SnailWorks™ Service Agreement

Company Name: City of Redondo Beach ("Customer")

This is an "Agreement" between "You" or "Your" and "*SnailWorks, LLC*", concerning your use of *SnailWorks* services, provided by *SnailWorks, LLC.*

Services Provided: This Agreement provides for integrated marketing support services only, providing postal mail tracking, digital marketing campaign support, and associated services to be provided at prices specified in the Pricing Schedule. Additional reports and other services requested that are outside of the scope of this Agreement are subject to additional charges.

Terms: Mail Tracking services are purchased as an annual Subscription or as Scan Credits. An annual Subscription begins on the "Designated Start Date" set forth below and continues for 12 months. *SnailWorks* will send you an invoice for the Subscription at the beginning of each month. Invoices will be sent before the first day of the month, and the terms of payment are within forty-five days from the Customer's receipt of the invoice.

A Prepaid Scan Credit purchase begins on the "Designated Start Date" set forth below. Prepaid scan credit purchases are based on estimated mail tracking for 12 months unless otherwise specified. If additional scan credits are required, they will be issued at the "Overs" CPM rate. In no case will scan credits remain active after 24 months from purchase, unless included in a new scan purchase.

- The minimum prepaid scan credit purchase is 1,000,000 pieces tracked
- Prepaid scan credits expire 24 months from the date of purchase
- At the end of 24 months, clients have the option of including any remaining scan credits in a new scan credit purchase
- Prepaid tracking has no cash value. Unused prepaid tracking is not refundable

Account Setup Fee: The Mail Tracking Account Setup fee includes creating a primary account in the *SnailWorks* system, issuing logins to primary account users, and training the data processors utilizing *SnailWorks* for the job creation process.

Vendor Training: For end-users and agencies using multiple vendors for their mailing efforts, a training fee of $250 applies to any vendor that has not previously been trained on using the *SnailWorks* system. Fees for vendors previously trained on the *SnailWorks* system are waived.

Branding: Fees for co-branding apply if that option is selected, unless noted as included with the subscription or scan credit purchase. White label domain is an additional cost.

Invoicing: Invoices for Monthly Subscriptions are issued after a monthly period and are sent out no later than the tenth day of the month. The terms of payment are net 45 days from the Customer's receipt of the invoice. Scan Credit purchases are paid for in full after the Service Agreement has been received by *SnailWorks*. The terms of payment are net 45 days from the Customer's receipt of the invoice.

Additional Service Fees: In addition to the mail tracking fees specified above, there may be fees charged for other services provided as detailed in the Pricing Schedule in this agreement. These fees will be charged after services are provided monthly. Invoices for such services are sent out no later than the tenth day of the month. The terms of payment are net 45 days from the Customer's receipt of the invoice.

Unmatched Scan Data: An unmatched scan occurs when a *SnailWorks* customer mails a piece of mail with an 1Mb Service Type ID for mail tracking and with a Mailer ID delegated to *SnailWorks*, without a billable tracking job created in the *SnailWorks* system.

If such unmatched scans are received by *SnailWorks*, the customer will be billed for the associated pieces at a rate of 10% of the overs CPM tracking charge. This charge will be included in the monthly invoice. Amounts less than $5.00 in a month will not be billed.

Data Retention: Summary Data is retained for 24 months; Mailing Detail Records are retained for 6 months.

Mailer ID's: *SnailWorks* will manage IV Data Delegation for up to 3 Mailer ID's. Additional Mailer ID Data Delegation to *SnailWorks* is $100 per MID.

SnailWorks Customer Usage Policy: *SnailWorks* provides a very flexible and powerful system to our clients. Most systems and processes are developed to serve a specific purpose. Using tools and reporting in ways other than intended can create significant problems system-wide, interfering with the processing of jobs across the system. *SnailWorks* reserves the right to disable *SnailWorks* features or accounts as needed to protect system integrity.
Uses that may cause actionable problems include, but are not limited to:
• 	Misuse of User Defined Fields – summary vs. unique value
• 	Generating large numbers of serial number sequence gaps (non-contiguous)
• 	Misuse of auto-splitting – mixing classes
• 	Misuse or unauthorized use of *SnailWorks* MID
In the event of a system failure caused by the above or any other misuse, intended or otherwise, *SnailWorks* will make every effort to remedy the situation with an alternative solution that serves the needs of the customer. *SnailWorks* also reserves the right to disable accounts or features until problems can be mitigated.

Reprocessing: Mailing Detail files or Mail.dat files must be uploaded to *SnailWorks* before, or at the same time as eDocs are submitted to USPS. Files uploaded after eDoc submission may require additional processing to capture historical data and may be subject to additional charges.

Use of Trademarks: "*SnailWorks*" is a registered trademark of *SnailWorks, LLC*. As an authorized user of *SnailWorks* services, you may use the *SnailWorks* name, logo, and other associated brands in the marketing of your services if you remain an active and paid-up client. Upon cancellation of this agreement by either party, you agree to remove all references and branding related to *SnailWorks* from all your marketing materials (including printed materials, web-based marketing, and website within 60 days.

Limitations of service: *SnailWorks, LLC* shall provide its services with reasonable care and skill consistent with industry standards. Further, *SnailWorks, LLC* shall implement commercially reasonable measures to protect the integrity and security of its online services. However, all other warranties, whether express or implied, are disclaimed of any kind or nature concerning *SnailWorks* services including without limitation, any warranty of title, merchantability, quality, informational content, accuracy, or fitness for your specific purpose. We expressly disclaim any warranties that may be implied from the usage of trade, course of dealing, or course of performance. We do not warrant exclusivity or non-infringement worldwide. Access to *SnailWorks, LLC* via the Internet is

"as is" and "as available" and *SnailWorks, LLC* provides no warranties of any kind regarding the availability, reliability, or integrity of the Internet, or any data transmitted via the Internet.

Indemnification: Each party agrees to indemnify, defend, and hold harmless the other party from and against any and all third-party claims, damages, losses, and expenses, including reasonable legal fees arising out of or relating to:

- The indemnifying party's breach of this Agreement
- The indemnifying party's gross negligence or willful misconduct in connection with its obligations under this Agreement

Neither party shall be liable for indemnifying the other for any claims arising from the other party's own negligence or willful misconduct

Insurance: *SnailWorks, LLC* shall comply with the insurance requirements set forth below.

Without limiting *SnailWorks, LLC's* indemnification obligations under this Agreement, *SnailWorks, LLC* shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the *SnailWorks, LLC*, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

Minimum Limits of Insurance

SnailWorks, LLC shall maintain limits no less than:

General Liability: $2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: $1,000,000 per accident for bodily injury and property damage.

Employer's Liability: $1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the *SnailWorks, LLC* shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insured with respect to liability arising out of work performed by or on behalf of *SnailWorks, LLC*. General liability coverage can be provided in the form of an endorsement to *SnailWorks, LLC's* insurance, or as a separate owner's policy.

Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the *SnailWorks, LLC*.

For any claims related to this project, *SnailWorks, LLC's* insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be in excess of *SnailWorks, LLC's* insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on *SnailWorks, LLC's* part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

SnailWorks, LLC shall furnish the City with original certificates and amendatory endorsements affecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Subcontractors

SnailWorks, LLC shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.

<u>Risk Management</u>

SnailWorks, LLC acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions at the reasonable discretion of its Risk Manager.

SNAILWORKS PRICING SCHEDULE

Outbound Mail Tracking	Cost	Scans Allotted	Overs
Mail Tracking Account Setup	$750		
Annual Subscription (billed monthly)			
Scan Credit Purchase	$1,447.68	48,256	$.03/ea.
Branding (optional if not included)	☐		
White Label URL (optional)	☐		
Vendor Onboarding	$250/each (applies to End-User/Agency Clients)		

Additional Services	Cost	Additional	Initial Setup
Inbound Response Tracking			
Inbound Response Static IMb	$150/four mos.	$75/mo. extension	
Inbound Response Unique IMb	CPM/Contract		
Share Mail	$100/mailing effort	Plus CPM/Contract	
Informed Delivery			
Informed Delivery Campaigns	$150/campaign	$50/addl. version	
ACS (Address Change Services)			
ACS (Customer MID)			$150/ setup per MID
Other Options			
Daily Feed Mailpiece Detail	$125/mo.-$250/mo.		$150/hr. setup
Annual Data Retention	$750/yr.		
Personalized QR Code Tracking			
QR Code Generation and Tracking	$150/mailing effort	Plus $3.50/m	

Exception Processing/Conditions   This agreement is for ballot mail tracking to and from voters. It covers the General Municipal Election in March 2025. ACS setup and services are approximately $720. All services shall be paid in accordance with the attached schedule. The total will not exceed $2,500.

: November 19, 2024

For SnailWorks, LLC: For: <u>City of Redondo Beach</u>

Signature:_____   Signature:_____

Date:_____   Date:_____

Client Contact Information

Company Name: <u>City of Redondo Beach</u>

Address:_____

Billing Contact

Contact Name:_____

Email:_____

Phone:_____

Technical Contact

Contact Name:_____

Email:_____

Phone:_____

Account Contact

Contact Name:_____

Email:_____

Phone:_____

Security Commitment

We take website security very seriously at SnailWorks. Our commitment to providing a secure online experience for our users is unwavering, and we have implemented several measures to ensure that your personal information and online activity remain safe and secure.

Here are some of the security commitments we make to our users:

1.   Protection of Personal Information: We are committed to protecting the personal information of our users, including names, addresses, email addresses, phone numbers, and any other information that may be collected during the use of our website. We employ the latest security measures to prevent unauthorized access, use, or disclosure of your personal information.
2.   Use of Secure Protocols: Our website uses SSL encryption protocols to ensure that your data is transmitted securely between your device and our servers. This ensures that any information you provide us remains confidential and cannot be intercepted by third parties.
3.   Regular Security Updates: We are constantly monitoring and updating our website to ensure that it remains secure against any potential threats. We use the latest security software and hardware to prevent unauthorized access and to protect against malware, viruses, and other malicious software.
4.   Password Protection: We encourage all users to choose strong passwords that are difficult to guess or crack. We also require the use of multi-factor authentication for access to sensitive areas of our website.
5.   Timely Notification: In the unlikely event that a security breach does occur, we will notify our users as soon as possible so that appropriate action can be taken to protect their personal information.

We understand that website security is of paramount importance to our users, and we are committed to providing a safe and secure online environment for all. If you have any questions or concerns about the security of our website, please do not hesitate to contact us.

SNAILWORKS
COORDINATED DIRECT MARKETING PLATFORM

SnailWorks - 4510 Buckeystown Pike, Frederick MD 21704
Phone: 855-MYSNAIL (697-6245)

Estimate For: City of Redondo Beach
Estimate Date: November 19, 2024
Prepared by: Steve Hertz

Description: Ballot tracking for the General Municipal Election March 2025

Services	Qty.	Description	Unit Price	Ext. Price
Set Ups:	1	Account Setup of the City of Redondo Beach in the SnailWorks system	750.00	$ 750.00
	48,256	Outbound/Inbound Ballot Mail Tracking General Municipal Election	$0.015	$ 723.84
	48,256	Address Change Services General Municipal Election	$0.015	$ 723.84
			Sub Total	**$ 2,197.68**

Pricing includes all account services and processing costs for both the General Municipal Election.
If a Run-off election were to occur, SnailWorks will provide a separate estimate for that event.

For: _____City of Redondo Beach_____   For: SnailWorks, LLC

Signature: _____   Signature:

Print Name: _____   Print Name: Steve Hertz

Date: _____   Date:

SNAILWORKS
Direct Mail Insights & Solutions