**EXHIBIT C: Contract Summary, Fees, Pricing and Billing for LMS Implementation**

Exhibit C is intended to serve as the initial scope of work for implementation and any license fees agreed upon.

Please see the following pages for Exhibit C pricing and terms

## EXECUTIVE SUMMARY OF COSTS

**One-Time Fees:**

* Standard Setup Fees - **$29,107**
* Optional Services and Customizations - **$26,694**
* **Setup Fee Total: - $55,801**

**Recurring Fees**:

* **Term**: 36 months from contract signature
* **License Fees**: **$40,000** per year (unlimited users – no counting required).

**Pricing notes on summary above**

* One-time fees are fixed and based on current knowledge of scope of implementation.
* Software License fees are guaranteed throughout contract term.
* License Fee includes hosting and related infrastructure fees to run the portal for the client.
* License fees are paid annually on contract anniversary date
* Billing to commence at contract signing
* Year 2 and 3 license fees have same terms as year 1 – unlimited users

## Pricing Fairness

* The majority of our work involves selling services to professional education organizations. Therefore, we approach pricing with an understanding of the challenges and operational environment that our clients face.
* **Each client situation is unique, and it is therefore important that we emphasize that our pricing listed here is based on current understanding, and purposely on the conservative side.** In each client pricing arrangement, we attempt to craft a model of licensing and one-time fees that fit the usage and scope in question.
* We underline our intent to pricing competitively, fairly, and with transparency.

## How Our Pricing Works

**Simple pricing model**

2 parts: 1) License fees, and 2) Setup costs.

Pricing follows a simple model: year one includes non-recurring start-up fees followed by license fees for the software once access to the software is transferred to the customer. Subsequent years only have the recurring license fee based on active users.

**Year 1**: the one-time costs to set-up the portal, and then licensing to use the platform.

**Years 2 and beyond**: just license fees as the recurring billing.

**Standard and Enterprise Packages**: There are two approaches to implementation**:** standard and enterprise. Standard implementations typically can support most learning organizations, especially those that are relatively newer programs, or smaller in scope of integration and configuration needs.

**What’s included in license fees**: license fees are the only recurring fees. License fees are inclusive of access to all modules of the system (unless otherwise outlined in contract), end-user support, maintenance, back-ups, new features, and new versions of the system. As a cloud-hosted SaaS provider (Software-as-a-Service) all customers receive and have the option to use all new standard features-­‐ with no additional costs.

## One-Time Costs

|  |  |
| --- | --- |
| **Exhibit C and Discovery** | The discovery phase will result in documenting the requirements for implementation of the learning portal.  A Scope of Work (SOW) document is the result and it details the specifications required in various project activities, including but not limited to: integration (with AMS, CRM, SSO, CMS, and other systems), configuration of features, branding/styling, migration of transcript data, setup of courses, and customizations (if applicable). |
| **One-Time Fees are Fixed-Firm** | All one-time fees as detailed in the SOW will be fixed firm, and based on the specifications documented in the Scope of Work (SOW). |
| **Starting of Work** | Implementation will commence once both parties sign the Scope of Work (SOW) within the time period outlined in the SOW. |
| **Reporting Project Hours and Costs** | All project hours and expenditures will be shared with client on a bi-monthly basis at minimum. |

**About the Discovery Phase:**

The Discovery Phase (requirements capture phase) fee for this MSA has been fixed as detailed in this exhibit, and shall be paid by Client upon signing of the MSA; provided, however, that Exhibit C shall not be final until signed by the parties.

Prior to beginning the Discovery Phase, YourMembership has estimated the remaining one-time fees as stated in this exhibit.

At the conclusion of the Discovery Phase, the actual remaining one-time fees will be determined and fixed.  If the parties are in agreement regarding the remaining one-time fees, an implementation Scope of Work (SOW) will be developed and signed by the parties.  Upon the signing of this SOW, setup of the Client’s learning portal will proceed according to the schedule agreed to. The parties agree that post-Discovery Phase, the services provided by the SOW will cost no more than a flat fixed fee of \_\_\_\_\_\_\_\_.

**DISCLAIMER**

**The following table reflects fixed ONE-TIME Fees for implementation.**

## Setup Fees:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **HRs** | **Line total** | **Description** |
| **Implementation services** |  |  |  |
| Product Consulting & Pre-Discovery | 4 | 607 | Review of high level requirements and match up / gap analysis of functionality on Crowd Wisdom with product experts |
| Discovery Phase One | 24 | 3,641 | A series of calls and or meetings with your key stakeholders to review strategy, document requirements, and plan implementation timing. This is for the initial release, and typically enterprise implementations will conduct a second phase for discovery. |
| Branding & Design | 24 | 3,641 | Based on use of an existing modern design templates the cost for Branding and Design may be reduced. |
| Integration of AMS/SSO | 24 | 3,641 | Integration with AMS. Integration includes SSO, Shopping Cart and course completion information push back to CRM |
| Configuration of Features & Widgets | 24 | 3,641 | YML will work with the client team to configure the widgets that are available on the learners dashboard that build additional engagement. |
| Project Management | 80 | 12,136 | Assuming 8 hrs. per week for 10 weeks. Dedicated Project Manager for implementation |
| Quality Control, Testing, Production Preparation & Review | 24 | 1,800 | Dedicated team members review all features and configs in multiple browsers and settings to ensure quality. |
| **Optional Services** |  |  | **These are optional services that we typically perform in implementations. Scope and detail are client-specific. If needed these are priced separately see below for details** |
| Course Migration & Set-up | 8 | 1,000 | YM team will migrate 3 educational activities to the LMS and train your team on the creation to walk thru the steps of assembly and the configuration settings. |
| Grades/Transcript Migration | 40 | 5,000 | Legacy grades and CEU to migrate to new system utilizing Holding Tank for estimated 60,000 records. |
| Feature Customizations | 0 | 0 | Development of custom features such as widgets, reporting, new pages, specified in requirements. |
| 3rd party integration - GoToWebinar | 0 | waived | Design and planning, integration and coordination for SSO integration with GoToWebinar. |
| 3rd party integration - DecisionSim | 8 | 1,480 | Assuming simple SSO integration - no other integrations |
| 3rd party integration - Webassessor | 24 | 3,641 | Suggestion here is to use our assessment engine that all our healthcare clients are using, as it is arguably the best in the field. |
| ABS Reporting | 16 | 2,573 |  |
| Testing & Survey Assistance | 0 | 0 | No formal tests or assessments are required |
| Training | 24 | 3,000 | Free for unlimited staff in virtual webinars for to 4 hrs. total. Additional hours can be arranged. Additional hrs. at $500 in 3 hour blocks.  Customized training, onsite training at a cost - starting @$1,000/day |
| Set-up of Client Specific Business rules | 0 | 0 | Creation of client-specific business rules as part of certificate/CE award. For Example, Roles-based certificates for various audiences to earn credit/certificate for the same activity. |
| Travel for onsite work in discovery | 0 | 3,000 | Estimated Travel cost anticipated. Travel estimate based on 3 people for 2 days of travel, lodging, and related expenses. To be preapproved by client- based on client-specific travel guidelines. |
| Maintenance of Certification Module | 0 | 7,000 | This is To Be Determined if needed. Configuration and setup of advanced modules, each with their own training and configuration costs, including: WarmSeat Module for live event session credit claim, b) Institutions module for institutional membership/group sales, and c) Self-assessment module. Per Module estimate is $7,000. License fees for each will be defined in contract. |
| Warm Seat Module | 0 | 0 | Event session claims module. We are suggesting to phase this in - with later releases. cost for setup is 5k-7k. License fees are part of your existing license fees. |
| Institutions Module | 0 | waived | This is To Be Determined if needed. Configuration and setup of advanced modules, each with their own training and configuration costs, including: WarmSeat Module for live event session credit claim, b) Institutions module for institutional membership/group sales, and c) Self-assessment module. Per Module estimate is $7,000. License fees for each will be defined in contract. |
| Custom domain name | 0 | waived | This fee is waived if you provide the custom domain (register, renew, etc.) |
| Other | **0** | 0 | Other one-time services could include: certificate re-design, graphic icon setup |
| Advanced support | **-** | 0 | Included in standard license fees is support for all end-user learners. Enterprise Support with dedicated senior team members and a dedicated engagement manager supporting 2 named admins start at $500/month. |
| OTHER: Pricing & Details TBD if necessary | **-** | 0 | TBD: \*Custom development deemed necessary by SAGES \*Migration of enrollment history with amounts paid |
| **Estimate of standard services** | 204 | 29,107 |  |
| **Estimate of optional services** | 120 | 26,694 |  |
| **Sub-Total all estimated fees** | **324** | **55,801** |  |
| Final adjustments |  |  | The standard hourly rates were decreased |
| **Total Cost Estimated** |  | **55,801** | Total estimated costs |

## RECURRING COST

* **Renewal year pricing**: To be mutually agreed upon **within 90 days prior** to term expiration. If no renewal agreement is made, same pricing and terms are renewed, the contract is auto renewed at the flat rate of \_\_\_\_\_\_\_\_\_ and said flat rate will continue to be charged for \_\_\_\_\_\_\_ years. At the conclusion of said renewal period, the parties will agree upon a new flat rate to be charged and the number of years that new flat rate will be charged. **Recurring fees are:** Software License and staging site, billed annually on anniversary date.

## License Limitations and Caps

|  |  |  |
| --- | --- | --- |
| **Item** | **Costs** | **Details** |
| Content Hosting Fee | $ 0 | YourMembership will provide hosting services for educational content uploaded to the learning platform. |
| Video Delivery | Included in license costs. See caps below | YourMembership will provide hosting services for educational content in stand-alone video format, on a specialized Content Delivery Network or hosting infrastructure. This specialized service has dedicated infrastructure especially designed for smooth video delivery. |
| Video Bandwidth Limits | 250 GB | Video streaming bandwidth limit per month |
| Video Overage Fees | $ 1 per GB over/month | Overage fees of $1 (one)/GB/MONTH |
| Course Storage Limits | 1 TB | Course storage per month |
| Admin support | Two (2) named | Standard agreements offer unlimited email support for one (1) named administrator. Additional staff can be supported as a professional service option. Enterprise license contracts offer two (2) named administrators as a standard, at no additional fees. |
| Custom Domain Fees | **$** | If client secures a custom domain, there is a one-time setup charge |

## Other Fees: Optional

|  |  |  |
| --- | --- | --- |
| **Item** | **Costs** | **Details** |
| Custom Domain Fees (Vanity URL) | **$** | If client secures a custom domain, there is a one-time setup charge |

## STANDARD RATE TABLE

Standard rates are evaluated and adjusted annually. Current year rates are as follows:

|  |  |  |
| --- | --- | --- |
| **Resource Type** | **Rate/Hour** | **Details** |
| Professional Services | **$185** | Including Project Manager and Data Resources |
| Development Services | **$225** | Including Design/Architecture for Feature Customizations |
| Integration Services | **$225** |  |

## Pricing and Term Details

|  |  |
| --- | --- |
| **What is included in one-time fees?** | * Typically, one-time fees include the costs related to discovery, configuration of features, integration with client’s systems, migration of content and or data, catalog setup, and initial customization of features. In summary, all the tasks related to preparing the site for a public launch. * The Discovery fees are the only one-time fee line item that is fixed at MSA signing, unless mutually agreed upon in writing. * At contract signing, the full cost of discovery billed. |
| **One-time fees billing** | One-time fees are billed based on milestones payments with key milestones at signing of Exhibit C and at pilot and production releases of the platform. |
| **Process of engagement** | For implementation, our process is as follows:   * Sign the Master Service Agreement for both parties to proceed to discovery at a fixed firm cost based on a set of hours necessary to conduct discovery. * Proceed thru discovery, and upon its completion, generate a Scope of Work (SOW) for implementation. * Proceed to implementation once both parties sign the SOW document. The SOW is a fixed firm bid contract detailing the scope of work to be done for implementation of your learning portal. It will detail all the work necessary to set the portal to your specifications. |
| **What is included in license fees** | License fees are the recurring fees associated with each active user of the system. License fees are inclusive of access to modules specified in scope (unless otherwise outlined in contract), end-user support as defined in Exhibit B, maintenance, back-ups, disaster recovery, new features, and new versions of the system. As a cloud-hosted SaaS provider (Software-as-a-Service), all clients receive and have the option to use all new standard features within modules in scope at no additional cost- unless otherwise detailed in writing. |
| **How is the license fee determined?** | License fees are fixed for the first three (3) years. Beginning at year four (4), license fees will be determined using the number of active users in a given year and applying the active user count to the Software License Table. |
| **Software License Table** | The Software License Table is broken into a series of tiers. Each tier represents a range of active users at a respective price; for example, one tier: 1,000 to 2,000 active users, is priced at a flat monthly fee for any range of users within this tier. See Software License Table in this document. This would mean that the organization anticipates up to 2,000 unique users to take at least one course or assessment. A definition of “active user” appears below. |
| **Active users defined** | An active user is defined as a learner who takes courses or tests. Participants using other parts of the LMS platform such as community, file sharing, or simply general visitors to the site (with a profile but just browsing) are not counted as active users when calculating license fees- these are “passive users” in our definition. An active user is an unlimited seat license per year- so that the learner counted will have unlimited access to all courses/tests each year. |
| **License Fee Calculation** | The number of active users is determined each year. The active user number is then applied to the Software License Table listed in this document to identify the range in which the number falls.  Due to the difficult nature of predicting usage, we work with our clients to set license pricing at mutually agreeable tiers, and also provide adequate check-ins to adjust pricing accordingly.  YourMembership team members will work with clients concerned at setting a tier. We have an established a process to monitor license tiers at 3 and 6 month intervals, and can adjust tiers at any time to better suit client usage. |
| **License fee milestone reviews** | YM team members will meet with client stakeholders to review License fees at three months and six months after launch, to allow the client organization to set license pricing accurately.  YM can also set milestones at 6 months and 12 months each contract year, to ensure the client that license billing accurately reflects the client usage. Therefore, all YourMembership license pricing in contract reflects a “pricing guarantee” from YourMembership, and pricing Active user counts may be lowered or increased based on actual usage. |
| **Billing** | The license fees are billed annually and commence at the time the contract is signed and then each year on the contract anniversary date. |
| **Renewals** | Renewal pricing to be mutually agreed upon **within 90 days prior to term expiration**. If there is no renewal agreement, the contract is auto renewed at the flat rate of \_\_\_\_\_\_\_\_\_ and said flat rate will continue to be charged for \_\_\_\_\_\_\_ years. At the conclusion of said renewal period, the parties will agree upon a new flat rate to be charged and the number of years that new flat rate will be charged. |

**IN WITNESS WHEREOF, the parties have executed this Exhibit C as of the Effective Date (signing date of client)**

|  |  |  |  |
| --- | --- | --- | --- |
| **YourMembership Inc.** | | **Society of American Gastrointestinal**  **and Endoscopic Surgeons** | |
| **Signature:** | **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | **Signature:** | **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |
| **Name:** | **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | **Name:** | **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |
| **Title:** | **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | **Title:** | **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |
| **Date:** | **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** | **Date:** | **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |