTFA on behalf of the City and perform ongoing sales tax audits in order to identify and correct "point of sale" and use tax distribution errors and thereby generate previously unrealized sales and use tax revenue for the City. Consultant's sales and use tax audit services shall, at minimum, include five distinct types of audits and services, as follows:

2.1. **Nexus Field Audits.** Consultant's initial and periodic taxable nexus field audits shall include a physical canvassing and evaluation of sales/use tax generating businesses located in the City to detect misallocations. Consultant's field audits shall focus on those businesses located in the City from which the City has not been receiving sales/use tax revenue.

2.2. **Tax Area Code (TAC)/Permit Audits.** Consultant's field audits shall facilitate the identification and correction of improperly registered permits and tax area code for companies including, but not limited to, wholesalers, contractors, processors, manufacturers and other non-retail businesses having potential point-of-sale / use tax operations in the City.

2.3. **Deficiency Assessment Audits.** Consultant shall detect and correct CDTFA deficiency assessment misallocations and shall maximize the benefits produced by Consultant's allocation audit service for City.

2.4. **Accounts Payable Audits.** Consultant's accounts payable audits shall include a review of the City's purchases to identify opportunities for the City to capture the current local allocation on purchases subject to use tax and the local district tax where applicable. In this regard, Consultant shall prepare the documentation to facilitate the City's election of such taxes, including assistance in preparing and filing the City's tax returns.

2.5. **Quarterly Distribution Report Audits.** Beginning July 1, 2021 and every three months thereafter, Consultant shall provide the City with a Quarterly Distribution

Report (QDR) with the local allocation amount reflected by sales tax permit number. Consultant's QDR audits shall detect and correct taxpayer reporting errors and thereby generate new, previously unrealized sales/use tax revenue for the City.

3. CORRECT REPORTING ERRORS

Consultant shall contact personnel in sales, operations and/or tax accounting at each target business to determine whether a point-of-sale/use reporting error exists. Consultant shall provide information requested by the taxpayers that may assist the taxpayer in completing and filing corrected tax returns.

4. PROVIDE DATA ON REPORTING ERRORS

Consultant shall provide the City and CDTFA with reports addressing each taxpayer reporting error. Consultant shall respond to negative findings by CDTFA with timely reconfirmation documentation in order to preserve the City's original Dates of Knowledge (defined as the quarters during which Consultant notifies the CDTFA of the existence of a misallocation). Consultant shall also coordinate corrective action with taxpayers and CDTFA and represent the City before state officials, boards, commissions and committees for the purpose of correcting sales tax distribution errors that have deprived the City of revenue to which it is entitled. This includes representing the City at hearings before the CDTFA related to incorrect allocations of tax.

5. TRACK AUDIT FINDING REVENUE ALLOCATION

Consultant shall provide quarterly invoices to the City which shall include the business name, audit period start date, permit number, cumulative local allocation amount received by City and the amount due to Consultant. Consultant shall also track all eligible quarters to be invoiced based on the actual tax return quarter (not payment distribution quarter, which can contain multiple quarters) and reconciled with the QDR from the CDTFA, which will be provided with Consultant's invoice.

6. PROVIDE SALES AND USE TAX TRAINING AND ASSISTANCE

6.1. Consultant shall provide City employees with training and assistance when requested by City on the fundamentals of sales and use tax and on programs to maximize these revenues through the encouragement of taxpayer options to take out direct payment permits, or self-accrue use tax to the City.

6.2. Consultant shall identify opportunities for the City to recover local allocation on purchase transactions subject to use tax. Consultant shall prepare the necessary documentation to facilitate recovery, including assistance in preparing and filing the returns. Consultant shall also assist the City in analyzing City vendors for potential use tax opportunities and shall identify purchases over $500,000 that qualify for use tax self-accrual.

7. PROVIDE SALES AND USE TAX DATA

7.1. Consultant shall provide current and historical sales tax data on sales tax remittances at the payor level and with the following data types: fiscal year and quarter of remittance (to understand trends in cash received); fiscal year and quarter

of revenue earned (to understand trends in economic activity); high level economic sector (e.g. general retail, business-to-business) and more detailed subsector identifier (e.g. apparel stores) and/or four-digit NAICS code and CDTFA category if possible to facilitate comparisons; address, organized into geocode or other neighborhood designation; and name of owner or permit holder. Consultant shall provide its proprietary Sales Tax Reporting software titled "Clearview". Data shall be available in a format allowing the City to export data into a Microsoft Access and/or Excel-compatible format allowing for integration of various databases, such as business license and property tax. Consultant shall provide City staff with training on the use of any proprietary system. Consultant shall also provide comparable aggregate quarterly sales and use tax data by economic segment for the state as a whole and for as many California counties and Bay Area cities as possible.

7.2. Data shall be updated quarterly as soon as possible following receipt from the CDTFA while maintaining an option to retrieve historical sales tax remittances data for all payers regardless of their current tax payment status. Consultant shall either provide geographical data mapping capability in its proprietary system or provide City staff with address data in a format which would allow staff to export and map data.

8. PROVIDE SALES AND USE TAX ANALYSES AND REPORTS

8.1. Beginning July 1, 2021 and every three months thereafter, Consultant shall provide quarterly analyses and reports on the City's sales and use tax trends in relationship to the State and surrounding market region as well as by individual businesses, business type and geographic areas specified by the City. Consultant shall provide sales and use tax revenue forecasting as well as forecasts or data that would assist City staff in projecting Proposition 172 public safety sales tax. These data could include, but are not limited to, projected local and statewide sales tax receipts and Santa Clara's Proposition 172 pro rata share of sales tax receipts.

8.2. Consultant shall provide the City with specialized charts and data tables, presentation data and presenters for public meetings and events, and provide the City with business specific revenue estimates, and economic development consulting. The Consultant shall provide a quarterly summary of economic news that is one quarter more current than the most current sales tax data availability for the City's use in making projections.

9. PROVIDE SALES AND USE TAX PROJECTIONS AND LEGISLATIVE SUPPORT

9.1. Consultant shall serve as the City's resource and provide assistance, resolution, and follow-up services on sales and use tax related questions including budget projections, legislative and regulation issues and economic development.

9.2. With regard to legislative and regulatory issues, Consultant shall, on behalf of the City:

9.2.1. Remain attentive in its action on any future proposed changes to regulatory language in CDTFA regulations related to the situs-based allocation of sales tax revenues and the formal practicing rules, which govern how Consultant pursues the collection of revenues.

9.2.2. Take action, subject to City review and approval, on measures that threaten and delay revenue cash flows to the City. This could include attending legislative hearings and explaining to the City the potential effect of proposed legislation on the City.

9.2.3. Advocate and provide problem-solving and resolution assistance to City on issues as needed and as requested by City. Consultant will work with City staff to develop language for review and approval by the City that would preserve, protect and enhance City revenues.

9.3. With regard to budget projections, Consultant shall provide the City with a forecast of the current year and the ten (10) upcoming fiscal years, including quarterly estimates. The forecast shall include the prior three fiscal years of actual sales tax receipts by quarter for reference. The forecast shall also include annual Prop. 172 Sales Tax estimates. The major forecast assumptions (e.g., assumed inflation, economic conditions, one-time adjustments) are to be identified.

10. ADDITIONAL CONSULTING SERVICES

In conjunction with Consultant's audit services, Consultant shall provide additional consulting services at any time during the term of the Agreement. Additional services shall be on time and materials basis or negotiated on a lump sum basis.

EXHIBIT B
SCHEDULE OF FEES

1. MAXIMUM COMPENSATION

The total maximum compensation the City will pay the Consultant under this Agreement shall not exceed **One Million Five Hundred Thousand Dollars ($1,500,000)** during the term of the Agreement. Any additional fees, costs and expenses requested by the City that would exceed the preceding maximum amount will be addressed in an Amendment to the Agreement.

All services or work under this Agreement shall be paid in accordance with the provisions of Sections 2 - 4.

2. CONTINGENCY FEE

Compensation for the Sales, Use and Transactions Tax auditing service is contingent on the amount of revenue recovered by Consultant, according to the following schedule:

Tier	Recovered Revenue[1]	Contingency Fee
1	$1 - $1,000,000	13% Contingency Fee for Recovered Revenue
2	$1,000,001 - $2,500,000	12% Contingency Fee for Recovered Revenue
3	over $2,500,000	10% Contingency Fee for Recovered Revenue

[1]Recovered Revenue shall be the cumulative amount during the full term of the Agreement (July 1, 2021 through June 30, 2026).

This contingency fee applies to revenue received for the three (3) quarters prior to the Date of Knowledge quarter, the Date of Knowledge quarter, and the five (5) quarters after the Date of Correction for a total of nine (9) quarters per misallocation petition filed under this contract on behalf of the City.

The Date of Knowledge is the quarter during which Consultant notifies the CDTFA of the existence of a misallocation. The Date of Correction refers to the quarter in which the taxpayer has correctly reported the local tax and the CDTFA distributes the local tax properly to City based on the taxpayer's reporting, together with any prior period reallocations. For QDR Misallocations detected and corrected, Consultant compensation will only include the quarters in which the misallocation actually occurred.

