

Memorandum of Understanding

This MEMORANDUM OF UNDERSTANDING, dated as of this 28th day of January, 2020 (this "MOU"), is entered into between Milliman PRM Analytics ("PRM") and the San Francisco Property and Casualty Practice of Milliman, Inc. ("San Francisco") and sets forth the mutual intentions of PRM and San Francisco relating to IT infrastructure management and security services provided by PRM to San Francisco for their Pixel application and related infrastructure.

RECITALS

- A. PRM has staff expertise in software development, IT management, network security, and cloud computing.
- B. San Francisco has an internet-based product offering, Pixel, for which they require assistance with IT management and security.

The terms and conditions that shall apply are described herein.

TERMS

1. San Francisco will maintain relationships, license agreements, and support agreements with software vendors necessary to maintain Pixel.
2. PRM will procure and manage cloud infrastructure as needed to support the continued operation of Pixel. This includes installing software and anti-malware updates on all virtual machines and monitoring system performance and availability.
3. Infrastructure costs shall be paid by San Francisco.
4. PRM will provide infrastructure support to San Francisco staff during regular business hours via PRM's help desk system. Tickets may be opened by emailing prm.security@milliman.com. Regular business hours are Monday through Friday 9am – 4pm ET, excluding PRM practice holidays. This support is limited to infrastructure and security and does not include application support for end-users.
5. PRM will update software dependencies and other core technologies no less than annually and deploy the updated Pixel code.
6. San Francisco will provide support to users of Pixel.
7. PRM infrastructure and security staff will be available to meet regularly with San Francisco's Pixel operations and support staff. Initially, a monthly teleconference with checklist items will be established.
8. PRM will minimize work disruption due to system maintenance to the extent practicable. San Francisco will provide the service levels and uptime provisions in the Software License Agreement for Pixel and PRM will notify San Francisco anytime these commitments may not be met.

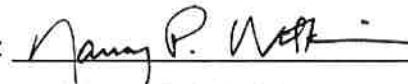
- 9.** PRM will notify San Francisco staff of any scheduled maintenance windows for systems created or maintained by PRM under this agreement at least 24 hours in advance.
- 10.** San Francisco must include PRM in the completion of security questionnaires from clients of San Francisco regarding Pixel. All time incurred by PRM staff in the process of completing questionnaires will be billed at a rate of \$200 per hour.
- 11.** San Francisco must get approval from PRM on any contractual obligations relating to Pixel before entering into new agreements. PRM will be expected to use the ELM system to track documents.
- 12.** PRM will assist San Francisco with completing third-party audits regarding Pixel at no additional cost when the audit is required by Milliman.
- 13.** PRM will engage Milliman GCS Security staff no less than annually to perform security testing.
- 14.** Any identified security issues that require custom software development to resolve will be remediated at a cost of \$200/hour.
- 15.** Security issues that can be resolved only with infrastructure changes will be remediated at no additional cost.
- 16.** This agreement does not include software feature development services. PRM may advise on scope and rates for application feature development services as requested by San Francisco, which services would be subject to a separate term sheet.
- 17.** San Francisco shall pay PRM the greater of \$150,000 or 20% of revenue derived from Pixel and products delivered on Pixel, on a calendar year basis, up to a maximum of \$1,000,000 and 10% of revenue beyond \$1,000,000. The first year will be pro-rated to the date this agreement is signed.
- 18.** San Francisco will be invoiced quarterly. The first three quarters of the year will be invoiced at \$37,500 (one fourth of \$150,000). The fourth quarter invoice will include any additional payment required for revenue sharing as outlined in item 17.
- 19.** The first quarterly invoice will include an additional \$50,000 implementation fee. The initial implementation period includes work to procure access to all existing application code and documentation, as well as taking control of the existing infrastructure.
- 20.** Either party may terminate this agreement with 180 days' notice. Upon termination of the agreement, PRM will provide to San Francisco all application code and documentation, as well as any credentials and permissions required on servers or related infrastructure. San Francisco staff will then assume responsibility for infrastructure management and terminate PRM staff's access to Pixel infrastructure.

IN WITNESS WHEREOF, the Parties have executed this MOU as of the date first written above.

PRM Analytics

San Francisco Practice

By: 
Name: Shea Parkes
Title: Principal

By: 
Name: Nancy P. Watkins
Title: Principal & Consulting Actuary

