

**FILEONE, INC.
SOFTWARE SERVICE AGREEMENT**



2010-000051

THIS SOFTWARE SERVICE AGREEMENT ("Agreement") is made effective as of the date set forth below, by and between FileONE, Inc. ("FileONE"), a North Carolina corporation, with Federal Identification Number 56-3137429, having its principal offices at 5520 Dillard Drive, Suite 280, Cary, NC, acting through its President, Robert Sydnor and the Department of State of Puerto Rico ("Customer"), with Corporate Social Security Number, 660-43-3481, acting through its Secretary, the Hon. Kenneth D. McClintock, of legal age, married and resident of San Juan, Puerto Rico, with an address of P.O. Box 9023271, San Juan, PR 00902-3271.

RECITALS:

- A. WHEREAS, FileONE is specialized in offering business services filing systems to Secretary of State offices throughout the United States, including, but not limited to Uniform Commercial Code Registration, Business Entity Registration and, Trademark Registration.
- B. WHEREAS, The Customer is authorized to enter this Agreement by Law No. 101 of July 12, 2002, 3 PR Stats Ann §53(14).
- C. WHEREAS, Customer desires to access and use certain of FileONE proprietary SystemWORKS™ software, as described on Attachment 1 (the "Hosted Software" or "Software", as further defined below).
- D. WHEREAS, FileONE has agreed to provide such access and services, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual representations, warranties, covenants and agreements set forth below, the parties hereby agree as follows:

GENERAL TERMS

**ARTICLE I
HOSTED SOFTWARE ACCESS**

1.1 Hosted Software. In consideration and exchange for the applicable SystemWorks Transaction Fees as set forth on Attachment 2, which shall be collected directly by FileONE for the utilization of the Service (as defined below) by the Customer and other third parties, FileONE hereby grants Customer access to FileONE's software located on FileONE's hosted servers ("Hosted Software" or "Software"). Customer shall only access the Hosted Software for the purpose of managing Customer's business filing services related to FileONE Business Entity modules, as defined in this Agreement or its attachments, and for no other purpose. Hosted Software will be available through the Puerto Rico Government's portal, www.gobierno.pr, or any other portal the Customer or the Government sets up for that purpose. Hosted Software will be available in English and Spanish. At Customer's direction, FileONE shall edit the Hosted Software for any of the wording or language associated with the public facing web site but in no event shall FileONE be required to edit any wording or language associated with the Customer internal user interface.

1.2 Term of Agreement. This Agreement shall commence on the Effective Date and shall continue for a period of five (5) years (the "Term"). The access granted in Section 1.1 above shall commence upon the "Go Live" date as determined by FileONE and shall continue until the expiration or earlier termination of the Agreement. Upon the expiration or earlier termination of the Agreement, Customer shall immediately cease use of the Hosted Software and return all instructions or manuals produced by FileONE regarding the use of the Hosted Software (the "Documentation") (including any and all copies thereof) to FileONE, or (if requested by FileONE) destroy said Documentation and certify in writing to FileONE that such destruction has occurred.

1.3 Add-Ons and New Products. From time to time, FileONE may offer new features which may be added on to the Hosted Software ("Add-Ons") and new Hosted Software products ("New Products") to Customer. Customer may elect to access and use such Add-Ons or New Products upon the payment of an increased transaction fee or new transaction fee, as applicable. Such increased or new transaction fee shall be agreed to by the parties through a signed, written Amendment to this Agreement.

1.4 Proprietary Rights. Customer acknowledges and agrees that FileONE owns all right, title and interest in and to the Hosted Software and Documentation, subject to the access and use rights granted herein. FileONE likewise owns all patents, trademarks, copyrights, trade names and other proprietary or intellectual property in, or used in connection with, the Hosted Software and Documentation. The Software and Documentation also contain confidential and proprietary trade secrets of FileONE which are protected by law and are of substantial value to FileONE.

ARTICLE II GENERAL TERMS OF SERVICE

2. Terms of Service. Customer acknowledges and agrees to the following terms of service, which together with the terms set forth in Article I, shall govern Customer's access and use of the Hosted Software to perform the business filing services of Customer (the "Service"). Unless explicitly stated otherwise, any Add-Ons or New Products that augment or enhance the Hosted Software or Service, and/or any new service(s) subsequently purchased by Customer will be subject to this Agreement. However, such Add-Ons or New Products that augment or enhance the Hosted Software or Service, and/or any new service(s) subsequently purchased during the Term by Customer must be incorporated through written amendment to this Agreement.

2.1 Customer Obligations. Customer acknowledges and agrees that access to and use of the Hosted Software and Service requires Customer to perform certain activities within timeframes as determined by FileONE. Customer agrees to perform the activities set forth on Attachment 3 within the timeframes set forth therein to insure FileONE is able to deliver the Hosted Software and Service in accordance with the terms of the Agreement. In the event Customer fails to perform the activities set forth on Attachment 3 within the timeframes set forth therein, FileONE shall have the option to terminate the Agreement upon five (5) days written notice to Customer. In the event FileONE terminates the Agreement in accordance with this Section 2.1, Customer shall pay FileONE for all costs and expenses FileONE has incurred up through the effective date of termination.

2.2 Internet Access. FileONE shall not be responsible for providing or maintaining Customer's access to the internet. FileONE shall not be responsible for providing equipment necessary to make such (and maintain such) connection to the Internet. Customer acknowledges and understands that a high speed Internet connection of adequate bandwidth is required for

proper performance of the Service. Customer agrees that FileONE is not responsible for Internet outages, delays or interruptions affecting connectivity between Customer and FileONE.

2.3 Passwords, Access, And Notification. Customer will be responsible for the confidentiality and use of Customer's user's passwords and user names. Customer will also be responsible for all electronic communications, including those containing business information, account registration, account holder information, financial information, Customer's and/or Customer clients' data or information ("Data" or "Customer Data"), and all other data of any kind contained within emails or otherwise entered electronically through the Service or under Customer's account. FileONE will act as though any electronic communications it receives under Customer's passwords, user name, and/or account number will have been sent by Customer. Customer agrees to immediately notify FileONE if Customer becomes aware of any loss or theft or unauthorized use of any of Customer's passwords, user names, and/or account number.

2.4 Customer's Lawful Conduct. The Service allows Customer to send electronic communications directly to FileONE and to third parties. Customer agrees to comply with all applicable local, state, federal, and foreign laws, treaties, regulations, and conventions in connection with its use of the Service, including, without limitation, those related to privacy, electronic communications, export and anti-spam legislation and shall obtain any permits or licenses required for such compliance. Customer will not send any electronic communications from the Service that are unlawful, harassing, libelous, defamatory, or threatening. Except as permitted by this Agreement, no part of the Service may be copied, reproduced, distributed, republished, displayed, posted or transmitted in any form or by any means. Customer agrees not to access the Service by any means other than through the interfaces that are provided by FileONE. Customer shall not license, rent, sell, lease, transfer, assign, distribute, display, host, outsource, disclose, or otherwise commercially exploit or make the Service available to any unauthorized user, including but not limited to, by "mirroring" or "framing" any part of the Service, or by creating Internet links to the Service which include log-in information, user names, passwords, and/or secure cookies. Customer will not upload, post, reproduce or distribute any information, software or other material protected by copyright or any other intellectual property right (including but not limited to rights of publicity and privacy) without first obtaining the permission of the owner of such rights. Customer will not in any way express or imply that any opinions contained in Customer's electronic communications are endorsed by FileONE. Neither Customer, nor someone acting on Customer's behalf, will use the Service to target for solicitation any FileONE customers for purposes of providing any competitive product. Customer shall ensure that any use of the Service by Customer's employees (or Customer's other authorized users) is in accordance with the terms and conditions of this Agreement.

2.5 Third-Party Software. Customer agrees to use third party software necessary for accessing the Service, including, but not limited to, Microsoft Internet Explorer Version 7.0 or higher as the Customer's "browser" software which supports a data security protocol compatible with the protocol used by FileONE. Until notified otherwise by FileONE, Customer agrees to use software that supports the Secure Socket Layer (SSL) protocol or other protocols accepted by FileONE and to follow logon procedures for services that support such protocols. Customer agrees that FileONE is not responsible for notifying Customer of any upgrades, fixes or enhancements to any such software; or for any compromise of data transmitted across computer networks or telecommunications facilities, including, but not limited to, the Internet, which are not owned or operated by FileONE.

2.6 Customer Hardware. Customer will provide all required client workstations, scanners, label printers, laser printers, check scanners and other equipment necessary to use the service.

2.7 Transmission Of Data. Customer understands that the technical processing and transmission of Customer's electronic communications is fundamentally necessary to Customer's use of the Service. Customer expressly consents to FileONE's interception and storage of electronic communications and/or Customer Data, and Customer acknowledges and understands that Customer's electronic communications will involve transmission over the Internet, and over various networks, only part of which may be owned and/or operated by FileONE. Customer acknowledges and understands that changes to Customer's electronic communications may occur in order to conform and adapt such data to the technical requirements of connecting networks or devices. Customer further acknowledges and understands that electronic communications may be accessed by unauthorized parties when communicated across the Internet, network communications facilities, telephone, or other electronic means. Customer agrees that FileONE is not responsible for any electronic communications and/or Customer Data which are delayed, lost, altered, intercepted or stored without authorization during the transmission of any data whatsoever across networks not owned and/or operated by FileONE, including, but not limited to, the Internet. FileONE understands that Customer Data is proprietary and Confidential Information of Customer and/or Customer's clients, and FileONE shall not open or verify or observe or browse the Customer Data except and as limited as it is necessary for FileONE to comply with its obligations under this Agreement or provide the corresponding maintenance to its computer servers and systems.

2.8 FileONE's Support. FileONE will make reasonable efforts to promote Customer's utilization of the Service in accordance with the terms of the Agreement, including, but not limited to, providing Customer with standard training, documentation, and online help. Reasonable efforts should be consistent with FileONE's past practice or the practice standard of the industry, that which is most beneficial for the Customer, to achieve the successful utilization of the Service as expeditiously as possible. FileONE will offer optional "for fee" training classes at a reasonable price that should be agreed in writing between the parties before the training classes are scheduled.

FileONE also offers customer support and professional services consultation, free of additional charges. Customer acknowledges that FileONE has extensive experience helping Customers improve utilization and realization of benefits of the Service, and that not following the advice of FileONE or not engaging FileONE in the provision of professional services may substantially limit Customer's ability to successfully utilize the Service or to enjoy the power and potential of the Service.

2.9 Trademark Information. FileONE™, SystemWORKS™ and other FileONE service marks, logos and product and service names are marks of FileONE (the "FileONE Marks"). Customer agrees not to display or use the FileONE Marks in any manner without FileONE's express prior written permission.

2.10 Confidential Information. For purposes of this Agreement, confidential information shall include Customer Data, and any information that is clearly identified in writing at the time of disclosure as confidential ("Confidential Information"). Each party agrees: (a) to keep confidential all Confidential Information disclosed to it by the other party or by a third-party; (b) not to use the Confidential Information of the other party except to the extent necessary to perform its obligations or exercise rights under this Agreement; and (c) to protect the confidentiality thereof in the same manner as it protects the confidentiality of similar information and data of its own (at all times exercising at least a reasonable degree of care in the protection of such Confidential Information) and to make Confidential Information available to authorized persons only on a

"need to know" basis. Either party may disclose Confidential Information on a need-to-know basis to its contractors who have executed written agreements requiring them to maintain such information in strict confidence (or that are otherwise required by law to maintain confidence) and use it only to facilitate the performance of their services in connection with the performance of this Agreement. Confidential Information shall not include information which: (1) is known publicly; (2) is generally known in the industry before disclosure; (3) has become known publicly, without fault of the recipient, subsequent to disclosure by the disclosing party; or (4) the recipient becomes aware of from a third party not bound by non-disclosure obligations to the disclosing party and with the lawful right to disclose such information to the recipient. Notwithstanding the foregoing, this Section 2.10 will not prohibit the disclosure of Confidential Information to the extent that such disclosure is permitted by law or order of a court or other governmental authority or regulation so long as it shall (x) first notify the disclosing party of such request, requirement or proposal; (y) in the case of a required disclosure, furnish only such portion of the Confidential Information as it is advised in writing by counsel that it is legally required to disclose; and (z) cooperate with the disclosing party in its efforts to obtain an order or other reliable assurance that confidential treatment will be accorded to that portion of the Confidential Information that is required to be disclosed. With respect to any information received by either party from the other as a result of any other relationship between the parties other than in the course of performance under this Agreement (i.e., business development, partnership, alliance, etc.), the parties will abide by the terms and conditions of any applicable Nondisclosure Agreement (or similar agreement) executed between the parties.

FileONE is authorized to exchange non-confidential information with the Chief Information Officer for the Government of Puerto Rico. Disclosure of Customer's Confidential Information to the Chief Information Officer will require Customer's prior written authorization which shall be provided to FileONE at the time of the Chief Information Officer's request for the disclosure of Customer's Confidential Information.

2.11 Hosted Software Upgrades. In the event that during the Term Customer chooses to upgrade its access to and use of Hosted Software modules to additional or different modules, Customer agrees that, if such upgrade involved a conversion of any data or information in a way that makes them incompatible with the original Hosted Software module selection, it cannot subsequently revert to the original selection of Hosted Software modules without incurring significant professional services charges to manually affect that conversion which is equivalent to implementing a new account.

2.12 Storage Limits. FileONE will provide the entire database and image storage needed to accomplish the purposes of this Agreement.

2.13 License From Customer. Customer understands and agrees that it is FileONE's practice to make backup copies of the Customer Data in Customer's account. Customer acknowledges and agrees that FileONE will store and maintain such data during the Term of the Agreement and for a period of one year after the expiration or earlier termination of the Agreement. Upon the expiration or earlier termination of the Agreement, FileONE shall provide Customer with all backup copies of the Customer Data which FileONE made during the Term of the Agreement. Subject to the terms and conditions of this Agreement, Customer grants FileONE a limited non-exclusive non-transferable (except in connection with an assignment under Section 3.15) license to copy, store, record, transmit, maintain, display, view, print, or otherwise use Customer Data to the extent necessary to provide the Service to Customer. Customer agrees that the license to store and maintain Customer Data shall survive the expiration or earlier termination of this Agreement for approximately one year for the sole purpose of storing backup

Customer Data at FileONE's offsite storage facility. Subject to the terms of this Agreement, FileONE agrees that, as between Customer and FileONE, Customer Data shall at all times be considered the property of Customer.

2.14 Exclusive Provider. Customer acknowledges and agrees that, during the Term of the Agreement, FileONE shall be the sole and exclusive provider of business filing services for the government of Puerto Rico. Further, Customer agrees that FileONE shall be the exclusive provider of the Hosted Software and Service set forth under the Agreement. Customer shall not engage, hire nor permit any individual, government entity or other third party entity to provide the business filing services, Hosted Software, Service or any other services contemplated under this Agreement. In addition, Customer agrees that all business filings which are required to be submitted to the government of Puerto Rico, whether completed manually by paper or electronically, shall be inputted and processed through the Service provided by FileONE.

ARTICLE III MISCELLANEOUS

3. Warranties.

3.1 Warranty Of Functionality. FileONE warrants to Customer during the Term that the Service will achieve in all material respects the functionality described in the Documentation applicable to the Service and that such functionality will be maintained in all material respects in subsequent upgrades to the Service. FileONE does not warrant that the Service will be error-free. Customer's sole and exclusive remedy for FileONE's breach of this warranty shall be that FileONE shall be required to use reasonable efforts to modify the Service to achieve in all material respects the functionality described in the Documentation and if FileONE is unable to restore such functionality, Customer shall be entitled to terminate the Agreement. Reasonable efforts should be consistent with FileONE's past practice or the practice standard of the industry, that which is most beneficial for the Customer, to restore functionality as expeditiously as possible. FileONE shall have no obligation with respect to a warranty claim unless notified of such claim within sixty (60) days of the first instance of any material functionality problem which was known or should have been known by the Customer.

3.2 Security, Data Integrity And Backup Warranty. FileONE warrants during the Term of this Agreement that FileONE will use reasonable efforts to safeguard and accurately maintain Customer Data, utilizing at a minimum industry standard security and backup procedures. In the event of a breach of this provision, FileONE will use reasonable efforts to correct the Customer's Data or restore the Customer's Data as quickly as possible. Reasonable efforts should be consistent with FileONE's past practice or the practice standard of the industry, that which is most beneficial for the Customer, to correct the Customer's Data or restore the Customer's Data as expeditiously as possible

3.3 Non-Infringement Warranty. FileONE warrants that it is the sole owner and has full power and authority to grant the Customer access and use of the Service and other rights granted by the Agreement to Customer with respect to the Service and that the performance by Customer in its utilization of the Service will not, in any way, constitute an infringement or other violation of any copyright or trademark of any third party.

3.4 Other Warranty. FileONE warrants that the Service shall be free of viruses, Trojan horses, worms, spy ware, or other malicious code or components.

3.5 Disclaimer Of Warranties. EXCEPT AS STATED IN ARTICLE III, SECTIONS 3.1-3.4 ABOVE, FILEONE DOES NOT REPRESENT THAT CUSTOMER'S USE OF THE SERVICE WILL BE SECURE, TIMELY, UNINTERRUPTED OR ERROR-FREE OR THAT THE SERVICE WILL MEET CUSTOMER'S REQUIREMENTS OR THAT ALL ERRORS IN THE SERVICE AND/OR DOCUMENTATION WILL BE CORRECTED. THE WARRANTIES STATED IN ARTICLE III, SECTIONS 3.1-3.4 ABOVE ARE THE SOLE AND EXCLUSIVE WARRANTIES OFFERED BY FILEONE. THERE ARE NO OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THOSE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. EXCEPT AS STATED IN ARTICLE III, SECTIONS 3.1-3.4 ABOVE, THE HOSTED SOFTWARE AND SERVICE IS PROVIDED TO CUSTOMER ON AN "AS IS" AND "AS AVAILABLE" BASIS, AND IS FOR COMMERCIAL USE ONLY. CUSTOMER ASSUMES ALL RESPONSIBILITY FOR DETERMINING WHETHER THE HOSTED SOFTWARE, SERVICE OR THE INFORMATION GENERATED THEREBY IS ACCURATE OR SUFFICIENT FOR CUSTOMER'S PURPOSES.

3.6 Limitations Of Liability. CUSTOMER AGREES THAT THE CONSIDERATION WHICH FILEONE IS CHARGING HEREUNDER DOES NOT INCLUDE CONSIDERATION FOR ASSUMPTION BY FILEONE OF THE RISK OF CUSTOMER'S INCIDENTAL OR CONSEQUENTIAL DAMAGES. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO ANYONE FOR INCIDENTAL, CONSEQUENTIAL, PUNITIVE, SPECIAL OR EXEMPLARY DAMAGES, OR INDIRECT DAMAGES OF ANY TYPE OR KIND (INCLUDING, BUT NOT LIMITED TO, LOSS OR DISCLOSURE OF CUSTOMER DATA, LOST REVENUE, LOST PROFITS, OR LOSS OF OTHER ECONOMIC ADVANTAGE) ARISING FROM BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, OR ANY OTHER LEGAL CAUSE OF ACTION TO THE MAXIMUM EXTENT PERMITTED BY LAW ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT. THE MAXIMUM LIABILITY OF FILEONE TO ANY PERSON, FIRM OR CORPORATION WHATSOEVER ARISING OUT OF OR IN THE CONNECTION WITH ANY ACCESS, USE OR OTHER EMPLOYMENT OF THE SERVICE, WHETHER SUCH LIABILITY ARISES FROM ANY CLAIM BASED ON BREACH OR REPUDIATION OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, TORT, OR OTHERWISE, SHALL IN NO CASE EXCEED THE ACTUAL TRANSACTION FEES PAID BY THE CUSTOMER DURING THE 12 MONTH PERIOD PRIOR TO THE OCCURANCE OF THE EVENT GIVING RISE TO THE CLAIM...THE PARTIES ACKNOWLEDGE THAT THE LIMITATIONS SET FORTH IN THIS SECTION ARE INTEGRAL TO THE AMOUNT OF FEES CHARGED IN CONNECTION WITH THE ACCESS AND USE OF THE SERVICE AND THAT, WERE FILEONE TO ASSUME ANY FURTHER LIABILITY OTHER THAN AS SET FORTH HEREIN, SUCH FEES WOULD OF NECESSITY BE SET SUBSTANTIALLY HIGHER.

