

Motor Vehicle License Application Production Agreement

Third Millennium Associates, Inc. and the Village of Lombard

This production agreement, (hereinafter referred to as the "AGREEMENT") which is entered into this 25th day of September, 2007, by and between Third Millennium Associates, Inc. (hereinafter referred to as "TMA") and the Village of Lombard (hereinafter referred to as "VILLAGE"), (the VILLAGE and TMA being referred to individually as a "Party" and collectively as the "Parties"), in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties hereto, the Parties hereto agree as follows:

1. Services Provided

TMA shall provide to VILLAGE programming, information technology, laser imaging and mailing services for the purpose of rendering motor vehicle license applications and certain other items as detailed in Exhibit "A" attached hereto and made part hereof.

2. Pricing Structure

The prices to be charged the VILLAGE by TMA for products and services to be provided by TMA to VILLAGE are as set forth on Exhibit "B" attached hereto and made part hereof.

3. Pre-Agreement Confidentiality

In regard to the services to be provided pursuant to this AGREEMENT, TMA and VILLAGE shall enter into the AGREEMENT attached hereto as Exhibit "C" and made part hereof.

4. Postage cost

Postage costs are not included in Exhibit "B" and will be pre-paid by VILLAGE directly to the United States Postal Service (USPS), Chicago main branch. TMA will estimate the postage required for the VILLAGE'S documents and / or other TMA laser imaged mailing on behalf of VILLAGE. VILLAGE will pre-pay the estimated postage directly to the USPS. The USPS will report directly to VILLAGE all amounts charged to the VILLAGE'S postal account.

5. Payment Terms

The TMA invoice format shall detail the mailing and the date of the provided service. All correctly rendered TMA invoices shall be paid by VILLAGE in accordance with the Illinois Local Government Prompt Payment Act.

6. TMA Quality Commitment

TMA guarantees that it will maintain consistent standards of quality and workmanship and warrants the accurate and timely providing of services and processing, printing and mailing of the documents as outlined in Section 8 below and that its products and services will be free from defect in materials and workmanship. TMA does not warrant that the document contents are fit, legally or otherwise, for their intended purpose or use.

7. Limits of Liability

TMA agrees to use all reasonable efforts to provide timely services under the AGREEMENT and will not be held liable for errors of omission resulting from inaccuracies or defects in any VILLAGE data file(s), or for errors, omissions or delays resulting from improper input and output data controls and procedures used by VILLAGE or given to TMA by VILLAGE. TMA shall not be held responsible for any loss or delay or any default caused by acts of God or any other circumstances outside TMA'S control which includes, but is not limited to fire, flood, or labor from usual sources of supply, government restrictions, or electrical, mechanical or computer software failure that is unavoidable or beyond reasonable control of TMA. TMA agrees to use all reasonable efforts to provide timely production services at an alternate site in the event that their production site is unusable due to the aforementioned acts of God or any circumstances outside TMA'S control. TMA'S maximum liability for any and all claims arising from the performance of its obligations shall not exceed the purchase price of the products and technology services provided herein.

8. Division of Responsibilities

8A. TMA Responsibilities

- 8A-1.** To write the software programs required to convert the VILLAGE motor vehicle licensing database billing files to the required laser image formatted output files.
- 8A-2.** To write software that will allow VILLAGE'S newly TMA constructed motor vehicle license file to be processed by Group-One postal software, which will reduce the VILLAGE'S postage to the minimum allowable postage, at the current postage rate, per application mailing, and to utilize TMA proprietary software to group "same surname / same unique address" for insertion into a single mailing envelope.
- 8A-3.** To design and procure all materials required to produce the motor vehicle license applications; this includes the lasered motor vehicle license application, the hand written motor vehicle license application, No.10 window envelopes and the No.9 courtesy reply envelope. TMA will NOT guarantee the performance of materials not produced by TMA.
- A-4.** TMA will e-mail VILLAGE a record count and control totals for the motor vehicle license billing file no later than five (5) hours after receipt of motor vehicle license billing files from VILLAGE.

