

**SETTLEMENT
AND
AMENDATORY ACCORD AND SATISFACTION
TO
AGREEMENT #5001382
BETWEEN
SPERRY CORPORATION AND THE IOWA LEGISLATIVE COUNCIL**

The terms and conditions of Agreement #5001382 between Sperry Corporation, hereinafter referred to as "Sperry" and the Iowa Legislative Council shall hereinafter be subject to this Settlement and Amendatory Accord and Satisfaction.

WITNESSETH:

WHEREAS, Sperry and the Iowa Legislative Council are parties to and obligated under a certain Agreement and attached Addendum, numbered 5001382 for the use and service of Sperry products, information, consultation and assistance, all of which dealings to be hereinafter referred to as the "subject transactions", and

WHEREAS, various disputes, miscommunications, allegations and differences have arisen between the parties from and after the inception of the subject transactions and to the date of these presents, and

WHEREAS, the parties intend on settling all disputes and claims between them and provide for the continuation of the subject transactions in an amended format,

NOW, THEREFORE, BE IT RESOLVED that the parties do hereby mutually agree as follows:

1. Sperry and the Iowa Legislative Council hereby agree and acknowledge unto the other the settlement of all disputes, claims and differences arising as a result of the subject transactions, and forever discharges the other, its successors and assigns of and from all manner of actions, suits, premises, variances, controversies, notice, claims and demands, in law or in equity, which against said other party it ever had by reason of the subject transactions, as defined herein, occurring heretofore and to the date of these presents, whether such dispute, claim or difference is known or unknown. It is understood by the parties that the facts in respect to which this Agreement is made may hereafter prove to be other than or different from the facts now thought to be known by the parties. Each party expressly accepts and assumes the risks of the facts proving to be different and each of the parties hereto agrees that all terms of this Agreement shall be in all respects effective and not subject to termination or rescission by any such difference in facts.

2. Sperry and the Iowa Legislative Council hereby agree and acknowledge unto the other that they shall remain bound unto their obligations and responsibilities under the terms and conditions of the Agreement and attached Addendum #5001382, except and to the extent such Agreement and attached Addendum #5001382 shall have been amended herein.

3. The parties hereto recognize the need for an ongoing interchange and interface between the staff members of the Iowa Legislative Council and the representatives of Sperry for the successful conclusion of the implementation tasks and activities. It is also acknowledged hereunder that the amount of support Sperry can reasonably anticipate to receive from certain staff members will undoubtedly be limited during the remaining period of the current legislative session due to the primary dedication of the staff members to the legislators. It shall be understood hereunder that during such remaining legislative session both parties will make available their appropriate staff members and expertise to work toward the conclusion and refinement of the tasks, functions and procedures as identified in the original agreement and

react, interface and interact with each other in a timely and productive manner; but utilizing flexible methods and scheduling procedures so as not to interfere with the primary dedication of the legislative staff members to the legislators. In any event Sperry's access to Legislative Service Bureau and House and Senate Legal Counsel's Office personnel shall not exceed five hours per week, unless more time is approved by the Iowa Legislative Council's Project Coordinator, until two weeks following adjournment of the legislature. All scheduling of time with legislative staff shall be at the sole discretion of the Iowa Legislative Council's Project Coordinator in consultation with legislative agency directors.

4. At the conclusion of the two week period immediately following adjournment of the legislative session both parties will extend their full cooperation and attention to the conclusion of the implementation process and refinement of the techniques, methods and procedures employed therein. During this period, at least one Legislative Service Bureau text operator will be assigned primarily to the implementation/refinement process. All other staff members will cooperate and be as fully available as possible without neglecting their regular legislative staff duties. It is agreed by the parties that Sperry will utilize legislative staff during the normal working hours of those persons which are 8 a.m. to 4:30 p.m., Monday - Friday unless special circumstances require other hours, in which case Sperry shall give the project coordinator reasonable notice of the need for availability of staff at other than normal working hours. Such legislative staff shall only be available at other than normal working hours upon mutual agreement between the parties. It is the stated intent of the parties to dedicate the above stated resources toward the completion of the applications which are the subject of this agreement. It is understood that the parties will cooperate with each other toward the accomplishment of this endeavor as a joint effort. In the event such efforts do not produce the results necessary to accomplish such intent, Sperry reserves the right to terminate this agreement, if after seven (7) calendar days notice of such deficiency the circumstances remain the same or have resulted in a failure to

accomplish such intent. The \$113,000.00 paid to Sperry for support services provided to date shall be refunded to the Iowa Legislative Council but Sperry shall refund such amount without prejudice to any rights, claims or causes of action that may exist.

5. During the period of the remaining legislative session and until August 29, 1984 Sperry agrees to schedule seminars, at no cost to the Iowa Legislative Council, for the purpose of demonstrating the functionalities, refinements and potential enhancements to the current applications. Such seminars will include at no charge education, training and consultation for appropriate staff members and may involve the interchange of new ideas, concepts and methods between the parties. It is further agreed that there have been no additional charges incurred to date, beyond the \$113,000.00 specified in the Agreement and Sperry will provide the Iowa Legislative Council with advance notice of any activity that will incur a charge for any activity on/or before August 29, 1984.

6. The Iowa Legislative Council will assign a management individual knowledgeable in the Iowa Code Publication Process, (authorized to make decisions on extent of the planned automation) and Sperry will utilize certain of its representatives, at no cost to the Iowa Legislative Council, toward the definition and preparation of the necessary application design (blueprint) that would be available for eventual implementation. Such person will be assigned on or before September 15, 1984. Such design will also provide time and cost estimates for Iowa Legislative Council review, approval and the basis for a contract for final implementation. The design will be prepared consistent with the methods described within The Application Design Process, attached as Exhibit B. The design does not require a specific time constraint for completion as it will be subject to review by the Iowa Legislative Council. Both parties will extend all reasonable efforts toward the timely completion of the application design.

7. The parties hereto understand the need for a transitional flow from the current methods of operation to the more sophisticated deployment and utilization of a large scale multifaceted data processing system. The parties agree that certain members of the legislative staff shall be designated to control and coordinate the day-to-day operation and utilization of the system.

The parties agree that the Iowa Legislative Council shall appoint a project coordinator and a Mapper coordinator. It is agreed by the parties that the duties of the Mapper coordinator may be supported by division into specific areas shared by three persons, one each from the areas of Fiscal, Text, and Word Processing.

It is agreed by the parties that the selection of individuals to fill these positions is within the sole discretion of the Iowa Legislative Council. It is further agreed that Sperry shall provide appropriate educational instruction to these persons in their duties, including Mapper instruction, at no additional cost to the Iowa Legislative Council.

The parties understand and recognize that Sperry has recommended that the Iowa Legislative Council hire and/or designate a person to act as a full-time Project Manager and that Sperry will assist and train such person in the use and maintenance of its system at no additional cost to the Iowa Legislative Council during the implementation process. It is understood by the Iowa Legislative Council that if this person is not hired until after the completion of the implementation process (August, 1984), the cost of training such person by Sperry will be an additional charge to the Iowa Legislative Council of approximately \$30,000.00. However, it is agreed by the parties that the failure of the Iowa Legislative Council to hire project staff will not prevent successful performance of this Accord and Satisfaction and the failure of the Iowa Legislative Council to hire project staff during the implementation process which is the subject of this amended Agreement, is in no way a breach of contract by the Iowa Legislative Council.

8. With the exception of the Recap Program and Production of Microfiche (Exhibit C), the Iowa Legislative Council has current responsibility for the management, maintenance, development and system coordination efforts in the Indexing, Fiscal and Office Automation applications. The acceptance of responsibility described in this paragraph does not constitute final acceptance of this Indexing, Fiscal and Office Automation applications.

9. The provisions of the original agreement relating to the Text Processing Acceptance Criteria shall be modified herein to provide for the following procedures:
 - (a) The Iowa Legislative Council and Sperry have jointly defined a functional description of criteria for Text Processing which must be demonstrated in the "System Test" (attached as Exhibit A).

 - (b) The responsible project staff for the parties will jointly develop a "System Test Agenda" by July 1, 1984 representative of the Legislative Staff Bureau environment. Legislative staff shall be available on reasonable notice by Sperry for preliminary (reiterative testing) and/or commencement of final testing.

 - (c) The testing will be undertaken under the control and monitoring of the parties and the results will be maintained and reviewed by the parties and reported to management with either **Final Acceptance** (System demonstrates required functionality stipulated to in the functional description of criteria for Text Processing, Exhibit A); or condition of **Material Deficiency** (System does not demonstrate the required functionality stipulated to in such Text Processing criteria, Exhibit A).

(d) The date of August 29, 1984 shall be the last date Sperry shall have available to conclude its testing procedures. In the event a valid Material Deficiency condition exists from and after that date, the Iowa Legislative Council may terminate this Agreement, as modified herein, without any further liability on the part of Sperry or the Iowa Legislative Council and the \$113,000.00 paid to Sperry for support services provided to date shall be refunded to the Iowa Legislative Council. Sperry and the Iowa Legislative Council agree that the time from the date of signing of this Agreement to August 29, 1984 shall be construed as a final period of cure and that time is of the essence in the cure of any Material Deficiency. The parties understand and agree the presence of one Material Deficiency as of August 29, 1984 shall be the basis of and may result in the written notice of termination of the contract by the affected party. Sperry also recognizes and understands that the cure must be effected, if at all, within the stated time period so that it does not interfere with the preparation for the 1985 legislative session.

(e) Sperry further understands and agrees that Sperry will voluntarily remove its equipment and personnel within fifteen (15) calendar days from the effective date of termination without further obligation to the State. The failure to remove such personnel and equipment as provided may result in liquidated damages to the Iowa Legislative Council at the rate of \$100.00 per day.

- (f) Whatever configuration, type and/or quantity of equipment and/or devices used to complete the "System Test" will remain after the conclusion of the System Test. If equipment was used during the test but not specifically contracted for by the Iowa Legislative Council such equipment will remain at no cost (rental or maintenance) for use by the Iowa Legislative Council. In the event the Iowa Legislative Council exercises its purchase option pursuant to this contract, such additional equipment may be acquired at no cost to the Legislative Council.
- (g) For a period of six (6) months following the conclusion of Final Acceptance, Sperry will continue to work with the Project Manager designated by the Iowa Legislative Council to refine and improve the procedures, functions and methods employed with the total system, and monitor and assist in the isolation and correction of minor flaws, error conditions or data imperfections, that may develop or surface, at no cost to the Iowa Legislative Council.
10. In the event the Iowa Legislative Council shall elect to exchange all or certain of the UTS-40 terminals for UTS-30 terminals (after system acceptance), Sperry agrees to perform any necessary reprogramming that may be required as a result of such exchange, at no cost to the Iowa Legislative Council.

IN WITNESS WHEREOF, the parties hereto have executed this Settlement and
Amendatory Accord and Satisfaction to Agreement #5001382 between Sperry
Corporation and the Iowa Legislative Council on the date set forth below.

ACCEPTANCE BY:
SPERRY CORPORATION

ACCEPTANCE BY:
IOWA LEGISLATIVE COUNCIL

G. D. Alexander
Signature G. D. Alexander

Signature

Vice President Central Ops
Title

Title

April 13, 1984
Date

Date