3.7. Indemnification.

3.7.1 Infringement. FileONE will indemnify, defend and hold Customer harmless from and against any and all costs, liabilities, losses, and expenses (including, but not limited to, reasonable attorneys' fees) (collectively, "Losses") arising out of or in connection with a claim, suit, action, or proceeding brought by any third party against Customer which arise out of or result from the infringement of any copyright, trademark, or misappropriation of a trade secret relating to the Service; provided that Customer (a) promptly gives FileONE notice of the claim, suit, action, or proceeding; (b) gives FileONE sole control of the defense and related settlement negotiations; and (c) provides FileONE with all reasonably available information and assistance necessary to perform FileONE's obligations under this paragraph. If the Service is held to infringe, FileONE will, at its own expense, in its sole discretion use reasonable efforts either (a)



to procure a license that will protect Customer against such claim without cost to Customer; or (b) to replace the Service with a non-infringing Service. **THE FOREGOING STATES FILEONE'S ENTIRE LIABILITY FOR ANY INTELLECTUAL PROPERTY INFRINGEMENT ARISING UNDER THIS AGREEMENT**

3.7.2 Customer's Indemnity. To the fullest extent permitted by applicable law, Customer shall indemnify, defend, and hold FileONE harmless from and against any and all Losses arising out of or in connection with a claim, suit, action, or proceeding brought by any third party against FileONE which arise out of or result from a claim by a third-party (i) alleging that the Customer Data or any trademarks or service marks other than FileONE Marks, or any use thereof, infringes the intellectual property rights or other rights, or has caused harm to a third party, (ii) arising out of the use of the Hosted Software or Service in combination with equipment, hardware or software not meeting FileONE's specifications for use with such Hosted Software or Service; (iii) Customer's modification or alteration of any item of the Hosted Software or Service without the prior written consent of FileONE, (iv) for personal injury (including death) or property damage that is caused by any negligent or willful act, error or omission of one or more of Customer or its representatives; or (v) arising out of Customer's breach of Section 2.4 and 2.10 above, provided that FileONE (a) promptly provides Customer notice of the claim, suit, action, or proceeding; (b) gives Customer sole control of the defense and related settlement negotiations; and (c) provides Customer with all reasonably available information and assistance necessary to perform Customer's obligations under this paragraph

3.7.3 Acts and Omissions of the Customer. To the fullest extent permitted by applicable law, the Customer agrees to indemnify, defend, and hold harmless FileONE and FileONE's directors, officers, employees, successors, and assigns from and against any and all third party claims, demands, losses, liabilities, actions, lawsuits, proceedings, judgments, awards, and expenses (including reasonable attorneys' fees) to the extent they result from any wrongful act or omission by the Customer, any Customer affiliate or otherwise related entity that: (i) are in violation of any regulations, laws, ordinances, or statutes; (ii) discriminate on the basis of race, color, religion, sex, age, disability, national origin or otherwise; or (iii) violate any other civil rights. For purposes of this Subsection, no affiliate or entity shall be considered a "Customer affiliate or otherwise related entity" as defined above unless such affiliate or entity controls, or is controlled by, or is under common control with the Customer.

3.7.4 Acts and Omissions of FileONE. FileONE agrees to indemnify, defend and hold harmless the Customer, and the Customer's directors, officers, employees, successors, and assigns from and against any and all third party claims, demands, losses, liabilities, actions, lawsuits, proceedings, judgments, awards, and expenses (including reasonable attorneys' fees) to the extent they result from any wrongful act or omission, not authorized or approved by the Customer, whether negligent or willful, of FileONE, FileONE affiliates or other related entity, or any employee or Agent based on allegations that the system, programs or materials provided by FileONE, any FileONE affiliate or otherwise related entity: (i) are in violation of any regulations, laws, ordinances, or statutes; (ii) discriminate on the basis of race, color, religion, sex, age, disability, national origin or otherwise; (iii) or violate any other civil rights. For purposes of this Subsection, no affiliate or entity shall be considered a "FileONE affiliate or otherwise related entity" as defined above unless such affiliate or entity controls, or is controlled by, or is under common control with FileONE.

3.7.5 Notices. If any legal proceeding shall be instituted, or any claim or demand made, against either party hereto (hereinafter referred to as the "Indemnified Party") by any third party for which the other party hereto (hereinafter referred to as the "Indemnifying Party") may be liable

under this Subsection, the Indemnified Party shall give written notice thereof to the Indemnifying Party within fifteen (15) calendar days following service of the complaint or other process, or any other notice thereof. Either party's failure to provide such notice will not invalidate a claim for indemnification, unless, and only to the extent that, such failure adversely and materially affects the settlement or defense of the claim to such indemnification.

3.7.6 Rights and Responsibilities of Indemnifying Party. Upon receipt of such notice, the Indemnifying Party shall, at its own expense, undertake the defense of such proceedings, claims, or demands through counsel of its choosing. Further, the Indemnifying Party shall have the right to enter into and conclude settlement negotiations, provided that no settlement will be made which imposes any material obligations on the Indemnified Party (other than the payment of money by the Indemnifying Party made on behalf of the Indemnified Party), without prior, written consent of the Indemnified Party. The Indemnifying Party shall be entitled to the consent, if such consent is required by the court or a third party, of the Indemnified Party in a settlement that is reasonable and consistent with this Subsection. The rights and responsibilities of the parties in the event of the unreasonable withholding, conditioning, or delaying of such consent that is required by the court or a third party are delineated by Subsection 3.7.8 below.

3.7.7 Cooperation. Either party will reasonably cooperate with the other party to resolve any actual or alleged third party claims as promptly as is reasonable. Such cooperation will include, but will not be limited to, the making of statements and affidavits, attendance at hearings and trials, depositions, interrogatories, request for admissions, production of documents, assistance in securing and giving evidence and obtaining the attendance of witnesses, provided, however, that neither party will be required to waive the attorney-client privilege or other applicable privileges.

3.7.8 Settlement of Claims. The Indemnifying Party shall in all cases have the right to settle or compromise any such proceeding, claim or demand or to refrain therefrom, provided that if the Indemnified Party does not consent to a reasonable settlement or compromise proposed by the Indemnifying Party and agreed to by the third party and such claim or demand shall ultimately result in a judgment or settlement greater than the proposed settlement or compromise, the Indemnifying Party shall be discharged from any liability hereunder with respect to any amount in excess of the settlement or compromise so proposed and agreed to by the third party and any expenses (including reasonable attorneys' fees) incurred subsequent to the date the settlement or compromise originally was so proposed and agreed to by the third party. If the Indemnified Party effects a settlement or compromise without the prior written consent of the Indemnifying Party, the Indemnifying Party shall be discharged from any liability hereunder in excess of the Indemnifying Party's and the Indemnified Party's reasonable expenses (including reasonable attorneys' fees and expense, but excluding the settlement amount unless the indemnifying party consents to such payment and such consent shall be in the indemnifying party's sole discretion) incurred prior to the date the settlement or compromise was effected by the Indemnified Party, provided that such expenses are reasonable in amount and were reasonably required for the Indemnified Party's defense against the settled or compromised claim or demand.

3.7.9 Court Claims. If either party has to recur to a court of law to enforce the other party's compliance with the terms of the Agreement, and/or any other cause of action that may arise, and such party obtains a favorable Judgment (even if the judgment is on default), then the party to whom the Judgment is rendered against shall pay for all reasonable expenses and attorneys' fees incurred by the party who initiated the action.

3.8 Suspension/Termination.

3.8.1 Suspension For Delinquent Account. As of the Effective Date of the Agreement, the parties have agreed that all transaction fees associated with the Customer's use of the Hosted Software and Service shall be collected and remitted to the Customer by FileONE. In the event the Agreement is amended and FileONE is no longer responsible for the collection and remittance of the transaction fees associated with the Customer's use of the Hosted Software and Service, the provisions of this Section 3.8.1 shall apply. FileONE reserves the right to suspend Customer's access to and/or use of the Hosted Software or Service (and that of any other customer of FileONE that controls, is controlled by, or is under common control with Customer) (a "Customer Affiliate") for any accounts for which any payment is past due more than thirty (30) days. FileONE also reserves the right to suspend Customer's access and/or use of the Hosted Software or Service in the event that any Customer Affiliate account is in Delinquent Account Status. Customer agrees that FileONE shall not be liable to Customer or to any Customer Affiliate or other third party for any suspension of the Service resulting from Customer's nonpayment of fees as described in this Section 3.8.1.

3.8.2 Suspension For Ongoing Harm. Customer agrees that FileONE may with reasonably contemporaneous telephonic notice to Customer suspend Customer's access to the Service if FileONE reasonably concludes that Customer is using the Service to engage in denial of service attacks, spamming, or using the Service to engage in illegal activity, and/or Customer's use of the Service is causing immediate, material and ongoing harm to FileONE or others. In the extraordinary event that FileONE suspends Customer's access to the Service, FileONE will use reasonable efforts to resolve the issues causing the suspension of Service. Reasonable efforts should be consistent with FileONE's past practice or the practice standard of the industry, that which is most beneficial for the Customer, to resolve the issues causing the suspension of Service. Customer agrees that FileONE shall not be liable to Customer nor to any third party for any suspension of the Service under such circumstances as described in this Section 3.8.2.

3.8.3 Default/Termination. Either party may terminate this Agreement upon thirty (30) calendar days formal written notice to the other party in the event of a material breach of any provision of this Agreement by the other party. Such notice by the non-breaching party shall expressly state all of the reasons for the claimed breach in sufficient detail so as to provide the alleged breaching party a meaningful opportunity to cure such alleged breach ("Notice"). Following receipt of such Notice, the alleged breaching party shall have thirty (30) calendar days within which to cure such alleged breach, after which time the Agreement shall terminate only if the alleged breach was not cured. Upon any termination or expiration of this Agreement, Customer shall have no rights to continue use of the Service. If this Agreement is terminated by Customer for any reason other than a termination expressly permitted by this Agreement, Customer agrees that FileONE shall be entitled to all of the fees due up through the date of termination under this Agreement.

3.8.4 Termination for Insolvency. Notwithstanding any provision contained in this Agreement to the contrary, a party to this Agreement may immediately terminate this Agreement, upon written notice to the other party in the event that the other party makes an assignment for the benefit of its creditors; is unable to pay its debts as they become due; files a voluntary petition in bankruptcy; is adjudicated to be a bankrupt or an insolvent debtor; files a petition seeking for itself any reorganization; or consents to or acquiesces in the appointment of a trustee, receiver or liquidator. In the event a proceeding seeking involuntary reorganization, or similar relief is filed against one of the parties to this Agreement, which is not dismissed within one (1) month after filing, or if any trustee, receiver or liquidator of a party or any substantial part of a party's business assets, or properties is appointed without the party's consent or acquiescence and

such appointment is not vacated within one (1) month after such appointment, then in such event, the other party shall have the right to terminate without notice.

3.8.5 Cancellation. This Agreement may be cancelled by Customer only in the event that the Governor, as of the Effective Date of this Agreement, is not re-elected during the Government of Puerto Rico's November 2012 General Election. Customer must exercise this right to cancel by providing written notice to FileONE within one-hundred eighty (180) calendar days after such new Governor is formally installed into office. In the event that Customer does not exercise this right to cancel within such one-hundred eighty (180) calendar day period, such right shall be of no further force and effect. In no other event may the Customer cancel this Agreement except as a result of an uncured material breach by FileONE as set forth in Section 3.8.3 above. In the event that Customer cancels this Agreement in accordance with the terms set forth in Section 3.8.5, the provisions of Section 3.10 shall apply.

3.8.6 Handling Of Customer Data In The Event Of Termination. Customer agrees that following termination of Customer's account and/or use of the Service, FileONE may immediately deactivate Customer's account and that following a reasonable period of not less than ninety (90) calendar days shall be able to delete Customer's account and related Customer Data from FileONE's "live" site, while retaining Customer Data offsite storage. However, in the event that Customer's Service with FileONE terminates, FileONE will return the Customer's Data to Customer on electronic media (in standard relational database formats and image formats to be understood by both parties from the initiation of this agreement). Customer further agrees that FileONE shall not be liable to Customer nor to any third party for any termination of Customer access to the Service or deletion of Customer Data, provided that FileONE is in compliance with the terms of this Section. FileONE may not delete Customer Data without having ensured that Customer obtained a copy of the Customer Data prior to the Customer Data being deleted.

3.9 Modification To Or Discontinuation Of The Service. FileONE reserves the right at any time and from time to time to modify, temporarily or permanently, the Service (or any part thereof). FileONE shall notify Customer, in writing and via e-mail, prior to any such modifications being made to the Service. Customer shall have three (3) days from its receipt of FileONE's written notice to notify FileONE, in writing, if Customer does not agree to the proposed modifications. Such written notice by Customer shall set forth, in detail, its reasons for not approving the proposed modifications. If FileONE does not receive written notice from the Customer within the three (3) day period, Customer shall be deemed to have approved the modifications and FileONE shall proceed with the implementation of the modifications. In the event that FileONE modifies the Service in a manner which removes or disables a feature or functionality on which Customer materially relies, FileONE, at Customer's request, shall use reasonable efforts to substantially restore such functionality to Customer. In the event that FileONE is unable to substantially restore such functionality (unless enjoined from doing so by a court of competent jurisdiction), Customer shall have the right to terminate the Agreement. Customer acknowledges that FileONE reserves the right to discontinue offering certain portions of the Service during the Term, provided FileONE provides Customer with no less than ninety (90) days written notice of such discontinuance. Customer agrees that FileONE shall not be liable to Customer nor to any third party for any modification of the Service as described in this Section 3.9.

3.10 Effect of Cancellation/Termination by Customer. Customer hereby acknowledges and understands that FileONE is incurring a substantial amount of costs in order to provide the Hosted Software and Service to Customer. As a result of the transaction pricing

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model set forth under this Agreement, Customer acknowledges and understands that the early cancellation of this Agreement in accordance with Section 3.8.5 above will cause FileONE substantial harm and will not allow FileONE to fully recover all of its costs incurred in providing the Hosted Software and Services hereunder. Therefore, the parties agree that in the event that Customer cancels the Agreement in accordance with Section 3.8.5 above ("Customer Early Termination"), the damages incurred by FileONE will be extremely difficult and impractical to fix. As such, the Customer and FileONE have endeavored to fix the amount of said damages in advance; such that the amount set forth below is the nearest and most exact measure of damages for the early cancellation of this Agreement by Customer. Therefore, Customer and FileONE hereby fix the amount of said damages not as a penalty in the following amount: In the event of Customer Early Termination, Customer shall pay FileONE the amount of two hundred thousand dollars (\$200,000).

Such amount shall be due by Customer within ten (10) calendar days from the effective date of cancellation and/or termination by Customer.

3.11 Taxes; Interest. Customer will provide FileONE with proof of its tax-exempt status. If Customer does not provide such proof, it shall pay, or shall reimburse FileONE for, all sales and use, excise or other similar taxes imposed on the transactions contemplated by this Agreement, but shall in no event be liable for taxes imposed on or measured by FileONE's income. If Customer disputes the applicability of any tax to be paid pursuant to this Section 3.11, it shall pay the tax and may thereafter seek a refund. Any disputed or undisputed payment which is past due to FileONE will bear interest at the rate of one and one-half percent per month (or such lesser amount as may be permitted by applicable law) for each month or portion thereof during which it remains unpaid.

3.12 Excusable Nonperformance. If any party is delayed or prevented from performing its obligations under this Agreement due to any cause beyond its reasonable control, including natural disaster, fire, flood, unusually severe weather, Acts of God, labor disputes and governmental regulations, the delay shall be excused during the continuance of, and to the extent of, such cause, and the period of performance shall be extended to the extent necessary to allow performance after the cause of delay has been removed. Each party agrees to work with the other party, at the other party's request, to develop mutually agreeable alternatives in order to minimize the negative impact of any such delay.

3.13 [INTENTIONALLY OMITTED]

3.14 Independent Contractor. In performing its obligations or enjoying its rights under this Agreement, each party shall comply with all applicable laws and regulations. FileONE is providing Software and Software Maintenance and Support to Customer as an independent contractor, and shall not be deemed to be a "state actor" for purposes of 42 U.S.C. § 1983. FileONE will not be responsible for (a) user errors or (b) compatibility problems encountered through the use of the Software with equipment or software not meeting FileONE's specifications. FileONE may engage subcontractors to provide certain of the Software or Software Maintenance and Support, but shall remain fully responsible for such performance. The provisions of Sections 1.4, 2.4, 2.9, 2.10, 2.13, 3.5, 3.6, 3.7, 3.8., 3.10, 3.11 and this Section 3.14 shall survive the termination of this Agreement, to the extent applicable.

3.15 Assignment. Except in the case of a sale, transfer or assignment of all or substantially all of the assets of FileONE to a successor who has asserted its intent to continue the business of FileONE, neither party may assign or transfer this Agreement or assign, subcontract or delegate any of its rights, duties or obligations hereunder without the prior written consent of the

other party hereto, such consent not to be unreasonably withheld or conditioned, nor unduly delayed.

3.16 Notice. Any notice or other communication required or permitted hereunder shall be in writing, and will be deemed given when delivered personally, sent by confirmed fax, sent by confirmed e-mail, sent by commercial overnight courier (with written verification of receipt) or sent by registered or certified mail, return receipt requested, postage prepaid, when the return receipt is received. All communications shall be sent to the attention of the persons listed on the signature page to this Agreement and at the addresses or fax numbers set forth on such signature page unless other names, addresses or fax numbers are provided by either or both parties.

3.17 Entire Agreement. This Agreement, including Attachments 1-4 (which are specifically incorporated herein by this reference), contains the entire agreement of the parties with respect to the subject matter hereof and supersedes and replaces any and all other prior or contemporaneous discussions, negotiations, agreements or understandings between the parties, whether written or oral, regarding the subject matter hereof. Any provision of any purchase order, form or other agreement which conflicts with or is in addition to the provisions of this Agreement shall be of no force or effect. This Agreement shall be deemed to be executed in Puerto Rico, regardless of FileONE's domicile. This Agreement shall be exclusively governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico without regard to its conflicts of laws principles. FileONE and the Customer exclusively consent to the interpretation of laws, jurisdiction, and venue in the state and federal courts sitting in Commonwealth of Puerto Rico, in San Juan. In any action or suit to enforce any right or remedy under this Agreement or to interpret any provision of this Agreement, the prevailing party shall be entitled to recover its costs, including reasonable attorneys' fees. In the event of any conflict between a provision contained in an Attachment to this Agreement and these General Terms, the following order of precedence shall apply in resolving any such conflict. The General Terms and Attachments 1-3 shall be read and interpreted together and shall take precedence over Attachment 4 to the Agreement. If a provision of this Section is found to be invalid, illegal or unenforceable in any respect, the court may modify it to make such provision enforceable. Except in the case of a sale, transfer or assignment of all or substantially all of the assets of FileONE to a successor who has asserted its intent to continue the business of FileONE, neither party may assign or transfer this Agreement without the prior written consent of the other party hereto, such consent not to be unreasonably withheld. FileONE may engage duly qualified subcontractors to perform certain of the Software Maintenance and Support, but shall remain fully responsible for such performance.