- 8A-5.** TMA will laser image and mail VILLAGE motor vehicle license applications within ninety-six (96) post office operating hours after receipt of the VILLAGE sign-off of the record count and control totals. Failing to do so will be cause for TMA to deduct from the VILLAGE invoice the interest rate per day(s) late, times the dollar value of the motor vehicle license billing file. The VILLAGE'S bank's "daily earnings credit rate" will be used to calculate the interest penalty.
- 8A-6.** TMA will provide its employees with the required training to ensure the confidentiality of VILLAGE information.
- 8A-7.** TMA will maintain effective and timely communications with the VILLAGE in all matters pertaining to the responsibilities listed herein.

8B. VILLAGE Responsibilities

- 8B-1.** To provide TMA with a detailed Utility billing flat file and record layout, containing a field for each address element and other information required on the motor vehicle license application. VILLAGE shall procure and pay for the State of Illinois motor vehicle license files. Village Utility billing file addresses will be used to match and validate the addresses on the State vehicle file.
- 8B-2.** To provide a one (1) twenty-four (24) hour response via E-MAIL verifying the TMA record counts and control totals as stated in 8A-4.
- 8B-3.** To maintain a credit account balance at the Chicago main United States Post office.
- 8B-4.** To pay all correctly rendered TMA invoices in accordance with the Illinois Local Government Prompt Payment Act.

9. Renegotiations and Cancellation

In the event either Party is in breach of any of the terms contained herein, the non-breaching Party shall give written notice of said breach to the breaching Party. The breaching Party shall have ten (10) days to cure the breach. In the event said breach is not cured within ten (10) days of notice, the non-breaching Party may then give thirty (30) day written notice of cancellation of this AGREEMENT. In the event of cancellation by VILLAGE, all materials produced by TMA for use in VILLAGE'S motor vehicle license mailing project shall be paid for within thirty (30) days by VILLAGE. TMA will ship these items to VILLAGE via "UPS Ground", if notified by VILLAGE to do so. In the event that the Village Board of Trustees elects to terminate the entire Vehicle Sticker revenue program this contract will terminate thirty (30) days after receiving written notice of the Boards decision to terminate.

Any notices necessary hereunder shall be in writing and sent certified mail to Licensee, attention of the Finance Director at Village Hall, 255 E. Wilson Avenue, Lombard, Illinois 60148 or to Licensor, attention of Lance Leader at 1952 McDowell Road, Naperville, Illinois 60563, or such new address as Licensor or Licensee may designate, sent by certified mail, return receipt requested.

10. Post-Agreement Confidentiality

In the event of cancellation or expiration of this AGREEMENT, TMA shall return to VILLAGE all materials and information pertaining to its performance pursuant to this AGREEMENT. These materials shall include, but are not limited to, all magnetic media, all printed material, all notes, memos or other sources of VILLAGE confidential information. In no instance, prior to, during, or after the conclusion of this AGREEMENT, shall TMA offer for sale or in any other manner disclose to any third party the VILLAGE document file or any other such VILLAGE files, whether written or in electronic media format.

11. Insurance Coverage

During the term of the AGREEMENT, TMA shall provide the following types of insurance not less than the specified amounts:

1. Commercial General Liability - \$1,000,000.00 per occurrence, \$2,000,000.00 aggregate;
2. Auto Liability - Combined Single Limit Amount of \$1,000,000.00 on any contractor owned, and/or hired, and/or non-owned motor vehicles engaged in operations within the scope of this contract;
3. Professional Liability - \$1,000,000.00 (Required only where contracts are for professional services);
4. Workers Compensation - Statutory; Employers Liability \$1,000,000.00 (the policy shall include a 'waiver of subrogation'); and
5. Umbrella Coverage - \$1,000,000.00

The aforementioned insurance requirements shall be fulfilled by TMA by maintaining insurance policies which name the VILLAGE, its officers, agents, employees, representatives and assigns as additional insureds (except on policies for professional liability). Such insurance shall be primary with respect to any insurance or self-insurance programs covering the VILLAGE, its officers, agents, employees, representatives and assigns. TMA shall furnish to the VILLAGE satisfactory proof of coverage by a reliable company or companies, before commencing any work. Such proof shall consist of certificates executed by the respective insurance companies and filed with the VILLAGE together with executed copies of an Additional Insured Endorsement (Insurance Form CG2010 - 1985 version). Said certificates shall contain a clause to the effect that, for the duration of the contract, the insurance policy shall be canceled, expired or changed so as to the amount of coverage only after written notification 30 days in advance has been given to the VILLAGE.

12. Term

This AGREEMENT shall be for a period of three (3) years in duration and will automatically renew after the original three-year period and annually thereafter unless either Party provides to the other Party written notice of cancellation at least ninety (90) days prior to the AGREEMENT anniversary.

13. Other Provisions

- 13A.** This AGREEMENT constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements. No amendment, supplement, modification, waiver or termination of this AGREEMENT shall be binding unless executed in writing by the Parties hereto. No waiver of any of the provisions of this AGREEMENT shall be deemed or shall constitute a waiver of any other provision of this AGREEMENT, whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.
- 13B.** This AGREEMENT shall be construed and interpreted according to the laws of the State of Illinois, and, in the event of any litigation between the Parties hereto, venue shall be in DuPage County, Illinois.
- 13C.** If any provision, clause or part of this AGREEMENT, or the application thereof under certain circumstances is held illegal or unenforceable, the remainder of this AGREEMENT, or the application of such provision, clause or part under certain circumstances, shall not be affected thereby.
- 13D.** This AGREEMENT and the obligations hereunder are not assignable by TMA without the prior written consent of the VILLAGE.
- 13E.** This AGREEMENT shall be binding on TMA and its successors, affiliates and permitted assigns.
- 13F.** The Motor Vehicle License Software Agreement, attached hereto as Exhibit "D" and made part hereof, shall be entered into by the Parties to facilitate this AGREEMENT.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed the AGREEMENT effective as of the date last written below.

AUTHORIZATION

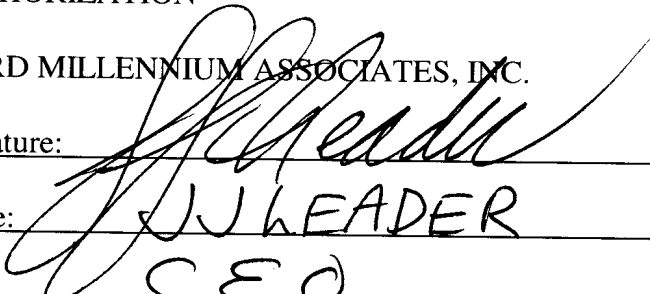
THIRD MILLENNIUM ASSOCIATES, INC.

Signature:

Name:

Title:

Date:



JJ LEADER

CEO

8-29-07


VILLAGE OF LOMBARD

Signature:

Name:

Title:

Date:



William J. Mueller

Village President

September 20, 2007

Exhibit "A"

Materials to be provided by TMA:

- M1.** 7" X 8 1/2" laser motor vehicle license application documents, items are printed two (2) colors face and one (1) color back. Paper is 20 lb. MOCR bond with a perforation to create two (2), 3 1/2" x 8 1/2" attached applications.
- M2.** 3 1/2 X 8 1/2 two (2) part carbonless paper hand written "over the counter" motor vehicle license application forms. Two (2) color face, one (1) color back, printed on 15 lb. carbonless paper.
- M3.** No. 10 standard window envelope with one (1) color printing on face. Paper will be 24 lb. white wove. TMA will provide VILLAGE No.10 envelopes for return mailing of motor vehicle license stickers to compliant citizens.
- M4.** No. 9 CRE envelope printed one (1) color on face. Paper is 24 lb. white-wove.
- M5.** With mutual agreement, VILLAGE may authorize TMA to provide certain materials for new projects or variations of the motor vehicle license billing project. These material descriptions may be attached to, and become a part of, Exhibit "A".

Services to be provided by TMA:

- S1.** To write the VILLAGE billing file conversion program from database format to laser image format per the charges stated in Exhibit "B".
- S2.** To utilize the required software to validate and cleanse the motor vehicle license billing file that will allow VILLAGE'S motor vehicle license billing file to be processed through United States Postal Service application software.
- S3.** To utilize the appropriate software to match and group the "same surname/same address" motor vehicle license applications for insertion into common mailing envelopes.
- S4.** To process the VILLAGE'S newly created motor vehicle license sticker billing file using United States Postal Service sort application software. The result of which is to reduce VILLAGE'S postage rate to the minimum amount allowed by the United States Postal Service..
- S5.** To laser image the VILLAGE motor vehicle license applications in quantities as stated in Exhibit "B" of this AGREEMENT.
- S6.** To group, intelligently insert, seal, tray, sleeve, band, label and deliver to the United States Postal Service office all pieces laser imaged with respect to item S5.
- S7.** To insert additional pieces into the No.10 billing envelope as directed by VILLAGE, per the conditions and fees as stated in Exhibit "B" of this AGREEMENT.
- S8.** With mutual written agreement, VILLAGE may authorize TMA to provide certain services and or products for new projects or variations of this billing project. These service descriptions may be attached to, and become a part of this Exhibit "A".

Exhibit "B" - Pricing

The prices contained herein are calculated on a usage of thirty thousand (30,000) (estimated) motor vehicle license applications. Any variance in the above quantities in excess of ten (10%) percent may be cause for a price review. There will be no more than one (1) production run for the above stated item. Each motor vehicle license application billing unit shall consist of the components described in Exhibit "A"

1B. VILLAGE motor vehicle license sticker applications are laser imaged and mailed at a cost of 26.8 cents per application, (excluding postage). There will be an annual system initialization fee of \$2,485. This fee will pay for compiling a new VILLAGE motor vehicle license billing file and a complete pre-production test of all systems and components. Included are all business forms and printed matter proofs. Also included are various tests to insure data input and output integrity. Also included in the above initialization fee are the consulting services to coordinate the software integration for VILLAGE, United States Postal Service and TMA. VILLAGE and TMA shall develop an edit process to verify all record counts and appropriate control totals. The above procedures will allow the mutual performance of responsibilities as stated in Section 8 of the AGREEMENT.

2B. A separate insertion charge will be applied for any additional item inserted into the outgoing billing envelope. Insertion items must physically qualify for use on TMA insertion equipment. The insertion charge is 2.5 cents per item. This insertion fee does not include the cost of supplying the additional item(s) to be inserted.

3B. With mutual written agreement, VILLAGE may authorize TMA to provide certain products and services for new or revised projects. The TMA pricing structure for these projects may be attached to, and become a part of, this Exhibit "B".

Exhibit "C"

**CONFIDENTIALITY AGREEMENT
BETWEEN VILLAGE OF LOMBARD AND
THIRD MILLENNIUM ASSOCIATES, INC.**

This agreement made and entered into this 20th day of September, 2007, by and between Third Millennium Associates, Inc. (hereinafter referred to as "TMA") and the Village of Lombard, (hereinafter referred to as "Village") (The Village and TMA being sometimes referred to individually as a "Party" and collectively as the "Parties").

Whereas, the Village and TMA have entered that certain Motor Vehicle License Application Production Agreement dated September, 2007 (hereinafter the "Production Agreement"); and

Whereas Village desires to keep in confidence all information pertaining to the Village billing files and past due information provided under said Production Agreement; and

Whereas TMA desires to keep in confidence all technical and systems information provided under said Production Agreement.

Now, therefore, in consideration of the mutual covenants and agreements of each Party to the other as stated herein, it is mutually agreed among the Parties as follows:

1. SYSTEM DESIGN Village will make available to TMA for the purpose of evaluation and system development under the Production Agreement certain confidential information. This information shall include but not be limited to name and address files, billing amounts and certain past due information.
2. CONFIDENTIAL DOCUMENTS Village shall, pursuant to the Production Agreement, give to TMA confidential information and TMA shall make copies for internal purposes only. All written information presented to TMA pursuant to the Production Agreement, shall be and remain confidential.
3. CONFIDENTIAL ORAL DISCLOSURES Village shall inform TMA through its representatives if a particular oral disclosure made pursuant to the Production Agreement shall be deemed confidential information.

4. TMA NON-DISCLOSURE TMA and its designated personnel will hold in confidence all confidential information disclosed for the purpose of evaluating its interest in establishing and carrying out a business relationship with Village under the Production Agreement. Upon establishing a desire to enter into a business relationship, all confidential information shall continue to remain confidential. If no business relationship should exist, all information shall be returned to Village by TMA and TMA shall purge all files related to Village.

5. Village NON-DISCLOSURE TMA shall make available to Village orally and / or in writing, details regarding the design and functionality of TMA'S software and systems under the Production Agreement. These shall be held in strict confidence by Village and shall not in any way be shared with or disclosed to a third party.

In no instance, during or at any time after the conclusion of this agreement or the Production Agreement shall TMA offer for sale or in any other manner disclose to any third party the Village billing files or past due files or any other such Village files, whether written or in electronic media format.


VILLAGE OF LOMBARD

September 20, 2007

DATE

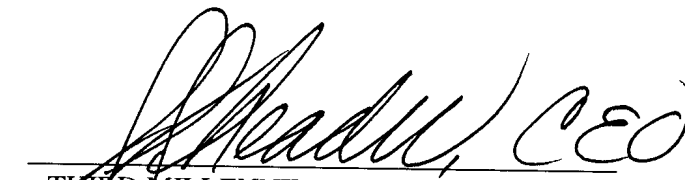

THIRD MILLENNIUM ASSOCIATES, INC.
8-27-07
DATE

Exhibit "D"

MOTOR VEHICLE LICENSE SOFTWARE AGREEMENT

THIS AGREEMENT ("Agreement") is made by and between Third Millennium Associates, Incorporated, its subsidiaries and assigns, located at 1952 McDowell Road, Suite 300, Naperville, Illinois 60563, an Illinois corporation, hereinafter referred to as Licensor or TMA, and the Village of Lombard, located at 255 E. Wilson Avenue, Lombard, Illinois 60148, hereinafter called Licensee, (Licensee and Licensor being hereinafter sometimes referred to) WITNESSETH:

WHEREAS, Licensor has certain proprietary rights to the copyrighted software originated by it, (the "Software"), that maintains and updates the Software necessary for the issuance and reissuance of motor vehicle licenses, with additional usages available to such Software when modified; and

WHEREAS, Licensor will license such software to Licensee on a non-exclusive basis for use by Licensee only at its premises specified above, for use in Licensee business operations only in association with TMA billing services or Licensee internal billing and mailing, with no right accorded Licensee to relocate, to sublicense or in any other manner to disclose any part of such Software, except as permitted herein, to anyone not a party to this Agreement, including, but not limited to, affiliates, joint venture partners, subcontractors, marketing survey firms or consultants working with or providing support to Licensee;

NOW THEREFORE, for the mutual covenants, considerations and promises as hereinafter set forth, the Licensor and Licensee do hereby agree as follows:

1(a) Licensor hereby grants to Licensee, and Licensee hereby accepts, upon the terms and conditions hereinafter set forth, a non-exclusive, non-assignable license to use the Software for the purposes set forth above in perpetuity, or until Licensee discontinues its use of the Software. Either Licensor or Licensee may terminate this agreement (without cause) prior to that date only if the other party has received written notice by certified mail, return receipt requested, that it is in default and such default has not been corrected within thirty (30) calendar days after the mailing date of such notice. The return receipt shall be conclusive proof of the delivery of such notice of termination.

1(b) The Licensee shall pay a license fee to Licensor of three thousand nine hundred ninety-five and no/100 dollars (\$3,995.00) at the time of execution of this Agreement, or as otherwise agreed. No portion of which shall be refundable.

1(c) The Licensee shall pay an annual fee of nine hundred ninety-five and no/100 dollars (\$995.00) to Licensor for its services in the maintaining and upgrading the Software, such fee to be adjusted by TMA at its option at annual intervals, but with no adjustment for the first three (3) year period. Any such increase shall be set forth in writing and provided to the Licensee at least one hundred twenty (120) days prior to the anniversary date of this Agreement. The maintenance fee hereunder shall be due at the time of execution of this Agreement and on each anniversary of this Agreement. Failure to use the services of TMA for such maintenance and upgrading shall result, at the option of Licensor, in an immediate termination of this Agreement and result in a return of the Software to Licensor.

2(a) The License granted hereunder may not be sublicensed nor have any rights in it granted by Licensee to any one not a party to this Agreement. All other right, title and interest in and to the Software in any media form whatsoever shall remain with the Licensor. This license permits use of the Software only in connection with its use on the premises of Licensee and related field operations and for such purposes as specified above.

2(b) Licensor will not have any right, title or interest in any media form in which the Software may be incorporated by Licensee except to the extent that it may require Licensee to delete the Software from such media form at the termination of the initial license period or any extension thereof.

