Proposal

LexLibris

Attn: Andres Rodriguez

Private and Confidential

Overview:

The LexLibris online platform will be designed to improve the legal documentation processing and management time that is a necessary part of most client interactions. As a result of the implementation of the LexLibris, the firm will be able to provide a higher level of customer service, operate more quickly and efficiently than if documentation processes were managed manually, and reduce operating costs associated with client interactions and legal procedures, especially as they relate to corporate transactions, reporting, and recording of billable hours.

Objectives:

Design and develop a digital platform that:

1. Allows for the easy uploading, storage and retrieval of legal documentation in digital formats to improve efficiency and reduce costs related to documentation processing and management.
2. Allows for the extraction of key data from these documents for the purposes of generating unique reports and dashboard tools that are accessible to both the firm and the client.
3. Alerts both the firm and the client when important due dates, times and actions related to the documentation are pending (dashboard icons, internal messaging, and email).
4. Allows for the integration of certain key functionality with popular 3rd party platforms (Outlook, Google Apps).
5. Includes a timing system for the recording of billable hours spent working with the documentation and the products it generates.
6. Includes an integrated online payment system.
7. Allows for the future integration of modules that offer enhanced functionality to the overall user experience, specifically a module related to managing the documentation and processes related to corporate due diligence.

Project Components:

The LexLibris development includes the following:

Phase 1:

1. Development of the platform User Experience (UX) map documentation.
2. Development of core database and related functionality (accounts, categories, tags and search).

3. Design and development of the Graphic User Interface (GUI) for up to 8 different account types.
4. Integration of document scanning system (Integration does not include price per document for the scanning process; 3rd party service).
5. Design and development of individual and group document mark-up and notification tools.
6. Design and development of the reporting system, including 10 report templates.
7. Integration of the billable hours timing system and calculator.
8. Integration of internal communication channels (contacts, internal private messaging, chat, forum)
9. Integration of the email alert system (3rd party service).
10. Integration of internal Calendar.
11. Integration of the online payment system (3rd party service).
12. Integration of sharing functionality with popular 3rd party platforms (Outlook, Google Apps).
13. Related documentation (User Manual, Terms and Conditions template).
14. Related project management services throughout the development process up to launch (creation of UX Map documentation, establishing the project timeline and deliverables, coordination of any 3rd party vendor or vendors, server set up and software installation, centralized point of contact with client).
15. 3 months of technical support (12 hours per month).

Estimated Price and Delivery:

Total Estimated Price: $27,000.00 USD (includes IVA)

Estimated delivery time: 5 to 6 months

Price does not include:

1. Purchase of platform domain name (estimated cost is $10.00 to $15.00 USD per year).
2. Population of the database beyond account types and content categories.
3. Creation of specific user accounts, user profiles or organization profiles.
4. Document scanning or data entry.
5. Hosting and/or server costs and related security certification (estimated cost is $80.00 to $100.00 per month for hosting; Certification is approximately $70.00 per year).
6. Monthly license for use of 3rd party mass email system (SMTP is recommended; estimated cost is $25.00 per month).
7. Monthly costs related to the functionality of the online payment (usually 3% to 5% of total billable amount of each transaction, and potentially a monthly service fee).

Document scanning costs:

The advantages of using a standardized digital scanning process include:

1. Reduce the time required to enter the document into the system and extract key data from the document. Normally, a human user would need to review the physical document, identify the key information, manually type this information into the system, and then scan the entire document to digitize it. Using an advanced digitalization process, once the human user has scanned the

entire document, the system will automatically extract the key information required for storage in the database tables and then process the rest of the document.

2. Reduce potential for human error when manually entering data into the system from a physical document. By making the human user only responsible for the scanning process and removing the need for human review of the document and data entry, the potential for error is greatly reduced.

3. Increased efficiency with data entry and reduced data entry error rates reduce process and operational costs.

The price per page will depend on the format of the document (standard form, standard document format (contract template), free-form text, typed or handwritten). Since legal documentation can include a variety of document format types, the following prices are estimates. For scanning purposes, a dual functionality process is recommended:

1. Best Pass scan: This process is similar to a standard Optical Character Recognition (OCR) scan, with a transference accuracy rate of 99% (dependent on document format and text type). Pages scanned using the "Best Pass" system will be key word searchable, but the data within the page will not be extracted for use in other database processes or functions (for example dashboard tools, reports or alerts). This process usually costs between $0.05 and $0.10 per page depending on volume.

2. 100% accuracy: Using the 100% accuracy systems, key data (case numbers, names, addresses, dates, etc.) is identified on the page, extracted and entered into the database for use in other database processes and functions (for example dashboard tools, reports or alerts). This process works especially well with standardized forms but can be applied to other document formats and text types (for example, handwritten court records). This process usually costs between $0.75 and $1.25 per page depending on volume and the document format and text type (typed or handwritten).

Using this dual functionality scanning process, the key data that needs to be extracted from each document type (contract, certificate, form, court notes, etc.) would be first be identified and processed using the 100% accuracy system. Once this key data has been extracted, the remainder of the document would be digitized using a Best Pass scan. This allows for the retention of key data in each document for use in database functions without the cost of scanning the entire document using the Best Pass process.

Example

The average contract is 50 pages in length and uses a standard format with typed text. Approximately 15% of the data in each contract is key data (names, dates, addresses, or document numbers) that is needed for other database processes (generating reports, activating alerts, etc.). The remainder of the information in the contract is not required for database functions. Therefore, the 100% accuracy scan will be used to extract the 15% of the key data and the Best Pass Scan will be used for the remaining 85% of the document. The price for scanning and digitizing this document would be approximately:

8 pages X $1.00 = $8.00

42 pages X $0.07 = $2.94

Total price per document = $10.94

Phase 2:

Phase 2 of the platform development will focus on design, development and integration of the Due Diligence module, with the following functionality:

1. Creation of Project Files which can store multiple documents related to one due diligence process and be shared between multiple users from different Organization Accounts.
2. Additional reporting templates (number to be determined).
3. Design and Development of a customized Project Management Tool for due diligence processes.

Estimated Price and Delivery:

Total Estimated Price: $5000.00 USD to $7000.00 USD (includes IVA)

Estimated delivery time: 6 to 8 weeks

Payment Schedule
1. First Payment: 60% of the total Phase 1 price due upon start of Phase 1.
2. Second Payment: 20% of the total Phase 1 price due in month 4 of Phase 1.
3. Third Payment: 20% of the total Phase 1 price due upon completion of Phase 1.
4. Fourth Payment: 60% of the total Phase 2 price due upon start of Phase 2.
5. Fifth Payment: 40% of the total Phase 2 price due upon completion of Phase 2.

All payments are due within five (5) business days of the customer's receipt of the invoice.

Estimated Total Platform Development Price for 2 Phases: $32,000.00 to $34,000.00 USD

Terms and Conditions:

Project Cancellations:

Within 15 days after Project Start Date: If the customer determines the need cancel the project for any reason other than a failure on the part of the provider to provide the products and services outlined above in a satisfactory manner, within a period of 15 calendar days after the Project start date, the customer will be refunded the amount of the initial payment minus the total amount of any costs incurred by the provider for work already completed or services already delivered. The customer will be solely responsible for the payment of any on-going fees or cancellation fees owed to any 3rd party vendors (e.g. hosting services, payment management services, automated email services, advertising or public relations services) as a result of the cancellation of the project. At no time and in no way can the provider be held liable for these payments. At no time and in no way can the provider be held liable or responsible for any penalties incurred or damages suffered by the customer (financial, legal, or other) which result, directly or indirectly, from a cancellation of the project at the request of the customer.

Within 16 to 30 days after Project Start Date: If the customer determines the need cancel the project for any reason other than a failure on the part of the provider to provide the products and services outlined above in a satisfactory manner, within a period of 16 to 30 calendar days after the Project start date, the customer will forfeit the total amount of the initial payment to the provider. The customer will be solely responsible for the payment of any on-going fees or cancellation fees owed to any 3rd party vendors (e.g. hosting services, payment management services, automated email services, advertising or public relations services) as a result of the cancellation of the project. At no time and in no way can the provider be held liable for these payments. At no time and in no way can the provider be held liable or responsible for any penalties incurred or damages suffered by the customer (financial, legal, or other) which result, directly or indirectly, from a cancellation of the project at the request of the customer.

31 days after Project Start Date or later: If the customer determines the need cancel the project for any reason other than a failure on the part of the provider to provide the products and services outlined above in a satisfactory manner, on a date 31 days after the Project start date or later, the customer will forfeit the amount of the initial payment to the provider and will additionally be invoiced for an amount equal to the total amount of the costs incurred by the provider for work already completed or services already delivered up to the date of cancellation, should that amount be greater than the total of the initial payment. The customer will be solely responsible for the payment of any on-going fees or cancellation fees owed to any 3rd party vendors (e.g. hosting services, payment management services, automated email services, advertising or public relations services) as a result of the cancellation of the project. At no time and in no way can the provider be held liable for these payments. At no time and in no way can the provider be held liable or responsible for any penalties incurred or damages suffered by the customer (financial, legal, or other) which result, directly or indirectly, from a cancellation of the project at the request of the customer.

Delay of Payment:
If the customer is late with a payment by 14 calendar days or more, the provider reserves the right to cease any and all work on the project until such a time as the amount of the payment owing is received in full. If the customer is late with a payment by 31 calendar days or more, the provider will consider this a cancellation of the project by the customer and the terms and conditions detailed above in "Project Cancellations" will apply. At no time and in no way can the provider be held liable or responsible for any penalties incurred or damages suffered by the customer (financial, legal, or other) which result, directly or indirectly, from a stoppage of work by the provider due to a late payment from the customer.

Please signify your acceptance of this proposal by signing in the appropriate space below.

Open Gate Digital Solutions   Client Company Name

_____   _____
Signature   Signature
Name: John Glasgow   Name:
Position: Owner/General Manager   Position:
Date: Date: