



IMPLEMENTATION SERVICES
(Time and Materials)

Customer Name:	County of Monterey
Project Name:	ServiceNow Implementation Phase II
SOW Number:	31013CH-SOW2

This Statement of Work ("SOW"), effective as of the last signature date noted below ("Effective Date"), is made between ServiceNow, Inc. ("ServiceNow") and the customer entity set forth herein ("Customer") pursuant to the terms and conditions of the Master Ordering Agreement, Master License Agreement or the like executed by the parties, if any ("Agreement"). In the event of any inconsistency or conflict between the Agreement and this SOW, the terms of this SOW shall control with respect to the services set forth herein ("Services" or "Project"). The terms of this SOW are limited to the scope of this SOW and shall not be applicable to any other SOWs which may be executed between the parties.

FOR VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES, EACH ACTING UNDER DUE AND PROPER AUTHORITY, EXECUTE THIS SOW AS OF THE EFFECTIVE DATE.

<u>County of Monterey</u>	<u>ServiceNow, Inc.</u>
Individual signing: (print name) <i>Michael R DEER</i>	Individual signing: (print name) <i>CHIN KIM</i>
Signature: 	Signature: <i>llitkin</i>
Title: CONTRACTS/PURCHASING OFFICER COUNTY OF MONTEREY	Title: <i>Sr. Director, Orders to Cash</i>
Signing date: <i>5-5-15</i>	Signing date: <i>April 8, 2015</i>

Reviewed as to fiscal provisions


Auditor-Controller
County of Monterey *4-2015*

DOCUMENT INFORMATION

Version	Date	Author	Comments
County of Monterey SOW2 050614v1	05/06/14	Kent Moddelmog	Initial Draft
County of Monterey SOW2 050614v2	06/16/14	Kent Moddelmog	Modifications per meeting with Customer
County of Monterey SOW2 050614v3	06/23/14	Kent Moddelmog	Modifications per meeting with Customer on 06/23/14
County of Monterey SOW2 050614v7	06/30/14	Kent Moddelmog	Modifications per meeting with Customer on 06/25/14
County of Monterey SOW2 050614v8	07/09/14	Kent Moddelmog	Modifications per meeting with Customer

DISTRIBUTION LIST

Name	Role	Company	Date
Fred Hartmann		County of Monterey	05/06/14
Kathy Wells	Finance Manager II	County of Monterey	05/06/14
Chris Hunt	Account Executive	ServiceNow, Inc.	05/06/14
Chris Terzian	Solution Architect	ServiceNow, Inc.	05/06/14
Nicole Shull	Sales Operations	ServiceNow, Inc.	05/06/14
Matthew Kelly	Legal	ServiceNow, Inc.	TBD

Table of Contents

1. Project Overview	4
1.1. Implementation Approach	4
2. Scope of Implementation	4
2.1. Application Configuration	4
2.2. Testing, Training and Post Go-Live Support	8
3. Project Assumptions	8
3.1. General	8
3.2. Data & Integrations	9
3.3. Resources	9
4. Estimated Number of Hours & Fees	10
4.1. Estimated Number of Hours	10
4.2. Fees	10
4.3. Effective Period of this SOW	11
5. Change Requests	11
6. Scheduling Policy	11
7. Rules of Engagement	11
8. General	12
Exhibit A – ServiceNow StartNow Implementation Methodology	14

1. PROJECT OVERVIEW

1.1. Implementation Approach

ServiceNow will implement the Services using the ServiceNow StartNow Implementation Methodology, as set forth in Exhibit A, which is attached hereto and incorporated herein by this reference. If not attached hereto, the document may be found at www.servicenow.com/schedules.do. ServiceNow may replace or re-assign its personnel during the course of the Services or Project.

2. SCOPE OF IMPLEMENTATION

2.1. Application Configuration

The following items will be configured during the project based on Customer specifications developed during the Discover stage.