2(c) Licensee is exclusively responsible for the supervision, management and control of the Software. Licensee shall use its best efforts not to permit the use of the Software by any third party and not to disclose any portion of the Software to any third party, nor copy it for the purposes of the Licensee, without the prior written consent of the Licensor, which shall not be unreasonably withheld.

2(d) Notwithstanding any other clause to the contrary, nothing in this Agreement shall prohibit Licensee from partially disclosing the Software to subcontractors for the purpose of properly using such Software in the licensing and re-licensing of motor vehicle licenses issued by Licensee. Said subcontractor(s) shall be required to sign a confidentiality agreement consistent with that required by Licensor and signed by Licensee and designed to protect the proprietary information contained within the Software. TMA will be provided with copies of such agreements by Licensee on request. No information relating to the Software furnished by the Licensor to the Licensee in any form may be copied or otherwise reproduced or provided or otherwise made available to any person, other than employees of the Licensee or to subcontractors other than in conformity with this Agreement.

2(e) The updating, correction and improvement of the Software shall be the sole responsibility of Licensor. The costs of such services shall not be included in the license fee designated hereinbefore at paragraphs 1 (b) and (c).

3(a) Licensee affirms that the proprietary information that comprises the Software licensed under this Agreement is the sole and exclusive property of the Licensor.

3(b) Information within the Software shall not be considered proprietary or subject to confidentiality protection if it:

(b1) Is already known to Licensee and Licensee informs Licensor of that fact;

(b2) Becomes available as public knowledge through no breach of this Agreement by Licensee;

(b3) Is released by written permission given by Licensor; or

(b4) Has been developed by Licensee independent of any assistance from Licensor.

4. Thirty (30) days after termination of this Agreement or after the use of the Software has been discontinued by the Licensee, Licensee agrees to return such Software and any improvements utilized or originated by the Licensee to Licensor, and such Licensor shall have the right to destroy, or have destroyed, the Software previously licensed. At its sole option Licensor may request Licensee to destroy such Software and execute a destruction certificate in any format designated and/or supplied by Licensor.

5(a) Licensor warrants that the Software licensed hereunder will be free from defects in material and workmanship for a period of ninety (90) days from the date of receipt to Licensee; that such Software will be fit for the ordinary purposes for which such Software is used; and that Licensor has a good title to such Software.

THE FOREGOING IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTY OF MERCHANTABILITY.

(b)(1) Licensor must be notified of any malfunction of the Software within the ninety (90) day period mentioned above by written notice to the address specified at paragraph 8.

(b)(2) This warranty does not extend to any addition, substitutions or changes made by Licensee in the Software, and the making of such additions, substitutions or changes by Licensee shall completely void any warranty heretofore offered by Licensor for such Software. This provision does not apply to changes made in the Software which are necessary to preserve such Software in an emergency situation, provided Licensor is promptly notified of such situation and all changes made.

(c) Licensee's exclusive remedy for breach of any warranty pertaining to the Software shall be limited to replacement of all or any portion of such Software; provided, however, that Licensor shall have received written notice of such breach of warranty from the Licensee, specifying the nature of such breach of warranty within ninety (90) days from the date of initial receipt of the Software by Licensee, or from the date of issuance and installation of any update to the Software. In no event shall Licensor be liable for indirect or consequential damages.

6. This license shall be governed under the laws of the State of Illinois, and any litigation between the Parties hereto shall have its venue in DuPage County, Illinois.

7. Neither Licensor nor Licensee shall be responsible for failure to fulfill their obligations under this Agreement due to circumstances or causes beyond their control.

8. Any notices necessary hereunder shall be in writing and sent certified mail to Licensee, attention of the Finance Director at Village Hall, 255 E. Wilson Avenue, Lombard, Illinois 60148 or to Licensor, attention of Lance Leader at 1952 McDowell Road, Suite 300, Naperville, Illinois 60563, or such new address as Licensor or Licensee may designate, sent by certified mail, return receipt requested.

9. This Agreement constitutes the entire agreement between Licensor and Licensee, and any changes hereto must be made in writing, agreed to between both Licensor and Licensee.

Witness our hands and seals this 20th day of September, 2007.

Third Millennium Associates, Inc.

Village of Lombard,

Licensor

Licensee

By 

By 

Title CEO

Title Village President