FIRST AMENDMENT TO THE GRANICUS SERVICES AGREEMENT BETWEEN GRANICUS, INC. AND THE CITY OF INDIAN WELLS, CALIFORNIA

This First Amendment to the Granicus Services Agreement dated December 18, 2009 (hereinafter referred to as "Agreement") is made and entered into by and between Granicus, Inc., a California Corporation (hereinafter referred to as "Granicus"), and the City of Indian Wells, CA, (hereinafter referred to as "Client"), with reference to the following:

WHEREAS, Granicus, a California-based company, provides a full-service solution that includes hardware, software, automated indexing capabilities, voting systems, website page design and integration with Council Agendas, a meeting minutes module, on-site user training and 24/7 technical support which meet Client needs as well as the integration services that are required for timely implementation; and

WHEREAS, Granicus represents that it has the qualities, expertise, skills, and abilities to perform such work; and

WHEREAS, the Client wishes to extend the term of the Agreement between the two parties;

NOW, THEREFORE, in consideration of the premises, the parties intend that the Agreement be amended as follows:

AMENDMENT

1. Unless earlier terminated in accordance with the Agreement, or extended by the Client, the term of the Agreement shall continue in full force and effect until December 18, 2014. Thereafter, this Agreement shall automatically renew for an additional three (3) terms of one (1) year each, unless either party notifies the other in writing at least thirty (30) days prior to such automatic renewal that the party does not wish to renew this Agreement.

2. Except as amended by this First Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

3. In the event of any inconsistency between the provisions of this First Amendment and any attachments hereto, the inconsistency shall be resolved by giving precedence to the documents in the following order:

A. Paragraphs set forth in the body of this First Amendment
C. Paragraphs set forth in the body of Agreement

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

INDIAN WELLS, CA

By: Wade G. McKinney
Wade G. McKinney
City Manager

Date: 12/11/13

GRANICUS, INC.

By: Tom Spengler
Tom Spengler
CEO

Date: 12/6/13

Attest:

By: _____, Chief Deputy
City Clerk

Date: December 13, 2013

Approved As To Form:

By: Stephen P. Deutsch
City Attorney

Date: December 13, 2013

GRANICUS, INC. SERVICE AGREEMENT

THIS SERVICE AGREEMENT (the "**Agreement**"), dated as of December 18, 2009 (the "**Effective Date**"), is entered into between Granicus, Inc. ("**Granicus**"), a California Corporation, and the City of Indian Wells (the "**Client**"). Capitalized terms used in this Agreement have the meanings given them in Section 13.

A. WHEREAS, Granicus is in the business of developing, licensing, and offering for sale various streaming media solutions specializing in Internet broadcasting, and related support services; and

B. WHEREAS, Granicus desires to provide and Client desires to (i) purchase the Granicus Solution as set forth in the Proposal attached as Exhibit A to facilitate streaming and distribution of live and archived digital media content, (ii) engage Granicus to integrate its Granicus Software onto the Client Website, (iii) use the Granicus Software subject to the terms and conditions set forth in this Agreement, and (iv) contract with Granicus to administer the Granicus Solution through the Managed Services set forth in the Proposal.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements, covenants, representations and warranties herein contained, the parties hereto agree as follows:

1. GRANICUS SOFTWARE AND MANAGED SERVICES.

1.1 Software and Services. Subject to the terms and conditions of this Agreement, Granicus will provide Client with the Granicus Software, Professional Services, and Managed Services that comprise the Granicus Solution as outlined in the Proposal attached as Exhibit A.

1.2 The Proposal. The Proposal specifies certain terms, conditions, payments and obligations on the products and services to be provided by Granicus to Client. The Proposal is an additional part of this Agreement and incorporated herein by reference. In the event that any of the provisions of this Agreement are in conflict with the Proposal, the provisions of this Agreement will prevail.

2. GRANT OF LICENSE.

2.1 Ownership. Granicus, and/or its third party supplier, owns the copyright and/or certain proprietary information protectable by law in the Granicus Software.

2.2 Use. Granicus agrees to provide Client with a revocable, non-transferable and non-exclusive account to access the Granicus Software listed in the Proposal and a revocable, non-sublicensable, non-transferable and non-exclusive right to use the Granicus Software. All Granicus Software is proprietary to Granicus and protected by intellectual property laws and international intellectual property treaties. Pursuant to this Agreement, Client may use the Granicus Software to perform its own work and work of its customers/constituents. Cancellation of the Client's Managed Services will also result in the immediate termination of the Client's Software license as described in Section 2.2 hereof.

2.3 Limited Warranty; Exclusive Remedies. Subject to Sections 7.2 and 7.3 of this Agreement, Granicus warrants that the Granicus Software, as provided by Granicus, will substantially perform in accordance with its applicable written specifications for as long as the

Client pays for and receives Managed Services. Client's sole and exclusive remedy for any breach by Granicus of this warranty is to notify Granicus, with sufficient detail of the nonconformance, and provide Granicus with a reasonable opportunity to correct or replace the defective Granicus Software. Client agrees to comply with Granicus' reasonable instructions with respect to the alleged defective Granicus Software.

2.4 Limitations. Except for the license in Section 2.2, Granicus retains all ownership and proprietary rights in and to the Granicus Software, and Client is not permitted, and will not assist or permit a third party, to: (a) utilize the Granicus Software in the capacity of a service bureau or on a time share basis; (b) reverse engineer, decompile or otherwise attempt to derive source code from the Granicus Software; (c) provide, disclose, or otherwise make available the Granicus Software, or copies thereof, to any third party; or (d) share, loan, or otherwise allow another Meeting Body, in or outside its jurisdiction, to use the Granicus Software, or copies thereof, except as expressly outlined in the Proposal.

2.5 Licensee Obligation for Security. Client shall take appropriate action by instruction, agreement, or otherwise with those of its employees and third party agents having access to the Granicus Software to restrict and control the use, copying, modification, disclosure, transfer, protection, and security of such Granicus Software in accordance with the provisions of this Agreement.

2.6 Licensing Types. Components of the Granicus Software are licensed as follows, as further provided in the Proposal attached as Exhibit A:

(a) by Site: bandwidth and storage components, MediaManager Basic, MediaManager Enterprise, podcasting (both audio-only and audio/video);

(b) by Install: Outcast Encoder, MediaVault, StreamReplicator, VotingSystem, MobileEncoder (both audio-only and audio/video);

(c) by Meeting Body: MinutesMaker, agenda workflow integration, Agenda Parsers, Closed Captioning.

2.7 General. Client and Granicus agree to take reasonable steps to comply with all applicable local, state and federal laws and regulations issued pursuant thereto.

3. CLIENT SUPPORT; SALE AND MAINTENANCE OF HARDWARE

3.1 Client Support. At no additional fee, Granicus will use commercially reasonable efforts to provide Client with reasonable telephone or e-mail technical support twenty-four (24) hours a day, seven (7) days a week, via the office and after hours Client support lines and email address. Support Information is listed in Exhibit B. Additional support of software enhancements or modifications may be requested by Client subject to Client's payment to Granicus of additional fees. Granicus may update and revise the Granicus Software periodically and will provide such updates to Client as they are made available.

3.2 Sale and Maintenance of Hardware. Where the Granicus Solution includes the purchase of Hardware from Granicus, the sale and maintenance of such Hardware shall be governed by the Hardware Exhibit attached as Exhibit C.

4. PAYMENT OF FEES

4.1 Upon execution of this Agreement, Granicus shall invoice and the Client agrees to pay fifty percent (50%) of the cost of Granicus Software and Professional Services (excluding training) as outlined in the Proposal.

4.2 Upon delivery of any purchased Hardware to Client, Granicus shall invoice and the Client agrees to pay the cost of the Hardware (including shipping costs) in full, as outlined in the Proposal.

4.3 Upon the completion of Phase 1 Training, Granicus shall invoice and the Client agrees to pay the remaining fifty percent (50%) of the cost of Granicus Software and Professional Services (excluding training) as outlined in the Proposal. Upon the completion of Phase 1 Training, Granicus shall invoice and the Client agrees to pay the cost of Granicus training services as outlined in the Proposal.

4.4 Monthly billing for Managed Services shall begin April 1, 2010, as agreed upon in the Proposal.

4.5 Client agrees to pay all invoices from Granicus within thirty (30) days of receipt of invoice, provided that Client agrees to pay the Managed Services Fee to Granicus on a monthly basis, no later than the first day of each month in advance of services. Granicus, Inc. shall send all invoices to:

Name:
Title:
Address:

4.6 Upon renewal of this Agreement, Granicus may include (in which case Client agrees to pay) a maximum increase of the current CPI percentage rate (as found at The Bureau of Labor and Statistics website http://www.bls.gov/CPI/) or three (3) percent a year on Client's Managed Services Fee, whichever is larger.

5. CONTENT PROVIDED TO GRANICUS

5.1 Responsibility for Content. The Client shall have sole control and responsibility over the determination of which data and information shall be included in the Content that is to be transmitted, including, if applicable, the determination of which cameras and microphones shall be operational at any particular time and at any particular location. However, Granicus has the right (but not the obligation) to remove any Content that Granicus believes violates any applicable law or this Agreement.

5.2 Restrictions. Client shall not provide Granicus with any Content that: (i) infringes any third party's copyright, patent, trademark, trade secret or other proprietary rights; (ii) violates any law, statute, ordinance or regulation, including without limitation the laws and regulations governing export control and e-mail/spam; (iii) is defamatory or trade libelous; (iv) is pornographic or obscene, or promotes, solicits or comprises inappropriate, harassing, abusive, profane, defamatory, libelous, threatening, indecent, vulgar, or otherwise objectionable or constitutes unlawful content or activity; (v) is harmful to minors; or (vi) contains any viruses, Trojan horses, worms, time bombs, or any other similar software, data, or programs that may damage,

detrimentally interfere with, intercept, or expropriate any system, data, information, or property of another.