For clarification and to encourage communication and collaboration between Consultant and the City, Consultant shall be entitled to full payment of all compensation as provided herein even if any one or more of City, its personnel, agents, or representatives, or any third party or parties provide(s) information to Consultant that assists or is used by Consultant in the identification, detection, and correction of point-of-sale distribution errors or the reporting and/or misallocation of revenue.

Should the City identify, document, and notify the CDTFA in writing of a point-of-sale distribution error, reporting error or misallocation as those terms are used herein, the City agrees to notify Consultant of the City's discovery no later than ten (10) days after the Date of Knowledge as defined in Title 18 of the California Code of Regulations, Regulation 1807 ("Date of Knowledge If the City fails to so notify Consultant as provided above and Consultant later detects,

documents, and reports the misallocation or reporting error to the CDTFA, or if Consultant has established a Date of Knowledge with the CDTFA prior to notification to the Board by the City, then Consultant is entitled to full compensation for the affected account as provided herein.

Consultant shall not be reimbursed for any expenses incurred in the performance of this Agreement, unless previously approved in writing by the City.

3. CLEARVIEW REPORTING TOOL

Clearview is available for annual fixed fee of $2,000 paid $500 quarterly. The annual fee will be adjusted at the beginning of each calendar year by the percentage change in the Consumer Price Index that pertains to the City's particular geographic area as reported by the Bureau of Labor Statistics. The initial Consumer Price Index used for the first CPI adjustment will be the CPI for the month in which the agreement is fully signed with the first adjustment to occur at the beginning of the calendar year following the first full calendar year of service.

A new edition of the Clearview software will be available along with the option to purchase additional services (such as GIS based tools). New Clearview services which involve an additional fee (such as GIS) will be available at a mutually agreed upon additional price.

4. ADDITIONAL SERVICES

The following hourly rates will only be utilized to the extent the City requests Consultant to perform services outside the defined scope of services. These hourly rates are subject to change at the beginning of each calendar year by the percentage change in the Consumer Price Index that pertains to the City's particular geographic area as reported by the Bureau of Labor Statistics. The initial Consumer Price Index (CPI) used for the first CPI adjustment will be the CPI for the month in which the agreement is fully signed with the first adjustment to occur at the beginning of the calendar year following the first full calendar year of service. Any additional services shall require prior written approval by the City.

Position	Hourly Rate
Principal	$200
Project Manager	$175
Client Services Executive	$150
Senior Analyst	$125
Information Technology	$175
Analyst	$100
Administrative	$75

5. INVOICING

Consultant will bill City on a monthly basis for Services provided by Consultant during the preceding month on an invoice and in a format approved by City and subject to verification and approval by City. City will pay Consultant within thirty (30) days of City's receipt of an approved invoice.

EXHIBIT C
INSURANCE REQUIREMENTS

Without limiting the Consultant's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Consultant shall provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to the City of Santa Clara so that any other coverage held by the City shall not contribute to any loss under Consultant's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

   $1,000,000 Each Occurrence
   $2,000,000 General Aggregate
   $2,000,000 Products/Completed Operations Aggregate
   $1,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Consultant; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.

3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Consultant to comply with the insurance requirements of this Agreement:

   a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;

   b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and

   c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars ($1,000,000) each accident using, or providing coverage at

least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

In the event that the Work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated wastes and/or hazardous or regulated materials, Consultant and/or its subcontractors involved in such activities shall provide coverage with a limit of one million dollars ($1,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars ($1,000,000) policy limit Bodily Injury by disease, one million dollars ($1,000,000) each accident/Bodily Injury and one million dollars ($1,000,000) each employee Bodily Injury by disease.

2. The indemnification and hold harmless obligations of Consultant included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Consultant or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).

3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Consultant. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than one million dollars ($1,000,000) per claim or two million dollars ($2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Consultant's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.

2. Primary and non-contributing. Each insurance policy provided by Consultant shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Consultant's insurance.

3. Cancellation.

   a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.

   b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Consultant and City agree as follows:

1. Consultant agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Consultant, provide the same minimum

insurance coverage required of Consultant, except as with respect to limits. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Consultant agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.

2. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Consultant in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Consultant, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Consultant shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Consultant or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Consultant shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be e-mailed to ctsantaclara@ebix.com:

Or by mail to:
EBIX Inc.
City of Santa Clara – Finance Department

P.O. Box 100085 – S2
Duluth, GA 30096
Telephone number: 951-766-2280
Fax number: 770-325-0409

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Consultant shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representative.