

**SOFTWARE LICENSE AND MAINTENANCE AGREEMENT AMENDMENT #7**

THIS AMENDMENT is made effective this 20<sup>th</sup> day of June 2014 between:

1. Trapeze Software Group, Inc. with its place of business at 8360 East Via de Ventura, Suite L-200, Scottsdale, Arizona, U.S.A. 83258, ("Trapeze"); and
2. Whatcom Transportation Authority, with its place of business at 4111 Bakerview Spur Road, Bellingham, Washington, U.S.A. 98226 ("Licensee" or "Whatcom").

WHEREAS Trapeze and Licensee intend to amend the Software License and Maintenance Agreement dated November 6, 2006 as amended (the "Agreement"), in order to reflect the addition of the Trapeze APC PLAN Gateway, PLAN Handheld Devices (TPRider) Software products, and Trapeze PLAN Software refresh services under the scope of the Agreement.

NOW THEREFORE Trapeze and Licensee agree as following:

1. **Amendment to Agreement**

- (a) The parties agree to the addition of the Trapeze APC PLAN Gateway and PLAN Handheld Devices (TPRider) Software products to the scope of the Agreement. Exhibit A-7, attached hereto, is therefore added to and incorporated within the terms of the original Agreement.
- (b) The parties agree the implementation of the Trapeze APC PLAN Gateway, PLAN Handheld Devices (TPRider) Software products, and the provision of Trapeze PLAN Software refresh services shall be performed by Trapeze in accordance with the Statement of Work, attached hereto as Exhibit C-7.
- (c) The parties agree that the Trapeze APC PLAN Gateway, PLAN Handheld Devices (TPRider) Software products' license fees, implementation services fees, expenses, maintenance fees, and Trapeze PLAN Software refresh services shall be invoiced and paid by Licensee in accordance with the Summary of Pricing and Payment Schedule, identified in Exhibit B-7, attached hereto.
- (d) The parties agree the following provision shall replace Section 4 of the Agreement ("Software Acceptance") in its entirety and shall govern acceptance of the Trapeze APC PLAN Gateway and PLAN Handheld Devices (TPRider) Software products:

Upon completing the delivery, installation, and testing of the individual Trapeze APC PLAN Gateway Software and Trapeze PLAN Handheld Devices (TPRider) Software on one (1) hardware device, Trapeze will notify Licensee in writing. Licensee will then have ten (10) business days in which to conduct acceptance tests in order to ensure that the Software operates in all material respects as specified in the Documentation. At the end of this period, Licensee will be deemed to accept the Software unless Trapeze receives prior written notice outlining the nature of the perceived defects in the Software. Notwithstanding the above, Licensee will be deemed to accept the Software when the Licensee puts the Software into operational and functional use. The Software will be deemed to be in operational and functional use when the Licensee first uses the Software to support its then current operations in any capacity. Upon the deemed acceptance of the Software in accordance with this paragraph, Licensee will provide Trapeze with a written acknowledgement to confirm such acceptance.

- (e) The parties agree that the following replaces the first paragraph of Section 5 (Warranty) in the Agreement for the Trapeze APC PLAN Gateway Software product:

Trapeze warrants the Software to operate in all material respects as specified in the Documentation for a period of ninety (90) days from installation of the individual Software component. For any breach of this warranty, Licensee's sole and exclusive remedy and Trapeze's entire obligation hereunder shall be to either repair or replace the defective Software. This warranty does not apply to any Software damaged as a result of any accident, negligence, use in any application for which it was not designed or intended, or modification without the prior written consent of Trapeze.

- (f) The parties acknowledge and agree that Trapeze shall not provide a warranty for the Trapeze PLAN Handheld Devices (TPRider) Software product. Accordingly, first year maintenance fees for the Trapeze PLAN Handheld Devices (TPRider) Software shall be due and payable by Licensee upon Software acceptance as defined under Section 4 of the Agreement ("Software Acceptance").
- (g) The parties acknowledge and agree that, except as may be specifically provided in this Amendment #7 all installation, testing, training or other services related to the use of the Trapeze APC PLAN Gateway and PLAN Handheld Devices (TPRider) Software products by Licensee, and Trapeze PLAN Software refresh services shall be provided by Trapeze exclusively and strictly in accordance with the existing Software License and Maintenance Agreement dated the 6<sup>th</sup> day of November, 2006, related pricing as identified in Exhibit B-7 and under the terms of Exhibit C-7, the Statement of Work, attached hereto.
- (h) All remaining terms, conditions, and covenants of the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties have caused this Amendment #7 to be signed by their duly authorized representatives as of the date above.

TRAPEZE:

By:

Name:

Title:

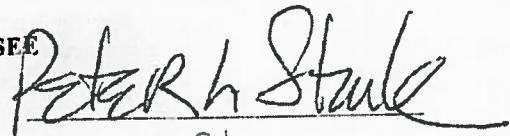
  
\_\_\_\_\_  
Brian Benoit  
\_\_\_\_\_  
CFO.

LICENSEE

By:

Name:

Title:

  
\_\_\_\_\_  
Peter L. Stark  
\_\_\_\_\_  
General Manager

**EXHIBIT A-7**

| Item | Software   | Configuration           | Gross License Fees | *Year 1 Maintenance Fees | License Date                                 |
|------|--|-------------------------|--------------------|--------------------------|--|
| 1.   | <b>Trapeze APC<br/>PLAN Gateway</b>                    | up to 57 total vehicles | \$14,731           | \$2,947                  | Effective<br>date of this<br>Amendment<br>#7 |
| 2.   | <b>Trapeze PLAN<br/>Handheld Devices<br/>(TPRider)</b> | up to 40 peak vehicles  | \$ 9,371           | \$1,875                  | Effective<br>date of this<br>Amendment<br>#7 |

**Notes:**

1. Licenses are provided for operations up to fifty-seven (57) total vehicles for Trapeze APC Plan Gateway Software, and up to forty (40) peak vehicles for Trapeze PLAN Handheld Devices (TPRider).
2. Licenses provide for software utilization for Whatcom Transportation Authority (Bellingham, WA).
3. Third Party Runtime licenses, if required, to operate the proposed applications are not included in prices listed above.
4. \* First year payable maintenance fees only as identified above. For all future annual renewals, maintenance fees shall be subject to schedule B-7 3.0 "Long Term Support."

## EXHIBIT B-7

### Summary of Pricing and Payment Schedule

#### 1.0 Application Software

| Item | Description              | Trapeze APC PLAN Gateway | Trapeze PLAN Handheld Devices (TPRider) | PLAN Software Refresh Services |
|------|--------------------------|--------------------------|---|--------------------------------|
| 1    | Application License Fees | \$14,731                 | \$9,371                                 | \$0                            |
| 2    | Purchase Incentive       | \$0                      | -\$9,371                                | \$0                            |
| 3    | Net License Fees         | \$14,731                 | \$0                                     | \$0                            |
| 4    | Implementation Services  | \$36,350                 | \$6,600                                 | \$13,900                       |
| 5    | Expenses                 | \$1,700                  | \$1,450                                 | \$2,450                        |
|      | <b>Total (US\$)</b>      | <b>\$52,781</b>          | <b>\$8,050</b>                          | <b>\$16,350</b>                |

**Notes:**

1. Pricing expires June 30, 2014.
2. Applicable taxes are not included in the pricing and will be assessed at time of invoicing.

#### 2.0 Payment Schedule

| Milestones-Trapeze APC PLAN Gateway and PLAN Handheld Devices (TP Rider) Software | Payment percentage  |
|---|---|
| Due Upon Execution of this Amendment #7   | 100% of Licenses<br>20% of Implementation Services and Expenses |
| Due Upon Delivery of initial Operational Review Document                          | 20% of Implementation Services and Expenses                     |
| Due Upon Software installation  | 20% of Implementation Services and Expenses                     |
| Due Upon Completion of Training   | 20% of Implementation Services and Expenses                     |
| Due Upon Software Acceptance (1)  | 20% of Implementation Services and Expenses                     |

**Note:**

- (1) Software Acceptance as described under Section 1 (d) of the Amendment #7 ("Software Acceptance").
- (2) Above milestones will be invoiced and due on a per individual Software component basis

## EXHIBIT B-7

### Summary of Pricing and Payment Schedule

#### 2.0 Payment Schedule

| Milestones-PLAN Software Refresher Services              | Payment percentage                |
|--|-----------------------------------|
| Due Upon Execution of this Amendment #7                  | 50% of Services Fees and Expenses |
| Due Upon Delivery of initial Operational Review Document | 50% of Services Fees and Expenses |

#### 3.0 Long Term Support

| Item | Description          | Trapeze PLAN APC Gateway                             | Trapeze PLAN Handheld Devices (TPRider)   |
|------|----------------------|--|---|
| *1   | 1st Year Maintenance | \$ 2,947 (due upon ninety (90) days warranty expiry) | \$1,875 (due upon Software Acceptance as described in Section 1 (d) of this Amendment #7. |

\*Note: First year payable maintenance fees only, due and payable, as stated above. For all future annual renewals, Trapeze PLAN APC Gateway and Trapeze PLAN Handheld Devices (TPRider) Software products' maintenance fees shall be subject to Trapeze then current pricing.

## **EXHIBIT C-7**

### **Statement of Work**

#### **1.1 Overview**

The following information defines the implementation services to be provided by Trapeze for the project as well as the effort that will be required from Whatcom Transportation Authority's (Licensee) staff and resources.

Unless otherwise indicated, Trapeze will provide 'standard' services (project management, operational review, testing, installation, training) as defined by Trapeze. Any special requirements will be considered a change request and processed through the change request system.

The Software products to be installed here are complimentary to the currently installed Trapeze Fixed Route application and use data currently loaded for scheduling purposes. These Software applications will use the same Trapeze database servers.

#### **1.2 Trapeze Products and Services**

- 1.2.1 Software: Trapeze PLAN Handheld Devices (TPRider)**
- 1.2.2 Software: Trapeze APC Gateway**
- 1.2.3 Services: PLAN Refresh**

#### **1.3 Project Management**

A Trapeze project manager will be responsible for ensuring that project requirements are communicated and understood and all milestones are met. The project manager will be the key point of contact during the project. Trapeze project managers provide the following key services:

- **Risk Management.** The project manager understands the risks involved with the project and ensures that tight controls are implemented to minimize these risks.
- **Scope Change Management.** When a change is made mid-project, the project manager understands the global impact of this change and initiates the necessary actions to ensure timelines are adjusted.
- **Issues Management.** The project manager ensures that issues are addressed and resolved in a timely manner.
- **Access to Key Resources.** The project manager acts as conduits to other parties and ensures through proper scheduling and 'scope change management' that resources are available when their services are required.

Trapeze project managers employ the following tools to support the successful implementation of projects:

- **Scope of Work and Design Documents.** The Scope of Work is contains the current operating environment of the site and the tasks that need to be completed in order to ensure a successful implementation.
- **Project Plan.** The final timeline and Scope of Work are input into a Microsoft Project document following the Preliminary Design and Review. Within this document all deliverables and milestones are itemized and associated to a specific timeline. A preliminary of a MS Project plan utilized as the starting point for similar projects is attached at the end of this section.
- **Milestone Sign-Offs.** As each milestone is achieved, the Licensees will be asked to sign-off on the milestone, signaling that they are in agreement that the project is moving forward.
- **Standards.** After each implementation, we assess the project and determine how we can improve the process. A proactive approach enables us to develop software that works and predict issues during the planning phases of future projects.

In addition to the project manager, the Licensees will have multiple contacts from within Trapeze, including:

- **Technical Product Specialist** – The technical product specialist will deal with technical issues involving the product including installation, data development, testing of modifications and parallel support.
- **Account Representative** – The account representative is the key point of contact for the Licensees. The account representative knows the status of all projects their Licensees is currently involved with and can be contacted at any time during the project to respond to the needs of the Licensees.
- **Customer Care** – Licensees are provided with our 1-800 customer support number during the implementation phase of the project to provide for added security if a situation arises and they cannot contact their project manager or account representative.

In addition to on-site and telephone support, Trapeze uses WebEx technology to provide an additional channel for support and training. WebEx enables users to 'share' computer desktops, so that a user can view and control an application running on a remote computer.

## **1.4 Operational Review and System Design**

The first phase of the implementation involves a complete review of existing operations, processes and requirements and the finalization of the scope of work as they relate to this project. To assist us with the operational review, the Licensees will be expected to provide the Trapeze team with any operational material and directives that may be available. These may include operating rules, policies, regulations and standards.

During the review, some of the tasks of the project team will include:

- Analyzing current processes and procedures

- Meeting with various members of the operation (including IT personnel, planning managers, and schedule analysts)
- Presenting the software

The Testing Program and Support plans will also be finalized during this phase of the project.

Deliverables for the operational review include:

- A final project schedule
- Necessary datasets
- Final hardware and software configuration
- Final Training Programs
- Testing Program and Support plans
- Summary Report of Operational Review

## **1.5 Installation of Trapeze Software Products**

The generic Trapeze Software will be installed and tested on the network. The Licensees and Trapeze will both review and approve the implemented Software before any training is conducted.

## **1.6 Training**

Training provided will be based on Trapeze standard training agendas. Training sessions will be ½ day sessions. Each session can be attended by up to eight (8) employees.

- Up to two (2) days of APC Gateway training
- Up to one (1) day of PLAN handheld devices training
- Up to three (3) days of PLAN refresh training
- Up to six (7) days of off-site support

In addition to training, Trapeze will provide one (1) digital copy of all available user manuals. The Licensee is free to create copies of the hard copy manual for their users. Trapeze will also provide printed and electronic material in the form of 'quick reference guides' for certain aspects of the software.

Users will also have access to recorded training videos and online sessions provided through [mytrapeze.com](http://mytrapeze.com).

## **1.7 Trapeze Off-Site Services**

Trapeze will provide project management and off-site support services for up to three (3) months from first meeting/conference call with the Trapeze project manager. These services will include:

- The Trapeze project manager will provide weekly reports to the Licensee's project manager. These reports will be based on Trapeze standards and will include: project team information, current status and next steps.
- For the duration of the project the Trapeze technical product expert will be available for consultation off-site via phone or email.
- For the PLAN refresh training, Licensee has agreed to prepare demographic census data internally. Trapeze will provide required data specifications and will help to load the processed data while on-site for refresh training.

## **1.8 Documentation**

There are a number of forms of documentation provided during the course of the implementation. Trapeze will provide the following as part of the standard documentation:

### **1. Software Product Documentation (e.g. User Manual)**

A copy of the standard user documentation will be provided in hardcopy format. In addition, electronic media in the form of Adobe Acrobat is also available. The manual clearly describes how to operate the Trapeze proposed products. Documentation for interface control will also be provided.

### **2. Project Plan**

A Project Schedule will be finalized with the Licensees upon completion of the operational review. Trapeze will coordinate the schedules of all subcontractors as well as Trapeze staff to ensure that the project deadlines are met. This project plan will be updated during the project to reflect the current state of the project. At each update, the Licensees will be asked to sign off on any changes.

### **3. Final Design Review**

A Final Design Review document will also follow shortly after the project schedule is determined. All agreed upon features will be identified with deliverable dates included.

## **1.9 Acceptance Testing**

The final phase of the implementation will be acceptance testing. This involves Licensees utilizing the Software in the test environment to ensure the Software responds accurately to users input and the features and functions of the Software work as specified.

We estimate the duration of user acceptance for this implementation to be approximately two (2) weeks.

## 1.10 Timeframe

During the operational review, a project plan will be prepared for each module. Generally, this size of project can be completed in between three (3) to four (4) months from the initial kick-off provided no-customizations are required. However, if the length of the project exceeds four (4) months due to client preparation or resourcing delays, Trapeze reserves the right to engage in a change order process with the Licensee to secure additional project management and off-site support services to accommodate the delay.

## 1.11 Licensees Resource Estimates

The table below identifies the resource requirements for the Licensees.

| Resource              | Description   | Time Dedication  | Tasks  |
|-----------------------|---|--|--|
| Project Manager       | The project manager coordinates all efforts between the Licensee and Trapeze. | 20% of time for duration of project.                                       | <ul style="list-style-type: none"> <li>○ Coordinate all resources from the Licensee</li> <li>○ Coordination of conference calls and meetings, as required.</li> <li>○ Prepare training facilities</li> <li>○ Coordinate training sessions.</li> <li>○ Coordinate completion of data development</li> <li>○ Coordinate completion of user acceptance testing.</li> <li>○ Payment of Trapeze invoice in a timely fashion (30 days from milestone completion).</li> </ul> |
| Subject Matter Expert | Someone with intimate knowledge of the Licensee's request operations          | 20% of time for duration of project.                                       | <ul style="list-style-type: none"> <li>○ Participation in the completion of the operational review</li> <li>○ Participation in all training sessions</li> <li>○ Assist PM with completion of user acceptance testing, data development</li> </ul>  |
| System Administrator  |   | 10% of their time for the duration of the project.                         | <ul style="list-style-type: none"> <li>○ Participate in System administration training. No cost included in price.</li> </ul>  |
| Testers               | Responsible for user acceptance testing                                       | 25% of their time during the testing phase of the project.                 | <ul style="list-style-type: none"> <li>○ Employ Software in production for twenty (20) days.</li> </ul>  |
| End Users             |   | 50% of their time during the training and transition phase of the project. | <ul style="list-style-type: none"> <li>○ Participate in end user training.</li> </ul>  |