3.18 Waiver and Severability. Failure by a party to enforce its rights on one occasion will not operate as a waiver of said rights or any other rights on any other occasion. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the other provisions hereof shall not be affected.

3.19 Headings. The headings appearing in this Agreement have been inserted for the purposes of convenience and reference only and shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions herein.

3.20 Indirect Pecuniary Interests. FileONE certifies and the Customer understands that no member of the legislature or employee of the Commonwealth of Puerto Rico or any member of

his/her family has any direct or indirect pecuniary interest in the consent of this Agreement, or to any benefit that may arise therefrom.

3.21 Performance. In connection with the performance of work under this Agreement, FileONE agrees that:

1. It will not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, age, height, weight, disability, marital status, political affiliations, or sex;
2. It will in all solicitations or advertisements for employment placed by or on behalf of FileONE state that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, ancestry, age, height, weight, disability, marital status or sex or alternatively that FileONE is an equal opportunity employer; and
3. As part of its commitment to not discriminate on the basis of disability, FileONE shall, at minimum, meet the standards applicable to the Commonwealth and the Customer under the Americans with Disabilities Act (42 U.S.C. 12101 etc., 28 C.F.R. part 35).

3.22 Debts or convictions. FileONE hereby certifies that it has never been convicted of any criminal or civil action against the Government of the United States or the Commonwealth of Puerto Rico. FileONE certifies that it has no knowledge of any ongoing investigation targeting FileONE that involves any type of criminal or civil action against any instrumentality of the U.S. Government or the Commonwealth Government, nor has it been convicted of any crime involving U.S. or Commonwealth of Puerto Rico funds. FileONE acknowledges its duty to notify the Customer of any changes to the above certification through the life of this Agreement. FileONE hereby certifies that it does not have any outstanding debts to the Government of Puerto Rico or the Government of the United States of America. If in the future FileONE is convicted of any of the aforementioned crimes, the Customer may terminate this Agreement immediately.

3.23 Child Support. FileONE hereby certifies that it does not have any pending debt corresponding to child support or, in the alternative, that it has entered into and complied with a payment plan with the Administration of Child Support, government agency ascribed to the Customer of the Family, pursuant to Puerto Rico Law 86 of August 17, 1994. FileONE acknowledges that this condition is an essential part of this Agreement. If this certification is not fully or partly correct, the Customer shall be entitled to terminate the same thereby, and FileONE shall be obligated to reimburse the entire sum received under this Agreement to the Customer less any value received by the Customer. FileONE hereby certifies that none of our employees have a retention order due to any residents of Puerto Rico.

3.24 Code of Ethics for Contractors. FileONE agrees to abide by the Code of Ethics for Contractors, Suppliers and Economic Solicitors of the Executive Branch of the Commonwealth of Puerto Rico, which governs the relations of all natural or legal persons, that have an interest in doing business with, provide services to, or petition economic incentives to the Commonwealth of Puerto Rico, pursuant to Puerto Rico Law Num. 84 of June 18th, 2002, 3 PR Stats. Ann. §§ 1755, *et seq.*

3.25 Management of Agreement. The Auxiliary Secretariat for Services will manage this Agreement on behalf of the Customer.

3.26 Responsibilities. FileONE hereby certifies that it has no outstanding tax debts with the Commonwealth of Puerto Rico within the last five (5) years. FileONE expressly acknowledges

that this is an essential condition of this Agreement. If the preceding certification is not correct, the Customer shall be entitled to terminate this Agreement and FileONE shall be obligated to reimburse the entire sum received under this Agreement to the Customer.

3.27 Registry of Agreement. No part of this Agreement can be enforced unless the Agreement is registered at the Office of the Comptroller of Puerto Rico, as required by Puerto Rico Law No. 18 of October 30th, 1975, as amended. In addition, no part of this Agreement shall be effective unless signed by both parties. Customer will expeditiously notify FileONE of the completion of the registration required.

3.28 Litigation against the Customer. FileONE certifies that it has no ongoing litigation against the Customer.

3.29 Conflicts of Interest. FileONE acknowledges that in performing its professional duties, it owes complete loyalty to the Customer, including not having interests that are adverse to that government entity. These adverse interests include representation of clients that have or may have later conflict of interests with the contracting party. This duty also includes the obligation to disclose to the Customer all the circumstances of its relationships with clients and third persons and any interest that could exert some kind of influence on the Customer or this Agreement, on the date the Agreement is signed or while it is effective.

FileONE will be deemed to represent conflicted interests when, for the benefit of a client, it has the duty to promote that which it must oppose in order to comply with its obligations with another previous, present or potential client. Furthermore, there is a conflict of interests when FileONE's behavior is described as such in the standards of ethics set forth by professional organizations to which FileONE's employees are required to belong or in the laws and regulations of the Commonwealth of Puerto Rico. It is a violation to this prohibition to sign contracts with societies or companies in which any of its directors, associates or employee incurs in the herein-described behavior. FileONE shall avoid even the appearance of the existence of conflict of interests.

FileONE recognizes the power that the Chief Executive of the Customer has to watch for the compliance of the prohibitions herein contained. If the Chief Executive of the Customer understands that there exists or have appeared adverse interests toward FileONE, he/she shall notify in writing his/her findings to FileONE and his/her intention to rescind the contract in a thirty (30) day term. FileONE shall be entitled, within thirty (30) days of its receipt of notice, to ask for a meeting with such Chief Executive to expose its arguments against such determination of conflict, which shall always be granted. If said meeting is not requested in the aforementioned term, or if the controversy is not satisfactorily solved during the meeting, this Agreement shall be cancelled.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Agreement has been executed effective upon filing at the Office of the Comptroller of the Commonwealth of Puerto Rico once duly signed by all parties hereto, in accordance with Section 3.27 of this Contract (the "Effective Date").

FILEONE, INC.
acting through its President,
Robert Sydnor
5520 Dillard Drive, Suite 280
Cary, NC 27518

DEPARTMENT OF STATE OF PUERTO RICO
acting through its Secretary,
Hon. Kenneth D. McClintock
P.O. Box 9023271
San Juan, PR 00902-3271

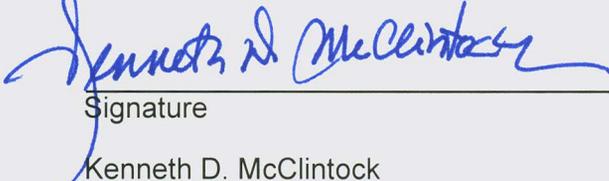
Fax No. (919) 854-4115

Fax No. (787) 725-7303



Signature

Robert Sydnor
President



Signature

Kenneth D. McClintock
Secretary of State

Date: 12/18/2009

Date: 12/18/09

**Attachment 1
HOSTED SOFTWARE**

HOSTED SOFTWARE MODULES	DESCRIPTION
	SystemWORKS™ Module access for Core, Business Entity (check modules being accessed):
<input checked="" type="checkbox"/>	Core Module
<input checked="" type="checkbox"/>	Business Entity Back-Office Module
<input checked="" type="checkbox"/>	Business Entity Online Module

Notes:

- The SystemWORKS™ Software Modules set forth above which shall be accessible by Customer shall be FileONE's existing modules with standard functionality. FileONE shall provide customization only for Puerto Rico specific legislative requirements and only as agreed upon in advance and in writing by FileONE and Customer.

[END OF ATTACHMENT 1]

ATTACHMENT 2

Services Transactional Fees and Payment Processing Schedule

1. **Transaction Fees.** Customer shall pay the following transactions fees for the use of the Hosted Software and Service provided by FileONE under the Agreement:

Customer Filing Charge Per Transaction	FileONE Fee
\$1 - \$14	\$1
\$15 - \$24	\$2
\$25 - \$74	\$3
\$75 - \$99	\$4
\$100 and up	\$5
Annual Reports, Non-Profits	\$2
Annual Reports, All Other Types	\$15

Notes on Pricing :

1. All fees associated with the processing of the business filing transactions including, but not limited to, banking fees, service fees, processing fees, credit card association fees and all other processing fees shall be the responsibility of the Customer and shall be deducted from the amounts payable to Customer as set forth in Section 3 below.
2. **Payment Processing; Establishment of Accounts.** Prior to the "Go Live" date of the Hosted Software, FileONE shall open a Hosted Software Operating Account ("HSA") which shall be maintained separately for the Customer and under the ownership of FileONE. Ownership of all accounts used to receive revenue for the operation of the Hosted Software shall be in the name of FileONE. It is to this account that all Hosted Software revenue shall be deposited and from which disbursements shall be made as provided in Section 3 below.
3. **Payment Processing; Disbursement of Funds.** All fees received by the Customer for filings processed through the Hosted Software and Service shall be deposited in the HSA. At the end of each month, FileONE shall deduct all applicable charges as set forth in Section 1 of Attachment 2 as fees due to FileONE for the use by the Customer of the Hosted Software. In addition, FileONE shall deduct all fees associated with processing the business filing transactions including, but not limited to, banking fees, service fees, processing fees, credit card association fees and all other processing fees which are associated with the processing of the business filing transactions. After deducting the total all charges due for the month from the HSA, FileONE shall send a check for the remaining funds, payable to *Secretario de Hacienda*, to Departamento de Estado, Oficina de Presupuesto y Finanzas, PO Box 9023271, San Juan, PR 00902-3271. FileONE shall also provide to the Customer at the end of each month, a report identifying the total transactions which took place during the month, the total revenue received in the HSA and all applicable deductions related to FileONE's charges associated with the use

of the Hosted Software (the "Monthly Transaction Report"). If the Customer disputes any information set forth on the Monthly Transaction Report, Customer shall within ten (10) days of its receipt of the Monthly Transaction Report, notify FileONE in writing and the parties shall work together to identify and resolve any disputed items within ten (10) days after FileONE's receipt of such notice.

[END OF ATTACHMENT 2]



ATTACHMENT 3

Customer Obligations for Access to and Use of the Hosted Software and Service

Activity	Date
Provide FileONE with a copy of and access to the current corporation's database.	Within 5 days of contract execution.
Provide all existing detailed documentation on the current corporation's database.	Within 5 days of contract execution.
Provide finalized format of filing forms for all annual report filings.	By January 8 th , 2010
Provide detailed listing of annual report filing rules and requirements for all of the different annual report filings for all business entity types. Make resources available to FileONE that are knowledgeable about the AR filing rules.	By January 8 th , 2010
Provide existing AR processing workflow overview.	By January 8 th , 2010
Establish initial portal linkages and network connectivity to FileONE Hosted Services.	By February 1 st , 2010
Work closely with FileONE to put in place a testing environment for joint quality assurance testing activities.	By February 1 st , 2010
Obtain and deploy all required hardware, software and Internet equipment and services.	By February 8 th , 2010
Perform User Acceptance Testing for Annual Report Filings	Starting February 8 th , 2010
Deploy finalized Puerto Rico Portal Linkages to FileONE's Hosted Production SystemWORKS Environment	February 15 th , 2010
Provide detailed documentation of all business entity rules and processing requirements. Make resources available to FileONE that are knowledgeable about the business entity filing rules.	By February 30 th , 2010
Provide finalized format of filing forms for all filing types.	By February 30 th , 2010
Work with FileONE and Treasury to finalize the format and details for the interface from SystemWORKS to Treasury.	By March 1 st , 2009
Complete User Acceptance Testing for the general corporation's module.	Starting May 17 th , 2010

[END OF ATTACHMENT 3]

ATTACHMENT 4

FileONE SystemWORKS Business Filing System Proposal



Puerto Rico Department of State



FileONE SystemWORKS™

**Corporations
Online & Internal Modules**

Prepared by

FileONE inc.
An ES&S Company

5520 Dillard Drive, Suite 280
Cary, NC 27518-9237
(919) 854-4123 (phone)
www.fileoneinc.com



November 11, 2009

Eduardo Arosemena-Muñoz
Adjunct Secretary of Services
Puerto Rico Department of State
Calle San Jose, San Francisco
San Juan, Puerto Rico 00902

Re: SystemWORKS™ Corporations Proposal

Dear Mr. Arosemena-Muñoz:

FileONE hereby submits the following proposal to partner with the Puerto Rico Department of State (PRDOS) to implement and host a fully automated, Online and Internal Corporations Filing System through our Transactional Funded Model. FileONE proposes our Commercial-Off-The-Shelf (COTS) platform, FileONE SystemWORKS™ backed by our industry leading implementation services, FileONE ServiceWORKS™ to ensure a timely go-live for the PRDOS.

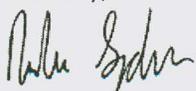
FileONE proposes to deploy the FileONE SystemWORKS™ Online Annual Report application for the PRDOS for the 2010 filing period beginning in January, provided a contract is in place very quickly. FileONE will have the Annual Reports module implemented within 60 days from the project kick-off date. **In order to have the Annual Report module live for the upcoming 2010 filing period, we must have a contract executed by November 19, 2009.**

With Online Annual Report filing, the PRDOS will be able to significantly reduce processing time and costs. FileONE offers measurable advantages that will allow the Department of State to make a clear cut, confident decision. Our SystemWORKS™ solution benefits include:

- 
- **Turn-Key Installation.** FileONE will provide all services necessary to completely install, configure and host your new Online and Internal Corporations system.
 - **FileONE is securely funded.** Our parent company, Election Systems & Software, is dedicated to the government services IT sector and has been for four decades. ES&S is a large, financially sound company and stands behind FileONE. Better funding equates to stability and the ability to invest in our customers, grow our people and invest in our products.
 - **FileONE dedication to you.** Our sole company mission is to serve the Department of State business services community. This singular focus provides you the assurance of a long-term partner.
 - **FileONE is experienced.** Our collective staff years in Department of State Business Services implementations and support equate to confidence for you based on the domain expertise we bring to the table each and every day. Our singular focus and industry knowledge transfers into a faster implementation with less effort and knowledge transfer required from your busy staff.

We look forward to working with you to make this far reaching, visionary and public facing initiative a resounding success.

Sincerely,



Robert Sydnor, President

Section 1 - Executive Summary

FileONE Overview

FileONE submits for consideration its people, products, and processes to implement FileONE SystemWORKS™, a web-based, Microsoft .NET solution for the Puerto Rico Department of State (PRDOS). The combination of these three elements - people, products, and processes - sets FileONE apart as the best choice for this project.

FileONE's Focus is Business Services

Business Services systems for Departments of State is our entire focus as a company. For over 11 years, FileONE has worked solely for Departments of State, focusing on Business Services applications. FileONE has a team dedicated to Business Services that is here for you today and tomorrow. We're committed to your project long after go-live.

People make a system work, and FileONE SystemWORKS™ is no exception. It is often said there is no substitute for experience. Choosing FileONE provides PRDOS with our library of best-practices and wisdom gained designing, deploying, and supporting Department of State business systems.

FileONE's Commitment to the Puerto Rico Department of State

Our relationship with you is a critical precursor to project success. Throughout our recent conversations and onsite visits, we were able to meet with your leadership team to better understand your specific needs and goals for this project. Our commitment to study and understand your business rules will further ensure the success of this project.

Our Approach

We meet the needs of the PRDOS with the industry's most comprehensive and scalable business services solution, FileONE SystemWORKS™.

SystemWORKS™ leverages FileONE's 11 years of solid experience and successful track record, building software systems and solutions specifically designed to meet the complex requirements of Department of State offices.

Our collective knowledge and experience, combined with industry leading .NET 3.5 Web technology is the driving force behind the design of SystemWORKS™. This technology delivers a robust, long-term solution for the Department of State Business Service needs.



FileONE SystemWORKS™ Overview

The PRDOS's timing in selecting a new system couldn't be better. We understand that PRDOS desires a web-based solution that **offers robust filing and reporting features, backed by effective, qualified support services**. In essence, this is precisely how FileONE describes SystemWORKS™ and ServiceWORKS™ to business services offices throughout North America.

A high level SystemWORKS™ product summary follows:

SystemWORKS™ Feature	PRDOS Benefit
<i>State of the Art Technology</i>	.NET 3.5 platform technology provides higher performance and easier maintainability, with extended accessibility and reliability.
<i>Comprehensive Online Services</i>	SystemWORKS™ provides 24x7 access to critical services via the Web – including online filing and research – dramatically increasing citizen and stakeholder satisfaction.
<i>Redacting Sensitive Documents</i>	SystemWORKS™ provides manual redaction as a standard feature.
<i>Powerful Configurability</i>	Better manage and implement specific requirements, as well as incorporate other non-standard PRDOS filing types.
<i>Browser-based, Thin Client</i>	Reduces cost by requiring less expensive hardware for client computers, while dramatically reducing IT resource needs for software installation and maintenance.
<i>Interfaces Directly with the PRDOS Accounting System</i>	Interfaces directly to treasury financial management systems to ensure payments are captured and daily deposits are recorded.
<i>Detailed End-User Help and Documentation</i>	Provides greater efficiency for end-users, while making the experience more enjoyable.
<i>Rapid and Stable Deployment Process</i>	Eliminates or reduces production impact during deployments.
<i>Flexible / Scalable Design</i>	Scalable to utilize additional servers as infrastructure is expanded to accommodate increased user demand.
<i>Enhanced Security</i>	Configurable, role-based security model, with secure communication between application tiers.
<i>Request/Workflow Management</i>	Enables prioritizing requests, distribution of work to the appropriate resources and provides a view of work item statuses.
<i>User Action Traceability with Audit Trails</i>	Allows management to record and review the activities of staff responsible for processing and maintaining records within the application.

SystemWORKS™ Feature	PRDOS Benefit
<i>Extensive, Easy-to-Use Reporting</i>	Dashboards and ad-hoc reporting by functional area within the application includes interactive reporting to drill down or navigate to related information.

FileONE ServiceWORKS™ Overview

Our existing client base offers PRDOS best practices shared with FileONE product management, design, and development teams over the past decade. While acknowledging that Puerto Rico’s business requirements and legislative environment are both unique and dynamic, PRDOS will benefit from the highly refined processes embedded in SystemWORKS™ functionality.

Evolution of ServiceWORKS™ processes will reflect input from the SystemWORKS™ User Group. Among other benefits, this approach helps guarantee a high degree of client satisfaction, as well as timely regulatory compliance over the life cycle of the product.

Finally, PRDOS’s requirements are the governing framework for determining when we will schedule and deliver mission critical project products and tasks. Our experience servicing government entities has taught us that deployment and maintenance processes must reflect the timing of business and political realities that shape the day-to-day world of Department of State offices everywhere, including the Commonwealth of Puerto Rico.



Section 2 - Summary of Proposed Services

The SystemWORKS™ enterprise application provides several modules to fully support Corporations processing, eliminating the need for multiple computer systems. The following section provides an overview of the Online and Internal Corporations modules, as well as a summary of the proposed services FileONE is offering to the PRDOS as part of the SystemWORKS™ implementation.

FileONE proposes to implement the Annual Report online system within sixty (60) days of project kick-off. We anticipate the project kick-off to occur very quickly after contract execution. Following the implementation of the Annual Reports online system for the 2010 filing period, FileONE and the PRDOS will kick-off the implementation phase for the general Corporations project. This project will include all other Corporations filing types identified in this proposal for both online and internal processing. FileONE will implement the complete Corporations module within six (6) months of the mutually agreed upon kick-off date for the general Corporations project.

1. Online Annual Report Functionality

FileONE will partner with the PRDOS to implement an Annual Report application for the upcoming 2010 filing period. The online Annual Report system will provide a step-by-step process with integrated PRDOS business rules to ensure that all required information is provided. Moreover, the SystemWORKS™ application will provide online help to answer customer frequently asked questions. The SystemWORKS™ Annual Report system will interface with the PRDOS payment gateway for credit/debit card processing and support other payment types listed in Section 4.1. The SystemWORKS™ Annual Report application will generate the correspondence, Annual Report and invoice. For paper documents received, the PRDOS will initially use the online Annual Report application to index the record. For walk-in customers, the PRDOS can provide onsite kiosks for customers to file the company's annual report.