5.3 Indemnification. Client agrees to indemnify, defend and hold harmless Granicus, its officers, directors and employees, from and against any losses, damages and expenses (including lawyers' fees) arising out of or relating to any third party claims made against Granicus based on Client's use of the Granicus Solution including, without limitation, any claims that Client has copied, distributed or transmitted any image files in violation of any third party's rights or has directly or indirectly exported or transmitted the Content in violation of any applicable export restrictions.

6. TRADEMARK OWNERSHIP. Granicus and Client's Trademarks are listed in the Trademark Information exhibit attached as Exhibit D.

(a) The Client shall retain all right, title and interest in and to its Trademarks, including any goodwill associated therewith, subject to the limited license granted to Granicus, Inc. pursuant to Section 6 hereof. All goodwill arising from use of Client's Trademarks is solely for Client's benefit. Upon any termination of this Agreement, Granicus' right to use Client's Trademarks pursuant to this Section 6 terminates.

(b) Granicus, Inc. shall retain all right, title and interest in and to the Granicus, Inc. Trademarks, including any goodwill associated therewith, subject to the limited license granted to the Client pursuant to Section 6 hereof. Upon any termination of this Agreement, Client's right to use Granicus' Trademarks pursuant to this Section 6 terminates.

(c) Each party grants to the other a non-exclusive, non-transferable (other than as provided in Section 8 hereof), limited license to use the other party's Trademarks as is reasonably necessary to perform its obligations under this Agreement, provided that any promotional materials containing the other party's trademarks shall be subject to the prior written approval of such other party, which approval shall not be unreasonably withheld.

(d) Neither party shall use the other party's Trademarks in a manner that disparages the other party or its products or services, or portrays the other party or its products or services in a false, competitively adverse or poor light. Each party shall take commercially reasonable efforts to comply with the other party's requests as to the use of the other party's Trademarks and shall avoid any action that diminishes the value of such Trademarks.

(e) The parties agree that Granicus has the right to mention the parties' relationship and to use Client's Trademarks including its name and logo in marketing to client and prospective clients, and to list Client as a customer on the Granicus website(s).

7. SECURITY; LIMITATION OF LIABILITY.

7.1 Security of Data. Granicus will take commercially reasonable efforts to protect and control access to Client Content hosted as part of the Managed Services. However, Client will be responsible for the creation and protection of its username and password for accessing the Granicus Solution.

7.2 Warranty Disclaimer. EXCEPT AS EXPRESSLY PROVIDED HEREIN, GRANICUS' SERVICES, SOFTWARE AND DELIVERABLES ARE PROVIDED "AS IS" AND GRANICUS EXPRESSLY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, AND FITNESS FOR A PARTICULAR PURPOSE. GRANICUS DOES NOT WARRANT THAT ACCESS TO OR USE OF ITS SOFTWARE OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. IN THE EVENT OF ANY INTERRUPTION, GRANICUS' SOLE OBLIGATION SHALL BE TO USE COMMERCIALLY REASONABLE EFFORTS TO RESTORE ACCESS.

7.3 Limitation of Liabilities. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, GRANICUS AND ITS SUPPLIERS AND LICENSORS SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, WHETHER FORESEEABLE OR NOT, INCLUDING BUT NOT LIMITED TO: THOSE ARISING OUT OF ACCESS TO OR INABILITY TO ACCESS THE SERVICES, SOFTWARE, CONTENT, OR RELATED TECHNICAL SUPPORT; DAMAGES OR COSTS RELATING TO THE LOSS OF: PROFITS OR REVENUES, GOODWILL, DATA (INCLUDING LOSS OF USE OR OF DATA, LOSS OR INACCURACY OR CORRUPTION OF DATA); OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IN THE EVENT OF THE FAILURE OF ANY EXCLUSIVE REMEDY. IN NO EVENT WILL GRANICUS' AND ITS SUPPLIERS' AND LICENSORS' LIABILITY EXCEED THE AMOUNTS PAID BY Client UNDER THIS AGREEMENT REGARDLESS OF THE FORM OF THE CLAIM (INCLUDING WITHOUT LIMITATION, ANY CONTRACT, PRODUCT LIABILITY, OR TORT CLAIM (INCLUDING NEGLIGENCE), STATUTORY OR OTHERWISE).

8. CONFIDENTIAL INFORMATION & OWNERSHIP.

8.1 Confidentiality Obligations. Each party agrees to keep confidential and not disclose to any third party, and to use only for purposes of performing or as otherwise permitted under this Agreement, any Confidential Information. The receiving party shall protect the Confidential Information using measures similar to those it takes to protect its own confidential and proprietary information of a similar nature but not less than reasonable measures. Each party agrees not to disclose the Confidential Information to any of its Representatives except those who are required to have the Confidential Information in connection with this Agreement and then only if such Representative is either subject to a written confidentiality agreement or otherwise subject to fiduciary obligations of confidentiality that cover the confidential treatment of the Confidential Information.

8.2 Exceptions. The obligations of this Section 8 shall not apply with respect to any particular portion of the Confidential Information if receiving party can prove by appropriate documentation that such Confidential Information (i) was known to the receiving party as shown by the receiving party's files at the time of disclosure thereof, (ii) was already in the public domain at the time of the disclosure thereof, (iii) entered the public domain through no action of the receiving party subsequent to the time of the disclosure thereof, or (iv) is required by law or government order to be disclosed by the receiving party, provided that the receiving party shall (notify) the disclosing party in writing of such required disclosure as soon as reasonably possible prior to such disclosure, (ii) use its commercially reasonable efforts at its expense to cause such disclosed Confidential Information to be treated by such governmental authority as trade secrets and as confidential, and (iii) use its commercially reasonable efforts at its expense to obtain such

other protective orders and protections with respect thereto as the disclosing party may reasonably request.

8.3 Contract Use Disclosure. The terms and conditions of this Agreement may be used by either party to disclose the terms and conditions to other local agencies in an effort to exhibit the following: the terms and conditions as fair and reasonable, or to determine the best value, or for marketing purposes, or to further business development.

9. DISCLOSURE OF AGREEMENT; INTERLOCAL ARRANGEMENTS.

9.1 Disclosure of Agreement Terms. The terms and conditions of this Agreement may be disclosed by either party to other public agencies for the purpose of such other agencies purchasing services under this Agreement pursuant to an interlocal or cooperative arrangement with Client. In addition, Granicus may disclose the terms and conditions of this Agreement in an effort to show that the terms offered to another public agency are fair and reasonable or to determine the best value. It is understood that Granicus shall not be precluded from disclosing the terms and conditions of its form of Service Agreement to any other third party at Granicus' sole discretion and for any reason.

9.2 Included Parties; Interlocal Agreement. Pursuant to any interlocal, intergovernmental, or other such cooperative agreement with Client, Granicus will accept orders from, and will furnish the Granicus Software, Hardware, Professional Services, and Managed Services as outlined in the Proposal to any governmental agency or other public entity authorized by Client to use the Proposal, based upon substantially the same terms and conditions of this Agreement, with the exception of price schedules.

[Please insert the agencies with which you have Interlocal Agreements with here]

9.3 Political Subdivision Participation. Granicus agrees to supply, sell, and contract separately with other similar or related political subdivisions (i.e., colleges, school districts, counties, cities, etc.) of Client, based upon substantially the same terms and conditions of this Agreement, with the exception of price schedules, in an effort to establish the terms and conditions as fair and reasonable.

10. TERM AND TERMINATION.

10.1 Term. The term of this Agreement shall commence on the date hereof and shall continue in full force and effect for one (1) year after the date hereof. This Agreement shall automatically renew for an additional three (3) terms of one (1) year each, unless either party notifies the other in writing at least thirty (30) days prior to such automatic renewal that the party does not wish to renew this Agreement.

10.2 Termination. This Agreement may be terminated, in whole or in part, pursuant to the following terms and conditions:

(a) after one (1) year from the Effective Date, by the Client for convenience, upon sixty (60) days prior written notice to Granicus;

(b) by either party if the other party materially defaults or breaches this Agreement and fails to cure such default or breach within sixty (60) days following receipt of written notice from the non-breaching party.

10.3 Rights Upon Termination. Upon any expiration or termination of this Agreement, and unless otherwise expressly provided in an exhibit to this Agreement:

(a) Client's right to access or use the Granicus Solution, including Granicus Software, terminates and Granicus has no further obligation to provide any services;

(b) Client has the right to keep any purchased Hardware, provided that Client removes and/or uninstalls any Granicus Software on such Hardware; and

(c) Client shall immediately return the Granicus Software and all copies thereof to Granicus, and within thirty (30) days of termination, Client shall deliver a written certification to Granicus certifying that it no longer has custody of any copies of the Granicus Software.

10.4 Obligations Upon Termination. Upon any termination of this Agreement,

(a) the parties shall remain responsible for any payments that have become due and owing up to the effective date of termination;

(b) the provisions of Sections 2.1, 2.4, 2.5, 4, 5, 6, 7.2, 7.3, 8, 9.1, 10.4, 11, 12 and 13 hereof, and applicable provisions of the Exhibits intended to survive, shall survive termination of this Agreement and continue in full force and effect;

(c) pursuant to the Termination or Expiration Options Regarding Content attached as Exhibit E, Granicus shall allow the Client limited access to the Client's Content, including, but not limited to, all video recordings, timestamps, indices, and cross-referenced documentation. The Client shall also have the option to order hard copies of the Content in the form of compact discs or other equivalent format; and

(d) Granicus has the right to delete Content within sixty (60) days of the expiration or termination of this Agreement.

11. PATENT, COPYRIGHT AND TRADE SECRET INFRINGEMENT.

11.1 Intellectual Property Indemnity. Subject to the terms and conditions of this Agreement, Granicus will defend any suit brought by a third party against Client to the extent based on a claim that the Granicus Software infringes any United States patent, copyright, trade secret or trademark, and Granicus will pay any final judgment rendered on, or settlement agreed to in writing by Granicus with respect to, such claim. These obligations are contingent upon Client promptly notifying Granicus in writing of any claims or threatened claims, Granicus having sole control over the defense and all negotiations for settlement of any such claim, and Client giving all reasonable assistance to Granicus in the defense and settlement of the claim. These obligations are further subject to Client being in compliance with its payment obligations under this Agreement. Granicus will not be responsible for any settlement it does not approve in writing. THE FOREGOING IS IN LIEU OF ANY WARRANTIES OF NONINFRINGEMENT, WHICH ARE DISCLAIMED.

11.2 Granicus' Options. If the Granicus Software becomes, or in Granicus' opinion is likely to become, the subject of an infringement claim, Granicus may, at its option and sole discretion, (i) obtain for Client the right to continue to use the Granicus Software as provided in this Agreement; (ii) replace the Granicus Software with another software product that provides

similar functionality; or (iii) if Granicus determines that neither of the foregoing options are reasonably available, Granicus may cease providing the applicable services or require that Client cease use of and destroy the Granicus Software. In that event, and provided that Client returns or destroys (and certify to such destruction of) all copies of the Granicus Software in Client's possession or control, if any, Granicus will refund to Client all license fees paid by Client under the current Agreement.

11.3 Limitations of Indemnity. Granicus' obligations under Section 11 do not apply to any claims, damages or liabilities arising out of or relating to any of the following ("**Excluded Claims**"): (i) the combination of the Granicus Software with any other software, products, hardware, component, process or material not obtained from Granicus; (ii) any modification to the Granicus Software (unless made by Granicus) if the alleged infringement arises from such modification; (iii) use of the Granicus Software in a manner not permitted by or in breach of this Agreement; (iv) Client's failure to use replacement or modified Granicus Software that provides substantially similar functionality as the original Granicus Software and the replacement or modified Granicus Software would have rendered the Granicus Software noninfringing; or (v) Granicus' compliance with Client's instructions, specifications or requirements. Client will indemnify and hold harmless Granicus with respect to any and all Excluded Claims.

12. MISCELLANEOUS.

12.1 Insurance Requirements. Granicus understands and agrees to comply with the standards and requirements that Client has set forth in the Insurance Requirements listed in Exhibit F.

12.2 Export Restrictions. The parties will comply with all applicable laws, rules and regulations, including export laws, in its performance under this Agreement. In particular, Client acknowledges and agrees that the Granicus Software and other materials provided by Granicus are subject to regulation by U.S. Government agencies and other governmental authorities, and Client agrees not to directly or indirectly export, re-export or import any such materials without first obtaining all required licenses and permissions.

12.3 Assignment; Successors and Assigns. Neither this Agreement nor any rights or obligations herein may be assigned by either party, by operation of law or otherwise, without the written consent of the other party; provided, however, that, without the consent of the Client, Granicus may assign this Agreement in connection with a merger, consolidation, assignment, sale or other disposition of the majority of Granicus' stock or substantially all of the assets or business relating to the portion of Granicus' operations that is the subject of this Agreement. This Agreement shall be binding on and inure to the benefit of the parties hereto and their heirs, legal representatives, successors and permitted assigns.

12.4 Amendment and Waiver. This Agreement may be amended, modified, waived or canceled only in writing signed by each of the parties hereto or, in the case of a waiver, by the party waiving compliance. Any failure by either party to strictly enforce any provision of this Agreement will not be a waiver of that provision or any further default.

12.5 Governing Law. The laws of the State of California shall govern the validity, construction, and performance of this Agreement, without regard to its conflict of law principles. Except for actions for injunctive relief relating to proprietary rights or enforcement or recognition of any award or order in any appropriate jurisdiction, actions relating to this Agreement shall be

brought in the state or federal courts located in and serving Riverside County, California. Each of the parties consents to the personal and exclusive jurisdiction of that court for this purpose.

12.6 Construction and Severability. Wherever possible, each provision of this Agreement shall be interpreted so that it is valid under applicable law. If any provision of this Agreement is held illegal or unenforceable, that provision will be reformed only to the extent necessary to make the provision legal and enforceable; all remaining provisions continue in full force and effect.

12.7 Independent Contractors. The parties are independent contractors, and no other relationship is intended by this Agreement.

12.8 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one and the same instrument.

12.9 Entire Agreement. This Agreement, including the Proposal attached as Exhibit A, and other applicable exhibits (which may include the Contact Information attached as Exhibit B, the Hardware Exhibit attached as Exhibit C, the Trademark Information listed in Exhibit D, the Termination or Expiration Options Regarding Content provided in Exhibit E, and the Insurance Requirements listed in Exhibit F), is the entire agreement of the parties and replaces any other understandings or agreements (whether oral or written) between the parties regarding the subject matter of this Agreement.

12.10 Notices. All notices and other communications required or permitted under this Agreement must be in writing and hand delivered or sent by registered first-class mail, postage prepaid or by overnight courier service. Such notices or other communications shall be effective upon receipt if hand delivered, and ten (10) business days after mailing (or, for overnight courier, the number indicated in the mailing instructions) if sent, in the case of the Client, to the address set forth below and, in the case of Granicus, to its principal executive offices to the attention of the Chief Executive Officer, or at such other address for a party as may be specified by like notice.

12.11 Force Majeure. Other than payment obligations, neither party is responsible for any delay or failure in performance if caused by any event outside the reasonable control of the party, including without limitation acts of God, government regulations, shortage of supplies, act of war, act of terrorism, earthquake, or electrical, internet or telecommunications outage.

13. DEFINITIONS.

In addition to the capitalized terms otherwise defined herein, the following additional capitalized terms shall have the meanings set forth below:

13.1 "**Agreement**" shall mean this Service Agreement.

13.2 "**Client**" shall mean the City of Indian Wells.

13.3 "**Client Use**" shall mean any public streaming, document posting, podcasting, or internal streaming that is not for system testing or validation purposes by Client.

13.4 "**Client Website**" shall mean the Client's existing website.

13.5 "**Confidential Information**" shall mean all proprietary or confidential information disclosed or made available by the other party pursuant to this Agreement that is identified as confidential or proprietary at the time of disclosure or is of a nature that should reasonably be considered to be confidential, and includes but is not limited to the terms and conditions of this Agreement, and all business, technical and other information (including without limitation, all product, services, financial, marketing, engineering, research and development information, product specifications, technical data, data sheets, software, inventions, processes, training manuals, know-how and any other information or material), disclosed from time to time by the disclosing party to the receiving party, directly or indirectly in any manner whatsoever (including without limitation, in writing, orally, electronically, or by inspection); provided, however, that Confidential Information shall not include the Content that is to be published on the website(s) of Client.

13.6 "**Content**" shall mean any and all, documents, graphics, video, audio, images, sounds and other content that is streamed or otherwise transmitted or provided by, or on behalf of, the Client to Granicus.

13.7 "**Granicus**" shall mean Granicus, Inc.

13.8 "**Granicus Solution**" shall mean the Solution detailed in the Proposal, which may include Granicus Software, Installation and Training, Managed Services, and Hardware, as specified in Exhibit A.

13.9 "**Granicus Software**" shall mean all software included with the Granicus Solution as specified in the attached Proposal that may include but is not limited to: MediaManager™ (includes Uploader, Software Development Kit, CD Creator, and Podcasting Services), MinutesMaker™ (includes LiveManager), MobileEncoder™, VotingSystem™ (includes Public Vote Display and MeetingMember), OutCast™ Encoder (includes Meeting Server), StreamReplicator™, and MediaVault™.

13.10 "**Hardware**" shall mean the equipment components of the Granicus Solution, as listed in Exhibit A.

13.11 "**Install**" shall mean a single instance in which the software is set up and prepared for use with the Granicus Solution.

13.12 "**License Fee**" shall mean the total cost of the Granicus Software product, as specified in Exhibit A.

13.13 "**Managed Services**" shall mean the services provided by Granicus to Client for bandwidth usage associated with live and archived Internet streaming, data storage, and Granicus Solution maintenance, upgrades, parts, Client support services, and system monitoring, as detailed in the Proposal attached as Exhibit A.

13.14 "**Managed Services Fee**" shall mean the monthly cost of the Managed Services, as specified in Exhibit A.

13.15 "**Meeting Body**" shall mean a unique board, commission, agency, or council body comprised of appointed or elected officials that meet in a public capacity with the objective of

performing decisions through a democratic voting process (typically following Robert's Rules of Order). Two or more Meeting Bodies may be comprised of some or all of the same members or officials but may still be considered separate and unique Meeting Bodies at Granicus' sole discretion. For example, committees, subcommittees, city councils, planning commissions, parks and recreation departments, boards of supervisors, school boards/districts, and redevelopment agencies may be considered separate and unique individual Meeting Bodies at Granicus' sole discretion.

13.16 "**Phase 1 Training**" shall mean the MediaManager portion of Client training, performed either online or in-person. Once a Client Representative has received Phase 1 Training, that representative will be recognized in Granicus' internal system as qualified to receive support and ongoing education services.

13.17 "**Professional Services**" shall mean the installation, design, website and template integration, and training obligations as detailed in the Proposal.

13.18 "**Representatives**" shall mean the officers, directors, employees, agents, attorneys, accountants, financial advisors and other representatives of a party.

13.19 "**Site**" shall mean an organization that is governed by a single set of policy and budgetary restraints. For example, a city and its school district are considered separate Sites. Exceptions may be granted at Granicus' sole discretion.

13.20 "**Trademarks**" shall mean all trademarks, trade names and logos of Client listed on Exhibit D attached hereto, and any other trademarks, trade names and logos that Client may specify in writing to Granicus from time to time.

This Agreement consists of this Service Agreement as well as the following exhibits, as indicated:

Exhibit A:	Proposal
Exhibit B:	Support Information
Exhibit C:	Hardware Exhibit
Exhibit D:	Trademark Information
Exhibit E:	Termination or Expiration Options Regarding Content
Exhibit F:	Insurance Requirements

GRANICUS, INC.

By: _____

Thomas A. Spengler

Its: Chief Executive Officer

Address:

568 Howard Street, Suite 300

San Francisco, CA 94105

THE CITY OF INDIAN WELLS

By: _____

Name: Ed Monarch

Its: Mayor

Address: 44-950 Eldorado Drive
Indian Wells, CA 92210

Date: January 4, 2010

ATTEST:

_____

Chief Deputy City Clerk

EXHIBIT A

PROPOSAL

[The remainder of this page is left blank intentionally.]

Proposal presented to Nick Werner, I.T. Manager

City of Indian Wells

44-950 Eldorado Drive
Indian Wells, CA 92210

10/22/2009

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568 Howard Street, Ste 300
San Francisco, California 94105
415-357-3618 www.granicus.com

City of Indian Wells
Nick Werner, I.T. Manager

10/22/2009
Via email

Dear Nick,

Thank you for considering Granicus. It's been a pleasure to learn about the unique needs of Indian Wells. We look forward to establishing a rewarding, long-term relationship with you.

We've prepared a proposal containing Granicus products and services tailored to your organizational and fiscal requirements.

By selecting Granicus, your organization will experience what our extensive government client base already has: that we're a trusted partner. And we're the only company with the experiences and capabilities to integrate webcasting and public meeting management technologies into your existing legislative processes, software, and technical infrastructure.

With your Granicus webcasting solution, you'll be able improve public access in the most cost effective and efficient manner.

Granicus MediaManager™ helps you easily set up an online repository of government webcasts and documents – all cross-linked, keyword-searchable, and conveniently accessible on-demand. By using Granicus, you'll also minimize the impact webcasting has on staff time. Any employee can index in realtime and take advantage of automated web publishing. MediaManager is a web-based application – so all your digital media and documents are managed and securely stored at the Granicus MediaCenter™. As a result, staff from different departments and locations in your organization can easily control their own content, while sharing hardware, software, storage, and bandwidth resources from a single system. These benefits provide you with a low cost of ownership.

At Granicus, our service-driven model ensures your critical applications are installed quickly and run effectively with 24/7 tech support and proactive monitoring. You'll also receive unlimited web-based training and a dedicated account manager who will know your solution inside and out. Our aim is to help you achieve your goals most effectively.

We look forward to working with you.

Most Sincerely,
Tom Duncan
Northern CA Sales Director
Granicus, Inc.

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San Francisco, California 94105
415-357-3618 www.granicus.com

CONTINGENT ON RESULTS OF NETWORK ASSESSMENT

During the network assessment process, changes were determined to be necessary in order for your solution to perform optimally. This proposal is contingent on those changes as outlined in the Network Assessment Summary.

Proposed Solution Pricing Summary

For more detailed pricing information, please refer to the Cost Detail section on the next page.

Up-Front Cost

Item		Cost
SM	Software Modules Subtotal	$1,513.13
PS	Professional Services Subtotal	$5,022.50
HC	Hardware Components Subtotal*	$3,190.99
TE	Maximum Travel Expense	$2,000.00
Total Up-Front Cost†		**$11,726.61**

Recurring Cost

Item		Cost
MMS	**Monthly Managed Services**	**$423.30**

Act Now & Get Free Managed Services!
You may qualify for free Monthly Managed Services on all products in this proposal until April 1st, 2010! This offer is only good for deals for which Granicus receives a PO or a signed agreement or amendment by November 6th, 2009 (regardless of the proposal expiration date). Granicus will begin billing for monthly managed services on March 15th, 2010 for April 2010 Managed Services and beyond. This promotion does not alter or delay the date on which your upfront payments will be due as defined in the Granicus Service Agreement. Please contact your sales representative with any questions.

This Proposal was generated by **Tom Duncan** of **Granicus, Inc.** on **10/22/2009** and it expires on **4/22/2010**. **(Free managed service promotion ends 11/06/2009.)**

*Price and hardware model are subject to change after 90 days without prior notice.

†Additional sales tax may apply depending on your organization's tax status and the tax laws unique to your state, county and/or municipality.

granicus.

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Up-Front Cost Detail

SM Software Modules

Item		Cost
OutCast Encoder Software (1 License)		$150.00
MediaManager Custom (Refer to Proposal Appendix for Details)		$1,350.00
Sales Tax†	8.75 %	$13.12
Software Subtotal		$1,513.13

PS Professional Services

Item		Cost
Software Installation and Configuration		$997.50
(1) - Document Template		$225.00
(1) - Standard View Page		$200.00
(1) - Full Player		$200.00
MediaManager Phase 1 Web Training (1 Series)		$1,700.00
On-Site Training Services (1 Day)		$1,700.00
Sales Tax†	8.75 %	$0.00
Professional Services Subtotal		$5,022.50

HC Hardware Components*

Item	Cost
(1) - Outcast Encoder Server (AV rack mount with RAID)	$2,346.31

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HC Hardware Components*

Item		Cost
(1) - Osprey 230 Video Capture Card		$450.00
Shipping		$150.00
Sales Tax†	8.75 %	$244.68
Hardware Subtotal		$3,190.99

TE Travel Expense

Billable travel expenses include transportation (such as air travel and auto rentals) and lodging expenses.

Your Granicus solution requires on-site training. You will receive an itemized invoice for all travel-related expenses within 30 days of the completion of the on-site visit. The total below represents the maximum possible cost to you and is provided as a budgetary estimate only. The actual cost incurred will be less than or equal to the amount shown below.

Esitmated Number of Travel Visits	1
Maximum Travel Expense	$2,000.00

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Recurring Cost Overview

MMS Monthly Managed Services

Monthly Managed Service Charge‡	$423.30

‡The invoice for the first month's Managed Service Fees will be sent forty-five (45) days after the receipt of a fully executed agreement or the receipt of a purchase order for the up-front costs, whichever comes first. The first month's Managed Service Fees will be prorated. All invoices are due net 30. If you would prefer to schedule your Managed Service Fees on a quarterly, bi-annual, or annual basis, please contact your sales representative.

Managed Service Overview

Your Monthly Managed Service fee pays for ongoing support and maintainence of your Granicus solution. Below is an overview of the services included.

- Agenda Parser Support & Maintenance (1 Parser)
- Agenda Partner Integration Support
- Document Template Support & Maintenance
- OutCast Encoder Support & Maintenance
- Web Integration Support & Maintenance
- MediaManager Custom Support & Maintanence (Refer to Proposal Appendix for Details)
- Continuous Product Upgrades
- Unlimited Access to Online Training for Certified Granicus Users
- Proactive Relationship & Success Management

Act Now & Get Free Managed Services!

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MediaManager Custom Proposal Appendix

MediaManager Standard Features & Services

Item	Included in this Proposal
MediaManager Web Interface	Included
Indexing	Included
Search	Included
Document Linking	Included
Reports	Included
Share to Social Grid	Not Included
RSS	Included
24 x 7 Support	Included
200 Hours of Non-Meeting Content	Not Included
24 x 7 Live Streaming	Not Included
1 Year of Retention	Included

MediaManager Custom is Granicus' response to the challenging economy. In order to meet our clients' needs, we are offering custom functionality so that you can select those features that best serve your requirements. Our goal is to adjust our products so that all of the above features will only be included when requested by the client. In the meantime, you may receive these features in your newly deployed Granicus solution. We would like to set the expectation that we will not be providing training or support on features that you have not elected to purchase. The language in this appendix takes precedence over your proposal, which may describe features not included in your solution. We will eventually remove any extra features from your Granicus solution and apologize for any confusion this may cause in the meantime. Of course, you can add these solution elements into your deployed solution at any time by contacting us.

Thank you for your cooperation and understanding.

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CONTINGENT ON RESULTS OF NETWORK ASSESSMENT

During the network assessment process, changes were determined to be necessary in order for your solution to perform optimally. This proposal is contingent on those changes as outlined in the Network Assessment Summary.

Network Assessment Summary

Your network assessment was completed on 2009-10-21 with Nick Werner (I.T. Manager) and Jeff Sweet (Granicus Sales Engineer). In addition to meeting our standard firewall and network requirements, the following changes were determined to be necessary in order for your solution to perform optimally:

Indian Wells will be using a standard Granicus solution with an integration to Legistar for agenda publishing. Bandwidth for live streaming appears to be more than adequate. There are a couple of outstanding items that need to be addressed prior to deployment: 1. Their current audio system is introducing a hiss into their system outputs. Plans are to have that addressed prior to implementation. 2. Might possibly be interested in broadcasting their public access channel on a 24x7 basis. If so, the feed from their Scala video distribution server will need to be extended to the Granicus Outcast Encoder using baluns. At that point, they can use an A/B switch to change inputs from their Scala to their camera system. Optionally, they could use baluns to send their camera feed to the Scala server for simultaneous live broadcast of the meetings through Granicus and Time Warner. 3. Confirmation of the rack type for the mounting of the rack mount encoder.

Your proposal is no longer considered budgetary. You can now use the figures from the updated proposal for budget requests and generating a purchase order.

Bandwidth Budget

Internet Connection Type: Cable Modem.
Able to Generate a 320kb Stream: Yes.
Meeting Time: undefined
Bandwidth Upstream: 2MB
Bandwidth Downstream: 8MB
Current Peak Down Percent Utilization:
Current Peak Up Percent Utilization:
Live 24/7 Broadcasting: YES
Number of Internal Users:
Number of Simultaneous Meetings: 1
Estimated Number of Internal Archive Viewers:
Estimated Number of Internal Live Viewers:
Network Notes:

Network Connectivity

Static Public IP Address:YES. 16 IP Addresses available
Encoder Network Location: DMZ
Content Filtering: NO. Need to confirm content filtering and/or proxy.
Firewall Port: 8080
Cisco Security Agent:
Remote Access: USE LOGMEIN.
Join Domain: NO.

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CONTINGENT ON RESULTS OF NETWORK ASSESSMENT

During the network assessment process, changes were determined to be necessary in order for your solution to perform optimally. This proposal is contingent on those changes as outlined in the Network Assessment Summary.

A/V & Hardware

Video Connection Type: Composite/BNC
Audio Connection Type: Unbalanced Audio (RCA)
Distance from Encoder: Less than 15FT
Baluns: YES - Please discuss baluns with me during our Network Assessment call
Encoder Physical Location: AV Room/Meeting Facility
Encoder Choose Now: Yes
Encoder Type: Rack-Mount
Encoder Rail Type:

Network Diagram

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CONTINGENT ON RESULTS OF NETWORK ASSESSMENT

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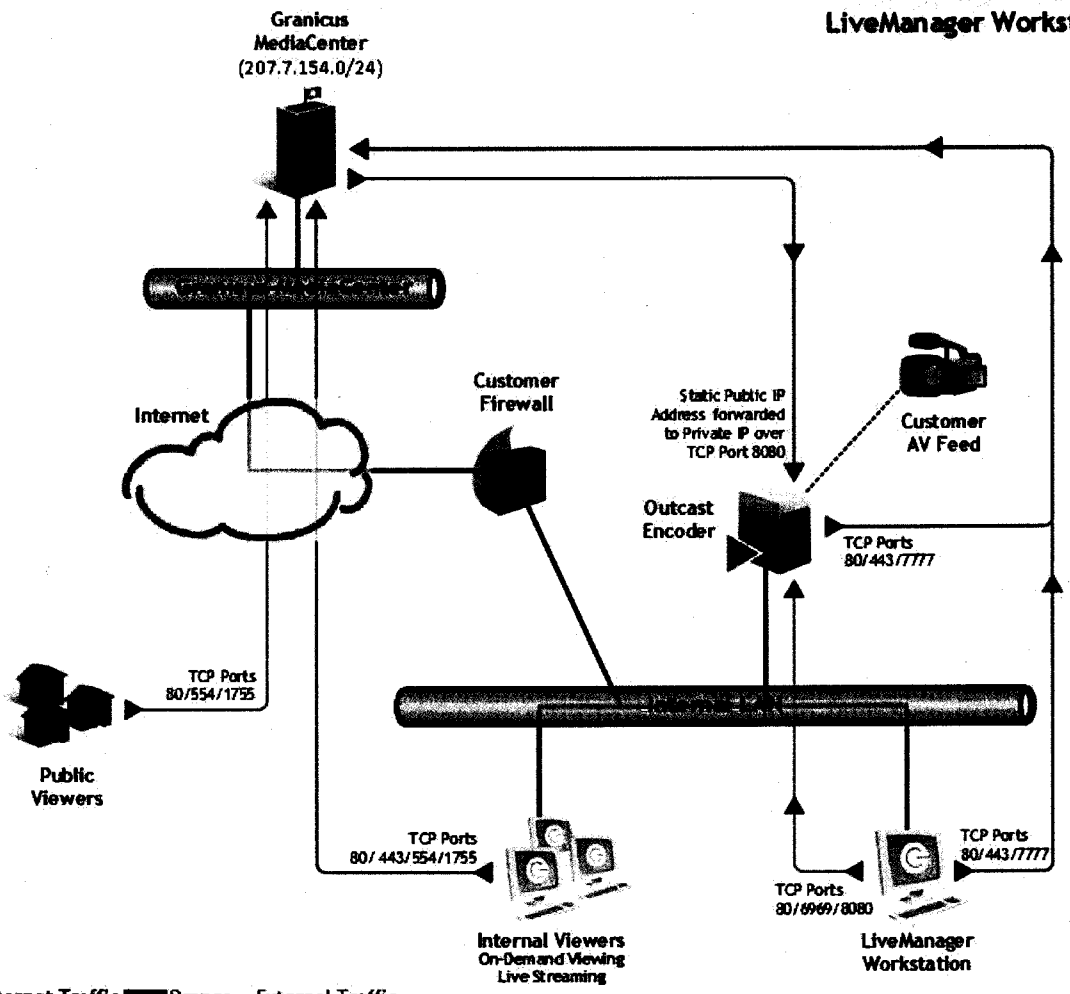
Indian Wells
Outcast Encoder Server v3.1
LiveManager Workstation v3.1



Blue = Outbound Internet Traffic
Orange = External Traffic
Red = Inbound Internet Traffic
Green = Internal Traffic
Black = Physical Connections

Updated Wednesday, October 21, 2009

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Your Granicus Product & Service Overview

Granicus MediaManager™ Software

Granicus MediaManager™ consists of a set of web-based software tools designed to efficiently organize and manage your public meeting and non-meeting content. These tools put the control of web publishing, public meeting workflow and system reporting into the hands of non-technical users.

Public Site

Our solution includes several pages for your Internet users to access on-demand media and live broadcasts. Users will use these pre-built pages to search out specific footage, and jump to specific events within your audio/video archive. The Granicus solution also allows for a key word search based on all of the index points associated with the complete library of video archives related to the City. This functionality substantially increases the convenience of access to and use of meeting archives. Around these core pages you can instantly control user access using a registration and log in system. All public web pages are seamlessly integrated into your current website, so that the look and feel of your site remains consistent.

Protected Administration Site

As a client of Granicus, you will have access to a web based administrative site that will allow you to create and manage archives, schedule and index live events, link documents and minutes of meeting to the video, view real time usage reporting, and configure content distribution. You will also have access to a series of video editing tools that can be used to enhance your on-demand content once it has been broadcasted or encoded.

- **Media Acquisition tools** give you the ability to add audio and video content to your content library from a variety of sources. Utilizing the Granicus Outcast™ encoder, live events can be simultaneously broadcast and archived to the library easily and directly through the live event manager. During a broadcast you can add times stamped data, such as agenda item indices or slides, allowing you to create rich multimedia presentations. You are also given a simple media import tool that can be used to import any pre-encoded content from your desktop into your archive listing. Finally, the Granicus Outcast™ encoder, which is included with MediaManager™–Basic, can be used to encode your analog video by replacing the live signal with that of a standard video playback device such as a standard VCR or DVD player. In this scenario, the same capture tools for managing a live broadcast can be used to make your valued offline content available online. Granicus also offers in house from encoding from VHS or DVD as part of our professional services.
- **Automatic Live Event Scheduler and Archive Publishing** — Live events, such as City Supervisors meetings, can be easily scheduled to be both broadcast live and archive through the Granicus Live Event Manager. By utilizing this tool, the City will not require staff time or technical assistance to start, stop or archive their live events. Archives are automatically transferred from the Granicus OutCast™ encoder to the Granicus MediaCenter™ and automatically published the web site of City. These features substantially decrease the need for staff time to manage content creation and publishing to the web site of City.
- **Media Clip Administration** provides clients the tools to create, edit, delete, index, trim and merge digital video clips. Once the media is in the archive library you can utilize indexing tools that allow you to set multiple "Jump To" points into the video, providing your end user the ability to easily navigate your streaming content. Various other editing and organizational tools allow you to modify your archives and add to the searchable Meta data associated with each archive.
- **Meeting Agenda Parser** allows the City to index its video archives based on agenda item titles, by automatically pulling the agenda item titles and descriptions from the agenda of the City and loading them into the Granicus MediaManager™. These agenda item titles are than loaded into the live event manager, which allows you to index your video in real time by simply clicking on an agenda item title and pressing enter when the council or board begins discussing that issue. Other solutions, if they offer indexing, force you to manually retype and load the text for each agenda item. The Agenda Parser feature assures quality indexing and substantially decreases the staff time need to create indices.
- **Searchable Indexes** — Audio and Video archives, which are viewable over the Internet, can be easily indexed with multiple jump points through the Granicus MediaManager™ software. These indexes allow users to jump directly to the specific point in

the audio/video archive of the City. The Granicus solution also allows for a key word search based on all of the index points associated with the complete library of video archives of the City. For example a key word search on "Water" will return to the user a direct link to all of the audio/video archives, which discuss water usage in the City. This functionality substantially increases the convenience of access to meeting archives.

- **Searchable Closed Captioning** — The Granicus solution supports the use of closed captioning, and the association of the captioning with the streaming media. Captions are viewable during live and archived streaming for full ADA compliance. For archived meetings the captions can also be searched by key words allowing the user to jump to the appropriate point in the video archive. In addition captions can also be used to create a transcript for a particular agenda item through the Granicus MediaManager™ Software.
- **Document Management** enables documents to be manually loaded and linked to video archives and directly associated to the appropriate agenda items, resulting in a searchable archive that includes both the audio/video record of your meeting and the staff reports or other documents that were used during the meeting. Cross-linking documents and audio/video archives provide the most comprehensive records archive system available. To improve the efficiency of integrating and linking your meeting documents with your meeting audio / video see the Document management Integration option included with MinutesMaker™.
- **CD Download with Indexing** — Audio/Video Archives can be quickly downloaded and burned to CD by any administrator of the Granicus solution. The CD download also includes the agenda item indexing information so users of the CD can still jump directly to the agenda items they are interested in. This tool conveniently provides offline copies of your meetings for those citizens without Internet access.
- **Media Delivery subsystems**, such as the Granicus StreamReplicator™ and MediaVault™, maximize your existing infrastructure investment by allowing you to deliver content using local storage and bandwidth when appropriate. These systems function transparently as part of the Granicus solution, and complement the robust delivery architecture at the Granicus MediaCenter™. No special training is required to operate these devices as they function autonomously and are controlled by Granicus MediaManager™ software.
- **Summary Reports** provide you with detailed usage reports concerning: streaming requests, average user bandwidth, outbound bandwidth, content popularity, and media storage usage.
- **Complete Template Language** — The Granicus MediaManager™ software uses a tag-based template language to display all published content. This allows you to finely control the look and feel of your video and video-related pages, and does not restrict your layout like a header/footer based publishing system would. These templates can be easily managed through our HTML editor by your webmaster.
- **Views System** — The views system is the counterpart to the template language. The Granicus MediaManager™ software allows you to publish video archives and a list of upcoming live broadcast to the web by creating views. To create a view you simply select the appropriate template and specific content you would like to have published. For example, a City may want to publish all of its City Council archives and the upcoming live broadcast of the City Council meeting on one webpage. To do this simply select the City Council archive folder and City Council event and then select the appropriate template. This will generate an HTML webpage with the appropriate look and feel and content. Link this page into your existing website and your ready to go.

Granicus Managed Services

Granicus has crafted the Managed Services program to compliment each individual solution and ensure its success, regardless of your network environment or technical expertise. Implementing this program provides each client expert attention and support. The Granicus Managed Services program is based on four comprehensive components: storage and distribution management, proactive systems management, continuous software upgrades and unlimited customer advocacy.

Storage and Distribution Management:

Most organizations are drawn toward the public accessibility that streaming offers; however, Granicus recognizes that many organizations are not in a position to make the costly labor and network infrastructure changes necessary to provide this service. Granicus resolves network concerns by hosting your data and software at the Granicus MediaCenter.

- **Extensive Archive Library.** Your solution includes customized retention schedules for each of your meeting bodies. Your solution also includes 200 hours of storage for non-meeting related content. Regardless of the number of times each meeting body convenes, or how long they convene for, your twelve months of meeting-related storage is guaranteed. The 200 hours dedicated to non-meeting content generally accommodates a large number of internal trainings, emergency preparedness and public service announcements. Options to extend your archive library beyond the standard package are also available
- **Unlimited Bandwidth.** Through the hosted model, Granicus offers every client unlimited bandwidth. No matter how many simultaneous requests for audio/video content Granicus fulfills, bandwidth expenses remain the same. Unlimited bandwidth facilitates reliable, consistent streaming, even in governments and public agencies with limited IT resources.

Proactive Systems Management:

Granicus goes above and beyond traditional support models by using systems management software to constantly monitor every component of your solution. Our systems management software sends us immediate notification to if an error occurs. Our support professionals work diligently to troubleshoot and resolve these issues remotely, so you are continually running with minimal downtime. While clients are responsible for maintaining their own networks, operating systems, video signal and client-procured hardware, our support team will notify and collaborate with proper client personnel when malfunctions are affecting the integrity of your Granicus solution.

Continuous Software Upgrades:

Granicus Managed Services ensures that your Granicus software is up-to-date with the latest available security fixes, recommended updates and feature releases. Our feature release process alerts clients when new software versions become available and guarantees that each client experiences a successful update. Many of our new features are in response to the needs expressed by our client family. As a result, we offer a simple, online method of submitting feature requests through our Customer Service Portal.

Unlimited Customer Support:

The foundation of our customer philosophy is demonstrated by our dedication to immediate support and unlimited access to the Granicus Customer Advocacy Team. Comprised of four specialty groups, this team ensures each client the highest level of success with their Granicus solution. The team combines Outside and Inside Advocates, who are expert trainers and client-relationship managers, with skilled Technical Support Representatives and Web Designers, who go behind the scenes to resolve outstanding issues. Personalized attention, incident response, and on-demand solutions drive our Customer Advocacy philosophy, which is committed to maintaining the technical integrity of every Granicus solution throughout its lifecycle.

- **Personalized Attention.** Granicus Customer Advocacy philosophy dictates that each client is ensured an Outside Advocate as part of their Managed Services. Outside Advocates not only prepare clients to go live with our solution, they also proactively

monitor their client's progress. This is accomplished using a sophisticated customer success matrix that helps Advocates determine if their client needs additional training and/or services. As a client's main point of contact for the longevity of the relationship, Advocates develop a unique understanding of the client's processes, technical requirements and training needs. Advocates communicate this knowledge to the rest of the team to ensure smooth and accurate resolutions that meet the client's satisfaction.

- **Rapid Incident Response:** When issues arise, the Customer Advocacy team is standing by ready to deliver proactive advisory and responsive services. Outside Advocates, Inside Advocates and Technical Support Representatives are all available by phone and email to provide technical and strategic incident management during regular business hours: 5am-7pm PST. Granicus Customer Advocacy provides complete support for incident diagnosis and resolution. If a system problem involves complex support procedures, a Case (or help ticket) is created and sent to our support professionals for assessment. Throughout the resolution process, clients are updated with their Case status to guarantee timely and effective progress. Our dedicated support team devotes their complete attention and expertise to the Case until it is resolved and closed. We also provide 24-hour emergency phone support to safeguard our clients from any irregularities during evening meetings.
- **Customer Service Portal.** Granicus Managed Services means a proprietary knowledgebase is just a few mouse clicks away. The Customer Service Portal (CSP) provides all clients with 24/7 access to on-demand support and mentorship. The CSP allows users to access documentation, research solutions to commonly encountered issues or post questions or comments in the User Forum. Additionally, clients may report problems by logging into our secure Portal and opening a Case online. Such Cases are instantaneously entered into the Granicus support queue for quick and efficient problem isolation and response by our Technical Support Representatives. Additionally, clients may continue to expand their knowledge base by attending online classes offered through Granicus University™. These free, online training sessions are held weekly by our professional Advocates. Upon request, online classes may be specially customized to fit your organization's needs. Furthermore, Granicus offers an annual User Conference filled with innovative classes, collaborative learning and one-on-one training assistance.

Granicus Professional Services

Granicus takes a proactive approach to every product implementation. Our professionals lay a foundation for success by analyzing your business requirements and developing a deployment plan that speaks to your unique needs. The Professional Services model includes a dedicated team to manage each step of the process, from design and configuration to testing and implementation. Granicus exceeds traditional deployment services with personalized project planning and staff transitioning plans. All components of our personalized service model coalesce to smoothly integrate your Granicus solution into your current network environment and day-to-day operations.

Network Assessment. A solid network assessment is part of Granicus' preemptive strategy to eliminate network susceptibilities before they affect your streaming operations. Through testing and analysis, deployment engineers work with appropriate personnel to design a solution that fulfills the unique requirements of your network infrastructure. Completion of the network assessment phase verifies that your existing infrastructure is properly configured for a successful deployment.

System Deployment. Flexible deployment options empower organizations to bring implementation goals into alignment with existing staff and budget limitations. By adjusting roles and responsibilities, our three deployment options meet a variety of needs without compromising quality. Every system deployment includes installation, configuration and validation.

- **Turnkey:** Turnkey deployments are a popular choice for organizations that require minimal integration complexity and the ease of a 'plug and play' solution. Granicus Deployment Engineers acquire the necessary hardware, configure software to your specific needs and complete installation before shipping to appropriate personnel for quick and easy installation.

Document Templates. Our MinutesMaker and VotingSystem solutions produce agenda and minutes documents that resemble your print versions but offer constituents much more in terms of functionality. Each agenda or minutes item is a live link that takes viewers directly to the relevant portion of the audio/video. In order to ensure the visual integrity of your online documents, a Granicus engineer assesses your current format and customizes an HTML-enhanced document template that closely resembles the original. Granicus Professional Services is dedicated to satisfaction by providing a template that maintains the high formatting standards of your original documents.

Agenda Management Integration — Granicus MinutesMaker™ allows for the integration of the Granicus Streaming media solution with a document management or agenda management solutions in order to create the most complete and accessible archive of your public meetings and legislative history. Granicus and its partners are working together to produce a system that

will archive and manage all aspects of your public meeting records. This includes meeting agendas, minutes, documents and audio/video recordings. All of these media types are automatically synchronized and cross-linked allowing for intuitive web based search and retrieval of information. In addition, the document and agenda management integration will allow the two systems to automatically share information and streamlining your agenda and minutes workflow.

Granicus MediaCenter™

Comprised of two world-class data centers, the Granicus MediaCenter is at the core of our hosted service model. MediaCenter servers store and distribute the audio/video streaming files, applications and deployment services that complete each Granicus solution. This design alleviates your organization of unwanted network congestion while meeting and exceeding the highest industry standards and compliance requirements with 24/7/365 power, cooling, connectivity and security capabilities.

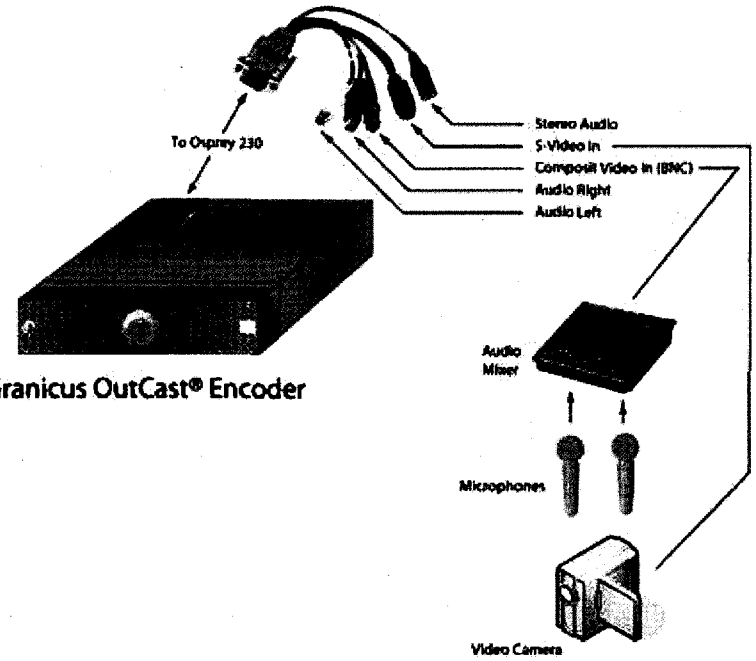
- **Storage and Distribution.** Granicus facilitates the creation of a robust archive library without the costly purchase of memory. The large files contained in your archive library, such as videos, agendas, minutes and supporting legislative documents sit on our servers outside your network. Staff and constituent requests for content are sent directly to our MediaCenter. The MediaCenter fulfills all requests at optimum speeds through our unlimited bandwidth model.
- **Application Performance.** At the heart of each Granicus solution is MediaManager™, a web-based application that drives your live and on-demand streaming and legislative operations from our MediaCenter. By placing this critical application into the hands of our MediaCenter, it is secured around the clock by onsite engineers who ensure optimum network and power availability. MediaCenter houses a number of other integral applications, such as Audio-Video Podcasting, RSS Feeds and our Video Search Engine.
- **Deployment Services.** Granicus MediaCenter facilitates the centralization of our deployment process. As a result, we offer flexible options that minimize the complications of Enterprise-wide software integrations. Beyond deployment, the MediaCenter augments the effectiveness of your solution with on-going updates and new versions.
- **Data Redundancy and Security.** In the event of a national disaster, hardware malfunction, or application failure, Granicus MediaCenter delivers business continuity by ensuring the availability of your day-to-day streaming operations. The Granicus defense strategy mandates automatic data replication between world-class data centers in San Francisco, CA and Ashburn, VA. This collocation strategy ensures security while delivering mission critical content to clients across the nation.

World-Class MediaCenter

- Hosted environment for consistent service
- 2 locations for optimum redundancy
- 24 hour engineers onsite
- Redundant Power capacity on an Independent Power Grid
- Biometrically secured 24 hours a day, 7 days a week, 365 days a year
- Climate Controlled
- Superior, redundant bandwidth providers

Granicus Outcast™ Encoder – Feature Rich Encoding

The Granicus Outcast encoder coupled with the Granicus MediaManager™ Software makes live streaming and archiving a simple and hands off process. Most encoders simply convert an audio video signal into a digital format that can be used for streaming; the Granicus Outcast™ does much more. Using the Granicus Outcast™ with your Granicus solution allows for live indexing, synchronized captioning and automatic archiving and file transfer to distribution servers. Your Outcast encoder is also monitored and maintained by Granicus as a part of your monthly managed services.



Granicus OutCast® Encoder

How it Works

The Granicus Outcast Encoder has a video capture card (Osprey 230 by Viewcast) placed into the PCI slot of on the Outcast encoder server. It is important to get a clean video and/or audio signal to the Osprey card. The Osprey comes with an "octopus" cable that accepts the following physical connections:

Video:Composite (BNC), S-Video

Audio: Balanced stereo (2 x XLR), Unbalanced stereo (2 x RCA)

While broadcasting a live event, the on-site Granicus Outcast™ Encoder receives your AV signal and converts it from analogue to digital. Next, it converts the signal to the Windows Media format (multiple bit rates are supported). While streaming live, the outcast encoder also writes a copy of the Windows Media file to the encoder server's the hard drive.During the encoding process, the ender is responsible for adding the index points and closed captioning meta data to the live event and archive file. When the event is over, the encoder will then automatically transfer the archive file to the hosted and client side distribution servers. When the file transfer is complete, MediaManager will automatically publish links to the integrated public record.

EXHIBIT B

SUPPORT INFORMATION

1. Contact Information. The support staff at Granicus may be contacted by the Client at its mailing address, general and support-only telephone numbers, and via e-mail or the Internet.

(a) Mailing Address. Mail may be sent to the support staff at Granicus headquarters, located at 568 Howard Street, Suite 300, San Francisco, California, 94105.

(b) Telephone Numbers. Office staff may be reached from 8:00 AM to 7:00 PM Pacific time at (415) 357-3618 or toll-free at (877) 889-5495. The technical support staff may be reached at (415) 655-2400 from 8:00 AM to 7:00 PM Pacific time. After hours or in case of a technical support emergency, the support staff may be reached at (415) 655-2414, twenty-four (24) hours a day, seven (7) days a week.

(c) Internet and E-mail Contact Information. The website for Granicus is http://www.granicus.com. E-mail may be sent to the support staff at support@granicus.com.

3. Recognized Client Representatives. Granicus strives to provide unparalleled support to its Clients by ensuring that Client staff is properly educated and is prepared to maximize its Granicus Solution. Any Client Representative who wishes to participate and receive Granicus customer advocacy services shall participate in and complete the training program that is suited for the Granicus Solution. Once a Client Representative completes the training, that Representative will be recognized in Granicus' internal system as qualified to receive support and ongoing education services. All Client Representatives are eligible to receive technical support services, regardless of participation in the training program.

4. Support Policy. When Granicus received notification of an issue from Client, a Granicus account manager or technical support engineer will respond directly to the Client via phone or e-mail with (a) an assessment of the issue, (b) an estimated time for resolution, and (c) will be actively working to resolve the issue as appropriate for the type of issue. Notification shall be the documented time that Granicus receives the Client's call or e-mail notifying Granicus of an issue or the documented time that Granicus notifies Client there is an issue. Granicus reserves the right to modify its support and maintenance policies, as applicable to its customers and licensees generally, from time to time, upon reasonable notice.

4. Scheduled Maintenance. Scheduled maintenance of the Granicus Solution will not be counted as downtime. Granicus will clearly post that the site is down for maintenance and the expected duration of the maintenance. Granicus will provide the Client with at least two (2) days prior notice for any scheduled maintenance. All system maintenance will only be performed during these times, except in the case of an emergency. In the case that emergency maintenance is required, the Client will be provided as much advance notice, if any, as possible under the circumstances.

5. Software Enhancements or Modifications. The Client may, from time to time, request that Granicus incorporate certain features, enhancements or modifications into the licensed Granicus

Software. Subject to the terms and conditions to this exhibit and the Service Agreement, Granicus and Client will use commercially reasonable efforts to perform all tasks in the Statement of Work ("**SOW**"). Upon the Client's request for such enhancements/modifications, the Client shall prepare a SOW for the specific project that shall define in detail the Services to be performed. Each such SOW signed by both parties is deemed incorporated in this exhibit by reference. Granicus shall submit a cost proposal including all costs pertaining to furnishing the Client with the enhancements/modifications.

5.1 Documentation. After the SOW has been executed by each party, a detailed requirements and detailed design document shall be submitted illustrating the complete financial terms that govern the SOW, proposed project staffing, anticipated project schedule, and other information relevant to the project. Such enhancements or modifications shall become part of the licensed Granicus Software.

5.2 Acceptance. Client understands that all work contemplated by this exhibit is on a "time-and-materials" basis unless otherwise stated in the SOW. Within ten (10) business days of Granicus' completion of the milestones specified in the SOW and delivery of the applicable enhancement/modification to Client, Client will provide Granicus with written notice of its acceptance or rejection of the enhancement/modification, based on the acceptance criteria set forth in the SOW. Client agrees that it will not reject any enhancement/modification so long as it substantially complies with the acceptance criteria.

5.3 Title to Modifications. All such modifications or enhancements shall be the sole property of the Granicus.

6. Limitation of Liability; Exclusive Remedy. IN THE EVENT OF ANY INTERRUPTION, GRANICUS' SOLE OBLIGATION, AND CLIENT'S EXCLUSIVE REMEDY, SHALL BE FOR GRANICUS TO USE COMMERCIALLY REASONABLE EFFORTS TO RESTORE ACCESS AS SOON AS REASONABLY POSSIBLE.

[End of Support Information]

EXHIBIT C

GRANICUS, INC.

HARDWARE EXHIBIT

THIS HARDWARE EXHIBIT is entered into by Granicus and Client, as an attachment to the Service Agreement between Granicus and Client, for the sale of the hardware components of the Granicus Solution (the "**Hardware**") by Granicus to Client. This exhibit is an additional part of the Service Agreement and is incorporated therein by reference. This exhibit does not change any term of the Service Agreement except to the extent it is contrary to the Service Agreement. Capitalized terms used but not defined in this exhibit have the meanings given in the Service Agreement.

1. **Purchase Price**. The purchase price for the Hardware shall be the price specified in the Proposal.

2. **Title and Delivery**. Any scheduled ship date quoted is approximate and not the essence of this exhibit. Delivery is F.O.B. Granicus' point of shipment. Granicus will select the shipment method unless otherwise mutually agreed in writing. The risk of loss passes to Client upon delivery to the carrier at Granicus' point of shipment. Granicus retains title to the Hardware until Granicus has received payment in full of all sums due pursuant to this exhibit. Granicus retains title to and ownership of all Granicus Software installed by Granicus on the Hardware, notwithstanding the use of the term "sale" or "purchase."

3. **Acceptance**. Use of the Hardware by Client, its agents, employees or licensees, or the failure by Client to reject the Hardware within fifteen (15) days following delivery of the Hardware, constitutes Client's acceptance. Client may only reject the Hardware if the Hardware does not conform to the applicable written specifications.

4. **Hardware Warranty**. Granicus will provide to Client any warranty provided by the manufacturer with respect to the Hardware. Granicus shall repair or replace any Hardware provided directly from Granicus that fails to function properly due to normal wear and tear, defective workmanship, or defective materials as long as such Hardware is then under the manufacturer's warranty.

5. **Service Response Time**. For hardware issues requiring replacement, Granicus shall respond (via written or verbal acknowledgment) to the request made by the Client within twenty-four (24) hours. Hardware service repair or replacement will occur within seventy-two (72) hours of the request by the Client, not including the time it takes for the part to ship and travel to the Client. The Client shall grant Granicus or its Representatives access to the Hardware for the purpose of repair or replacement at reasonable times. Granicus will keep the Client informed regarding the time frame and progress of the repairs or replacements.

6. **DISCLAIMER OF WARRANTIES**. NOTWITHSTANDING THE MAINTENANCE PROVIDED UNDER SECTION 4 ABOVE, THE SOLE WARRANTY ON THE HARDWARE IS ANY MANUFACTURER'S WARRANTY AS PROVIDED IN SECTION 1 ABOVE, AND GRANICUS DISCLAIMS ANY AND ALL EXPRESS, IMPLIED OR STATUTORY WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, OF MERCHANTABILITY AND AGAINST INFRINGEMENT, WITH RESPECT TO THE HARDWARE. NO PERSON IS AUTHORIZED TO MAKE ANY WARRANTY OR REPRESENTATION ON BEHALF OF GRANICUS.

7. **LIMITATION OF LIABILITY**. GRANICUS SHALL NOT BE LIABLE FOR CONSEQUENTIAL, EXEMPLARY, INDIRECT, SPECIAL, PUNITIVE OR INCIDENTAL DAMAGES ARISING OUT OF OR RELATING TO THIS EXHIBIT INCLUDING WITHOUT LIMITATION LOSS OF PROFIT, WHETHER SUCH LIABILITY ARISES UNDER CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY OR OTHERWISE, EVEN IF GRANICUS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR IF SUCH DAMAGE COULD HAVE BEEN REASONABLY FORESEEN. IN NO EVENT WILL GRANICUS' LIABILITY TO CLIENT ARISING OUT OF OR RELATING TO THIS EXHIBIT EXCEED THE AMOUNT OF THE PURCHASE PRICE PAID TO GRANICUS BY CLIENT FOR THE HARDWARE.

[end of Hardware Exhibit]

EXHIBIT D

TRADEMARK INFORMATION

Granicus Registered Trademarks ®

Granicus logo as a mark
Granicus®
MediaVault®
Mobile Encoder®
Outcast Encoder®
StreamReplicator®

Granicus Trademark Names ™

Integrated Public Record™
Intelligent Routing™
LinkedMinutes™
LiveManager™
MediaCenter™
MediaManager™
MeetingMember™
MeetingServer™
Simulcast Encoder™
VoteCast™
VoteCast™ Classic
VoteCast™ Touch

Client Trademarks

EXHIBIT E

TERMINATION OR EXPIRATION OPTIONS REGARDING CONTENT

In case of termination by Client or expiration of the Service Agreement, Granicus and the Client shall work together to provide the Client with a copy of its Content. The Client shall have the option to choose one (1) of the following methods to obtain a copy of its Content:

- Option 1: Video files on DVR and a compact disc (CD) that contains the index and clip name data in CSV or XML format will be created and sent to the Client. This option may result in an additional charge to Client.
- Option 2: Provide the Content via download from MediaManager or from a special site created by Granicus. This option shall be provided free of charge.
- Option 3: Granicus shall provide the means to pull the content from the MediaVault in CSV or XML format. This option shall be provided free of charge.

The Client and Granicus shall work together and make their best efforts to transfer the Content within the sixty (60) day termination period. Granicus has the right to delete Content from its services after sixty (60) days.

INSURANCE AND INDEMNIFICATION

9.1 INSURANCE - CONSULTANT shall procure, maintain and provide proof of insurance as set forth in Exhibit C, "Insurance Requirements".

9.2 INDEMNIFICATION - CONSULTANT shall indemnify and hold harmless CITY and its officers, officials, employees and agents from and against all claims, damages, losses and expenses including reasonable attorney fees arising out of the performance of the work described herein, caused in whole or in part by any negligent act or omission of the CONSULTANT, any subcontractors, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence, or willful misconduct of the CITY.

INSURANCE REQUIREMENTS FOR CONSULTANTS

CONSULTANT agrees to provide insurance in accordance with the requirements set forth here. The following coverage's will be provided by CONSULTANT and maintained on behalf of the CITY and in accordance with the requirements set forth herein.

COMMERCIAL GENERAL LIABILITY/UMBRELLA INSURANCE

Primary insurance shall be provided on ISO-CGL form No. CG 00 01 11 85, or its equivalent. Total limits shall be no less than one **(1) million dollars per occurrence for all coverage's and two (2) million dollars general aggregate.** CITY and its employees and agents shall be added as additional insureds. Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to CITY or any employee or agent of CITY. Coverage shall not be limited to the vicarious liability of any additional insured. Umbrella Liability Insurance (over primary) shall apply to bodily injury/property damage, personal injury/advertising injury, at a minimum. Coverage shall be following form to any underlying coverage. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion. Policies shall have concurrent starting and ending dates.

BUSINESS AUTO/UMBRELLA LIABILITY INSURANCE

Primary coverage shall be written on ISO Business Auto Coverage form CA 00 01 06 92 or its equivalent including symbol 1 (Any Auto). Limits shall be no less than one (1) million dollars per accident. Starting and ending dates shall be concurrent. If CONSULTANT owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

WORKERS' COMPENSATION/EMPLOYER'S LIABILITY

This shall be written on a policy form providing workers' compensation statutory benefits as required by law. Employer's liability limits shall be no less than one (1) million dollars per accident or disease. Employer's liability coverage shall be scheduled under any umbrella policy described above.

CONSULTANT and CITY further agree as follows:

1. This Section supersedes all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

2. Nothing contained in this Section is to be construed as affecting or altering the legal status of the parties to this Agreement. The insurance requirements set forth in this Section are intended to be separate and distinct from any other provision in this Agreement and shall be interpreted as such.

3. All insurance coverage and limits provided pursuant to this Agreement shall apply to the full extent of the policies involved, available or applicable. Nothing contained in this Agreement or any other agreement relating to the CITY or its operations limits the application of such insurance coverage.

4. For purposes of insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of, or towards, performance of this Agreement.

5. All general or auto liability insurance coverage provided pursuant to this Agreement, or any other agreements pertaining to the performance of this Agreement, shall not prohibit CONSULTANT, and CONSULTANT'S employees, or agents, from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY.

6. Unless otherwise approved by CITY, CONSULTANT'S insurance shall be written by insurers **LICENSED** to do business in the State of California (see Best's Key Rating Guide) and with a minimum "Best's" Insurance Guide rating of *A*-:VII.5 Self-insurance will not be considered to comply.

7. In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, CITY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by CITY will be promptly reimbursed by CONSULTANT.

8. CONSULTANT agrees to provide evidence of the insurance required herein consisting of **standard ACORD form** certificate(s) of insurance evidencing all of the coverages required. Certificate(s) are to reflect that the insurer will provide 30 days notice of any cancellation of coverage. CONSULTANT agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word 'endeavor' with regard to any notice provisions.

9.CONSULTANT shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof, **shall be in the form of standard ACORD form certificates of insurance,** will be furnished at least two (2) weeks prior to the expiration of the coverages.

10. Any actual or alleged failure on the part of the CITY or any other additional insured under these requirements to obtain proof of insurance required under this Agreement in no way waives any right or remedy of CITY or any additional insured, in this or any other regard.

11. CONSULTANT agrees to require all subcontractors or other parties hired for this project to provide general liability insurance naming as additional insureds all parties to this Agreement. CONSULTANT agrees to obtain certificates evidencing such coverage and make reasonable efforts to ensure that such coverage is provided as required here. CONSULTANT agrees to require that no contract used by any subcontractor, or contracts CONSULTANT enters into on behalf of CITY, will reserve the right to charge back to CITY the cost of insurance required by this Agreement. CONSULTANT agrees that upon request, all agreements with subcontractors or others with whom CONSULTANT contracts with on behalf of CITY, will be submitted to CITY for review. Failure of CITY to request copies of such agreement will not impose any liability on CITY, or its employees.

12. If CONSULTANT is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.