In order to process annual reports, FileONE will utilize the current PRDOS database that includes all active Corporations by filing type. The PRDOS will send annual report notices to all active Corporations prior to the Annual Report implementation.

2. Online Corporations Functionality

SystemWORKS™ provides 24x7 access to critical services via the web, including online filing, research and information retrieval functionality. The online services offered by FileONE in the SystemWORKS™ application provide significant value, as these services greatly reduce the amount of manual processing required to support the PRDOS Corporations Division.

2.1 Highlights of Online Functionality in SystemWORKS™

Receipt of Filings Electronically

- Online Web Filings
 - Annual Report Filings for Corporations
 - Corporations Creation Filings Corporations Amendment Filings
- Online ordering for specific document and certificate types
 - Certificates for Corporations

- Access to Plain Copies
- Certified Copies

Online Self-Service Customer Functionality

- Transaction Detail Reporting
- Payment Reconciliation
- Balance Information
- Account Detail Management
- Filing History
- Subscription accounts available for ongoing information access online

Ability to provide correspondence and fulfill requests electronically

- E-mail
- Online posting and retrieval of filing correspondence

2.2 Enhanced Shopping Cart Functionality

Per PRDOS specifications, online customers can take advantage of sophisticated shopping cart functionality.

The screenshot displays the 'Review Filing' interface in the FileONE SystemWORKS application. The user is logged in as 'Craig Van Roy'. The interface includes a sidebar with navigation options like 'Online Services', 'UCC', and 'Shopping Cart'. The main content area contains a 'Review Filing' form with the following sections:

- Filing Type:** Initial Filing Statement
- Filer Acknowledgement Information:** Filer: Craig R Van Roy, Country: USA, Address: 114 Beach Road Sea Ranch CA 95406, Contact: Van Roy, Craig R, Phone: (919)5551212
- Debtors:** A table listing debtors with columns for Type, Name, Address, City, State, Postal Code, Country, and Designation. One debtor listed is 'Smith, Ann R' at '3544 Fieldcrest Court, Santa Rosa, CA 95404'.
- Secured Party:** A table listing secured parties with columns for Type, Name, Address, City, State, Postal Code, and Country. One party listed is 'Second Bank Corp' at '1250 Mendocino Avenue, Santa Rosa, CA 95404'.
- Collateral and Real Estate:** Description: General Collateral related to the manufacturing facility on 5541 Cleveland Avenue, Santa Rosa, CA 95403
- Designations and Filer Reference:** Alternate Filing Type: Not Applicable, Filer Reference: CT11003
- Miscellaneous:** This filing is related to our largest account

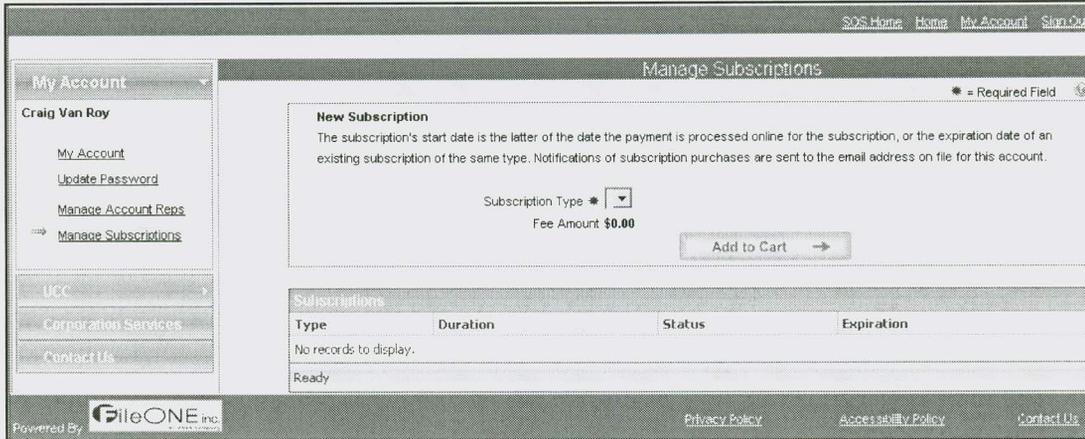
Buttons at the top right include 'Save as Template', 'Save Filing', 'Add to Cart', and 'Print Review'. The footer contains 'Powered By FileONE inc.', 'Privacy Policy', 'Accessibility Policy', and 'Contact Us'.

SystemWORKS™ Online Filing Review - Shopping Cart

2.3 Subscriptions – Customized Online Access

The ability to support access to specific functionality and data sets online through the use of subscription accounts is part of the standard SystemWORKS™ solution. Access to the functionality for filing, searching, or to specific lists of information as well as other pre-specified functionality and data sets, can be restricted or permitted based on the presence of an unexpired subscription. The specific type of subscriptions can be configured in the SystemWORKS™ application. Subscriptions can be configured for each external user or interested party that the PRDOS would like to grant access. The subscription periods are also configurable for each user to allow expiration on the same or different dates.

Each subscription account type enables online filers to perform specific filing actions. To provide online access to paid subscribers to perform these specific functions, the corresponding subscription account types will be associated with that filer's online account.



SystemWORKS™ Online Subscription Management

2.4 Online Filing

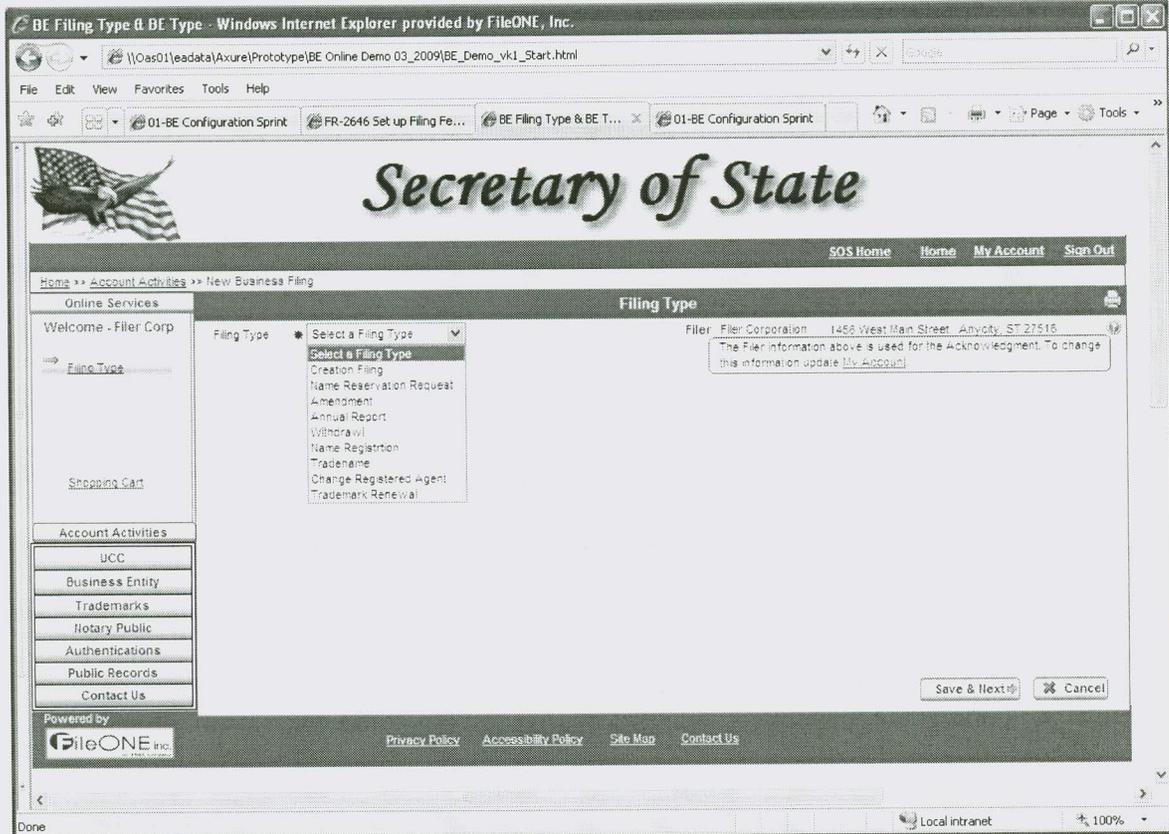
SystemWORKS™ includes user friendly “wizad” like workflow processing for use by Puerto Rico’s customers for online filing submission and order processing. This functionality guides the user through friendly, intuitive data entry screens. Additionally, SystemWORKS™ validation functionality prompts users for required information and processing. Specific help with detailed instructions will be available for all online processing screens. The remainder of Section 2.4 provides a step-by-step overview of SystemWORKS™ online Corporations filing process.



SystemWORKS™ Online Functionality Home Page

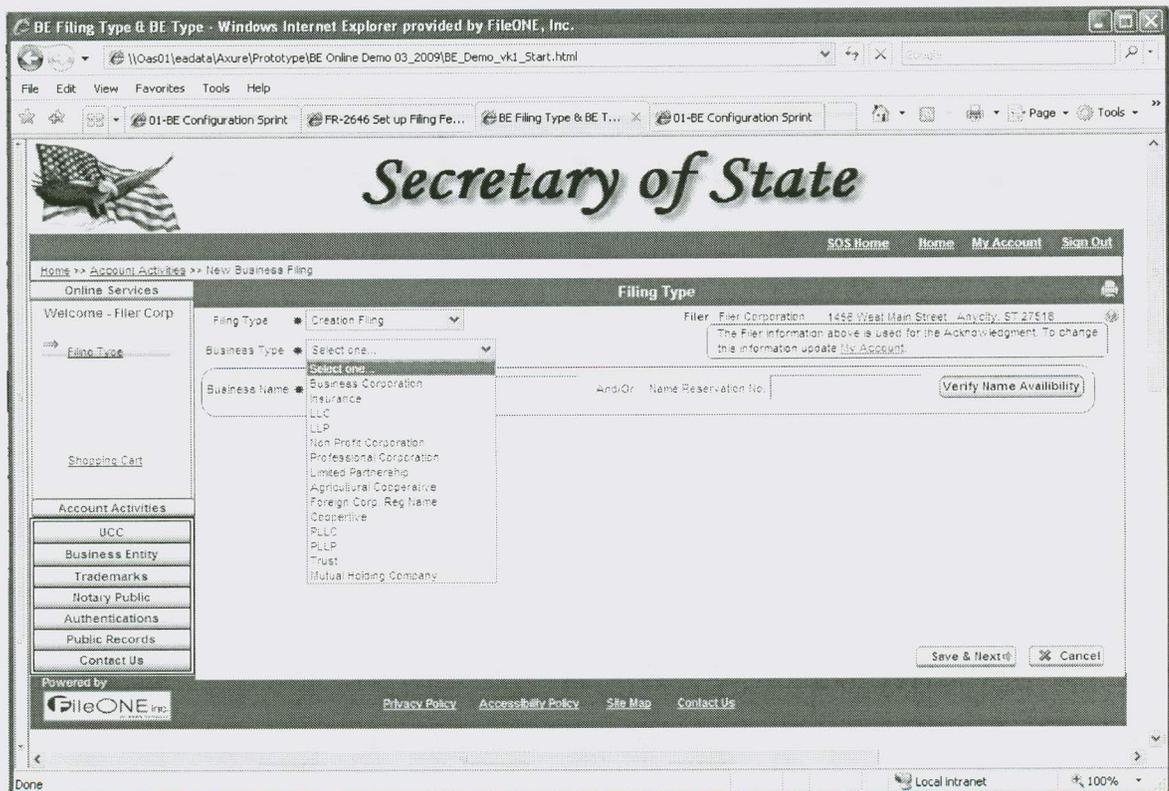
Select Corporation Filing Type

SystemWORKS™ Online Corporations



Select Business Type

SystemWORKS™ Online Corporations



Enter Business Purpose and Registered Agent

SystemWORKS™ Online Corporations



Specify Business Address

SystemWORKS™ Online Corporations



Enter Officers & Directors

SystemWORKS™
Online
Corporations



Enter Stock Information

SystemWORKS™
Online
Corporations

Review All Filing Information

SystemWORKS™
Online Corporations

BE Step 5 - Review Filing - Windows Internet Explorer provided by FileONE, Inc.

File Edit View Favorites Tools Help

File Edit View Favorites Tools Help

01-BE Configuration Sprint FR-2646 Set up Filing Fe... BE Step 5 - Review Fi... 01-BE Configuration Sprint

SOS Home Home My Account Sign Out

Home >> Account Activities >> New Business Filing

Online Services

Welcome - Filer Corp

Please review the information below to ensure accuracy

Filing Type

Filing: Creation Filing Business Type: Business Corporation
 Name: Quality Software Corporation Duration: Perpetual
 Citizenship: Domestic Purpose: As specified

I have reviewed all items for accuracy and I confirm that all information is accurate...

Addresses

Type	Address	City	State	Postal Code	Country
Mailing	2652 West 25th Terrace	Anycity	NC	25755-1234	United States
Physical Location	2652 West 25th Terrace	Anycity	NC	25755-1234	United States
Principal Office	124568 West Main Street	Anycity	NC	27500	United States
Registered Office	124568 West Main Street	Anycity	NC	27500	United States
Home State	124568 West Main Street	Anycity	NC	27500	United States

Registered Agent

Name: James Brown Country: United States Address: 5580 Dillard Drive Anycity, NC 25555-5555

Officers & Directors

Position/Title	Name	Address	From	To
CEO	Davidson, John M	5580 Dillard Drive, Anycity, NC 25555	01/01/2009	Current
President	Davidson, James W	5580 Dillard Drive, Anycity, NC 25555	01/01/2009	Current

Stocks

Class	Authorized	Issued	Par Value	No Par Value	From	To
Common	1500	1500	200		1/1/2009	Current



Online Shopping Cart Details

SystemWORKS™
Online Corporations

BE Shopping Cart Detail - Edit Cart - Windows Internet Explorer provided by FileONE, Inc.

File Edit View Favorites Tools Help

File Edit View Favorites Tools Help

01-BE Configuration Sprint FR-2646 Set up Filing Fe... BE Shopping Cart De... 01-BE Configuration Sprint

SOS Home Home My Account Sign Out

Home >> Account Activities >> Shopping Cart

Online Services

Welcome - Filer Corp

Shopping Cart

BE Shopping Cart (2 Items)

Items are processed based on the order they reside in the cart. First item is processed first. To change the processing order, update the Priority column value for the line item, or select the Up button to move the item up one row.

Select	Priority	Item Type	Description	Qty	Total Due
<input type="checkbox"/>	1	Creation Filing - Bus. Corp	Quality Software Corporation	1	\$100.00
<input type="checkbox"/>	2	BE - Annual Filing	Annual Filing for Year 2009	1	\$25.00

Ready

Shopping Cart Total **\$125.00**

I have reviewed all items for accuracy and I confirm that all information is accurate...

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Privacy Policy Accessibility Policy Site Map Contact Us

Done Local Intranet 100%



Enter Payment Information

SystemWORKS™
Online Corporations

BE SC Payments - Windows Internet Explorer provided by FileONE, Inc.

Home >> Account Activities >> Shopping Cart

Online Services

Welcome - Filer Corp

Shopping Cart

Payment Information

BE Shopping Cart (2) Items Fee Total \$125.00

Select Payment Method **Credit Card**

Type **Select Card Type** Credit Card Number CVV

Expiration Month/Year / Name on Card

Billing Address (Exactly as it appears on the Card)

Country **United States**

Street Address

City/Town State Postal Code

Phone (819) 254-4123

By selecting CREDIT CARD as a method of payment, you agree that you are authorized to use the credit card presented as a method of payment. Prior to the purchases on our website, you must provide us with a valid credit card number and associated payment information including all of the following: (i) your name as it appears on the card; (ii) your credit card number; (iii) the credit card type; (iv) the date of expiration and (v) any activation numbers or codes needed to charge your card.

If we do not receive payment from your credit card issuer or its agent, you agree to pay all amounts due upon demand by NYSOS or its agents. The final charges on your credit card may be different than those stated on the website.

Agree to the Payment Terms and Conditions as stated above.

Click on the Submit Order button once, and please wait for the system response. Clicking more than once may cause duplicate charges.

Do NOT use the Back button to return to this page.

Submit Order

View Online Order Summary

SystemWORKS™
Online Corporations

View Order Summary - Windows Internet Explorer provided by FileONE, Inc.

Home >> Account Activities >> Order Summary

Online Services

Welcome - Filer Corp

Order Summary

Order No. **0415200906104-2** Arrival Online Filed 04/15/2009

Filer Filer Corp
1209 West Main Street
Anytown NY 27555

Payment Amount \$125.00
Payment Method Credit Card 19687
Payment Reference No. 7546354132-05442230064262009

Filing / Req. No.	Item Type	Item Description	Fee	Reference
12046887889687	Creation Filing - Filer Corp	Quality Software, Inc	\$100.00	
2688223814246814	Annual Report Filing	Quality Software, Inc. - Year 2009	\$25.00	

Download Adobe PDF Reader

Powered by FileONE inc.

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2.5 Orders and Searches

SystemWORKS™ provides the ability to configure access to online searches by search type and user type. This configuration can be used to provide a level of information to the public for free searches as listed below:

Online Corporations Search

- Corporations Name Search
- Corporations File Numbers
- Officers, Partners, and Members Search

Online Orders

- Certified Copies
- Corporations Certificate Orders for Certificate of Existence
- Subscription Registration

2.6 Enhanced Online Account Creation and Management

Online customers will have the ability to create and manage their online account with advanced features.

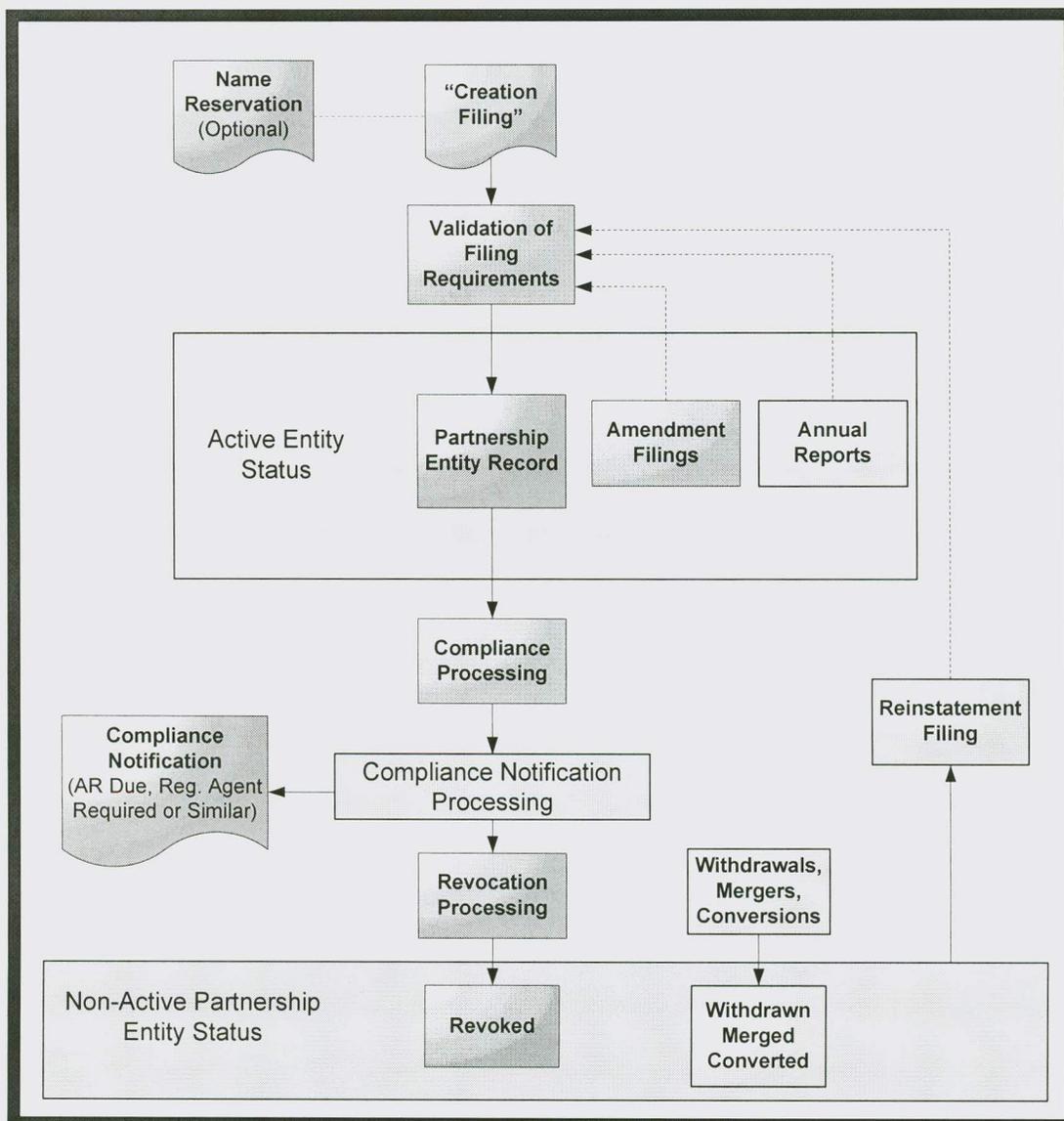
- Self-Service Financial transaction history
- Online Subscription purchase, renewal and fulfillment
- Manage Account Representative Details
- Online filing library
- Secured Question account information retrieval; password and account retrieval

SystemWORKS™ Online Self-Service User Account Creation

3. Corporations

SystemWORKS™ will provide full lifecycle processing of Corporations. From Name Reservation filings to initial registration, processing will continue with amendments and periodic filings such as annual reports. Functional support of the Corporations lifecycle will continue through any administrative revocations, voluntary withdrawal, merger, and reinstatement filings and related activities. For all filings processed in SystemWORKS™, the filing documents and related filing correspondence are maintained for the entities.

In the event a Corporation ceases to remain in business, SystemWORKS™ will support and maintain the historical activities and documents that occurred as part of the entities lifecycle. The following processing flow diagram details the high level steps for the processing of Corporations and related activities.

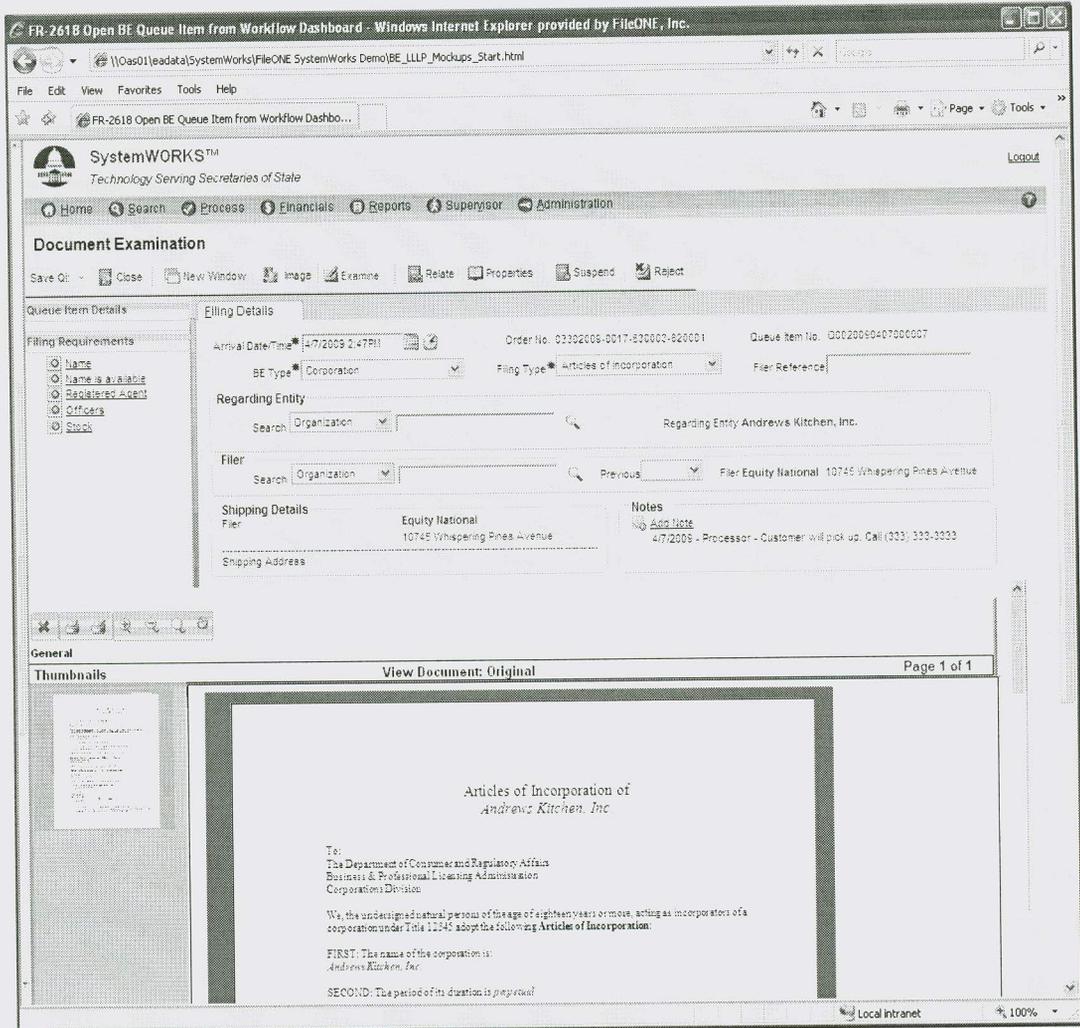


SystemWORKS™ High Level Corporations Lifecycle Processing Flow

FileONE's intuitive Corporations application is designed with the end-user in mind. From the moment the PRDOS staff begins using SystemWORKS™, they can quickly and accurately manage their Corporations processing needs. The following screen shots provide an overview of the SystemWORKS™ Corporations module.

**Corporations
Internal
Creation Filing**

**SystemWORKS™
Internal
Corporations**



Add Entity Details

SystemWORKS™
Internal
Corporations

Queue Item Details

Filing Requirements

- Name
- Name is available
- Registered Agent
- Officers
- Stock

Filing Checklist

- Signature present

Entity

Financial Settings

Filing History

Business Entity

Filing Details: Andrews Kitchen, Inc. (Corporation)

Business ID No.

Name: Andrews Kitchen, Inc. (Legal) | Addresses: 122 Main St. Cary, NC 27513 (Principal Office) | 621 J Street, City, State 01234 (Reg. Office) | Officers: John Andrews (Incorporator) | Julie Andrews (Incorporator)

Email | Phone/Fax | Reg. Agent RA Incorporated (Organization) | Stock Defined

Duration: perpetual | Creation Date: 4/7/2009 | AR Due Date: 4/8/2010 | Dissolution Date: | Purpose: | Domesticity: Domestic | Status: Active/Compla

Filing Activity

Filing Activity: Creation | Filing Type: Articles of Incorporation | Filed By: Filer

Arrival Date/Time: 4/7/2009 2:47PM | Effective Date/Time: 4/8/2009

Order No.: 03302009-0017-830003-820001 | Queue Item No.: Q0020090407000007 | Filer Reference:

Shipping Details

Filer: Equity National | 10745 Whispering Pines Avenue

Shipping Address

Notes

Add Note

Commit to Record | Save | Cancel

Filing Activities

Filing Activity	Filing Type	Effective Date/Time	Filed By	Order No.	Queue Item No.	Processor
			Filer			

Done | Local intranet | 100%

**Corporations
Creation Filing**

SystemWORKS™
Internal
Corporations

The screenshot shows a web browser window titled "Officers Modal - Windows Internet Explorer provided by FileONE, Inc.". The address bar shows a local file path. The browser has several tabs open, including "FR-2018 Open BE Queue It..." and "Officers Modal".

The main content area displays a "Business Entity Officers" modal form. The form has the following fields and options:

- Type: Individual, Organization
- Last Name: [Text Field], First Name: [Text Field], Middle Name: [Text Field]
- Salutation: [Dropdown: Sir], Office Held: [Dropdown: Incorporator], Title: [Dropdown: Mr.]
- Country: [Dropdown: USA]
- Line 1: [Text Field], Line 2: [Text Field], City: [Dropdown]
- State: [Dropdown: AL], Postal Code: [Text Field], County: [Dropdown]

At the bottom of the form are "Save" and "Cancel" buttons. Below the form is a table titled "Officers":

Status	Effective	Type	Office Held	Officer Name and Address	Change History
Current	1/1/2009	Individual	Incorporator	John Andrews 132 Main Street Cary, NC 27513	View

At the bottom of the modal, there is a "Ready" status bar. The browser's status bar at the bottom shows "Done", "Local intranet", and "100%" zoom.

**Add Entity
Details**

SystemWORKS™
Internal
Corporations

Addresses Modal - Windows Internet Explorer provided by FileONE, Inc.

File Edit View Favorites Tools Help

FR-2618 Open BE Queue Ite... Addresses Modal

Business Entity Addresses

Country: [Dropdown]

Line 1* [Text] Line 2 [Text] Line 3 [Text]

City [Dropdown] State* AL [Dropdown] Postal Code* [Text]

Type* Legal Mailing Main Office Principal Office Reg. Office

[Save] [Cancel]

Business Entity Addresses

Status	Bad	Effective	Type	Address	Change History
Current		9/1/2005	Principal Office	132 Main Street, Cary, NC 27513	

Ready

Entity

Financial Settings

Filing History

Business Entity

Shipping Details

Filer: Equity National

10745 Whispering Pines Avenue

Shipping Address

Notes

Add Note

**Automated
Commit Checklist**

SystemWORKS™
Internal
Corporations

The screenshot displays a web browser window titled "After clicking 'Commit to record' - Windows Internet Explorer provided by FileONE, Inc.". The address bar shows a local file path. The browser has two tabs open, with the active one being "After clicking 'Commit to r...".

The main content area is titled "Document Examination" and features a sidebar on the left with a tree view containing "Queue Item Details", "Filing Requirements", "Filing Checklist", "Entity", "Financial Settings", "Filing History", and "Business Entity". The "Filing Requirements" section is expanded, showing a checklist with items: "Name", "Name is available", "Registered Agent", and "Officers", all of which are checked.

A modal dialog box titled "Commit Checks & Filing Prompts" is centered on the screen. It contains the following sections:

- Filing Checklist:** A checked box for "Signature present".
- Filing Requirements:** A list of checked items: "Name", "Name is available", "Registered Agent", "Officers", and "Stock".
- Commit Actions:** Two checked items: "Change Business Entity Status to" (set to "Active") and "Change Queue Item Status to" (set to "Filed").
- Effective Date/Time:** A date field set to "4/8/2009 8:00AM".
- Buttons:** "OK" and "Cancel" buttons at the bottom.

The background interface also shows a "Queue Item Details" section with "Filing Requirements" and "Filing Checklist" sections, both containing checked items. The "Entity" section is visible in the sidebar. The "Commit Checks & Filing Prompts" dialog is overlaid on top of the main application window.

FileONE's internal implementation of SystemWORKS™ will allow the PRDOS to continue processing all existing filings for the existing Corporations types and filing types. SystemWORKS™ handles the following standard Corporations filing types.

- Creation Filings
 - Articles of Incorporation
 - Articles of Organization
 - Application for Certificate of Authorization
 - Application for Certificate of Registration
 - Statement of Authority

- Periodic Report Filings
 - Annual Report

- Amendment Filings
 - Application for Amended and Restated Certificate
 - Application for Amendment
 - Application for Amendment w/Name Change
 - Application for Restated Certificate
 - Application for Reinstatement
 - Restatement of Authority
 - Resignation of Registered Agent
 - Disassociation
 - Statement of Correction
 - Application for Conversion
 - Application for Merger
 - Application for Merger w/Name Change

- Corporations Name Filings
 - Application for Name Reservation
 - Name Reservation Renewal
 - Application for Name Registration
 - Name Registration Renewal
 - Application to Cancel Name Reservation
 - Notice of Transfer of Name Reservation
 - Notice of Transfer of Name Registration

- Dissolutions/Withdrawal Filings
 - Application for Cancellation
 - Application for Termination
 - Application for Withdrawal

- Corporations Compliance Processing
 - Dissolution Notice for Annual Reports
 - Administrative Dissolution -Registered Agent
 - Administrative Dissolution – Annual Registration

3.1 Corporations Record History

In addition to maintaining the filing event history with the filing images for all Corporations, SystemWORKS™ tracks and provides historical information for a number of different Corporations attributes. The name history of a corporation, the current and historical statuses for the corporation, the corporate history, as well as the registered agents that represented a corporation are maintained as part of SystemWORKS™ detailed entity record retention functionality.

3.2 Corporations Search

The ability to search for different Corporations will be performed online and internally. SystemWORKS™ users will have the ability to search for Corporations using the following search parameters:

- **Corporation Name** - Name history is maintained for all records; all active and former corporate names can be searched.
- **Corporation Address** – The addresses on record for an entity can be used to search and identify entities
- **Corporation File Numbers** – The most accurate way to search for and find a specific entity when the file number is available.
- **Officers** – Search by specific Corporate Officer names and Officer Types.

Corporations Search (Internal)

3.3 Entity Relationships

SystemWORKS™ provides relationships between different entities and individuals; the relationships between such entities are visible and evident in the application. The presentation of the relationship is based on the type of the relationship between the different records. For example, the ability to view a registered agent for a Corporation would be available on that an entity's record in SystemWORKS™. Users also have the ability to navigate to the registered agent entity to view specific detailed information for the registered agent.

3.4 Corporations Online Filings – Increased Processing Efficiency

FileONE will configure up to six unique filing types for either creation or amendment filings for each of the following corporation types:

New (Initial) Filings

- Corporations
- Saving and Credit Cooperatives
- Insurance Companies
- International Banking Center
- Professional Corporation
- Limited Liability Partnership
- Single-owner Corporation
- Worker's Union (Property)
- Consumer Cooperative
- Youth Cooperative
- City-Sponsored Corporation
- Limited Liability Corporation
- Foreign Corporation
- Foreign Limited Liability Corporation

Amendments

- Corporations
- Saving and Credit Cooperatives
- Insurance Companies
- International Banking Center
- Professional Corporation
- Limited Liability Partnership
- Worker's Union (Property)
- Consumer Cooperative
- City-Sponsored Corporation
- Limited Liability Corporation
- Foreign Corporation
- Foreign Limited Liability Corporation

Note that PRDOS may be required to confirm that its corporate data is accurate before offering amendments or annual reports for Corporations. PRDOS will be responsible for all efforts, including indexing and validation, to ensure data accuracy and completeness.

If PRDOS filing rules for a particular entity type requires additional documents or business rules not provided by SystemWORKS™, the application will allow users to complete the initial filing through the SystemWORKS™ online system. PRDOS can then provide additional filing steps/instructions to complete the online application or amendment.

3.5 Corporations – Online Orders

SystemWORKS™ will provide PRDOS with the ability to accept and fulfill Corporations orders online after validation the Corporations database is accurate and complete as outlined in Section 3.4 above. The following order types can be requested online:

- Certificate of Existence
- Certified Copies
- Plain Copies

The ability to order copies for the following documents online will be provided by SystemWORKS™ once the PRDOS has the images in an electronic format stored within SystemWORKS:

- Annual Report
- Application for Amended and Restated Certificate
- Application for Amendment
- Application for Amendment w/Name Change
- Application for Cancellation
- Application for Certificate of Registration
- Application for Merger
- Application for Merger w/Name Change
- Application for Name Reservation
- Application for Reinstatement
- Application for Restated Certificate
- Application to Cancel Name Reservation
- Dissolution Notice for Annual Reports
- DOS Administrative Dissolve Registered Agent
- DOS Amendment of Issued Certificate
- DOS Administrative Dissolve AR
- Statement of Authority
- Restatement of Authority
- Application for Certificate of Authorization
- Notice of Transfer /Name Reservation - Transfers
- Resignation of Registered Agent
- Disassociation
- Withdrawal
- Statement of Correction
- Application for Termination
- Application for Conversion

Users can order the certificates only if the document images exist for the specific entity. The ability to process orders for Certificates of Existence, certified, and plain copies can be performed internally, as well as online.

3.6 Compliance/Dissolution Processing

SystemWORKS™ will handle the creation of notifications for Corporations violating statutory requirements, such as failing to file annual reports. SystemWORKS™ will also handle the revocation of Corporations that fail to comply with such requirements.

Automated compliance processing reduces the amount of data entry required for processing expirations, dissolutions, and any other automated end date-based processing. The compliance notification process can update the status for the corporation at the time that the notification job is run to produce Dissolution Notices for Annual Reports, or other such notifications. Subsequently, a change in status for the revocation can be performed by the dissolution/ revocation jobs. These jobs are run subsequent to the processing of the compliance notification jobs that inform Corporations out of compliance. SystemWORKS™ will provide a report of entities or records eligible to lapse/expire or put into other types of delinquent status. If desired, the PRDOS can have the compliance job automated or triggered, based upon user review. If the review option is preferred, upon review and approval, PRDOS staff will trigger the compliance function that will produce appropriate documentation, update statutes, and/or provide correction expiration and related data updates to the Corporations records.

The following sections highlight the core SystemWORKS™ functionality, including the functionality for both the online and internal Corporations modules.

- Financial Processing: allows PRDOS to record filer payments, generate refunds and provide daily reconciliation to the main budget office
- Imaging & Document Management: provides upfront and back-end imaging capabilities to eliminate the costs and risk of handling manual paper
- Workflow & Configuration Management: provides automated workflow to streamline the data index process and allows PRDOS administrative staff to prevent backlogs
- Reporting: gives real-time, comprehensive details for almost any information stored in the system, including user productivity, filing history, etc.
- Online Functionality & Web-enablement: provides 24x7 access to PRDOS services and information
- Correspondence Management: provides system generated correspondence for PRDOS customers, including filing acceptance letters, renewal notices, and more
- Job Manager: allows the PRDOS to schedule events and jobs, such as periodic reports and customer notifications

4. SystemWORKS™ Financials

4.1 Financial Processing Overview

SystemWORKS™ provides financial management capabilities to support the PRDOS operations with efficient processing, including transaction processing, dishonored payment processing, refund processing, receivables management, complex payment logic and comprehensive reporting. Highlights of the SystemWORKS™ Financial capabilities include:

- Directly interface with the Puerto Rico Treasury Department
- Handling common payment methods including: cash, check, ACH*, as well as online credit card processing**, and card present (Swipe) credit card processing**.
- Direct ACH*, Credit Card**, and Deposit Account Reversal processing
NSF Checks, Stop Payments, GL adjustments, currency adjustments
- Processing Adjustments, Reversals, Deposit Decreases and Increases
- NSF Checks and Stop Payment
- Partial Payment Processing - apply partial payment and create a receivable due. Configurable to be restricted by customer account.
- Automated Bad Check Processing - Penalty and Correspondence Generation
- Custom processing for the receipt of a replacement payment for NSF
- Automated ACH Export, Notification of Funds available for Deposit
- Automated Overpayment Processing Logic

* ACH Processing Requires a bank or other financial institution to process payments.

** Credit Card Processing requires SystemWORKS™ to interface with a Credit Card payment processor. The PRDOS would need to contract with a credit card processing service through which the SystemWORKS™ application would communicate. An existing state agency relationship with a Credit Card vendor may be leveraged allowing the PRDOS to obtain affordable payment processing services.

4.2 Financial Interface

FileONE's SystemWORKS™ provides standardized financial export functionality to allow the PRDOS to interface with the treasury department. This streamlined back-end functionality allows SystemWORKS™ to interface with one external financial system to report the financial details to the financial system of record. A financial interface from SystemWORKS™ to the financial system in Puerto Rico will allow for automated financial reporting and improved processing efficiency for the PRDOS.

4.3 Receipt and Deposit Reconciliation

SystemWORKS™ Receipt and Deposit Reconciliation processing supports the reconciliation and deposit preparation for payments received. This multi-step process ensures that each payment received is correctly associated with related fees, balanced to ordered items (filings, requests, and services), and applied to the appropriate general ledger account. Additionally, system functionality enabling financial supervisors and/or fiscal office staff to reconcile and balance individual user reconciliations is incorporated into the reconciliation process.

4.4 Notification Processing

The generation of notifications for renewal letters and pre-populated filing forms for periodic filings, such as annual reports, can be produced with pre-configured jobs. Providing renewal and periodic filing reminders through SystemWORKS™ user friendly job management functionality reduces financial and compliance processing related to dissolutions and late payment processing.

4.5 Dishonored Payment Processing

SystemWORKS™ provides out of the box, advanced Dishonored Payment Processing functionality, supporting activities necessary for updating financial records, notifying customers, and applying related fees once the Fiscal office is made aware of a dishonored payment. When restitution of a dishonored payment is received, SystemWORKS™ payment processing allows for quick and easy resolution of outstanding payable amounts due.

4.6 Refund Processing

The Refund Processing Workflow automates the process for the generation, review and approval of refund requests, as well as updates to related Orders/invoices, correspondence to refund recipients and auditing of refund activity.

SystemWORKS™ provides the ability to process refunds for 'In-Kind' payment types directly from the SystemWORKS™ application. Transactions that are refunded for payment types of ACH, credit card, and pre-paid accounts can be processed directly through SystemWORKS™. This processing provides a quick and easy method for processing such refunds. All required financial reporting is subsequently performed. Specific personnel are required to perform segregated functions in this refunding process to ensure approval for disbursing refunds occurs by two disparate parties, thus providing additional financial control. The ability to refund credit card transactions requires functionality to be available from the payment processor (not provided by SystemWORKS™).

4.7 Receivables Processing

Receivables Processing Workflow automates detection of parties with amounts due and payable to the PRDOS office. Customer notifications can be generated on a scheduled basis in a batch (bulk) manner so the entities with a balance due are notified in a timely manner that payment is due. This automated and streamlined functionality allows PRDOS to better manage receivables and timely respond to situations where parties owe

funds due to NSF Check and other dishonored payments, or where PRDOS allows for periodic billing to specific customers.

4.8 Overpayment and Underpayment Processing

SystemWORKS™ provides stringent financial controls for the user during the receipt and intake process; all funds/payments received are accounted for in SystemWORKS™. Any overpayments received must be handled with a variety of configurable methods available, such as refunding the overpayment, depositing the funds as a processing fee (deposit/keep the overpayment funds), or applying the funds in a customer financial account to allow for subsequent use of the funds by the filer. SystemWORKS™ ensures that any user receipting funds properly allocates overpayment funds based on the configurable rules and accounting policies tailored to Puerto Rico's needs. SystemWORKS™ also enforces strict underpayment processing rules. For example, SystemWORKS™ is configurable to require full payment for all filings or require a rejection or other adjustment to complete receipting processing; thus enforcing the requirement that full payment must accompany a filing for acceptance. Should Puerto Rico elect to accept filings and requests without payment resulting in a balance due, SystemWORKS™ can be configured to allow for the acceptance and processing of such underpayments, thus producing a receivable balance due from the filer.

4.9 Financial Configuration

SystemWORKS™ provides a robust set of financial configurations including the following:

- Configurable Robust Fee Schedule
 - Configure payment logic for filing fees, late fees, penalties and other assessments
 - Configure fees by date range to allow for price changes and retroactive processing
- General Ledger Account Configurations – Apply revenue for receipts to the appropriate accounts
- Configuration of processing rules for overpayment and underpayment processing
- Customize correspondence for dishonored payment processing
- Configurable receivable/billing notification processing

SystemWORKS™ Financial Settings - Configure Fee

Name: BE Creation Filing - Corp | Description: Articles of Incorporation - Creation Filing | Category: Business Entity

Sub-category: Creation Filing | Fee Type: Fixed | Amount: \$250.00

From Date/Time: 10/1/2008 1:00 PM | To Date/Time: | Allow Quantities to be requested | Disabled

Select Associated Filing Type

LOB: Business Entity | LOB Type: Corporation | Filing Type: Articles of Incorporation

Transaction Type: | Amendment Type: | Act Filing Type: |

Allocation to GL Account

GL Account: 8-95-879-23 | Allocation Method: Percentage | Percentage: | |

Prioritization	GL Account	Allocation Method	Percentage (%)	Fixed Amount (\$)
1	501	Fixed Amount	0.00%	\$15.45
2	302	Fixed Amount	0.00%	\$1.55
3	503	Percentage	45.00%	\$9.00
4	U-11-111-11	Percentage	55.00%	\$8.00
Total Accounts: 4		Total: 100.00%		Total: \$17.00

Preview Allocation

Current Fee: \$250.00
 Fixed Allocation: \$15.45
 Fixed Allocation: \$1.55
 Percentage Allocated @45.00%: \$90.00
 Percentage Allocated @55.00%: \$81.00
Fee Balance - Non-Allocated: \$175.00

SystemWORKS™ Fee and General Ledger Configuration

4.10 Financial Accounts (Pre-Paid Customer Accounts)

Comprehensive Financial Account Reporting functionality includes:

- Reporting on source and consumption of all credit balance payments
- Detailed account balance and transaction history
- Minimum balance warning
- Ability to credit account for rejections, refund to account
- Online Reporting - transaction reconciliation, transaction history, balance details

4.11 Enhanced Financial Visibility

SystemWORKS™ will provide PRDOS with increased visibility to financials and financial related metrics. For example, Dashboards for receivables and refund processing provide real-time snapshots into current financial information. Filing Volume and Revenue Reports provide historical and financial statistics, such as an increase over previous period or same period in previous years by line of business or type, online vs. paper filing.

5. Imaging & Document Management

SystemWORKS™ provides comprehensive image repository and image management functionality. FileONE's proposed scope of effort includes providing Puerto Rico with the use of SystemWORKS™ embedded image repository and the application's extensive set of image management controls. With SystemWORKS' Imaging & Document Management tools, PRDOS will substantially reduce processing time and costs over the current labor intensive paper-based process.

SystemWORKS™ has been designed to be a centralized repository of documentation for the specific business services and processes it supports. Content such as word processing documents, e-mails, notifications, request forms, invoice statements, payment documents, support documents, certificates, and specific reports input into, or generated by, SystemWORKS™ will be maintained and made available consistent with PRDOS's specific retention policies.

These specific documents, certificates, e-mails, reports, and other items are logically associated with relevant objects in SystemWORKS™. For example, correspondence related to a specific entity will be accessed through that entity, financial reports will be available from relevant financial screens and functions, and certificate and copy requests will be associated with the specific requests for which the documentation was generated.

5.1 Image Management and Control

SystemWORKS™ provides a full suite of image management functionality for applications with document images. SystemWORKS™ document imaging functionality stores all of the images in the single, uniform database. This provides efficient centralized storage and access for all document images. The SystemWORKS™ application provides a number of user-friendly features and functions present in our document management solution

SystemWORKS™ includes an expansive set of features, providing PRDOS with the ability to manage images efficiently to meet business needs. The following highlights illustrate SystemWORKS™ image management functionality.

Image Management

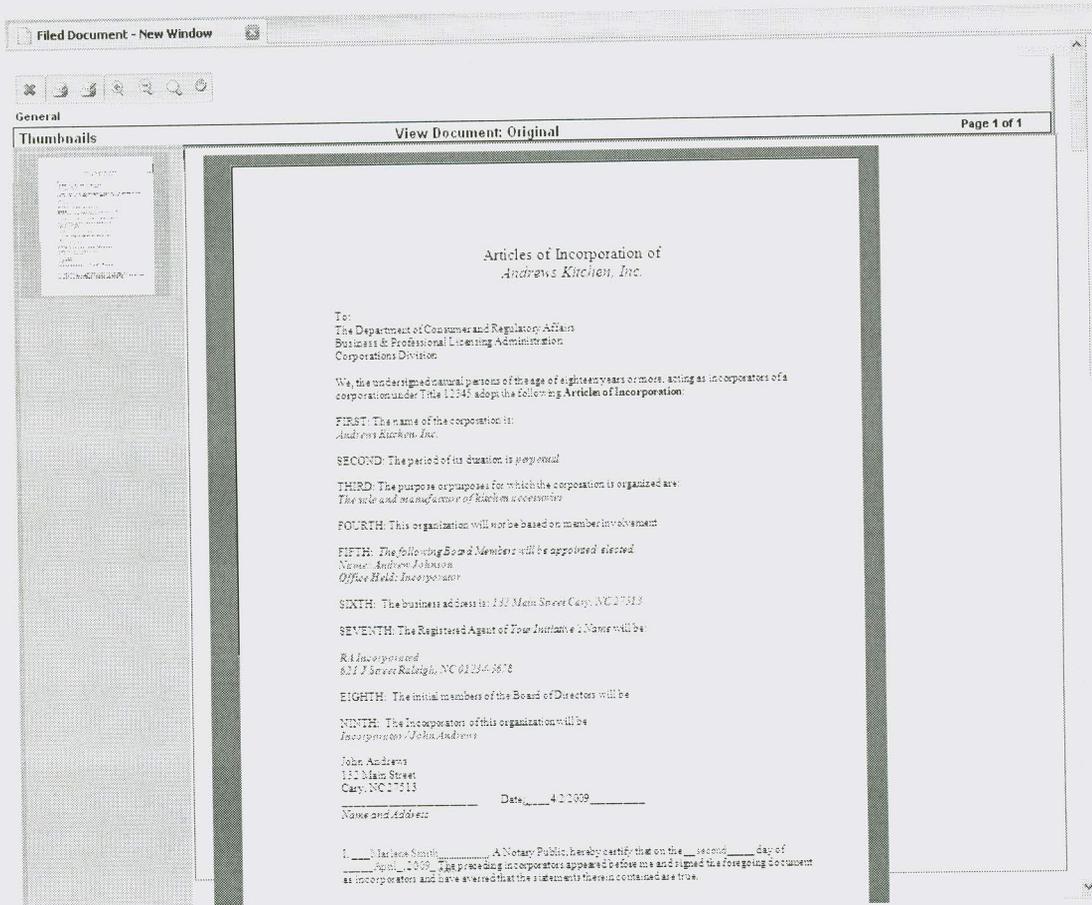
- Easily manage correspondence content
- Add and remove text annotations
- Add and remove redactions (manual)
- Drag-and-drop page management
- Improve Image
- Navigate through document using thumbnails
- De-skew images to straighten
- De-speckle provides further image clarity by removing specks from the image

Image Versioning

- Maintain and manage multiple image versions
- Always maintain copy of original image
- Specify which version is available to the public for viewing
- Save descriptive details related to changes in different image versions

Automated File Stamp/Image Burn

- Configure location of File Stamp/Image Burn
- Configure if a File Stamp/Image Burn is required by file type
- Configure content of File Stamp/Image Burn using text and available merge data



SystemWORKS™ Image Management and Editing Controls

5.2 Image Versioning – Enhanced Control

Each image file that moves through SystemWORKS™ is stored with versions. Based upon configuration, the initial unedited version of a document can always be maintained and accessed in SystemWORKS™. Any subsequent revisions to the image file, such as those modified by redaction or annotations, are saved as a separate version of the document. The image and version history allow for a visual representation of the changes to an image file over the life of that image. Additionally, for each new version of an image that is saved, PRDOS can require the entry of a description of the change by the system user.

5.3 Electronic Image Creation

Upon submission of an online filing, a filing image is created with the data from the online entry presented in the filing image. The filing image is saved and associated with the filing record automatically. As is true for a majority of all processing performed during online filing, the creation of the filing image does not require any intervention from PRDOS staff.

5.4 Historical Record Scanning

The Historical/Back Scan Processing in SystemWORKS™ provides the PRDOS with the functionality for scanning previously filed paper documents, including Corporations, into the application. The historical record scanning enables PRDOS to associate images of historical paper filings with the related SystemWORKS™ records,

including Corporate filing history. FileONE will provide the Historical Record Scanning tools to enable the PRDOS temporary staff to complete the scanning effort internally to reduce project costs.

5.5 Scanning

SystemWORKS™ accommodates scanning of multiple filing documents as a seamless step in the filing intake process. Each document scanned in batches (groups) will be identified automatically based on the bar codes placed on the documents. Individual scanning can also be performed on a document-by-document basis at several optional points in the intake and filing process. The re-scanning of multiple (batch) or individual documents is also available.

In SystemWORKS™, the scanning of documents is performed in a batch (group) fashion only after the filing types have been delineated and the images tagged with a bar code label allowing filings of different types to be scanned together. A barcode is placed on the first page of the document and the system assumes any subsequent pages without a barcode belong to the document preceding it. The system relies on the bar codes placed on the documents during the intake phase prior to scanning the batch.

To perform scanning in SystemWORKS™, a user will navigate to the scanning page and proceed to scan the batch or individual documents. The user will have the ability to view the scanned images. If the batch is accepted, the documents in the batch will be separated by the system and assigned to work items, based on bar codes placed on the documents prior to scanning. Any documents not automatically assigned by bar code can be assigned manually.

During scanning, the scanned images are automatically linked to specific work items. While viewing the particular work item for indexing and filing validation, the image related to the data file is always available for access and presentation in SystemWORKS.

6. Workflow & Configuration Management

The SystemWORKS™ application allows for flexible, configurable workflow for PRDOS key financial, processing, compliance, correspondence generation and reporting workflows – including the ability to configure individual workflows for each filing type. This robust feature of SystemWORKS™ results in maximum processing efficiency from initial intake through final approval, correspondence generation for each filing, and all related processes.

Throughout the analysis and implementation phase of the project, FileONE staff will work with PRDOS to identify the appropriate workflow configuration to support the business processes for each line of business to configure SystemWORKS™ to meet the specific needs of PRDOS.

SystemWORKS™ incorporates the following core, configurable workflows to ensure the specific needs of each processing area are properly supported.

CONFIGURABLE WORKFLOW ITEM	FUNCTIONAL OVERVIEW
Intake Processing	The Intake Processing Workflow supports the initial entry of Payer, Filer, Payment, Fee and Arrival Date and Time information into SystemWORKS™. Additionally, images are prepared for scanning and Queue Items are generated to track Documents and Filings through the remainder of their processing lifecycle.

CONFIGURABLE WORKFLOW ITEM	FUNCTIONAL OVERVIEW
<p>Image Processing and Reconciliation</p>	<p>SystemWORKS™ Image Processing and Reconciliation Workflow support all aspects of image creation, regeneration, manual redaction, versioning and scanning reconciliation.</p>
<p>Historical/Back Scan Processing</p>	<p>The Historical/Back Scan Processing Workflow enables PRDOS to associate images of historical paper filings with the appropriate, related SystemWORKS™ records, such as Entity filing history.</p>
<p>Document and Filing Processing</p>	<ul style="list-style-type: none"> • Internal: The Internal Document and Filing Processing Workflow support all filing, processing, compliance and approval/rejection steps for filings received in paper form. • Online: The Online Document and Filing Processing Workflow support all filing, processing, compliance and approvals for online filings. This includes routing online filing submissions to the appropriate PRDOS staff for a final approval/rejection decision and additional processing, where applicable, for a given filing type. • Order Processing: The Order Processing Workflow supports processing of requests for subscriptions, research, copies and certifications, and includes production of the requested fulfillment items and special fee calculations. • Approval and Correspondence Processing: Approval and Correspondence Processing supports accurate filing approval/rejection decision making using advanced, configurable validation rules. Additionally, return correspondence production based on filing type and approval decision is automatically generated for immediate or batch shipping.
<p>Financial Processing Workflow</p>	<ul style="list-style-type: none"> • Receivables Processing: Receivables Processing Workflow automates all detection and customer notification related to entities that have a balance due, such as dishonored payment processing or other processing resulting in payment due to the filing office. • Receipt and Deposit Reconciliation: Receipt and Deposit Reconciliation Workflow supports the reconciliation of and deposit preparation for payments received. This multi-step process ensures that each payment received is correctly associated with related fees, balanced to orders, and applied to the appropriate general ledger account.



CONFIGURABLE WORKFLOW ITEM	FUNCTIONAL OVERVIEW
	<ul style="list-style-type: none"> • Refunds: The Refund Processing Workflow automates the process for the generation, review and approval of refund requests, updates to related orders, correspondence to refund recipients and auditing of refund activity. • Dishonored Payments: Dishonored Payment Processing Workflow supports all activities necessary for updating orders, notifying customers and applying related fees once the Fiscal office is made aware of a dishonored payment. Note: When restitution of a dishonored payment is received, the Receivables Processing Workflow in engaged.
Notification Processing	The generation of notifications for renewal letters and pre-populated filing forms for periodic filings, such as annual reports/registrations.
Job Processing	The workflow involves the end-to-end processing of scheduled and manually triggered jobs including execution, error handling, and all requisite notifications.
Scheduled Report Generation	The automated generation and distribution of reports on a scheduled basis.
Compliance Processing	<ul style="list-style-type: none"> • Annual Registrations: Annual Registrations involve the processing of Annual Reports and similar high volume filings that occur during specific processing timeframes. Custom workflows are used to provide custom processing flows specific to the filings during the high volume filing periods. • Dissolutions: This workflow involves the processing of notifications, changes in status for entity and other records, changes in name availability and other updates common to compliance processing.

SystemWORKS™ provides the flexibility to change the workflow processing rules dynamically to enable the most efficient path for processing of work items in the system. This will allow PRDOS to adjust processing workflow from the default initial configuration workflow, if desired, to accommodate filing volume trends and forecasting. Workflow can be changed for individual users to help focus processing for specific lines of business, specific filing types, or any combination for lines of business and specific filing types. Similarly, SystemWORKS™ processing workflows and individual workflow steps can also include scheduling parameters so that PRDOS desired system functions can be performed at a specific time interval and configured to do so automatically.

6.1 Graphical Workflow Manager

SystemWORKS™ offers a graphical workflow tool allowing the end user to configure the workflow to meet their specific business needs. SystemWORKS™ Workflow Editor is designed to allow easy creation of new workflows or modification of existing workflows. The number of custom workflows that can be supported is unlimited, but will be based on specific business processing rules and custom user workflow configurations, with custom workflows developed for specific filings and processes.

To change or compose a new workflow, an authorized user accesses the SystemWORKS™ Workflow Editor, that launches the SystemWORKS™ graphical control. In this model, creating or editing specific workflow rules is performed via drag and drop. Individual workflow activities are dragged from a toolbox to the workflow pane and then configured for the desired behavior. Workflow has no limitation in terms of complexity or size (number of steps in a particular workflow rule).

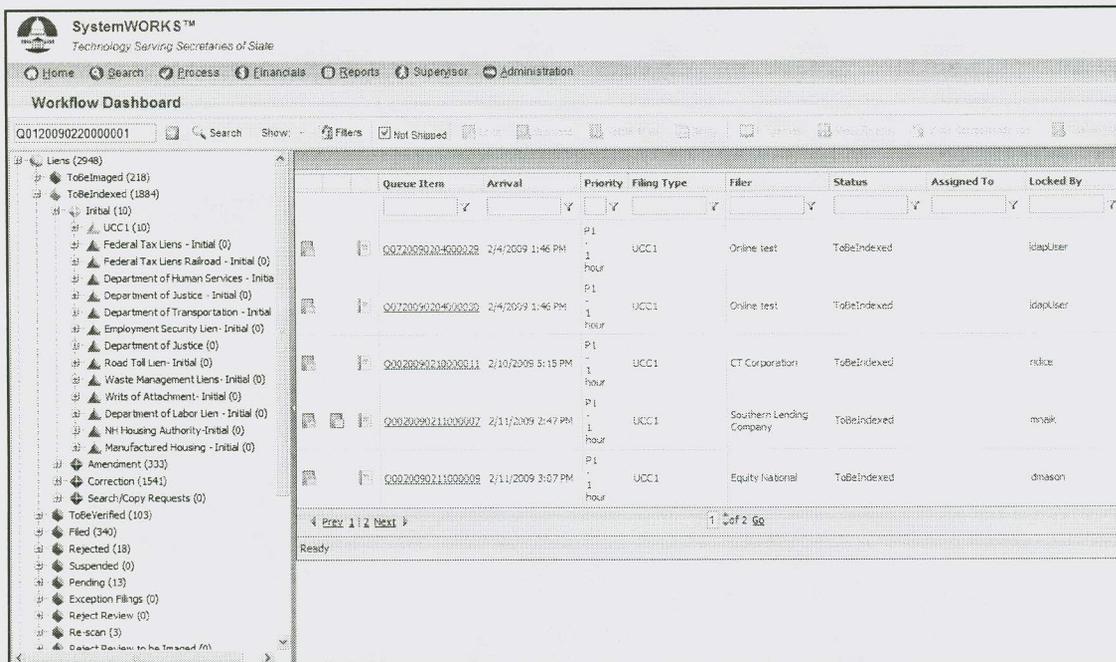
A high degree of control is provided to existing SystemWORKS™ functionality within a specific workflow process. E-mail, notifications, escalations, approvals, and progressions/workflow steps are simple workflow configurations in SystemWORKS.

6.2 Workflow Engine

The SystemWORKS™ Workflow Engine allows for events to be triggered automatically. The Workflow Engine processes workflows configured using the Workflow Editor, and is designed to efficiently execute complex processing rules in the workflow composition process. Each customized workflow processing rule integrates seamlessly to the Data Policy Manager to perform the customer validation and rules enforcement, while the Workflow Manager handles execution and progression of a logical work item through the filing process.

6.3 Image Recognition and Filing Routing

Upon image generation – either via scanning a paper filing or online submission - filings are automatically queued to a Workflow Dashboard, based on the workflow rules configuration.



SystemWORKS™ Workflow Dashboard

For example, upon scanning paper filings will appear ready for processing on a user's Workflow Dashboard, based on workflow processing assignments per line of business, job role, specific filing types, priority levels, and filings that arrive in certain date ranges. Work may be accessible to multiple users with a certain job function, or the work may be assigned to an individual user. Once a filing is opened for processing a work product, SystemWORKS™ will change its status to "In Progress" and display the name of the user currently processing the transaction. The workflow status and the user working on a filing may be easily viewed by other users, via the Workflow Dashboard.

Workflow functionality can vary by module type, as well as by specific functionality within each module. Workflow functionality is encapsulated in nature. This means the configuration for one work flow does not impact the configuration of another.

Using the integrated Workflow Engine, PRDOS can process online Corporations documents that require a manual step (e.g. name availability check or back scanning a record required for a certified document request) to complete the online filing/request.

6.4 Automated Work Item Prioritization and Assignment

For filings that require processing by specific user resources, specific workflows are created for specific users or groups of users. User workflow processing assignments can be adjusted authorizing the users to process all filings in a line of business specific filing types, filings with specific priority levels, and filings that arrived in certain date ranges.

The work items available for processing by a user will be governed by that user's current workflow processing assignments. Based on a user's workflow processing assignment, users will be automatically moved to the next work item (next filing in queue) based on their permissions. User workflow assignment settings can be changed by supervisors/managers at any time.

6.5 Business Rules Processing and Filing Validation

SystemWORKS™ Data Policy Manager and Workflow Manager controls allow for configuration of pre-defined business rules, for automated verification and validation for correctness and completeness of PRDOS document types. Additionally, many of these verifications and validations are made known to the user during processing giving the user visibility to the system-enforced rules in advance of processing and thus can more readily identify issues with regards to correctness and completeness.

6.6 Approval and Final Processing

Rule-based system verification and validation will be applied as applicable/possible for filings of all types and volumes. Approval of submitted documents is possible once compliance validation conditions are met. Users with permission to override compliance validation rules may also approve a filing. The following actions are triggered and automatically performed upon approving a document:

- Document achieves 'Filed' status, is part of the public record and is retrievable using all search methods.
- A 'Filed' version of the document is created and stored, and includes the official seal on the image, indicating PRDOS acceptance of the document. The seal incorporates information necessary to indicate official PRDOS acceptance, as specified by PRDOS, for each document type.

- Related correspondence to be shipped to the filer is generated, such a certificate, acknowledgement letter, or rejection letter, based on pre-configured templates created per specification of PRDOS.

Correspondence is viewable and editable prior to being produced and associated with the record of the filed document, and can be appended to the image of the filed document. Correspondence items can also be retrieved and recreated at any time after acceptance.

6.7 SystemWORKS™ – System Configurability

SystemWORKS™ is a highly configurable system and supports many customizable settings PRDOS can control. This configurability affords Puerto Rico the ability to more efficiently adapt to changes, such as new legislation or changing business rules. The following is a partial list of the system settings the PRDOS can configure in SystemWORKS:

Configuration Group	Configuration Setting
Entity Lookup Tables	<ul style="list-style-type: none"> ▪ Configuring Address Types ▪ Configuring E-mail Types ▪ Configuring Phone Types ▪ Editing Rows in Entity Lookup Tables
Financial Configuration	<ul style="list-style-type: none"> ▪ Adding a New Fee and GL Allocation ▪ Allocation to GL Accounts
Configuring Financial Lookup Tables	<ul style="list-style-type: none"> ▪ Configuring Fee Categories and Subcategories ▪ Configuring GL Accounts ▪ Configuring Payment Methods ▪ Editing Rows in Financial Lookup Tables ▪ Re-sequencing Rows
General Lookup Tables	<ul style="list-style-type: none"> ▪ Configuring Arrival Types ▪ Configure Note Types ▪ Editing a Queue Item Status ▪ Configuring Shipping Methods
Configuring the Document Imaging Options	<ul style="list-style-type: none"> ▪ Configuring a New Barcode ▪ Configuring Scanner Settings ▪ Configuring a New Electronic Stamp ▪ Editing and Deleting Settings
Jurisdiction Administration	<ul style="list-style-type: none"> ▪ Overview ▪ Navigation and Functionality ▪ Tab Labels and Descriptions ▪ Required Fields ▪ Searching/Filtering

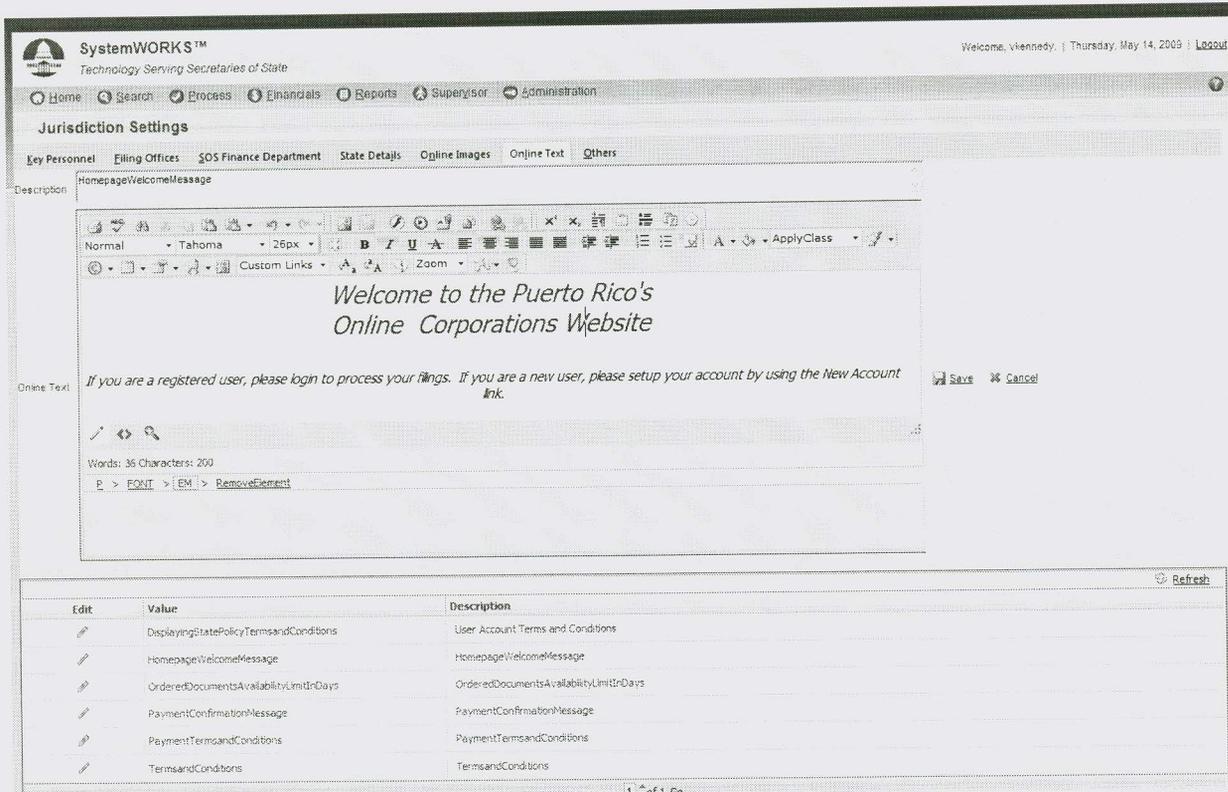
Configuration Group	Configuration Setting
	<ul style="list-style-type: none"> ▪ Configuration ▪ Date Ranges and Triggers
Filing Offices	<ul style="list-style-type: none"> ▪ Adding Filing Office Records ▪ Deleting Filing Office Records ▪ Editing Filing Office Records
Key Personnel	<ul style="list-style-type: none"> ▪ Adding Key Official/Personnel Records ▪ Deleting Key Official/Personnel Records ▪ Editing Key Official/Personnel Records
Others	<ul style="list-style-type: none"> ▪ Adding Other Information ▪ Deleting Other Information ▪ Editing Other Information
DOS Finance Department	<ul style="list-style-type: none"> ▪ Adding DOS Finance Department Records ▪ Deleting DOS Finance Department Records ▪ Editing DOS Finance Department Records
State Details	<ul style="list-style-type: none"> ▪ Adding State Details ▪ Deleting State Details ▪ Editing State Details
DOS Seal	<ul style="list-style-type: none"> ▪ Adding DOS Seal Settings ▪ Deleting DOS Seal Settings ▪ Editing DOS Seal Settings
Corporations Lookup Tables	<ul style="list-style-type: none"> ▪ Configuring Corporations Types ▪ Configuring Filing Types ▪ Configuring a Filing Category ▪ Configuring Amendment Types ▪ Configuring Amendment Actions ▪ Configuring Search Reports
Rejection Reasons	<ul style="list-style-type: none"> ▪ Adding a New Rejection Reason ▪ Assigning a Rejection Reason to another LOB ▪ Understanding Rejection Reasons Reporting
Indexing Configurations	<ul style="list-style-type: none"> ▪ Initial Filings ▪ Amendments Filings
Configuring Required Fields	<ul style="list-style-type: none"> ▪ Overview

Configuration Group	Configuration Setting
	<ul style="list-style-type: none"> ▪ Navigation and Functionality ▪ Searching/Filtering
Configuring Correspondence	<ul style="list-style-type: none"> ▪ Correspondence Templates ▪ Supported File Formats ▪ Correspondence Text Elements ▪ Correspondence Merge Fields ▪ Correspondence Categories Lookup Table ▪ Viewing Correspondence Merge Fields
Configuring Correspondence Templates	<ul style="list-style-type: none"> ▪ Adding/Editing Correspondence Templates ▪ Adding/Editing Template Versions ▪ Building a Correspondence Template ▪ Deleting Correspondence Templates ▪ Viewing the List of Templates ▪ Viewing/Previewing Correspondence Templates
Correspondence Text Elements	<ul style="list-style-type: none"> ▪ Adding/Editing Correspondence Text Elements ▪ Adding/Editing Text Element Versions ▪ Deleting a Correspondence Text Element ▪ Viewing a Text Element's Content
Correspondence Categories Lookup Tables	<ul style="list-style-type: none"> ▪ Configuring Correspondence Categories



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The screen shot below shows SystemWORKS™ configuration for the online Welcome homepage.



SystemWORKS™ - Online Text Editor

7. SystemWORKS™ Reporting Module

SystemWORKS™ provides a powerful, fully integrated reporting module that offers comprehensive reporting functionality to PRDOS by functional area.

SystemWORKS™ Reporting Module also contains a robust report generation designer that allows PRDOS staff to generate analytical reports, with the ability to select and include any or all data from related fields, views, and queries in the SystemWORKS™ database. These reports are flexible, re-usable, and can be published and exported in a variety of formats.

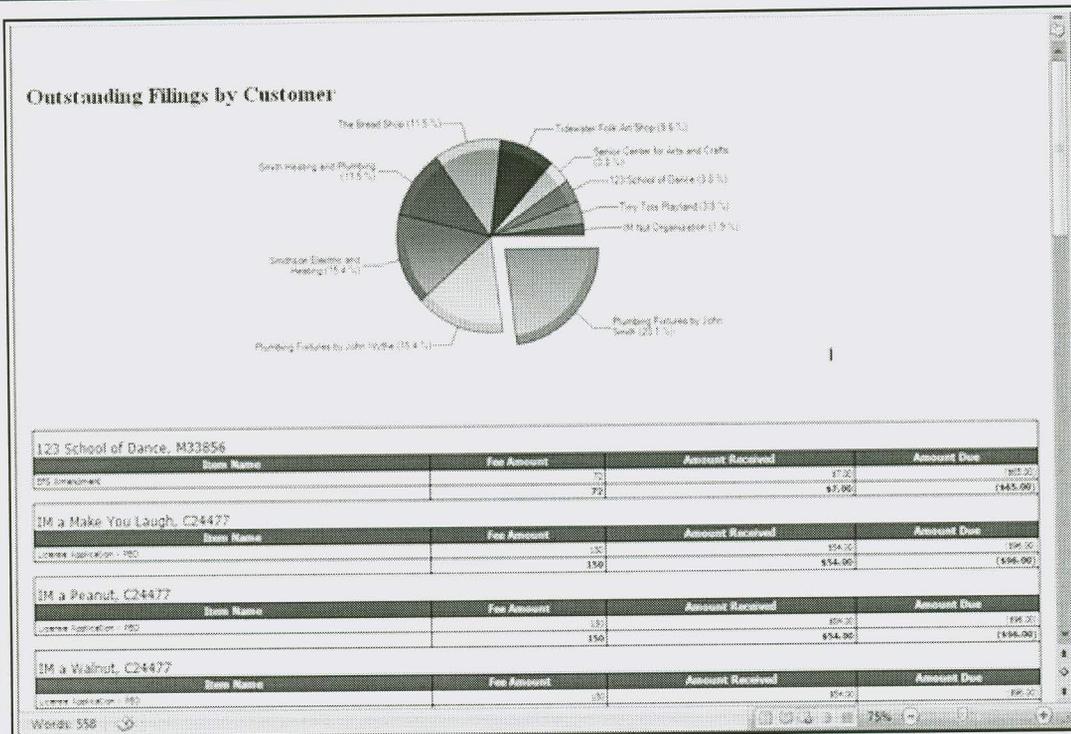
Specific reporting features provided by SystemWORKS™ include but are not limited to the following:

- **Automatically Receive Reports on a Scheduled Basis** - Specify custom schedules for report creation and automated e-mail distribution to specified e-mail recipients in any of the following formats:
 - XLS
 - PDF
 - HTML
 - CSV (Comma Separated Value)
 - Link to report (sends user to SystemWORKS™ to access the report directly)

- **Modify and Create Copies of Existing Reports** - Existing reports can be modified, reducing report development time (Save-As)
- **Flexible and Dynamic Smart Filters - Create Custom Parameters and Selection Criteria** – Select any of the elements present in a report so the element can be filtered. For example, if a report shows a list of filings by Entity, the filing types or the entities could be easily set to become selection criteria allowing a user to specify they want the report to return only new Corporations filings, return all filings for a specific entity, or combine the filing type and entity to show specific filing types for certain entities.
- **100% Graphical Report writer** - Graphically select report information to specify report criteria and presentation format; no SQL query writing is required.
- **Export reports in the following formats with the push of a button:**
 - PDF
 - Microsoft Excel
 - Microsoft Word
 - CSV (Comma Separated Value)
 - XML
 - HTML
 - Open Office Document
 - RTF (Rich Text Format)
- **Calculations, Formulas, Sorting and Subtotals** - Use graphical tools to perform the following:
 - Addition, Subtraction, Division, Multiplication
 - Sum, Subtotals, and Grand Totals
 - Group by functionality including automated functions to group data by Date, Day, Month, Year
 - Calculate Averages, Counts, Minimum and Maximum values
- **Interactive Reporting Drill Down** - Create reports with nearly unlimited drill-down capabilities to further levels of detail.
- **Interactive Linking - Navigate from Reports to the Relevant Data in SystemWORKS™** - Navigation to SystemWORKS™ Ad-Hoc Report tool is tightly coupled to application so that links from data in the reports can provide navigation to the relevant areas of the SystemWORKS™ application.
- **Great Looking High Impact Charts and Graphics** - SystemWORKS™ reporting module includes the ability to produce charts, along with data for graphical representation to generate:
 - Pie Charts
 - Line Charts
 - Bar Charts
 - Trend Charts
 - Dynamic Gauges for Performance Reports and Dashboards
- **Export SQL Query** - The SQL produced by using SystemWORKS™ report generation designer can be exported for use by the PRDOS for any other desired function.

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SystemWORKS™ Reports Sample

7.1 Existing Pre-Configured Reports

SystemWORKS™ provides a series of pre-configured reports provided in the SystemWORKS™ application. These reports are included in the scope of work for this project.

7.2 Generating Custom Reports

In addition to the provision of pre-configured reports, FileONE will develop up to 5 custom reports for PRDOS based upon specifications to be determined through analysis of PRDOS's business needs. Additionally, with our user-friendly report designer and the use of our database dictionary, PRDOS will be able to generate any number of additional custom reports internally.

The process for creating custom ad-hoc reports in SystemWORKS™ is straightforward and simple: select fields, views, or queries containing the relevant data for user or system performance; specify ranges and other parameters (e.g., date range) for items selected; specify output inclusions and format; and finally, generate the report. Formulas can be added before or after report generation, and provided in either a summary or detail format. Further analysis can be performed from within the report designer itself, or the report can be exported to another file format (e.g., Microsoft Excel compatible file format).

8. Correspondence Management

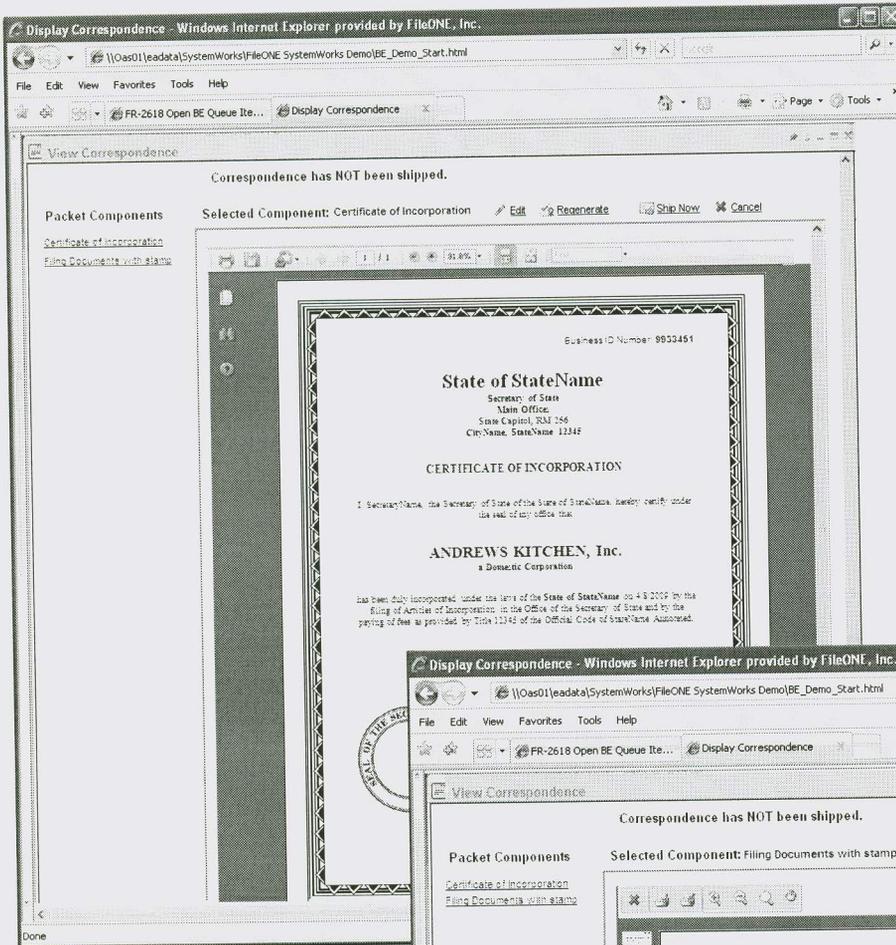
SystemWORKS™ provides users with an extensive suite of functionality to manage and generate return correspondence to filers and other PRDOS customers. The functionality to manage correspondence and other document types is robust and powerful; it has been designed to provide significant flexibility, efficiency, and control for the management of documentation produced by PRDOS.

SystemWORKS™ correspondence includes correspondence items to support PRDOS requirements for Corporations processing, including letters, certifications and other notices which PRDOS regularly sends to its customers in the course of processing filings and other requests. Initially, SystemWORKS™ will be configured with all necessary return correspondence templates for automatic correspondence generation for PRDOS.

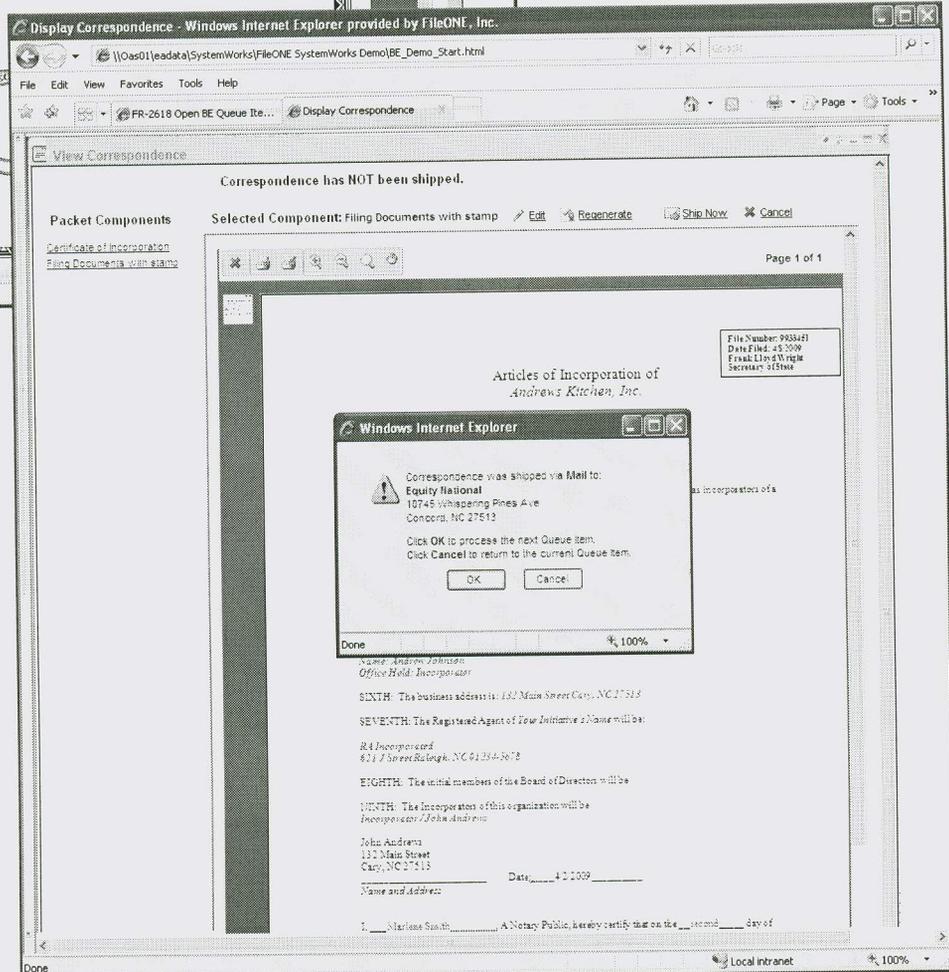
8.1 Correspondence Processing and Configuration

The Correspondence module additionally provides powerful features for the ongoing management of return correspondence, to address future needs for creation, modification and discontinuation of correspondence items.

- Seamlessly create, modify and discontinue correspondence items; such as letters, certifications and other notices sent to PRDOS customers
- Streamlined/Centralized management of paragraphs, headers and footers; changes for multiple documents can be performed one time and the change will be reflected in documents using the relevant header, footer, or paragraph
- Specify which documents are to be generated by filing type
- Maintain history and versioning for templates (configurations) of correspondence documents; includes acknowledgements, letters, certificates, and any other documents created using SystemWORKS™ correspondence and document configuration functionality
- Embed unlimited images in correspondence letters
- Create, edit, and reuse custom Merge headers and Merge footers, including merge paragraphs that can be applied across multiple document types
- Maintain version history for paragraphs, headers, and footers
- Create, edit and use paragraphs of text (merge paragraphs); these merge paragraphs can be used across different correspondence types
- Apply system specific data by selecting from an extensive library of Merge fields



View Correspondence
SystemWORKS™ Online
Corporations



Ship Correspondence

SystemWORKS™ Online
Corporations



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Initial correspondence configuration will be performed by FileONE; however the document management functionality provides the ability for the PRDOS to adapt, change, and modify generated documentation formats over time without the assistance of FileONE, and or additional software development. SystemWORKS™ is designed and developed to provide PRDOS users with the ability to modify and control format changes.

Name	Type	Category	Description
F-SOS Address	Footer	Liens	SOS Address

View	Version	Document	From Date	To Date
	3		12/02/2009	
	1		12/03/2008	12/02/2009
	2		12/02/2007	12/02/2008

Name	Type	Category	Description
Correspondence Header	Header	Entity	Test Header
H-SOS Correspondence Header	Header	Liens	Standard SOS Header
H-UCC Acknowledgement Letter	Header	Liens	Standard Verbiage for UCC Acknowledgement
Correspondence Acknowledgment	Paragraph	Entity	Test paragraph
Correspondence Filer Detail	Paragraph	General	Filer detail test
Correspondence Filing Details	Paragraph	General	Filing details
P-Filer Detail	Paragraph	Liens	Filer Details
P-Review Verbiage	Paragraph	Liens	Review Verbiage
P-UCC Acknowledgement Title	Paragraph	Liens	UCC Acknowledgement Title Verbiage
P-UCC Rejection Letter Details	Paragraph	Liens	UCC Rejection Letter Details
P-UCC Rejection Title	Paragraph	Liens	UCC Rejection Title Verbiage
P-UCC1 Filing Details	Paragraph	Liens	UCC1 Filing Details

SystemWORKS™ Header, Footer, and Paragraph Configuration with Version Control

8.2 Automatic Correspondence Generation, Packaging and Advanced Shipping Options

Correspondence is coupled with SystemWORKS™ workflows for automatic generation upon acceptance or approval of a filing, or fulfillment of a request. Correspondence items such as certificates, letters, filed-burned-copies (stamped copy) and other correspondence items configured per PRDOS specifications are produced automatically for shipping to the filer. Combined with automatic compliance validation, and business rules governing shipping method and scheduling, final processing and correspondence generation is efficient and accurate.

Final Processing and Correspondence Generation Steps

An asterisk (*) below denotes automatic SystemWORKS™ actions performed:

- Approve (or Reject) Filing or Fulfill request (User action)
 - Final validation *
 - Validate data entered using validation rules*
 - Validate related items, e.g. Payment, Image, Queue Item, Fulfillment Items*

- Final record creation *
 - Generate office file stamp burn to image*
 - Generate unique identifier, e.g. Business Identification Number, UCC File Number *
- Generate Correspondence, e.g. Copies, Certifications, Acknowledgement Letter, Filed-burned-copy (Stamped copy), or Rejection Letter*
- Flag as available for search*
- Post to web*
- Produce Correspondence for shipping to filer
 - Print*
 - E-mail*
 - Web post*
- Shipping mode*
 - Ship immediately
 - Queue for shipping batch job – nightly run or otherwise scheduled job

8.3 Batch renewal and reporting forms

The mass merge of data for renewal letters and related forms is offered in SystemWORKS™. Each type of specific correspondence to be produced in batch fashion utilizes the same configurable templates used for day-to-day correspondence generation, populated with data merged from the application in the correct format. Batch jobs can be scheduled to run periodically on a predefined basis, or can be executed manually based on the preference of PRDOS.

9. Job Manager

SystemWORKS™ includes a Job Manager module that allows for the scheduling of events and jobs such as reports, notifications, and batch processes. The Job Manager in SystemWORKS™ allows for the configuration of notifications for every job. For each job that is processed, a notification can be sent real-time to different parties upon job processing success, upon job processing errors, or for both scenarios.

SystemWORKS™ provides thorough job scheduling and management functionality in the Job Manager. The Job Manager Module provides the ability to:

- Schedule jobs including execution of sequenced and dependent jobs
- Execute Custom and Complex Processing Workflows
- Job Chaining
- Job Notifications
- Job History and History Reporting
- Configure Job Retention History
- Job Schedule Monitoring
- Manual Job Execution
- Notification Configuration
- Enable and Disable Existing Jobs

The following list represents a few examples of the type of jobs that can be managed through the SystemWORKS™ Job Manager:

- Renewal Letters and Other Mass Mailings
- Generation of Pro-Forma Reports

- Status Changes Such as Expirations of Name Reservations
- Compliance Processing Jobs Such as Entity Dissolutions
- Periodic Report Production

SystemWORKS™ Job Manager – Job Schedule Editor

9.1 General Filing Processing

The following, high level process is supported by SystemWORKS™ for paper filings and request processing and is configurable per PRDOS business rules.

9.1.1 Order Entry – Paper Filings (also referred to as Receipting or Intake Processing)

Order entry is the first step involved in processing paper filings and requires the entry of high level information about filings or requests, as well as the entry and processing of any related payments.

During order entry, basic data about a filing is captured and the payments are recorded; these actions provide the information needed for further processing. The detailed information for filings is typically entered in a later step, such as indexing.

Data Entered During Order Entry

To perform order entry, information regarding the filings and payments is recorded. At a minimum, the following items are captured:

- **Order Item Details (Filings and Requests)** – The filing type, request or service, related fees, the filer, and other details for each order item are entered into the system.
 - **Barcode Label** – A barcode label is produced for each document received that needs to be scanned; the barcode label is affixed to the filing for identification during scanning.
 - **Queue Item Produced** – For each order item that requires further processing, a Workflow Queue Item Number is produced for purposes of retrieving the item for subsequent processing after order entry.
- **Arrival Date and Time** – The date and time the filing was received by the DOS office: if received by mail, the arrival date/time will be 8:00AM of the day received. The actual date/time received is used for filings arriving by fax, other electronic means, overnight mail, and over-the-counter filings.
- **Payment Details** – Payment type, amount, the payer, and other information such as check number and amount, cash amount, etc.

Note: An order often contains more than one payment and/or filing. The additional payments and/or filings may often have their own associated payer and filer.

9.1.2 Scanning and Imaging

Scanning and imaging are typically done in the second phase of processing paper filings. In this phase, the system operator scans the filings and requests, creating a digital image of the received documents. The scanned images are then used for further processing, search and retrieval. This process eliminates the need to maintain the hard copy of the filings and thus provides significant efficiency for the remaining processing of each filing. The digital copy of the document also supports online search and retrieval of the filing once processing is completed. The following processing actions are performed during scanning and imaging:

- **Scanning** – Multi-page TIF images are created for each filing and automatically associated with a workflow record, along with the information captured during order entry, for later retrieval and further processing.
- **Image Validation and Reconciliation** – Once scanned, the scanning operator “reconciles” the images with the hard copy to ensure adequate image quality and scanning accuracy of the filing images.

9.1.3 Indexing

During indexing, a processor performs two primary functions: data entry and filing review. During indexing, detailed information about the filing is entered in the system, and the filing is initially validated for acceptance or rejection.

- **Data Entry** – Information from the filing forms is entered into the system so that it can be used as search criteria to retrieve the information at a later time.
- **Filing Review** – Review of the filing by the user is performed to ensure the filing meets all of the minimum filing requirements in that filing jurisdiction. Prior to acceptance of a filing, the filing will be submitted and the system will also perform validation based upon the data entered and configured business rules.

Once all data has been entered into the system during indexing, the filing is now ready for verification. If the jurisdiction does not require verification, the filing is submitted for final acceptance.

9.1.4 System Validation

At the end of verification, or indexing if verification is not performed, the filing is submitted. The system then performs validation on the submitted data to check that all of the required information has been entered and the proper filing rules are enforced. If system validation is successful after a filing is submitted, the filing is then committed to record and is available for subsequent search and retrieval as part of the public record.

9.1.5 Acceptance and Final Processing

When the filing is committed to record, a file number is generated, the date and time of the filing recorded, and the filing image stamped as approved by the DOS. The stamp placed on the filing typically contains the following information:

- **File Number**
- **Official Date and Time of Acceptance** – usually same as arrival date/time even though acceptance occurs later
- **DOS Office/Agency Name**
- **Secretary's Name** (or other official)

Once a filing is accepted or committed, final processing is performed. Final processing involves the generation and sending of correspondence. The following correspondence items are typically generated:

- **Acknowledgement Letter** – The generation of an acknowledgement letter detailing the filing was received, processed, and accepted by the DOS.
- **Stamped Copy of Filing** – A stamped copy of the original filing document is generated.
- **Order Summary (Invoice)** – A copy of the order summary detailing the filings processed and payments made.

The acknowledgement letter, stamped copy and order summary are sent to the filer or authorized third party. This may be sent to the filer via regular mail, e-mail, or fax, or held at the PRDOS counter for pickup by the filer.

The filing is now finalized and accepted in SystemWORKS™, is part of the public record filing submissions, and is available for search and retrieval.

9.1.6 Rejection Processing

Most filing types can be rejected at any time after the filing office has received the filing up to the point where the filing is accepted and committed to record. This means the filing can be rejected during initial processing or order entry, during indexing, and also during verification (if performed).

Based on configuration, acceptance of a filing can be reversed and the filing can be rejected if the payment provided for the filing is reversed, as in the case of a non-sufficient funds check (bad check), a rejected ACH payment, or a credit card chargeback.

10.0 Hardware and third party software

FileONE has proposed a fully hosted online and internal solution for the PRDOS and will maintain and host the server hardware required for the SystemWORKS™ solution. The hosted solution data center is SAS 70 Type II-certified, providing enterprise hosting and complex managed services. The data center offers multiple layers of

redundancy in power, HVAC, network connectivity and security. The data center is locally staffed 24/7/365 with a team of experienced engineers to ensure maximum uptime.

Desktop Client Computers at PRDOS

Desktop Computers

For PRDOS users who will not require a PC equipped with document or check scanners, barcode printers or credit card swipe peripherals, the following are the minimal and optimal PC specifications:

Minimal

Supported Operating Systems: Windows XP, Windows Vista, Windows 7

Processor: 1 GHz MHz Pentium processor or equivalent

RAM: 512 MB

Hard Disk: 20 GB with 25% free space

Display: 1024x768, 256 colors

Optimal

Supported Operating Systems: Windows XP, Windows Vista, Windows 7

Processor: 1 GHz Pentium processor or equivalent

Ram: 2GB

Hard Disk: 40 GB with 25% free space

Display: Dual displays, 20 inch wide screen format, capable of 1920 x 1080 resolution, 32 bit color. supporting video card with at least 256 meg of ram.

For PRDOS users who will require the use of document or check scanners, barcode printers or credit card swipe peripherals, the following are the minimal and optimal PC specifications:

Minimal

Supported Operating Systems: Windows XP, Windows Vista, Windows 7

Processor: 2GHz Pentium

Peripheral Connection Ports: USB, 1394, FireWire (matched to peripheral connector)

RAM: 1 GB

Hard Disk: 40 GB with 25% free space

Display: 1025 x 768, 256 colors

Optimal

Supported Operating Systems: Windows XP, Windows Vista, Windows 7

Processor: 2GHz Pentium with 2 processors

Peripheral Connection Ports: USB, 1394, FireWire (matched to peripheral connectors)

RAM: 2 GB

Hard Disk: 80 GB with 25% free space

Display: Dual displays, 20 inch wide screen format, capable of 1920 x 1080 resolution, 32 bit color. supporting video card with at least 256 meg of ram.

Section 3 - SystemWORKS™ Transactional Funding Pricing

FileONE's SystemWORKS™ Transactional Model pricing includes a complete hosted solution with no upfront investment by the PRDOS. The following annual transactional pricing includes all SystemWORKS™ functionality and ServiceWORKS™ implementation, hosting, enhancement and support services described in Section 2.

Corporation Type	Projected Year 1 Volume	FileONE Fee	Total FileONE Fees
For-Profit Formation	221	\$5	\$1,105
Non Profit Formation	176	\$1	\$176
LLC Formation	279	\$5	\$1,395
Amendments	600	\$2	\$1,200
AR For Profit	50,500	\$15	\$757,500
AR Non Profit	14,613	\$2	\$29,226
AR LLC	638	\$15	\$9,570
COGS	1,417	\$2	\$2,834
TOTALS	68,444	n/a	\$803,006

For any filings not included in the table above, the fees will be as follows:

PR DOS Filing Charge	FileONE Fee
\$1 - \$14	\$1
\$15 - \$24	\$2
\$25 - \$74	\$3
\$75 - \$99	\$4
\$100 and up	\$5
Annual Reports (annual filings) for Non-Profits	\$2
Annual Reports (annual filings) for all others	\$15

The summary table below provides the estimated transaction volumes and transaction fees for Year 2 through Year 5 of the contract. FileONE assumed a two percent growth in filing volume, compounded per year.

SystemWORKS™ Annual Fees	Estimated Transaction Fees
Year 1	\$803,006
Year 2	\$997,542
Year 3	\$1,017,502
Year 4	\$1,037,853
Year 5	\$1,058,629
Total 5-Year FileONE Transactional Revenue	\$4,914,532

[END OF ATTACHMENT 4]