- Forms, fields and views
- Dashboards and homepages
- Reports including scheduled reports
- Notifications
- Business rules and client scripts
- Workflows
- Roles and access controls (security)
- Relationship between installed applications
- Application related filters and modules
- Mobile device support

Software to be Implemented	In Scope? (Yes if included)
Problem Management	<p>Yes – 52 hours effort</p> <p>Develop a best practices-based instance of Problem Management based on ServiceNow’s best practice processes and customer requirements. A typical effort in the configuration of this application would include:</p> <ul style="list-style-type: none"> • 2 day Requirements Workshop and build out of requirements and project in StartNow Application • Configure problem related fields • Configure problem related forms / views • Configure problem related dashboards / homepages • Configure problem prioritization • Configure workflow and validations of workarounds • Configure Known Errors • Configure Service Level Agreements and inactivity rules related to problems • Configure the assignment of problems • Configure notifications related to problems • Configure problem related filters and modules • Configure business rules and client scripts to support problem requirements • Configure problem roles and access controls (security) • Configure problem reports and scheduled reports • Configure the relationship of Problem Management to ServiceNow Incident Management and Change Management applications • Report modification and/or construction <p>The following configuration techniques are typically used to achieve desired outcomes:</p> <ul style="list-style-type: none"> • Workflow creation, typically up to 3 Graphical Workflows of low to moderate complexity for the Problem Management process (estimated at 8 hours per workflow) • Form modification, up to 20 new fields • Modification / Creation of up to 10 UI policies • Modification / Creation of up to 10 Client Scripts • Modification / Creation of up to 10 Business Rules • Importing / modification of supporting data (assignment rules / categories)

	<ul style="list-style-type: none"> Email notifications
<p>Change Management</p>	<p>Yes – 140 hours effort</p> <p>Develop a best practices-based instance of Change Management combining ServiceNow’s best practice processes and customer requirements. Includes:</p> <ul style="list-style-type: none"> 2-3 day Requirements Workshop and build out of requirements and project in StartNow Application Change Management Best Practices Workshop Change Management Workflow and Setup. Defined and configured Change Types (Emergency, Expedited, Routine, etc.) and associated Change Type attributes. Defined RFC processes. Includes defined use case workflow diagrams and documented business rules. Configured workflow setups to support the RFC process. Defined Change Approval authority by CI (By CI Type or even individual CI). Insure capability for forward facing impact analysis of proposed change, and backward correlation for incident attribution and triage. Risk Calculation, Urgency and derived Prioritization <p>The following configuration techniques are typically used to achieve desired outcomes:</p> <ul style="list-style-type: none"> Workflow creation, typically up to 3 Graphical Workflows of low to moderate complexity for the Change Management process (estimated at 8 hours per workflow) Form modification, up to 20 new fields Modification / Creation of up to 10 UI policies Modification / Creation of up to 10 Client Scripts Modification / Creation of up to 10 Business Rules Importing / modification of supporting data (assignment rules / categories) Email notifications
<p>Asset Management</p>	<p>Yes- 174 hours effort</p> <p>Develop a best practices-based instance of Asset Management based on ServiceNow’s best practice processes and customer requirements. A typical effort based on Customer’s communicated upfront needs of this application would include:</p> <ul style="list-style-type: none"> 2 day Requirements Workshop and build out of requirements and project in StartNow Application for each sub module <ul style="list-style-type: none"> Hardware Management Software Management Work Management Reporting and Dashboards Assistance and guidance of configuration of the following, but not limited to, for both HW and SW based on requirements gathered during requirements workshop <ul style="list-style-type: none"> Acquisition Process IMAC Management Lease and Purchase Contract Management Software Compliance Implementation of process and supporting workflow creation Assistance and guidance of configuration of the following, but not limited to, for Work Management based on requirements gathered during requirements workshops <ul style="list-style-type: none"> Work Orders Stock Room Transfer Orders Task-based Workflow <p>The above activities will be supported through assistance and guidance may be in the following activities, but not limited to, within allotted hours:</p> <ul style="list-style-type: none"> Workflow creation, up to 3 Graphical Workflows of low to moderate complexity for

	<p>the Asset Management process (estimated at 8 hours per workflow)</p> <ul style="list-style-type: none"> • Form modification, up to 10 new fields • Modification / Creation of up to 10 UI policies • Modification / Creation of up to 5 Client Scripts • Modification / Creation of up to 5 Business Rules • Importing / modification of supporting data (assignment rules / categories) • Email notifications <p>Reporting and Dashboard Configuration: Further configuration hours will be spent assisting customer with Reporting and Dashboards related to Asset Management and knowledge transfer on Reporting and Dashboard capabilities for further customer led configuration.</p> <ul style="list-style-type: none"> • Up to 5 custom reports of low to medium complexity or modification of up to 5 out-of-the-box Reports to fit requirements • Modification of one Dashboard <p>Phone group tracks phones as a subscription, same with voicemail. No asset id tracking on these devices.</p>
CMDB	<p>Yes – 106 hours effort</p> <p>Implement a centralized inventory repository to track Configuration Items (CI's) and their composition. Customer will supply ServiceNow with data from existing discovery tool or data source and/or spreadsheets in supported type files to import.</p> <ul style="list-style-type: none"> • 2 day Requirements Workshop and build out of requirements and project in StartNow Application • Tailored Configuration Items form • Data preparation and load from static data sources and/or integration to CI data repositories. Data will be provided in CSV format and will be captured from Microsoft SCCM • Preparation for integration to Incident, Problem and Change Management • Report modification and/or construction
Software Development Lifecycle Management (SDLC)	Optional with Change Order
Request Fulfilment / Service Catalog	<p>Yes – 76 hours effort</p> <p>Deliverables: Build 3 Service Catalog Items to add to existing Service Catalog using them to provide training to client System Administrator to enable building additional Items.</p>
Service Portfolio	Optional with Change Order
Service Level Management	Optional with Change Order
IT Cost Management	<p>Yes- 164 hours</p> <p>Deliverables: Develop a best practices- based instance of IT Cost Management based on ServiceNow's best practice process and customer requirements. A typical effort in the configuration of this application would include:</p> <ul style="list-style-type: none"> • 1-2 day Requirements Workshop and build out of requirements and project in StartNow Application • Up to 10 days consultancy to set up the following based on requirements gathered during gap analysis: <ul style="list-style-type: none"> ◦ Assign date ranges to Cost codes ◦ Expense Lines ◦ Allocation rules ◦ Cost Centers ◦ Budgets ◦ Depreciation

	<ul style="list-style-type: none"> ◦ Develop two (2) Rate Cards
Work Management	<p>Yes – 117 hours effort</p> <p>ServiceNow will assist Customer in configuring Work Management to meet Customer’s Field Services application requirements which may include the following:</p> <ul style="list-style-type: none"> • ServiceNow to assist Customer in supporting the ability to create and manage work orders based upon Incident information received from ServiceNow which may include the following: <ul style="list-style-type: none"> ◦ Creation of multiple tasks for a work order ◦ Configuration of Work Order Data to include: <ul style="list-style-type: none"> ▪ Date and time ▪ Store # (top 100 store indicator) ▪ SLA (end date and time) ▪ Contact name / Alternate contact name ▪ Phone # ▪ Remedy Incident # ▪ Issue Summary ▪ Work Order Status ▪ Assigned Engineer ▪ Detailed description of problem ▪ Device Type ▪ Device Resolution Details • Configure the ability to access and check out a part from field technician’s van or other stock location and assign to work order • Configure the ability to transfer part(s) from one stocking location to another • Configure the system reports to meet the identified Work Order reporting requirements • Creation of a Work Orders Dashboard with needed dynamic data
Enhancements to existing system	Optional with Change Order / Any unused hours may be applied towards Defined Enhancements

Adjacent Functionality	In Scope? (Yes if included)
Data Certification	Optional with Change Order
Managed Documents	Optional with Change Order
Content Management System (CMS)	<p>Yes – 141 hours</p> <ul style="list-style-type: none"> • Develop three (3) department portals • Application workflow will be based on existing portal, with some modification to support department needs • Individual UI’s for each department
Sales Force Automation	Optional with Change Order
Shared Services (HR and Facilities)	Optional with Change Order
Project & Portfolio Management (PPM)	Optional with Change Order
IT Governance, Risk and Compliance	Optional with Change Order
Service Extensions	In Scope? (Yes If included_

Employee Self Service (ESS)	Optional with Change Order
Surveys	Optional with Change Order
Knowledge Management	Yes – 2 hours <ul style="list-style-type: none"> • Workshop to review the setup and the knowledge article import process • Demonstrate the knowledge article approval/publishing process
Orchestration	Optional with Change Order – Need more details on what processes are to be automated using orchestration
Discovery & Application Dependency Mapping	Optional with Change Order
Integrated Chat	Optional with Change Order
Live Feed	Optional with Change Order
Domain Separation	Optional with Change Order

Integrations Scope		
Integration Source	Method	Description
<input checked="" type="checkbox"/> Microsoft SCCM	Plugin	Integration is existing and this effort is to modify this integration to populate CMDB with Software data
<input checked="" type="checkbox"/> SQL DB for Non Domain Asset Data	Batch	Pulls for non-domain asset data

2.2. Testing, Training and Post Go-Live Support

- Two weeks post go-live support – up to 144 hours
- Help to establish support around UAT process
- Provide process to support go-live support, update set releases and cloning
- Admin handoff and support to go-live
- Verify process is in place for post go-live support within instance

3. PROJECT ASSUMPTIONS

Customer acknowledges that its participation and cooperation is critical for the success of the Project. The following assumptions are based on information provided by Customer to ServiceNow relating to the Project scope and Customer’s current business processes as of the Effective Date of this SOW, and have been used to compute the estimated level of effort and cost. Deviations from these assumptions may lead to commensurate changes in the timeline and fees, such changes to be set forth in a change order in accordance with the procedure outlined in Section 7 below.

3.1. General

- a) Customer will provide the required resources and ensure active participation to ensure the implementation is successful. This will include, without limitation, an executive decision-maker, project leadership and management, subject matter experts, and technical resources.
- b) Customer is responsible for the definition and documentation of the business processes within scope for this Project and implementing all business process changes required to support the Project.
- c) Customer is responsible for testing prior to production deployment.

- d) Customer is responsible for end user training.
- e) Clearly defined and documented functional requirements are completed during the Discover stage.
- f) It is assumed that the ServiceNow resources will have remote access to Customer’s instances and that Customer provides appropriate technologies for remote work.
- g) Onsite visits will be defined during the kick-off workshops in the Plan stage. Customer project manager and ServiceNow engagement manager will manage onsite engagements in order to avoid extensive travel time.

3.2. Data & Integrations

- a) Customer will supply all information to be imported in a supported format. ServiceNow will not be responsible for data modification, cleansing or alteration before, during or after importing data. Supported formats are listed on the ServiceNow Wiki.
- b) There are no data conversions from other systems (i.e. legacy systems).
- c) Customer is responsible for integration to and with other systems. ServiceNow will support the integration by providing experts related to ServiceNow integration technologies.

3.3. Resources

Customer Resources

Customer Resources	Responsibilities
Project Manager	Customer will provide a project manager who will have overall responsibility for the Project. Customer project manager will meet regularly with the ServiceNow engagement manager to review progress and resolve issues.
Technical Resource(s)	Customer will supply required technical resource(s) with ITIL and JavaScript expertise to accommodate the scope of the Project and to support the joint configuration. To support the agreed integrations, Customer will also supply required technical resource(s) with web services and XML experience.
System Administrators	Administrator training must be completed by Customer’s assigned resource(s) no later than the beginning of the Prepare stage.
Process Owner(s)	Customer will provide subject matter experts who will be responsible for the correct and complete definition of each of the processes implemented within the ServiceNow product.

ServiceNow Resources

ServiceNow Resource	Responsibilities
Engagement Manager	ServiceNow engagement manager will facilitate project planning, provide implementation expertise, ensure the SOW is being adhered to, allocate appropriate resources from ServiceNow, manage escalations, and act as a single point of contact for the duration of the Project. The ServiceNow engagement manager will facilitate at minimum a weekly status or update call to ensure the Project is progressing appropriately.
Technical Consultants	ServiceNow will provide technical consultant(s) to help with application configuration and assist with knowledge transfer to Customer resource(s).
Integration Expert	ServiceNow will provide an integration expert to assist with integrations defined above.
Business Process Consultant	The business process consultant will drive process definition, re-engineering, improvement and gap analysis of current and future processes together with

Customer process owners, key Customer sponsors and stakeholders.

4. ESTIMATED NUMBER OF HOURS & FEES

4.1. Estimated Number of Hours

The Services are estimated to require one thousand one hundred twenty six (1,126) effort hours. Based on current knowledge of Customer's requirements, ServiceNow estimates the following:

- a) ServiceNow will use reasonable efforts to confirm the composition of the project team and the mobilization plan with Customer within four (4) weeks from the Effective Date.
- b) The Project will take approximately twenty (20) weeks to complete including two (2) weeks of post-production support.

The below table demonstrates the estimated effort by resource type and stage. It is understood that the effort distribution may vary during the Project.

DESCRIPTION	HOURS	WEEKS																			
		4/27/15	5/4/15	5/11/15	5/18/15	5/25/15	6/1/15	6/8/15	6/15/15	6/22/15	6/29/15	7/6/15	7/13/15	7/20/15	7/27/15	8/3/15	8/10/15	8/17/15	8/24/15	8/31/15	9/7/15
Hours by Phase	Hrs																				
PLAN	18																				
DISCOVER	296																				
PREPARE	24																				
DEPLOY	682																				
OPERATE	106																				
	1,126																				
		20																			

DESCRIPTION	Hrs	FTE	Hr/ Week	EM Delta →	EM Override	Desired FTE	Wks Needed
PLAN				0	0		
Engagement Manager	10	25%	10				
Business Process Consultant	9	23%	9			0.9	
	19		1				
DISCOVER				0	0		
Engagement Manager	105	44%	18				
Technical Consultant 1	105	44%	18			5.3	
Business Process Consultant	86	36%	14			4.3	
	296		6				
PREPARE				0	-1		
Engagement Manager	9	23%	9				
Technical Consultant 1	15	36%	15			0.8	
	24		1				
DEPLOY				0	0		
Engagement Manager	117	33%	13				
Technical Consultant 1	424	118%	47			8.5	
Integration Consultant	16	4%	2			0.8	
Content Management Specialist	125	35%	14			6.3	
	682		9				
OPERATE				0	0		
Engagement Manager	30	25%	10				
Technical Consultant 1	76	63%	25			2.5	
	106		3				

4.2. Fees

Based on the scope of Services and assumptions set forth above, the Services shall be performed on a time and materials basis. Additional charges may apply for scope changes, change requests, delays caused by Customer or third parties contracted by Customer, or events that ServiceNow has no control over. Any changes will be set forth in a change order. All fees will be due and payable as detailed in the accompanying ordering document. The applicable billing rate for the ServiceNow personnel or consultant shall be at the rates set forth in the tables below.

Main Project deployment

Level of Consultant	Estimated Effort (Hours)	Rate (hourly)	Discount Rate (hourly)	Estimated Subtotal (USD)
Engagement Manager	270	\$ 225.00	\$ 225.00	\$ 60,750.00
Technical Consultant	620	\$ 225.00	\$ 225.00	\$ 139,500.00
Business Process Consultant	95	\$ 225.00	\$ 225.00	\$ 21,375.00
Integration Consultant	16	\$ 225.00	\$ 225.00	\$ 3,600.00
Content Management Specialist	125	\$ 225.00	\$ 225.00	\$ 28,125.00
	1,126			\$ 253,350.00

Cost: \$ 253,350.00

Travel Budget (For information only)	Include In SOW	Cost	Totals
Travel Budget	y	\$12,668	\$ 12,668.00

ServiceNow will provide the Services as follows:

- At Customer’s facilities located in Salinas, CA
- From a remote location

All reasonable travel, meals, and living expenses for all ServiceNow personnel who travel in support of the Project shall be billable at cost and all such expenses shall be borne solely by Customer. Customer shall pay all amounts within thirty (30) days after date of invoice unless stated otherwise in the applicable ordering document. Customer is responsible for all applicable taxes, except for taxes due on the net income of ServiceNow. No acceptance shall apply to the Services or any accompanying software or deliverable provided under this SOW. Normal business day is any eight (8) hour period between the hours of 8AM and 6PM, Monday through Friday local time. Any work performed outside of normal business hours will be charged at a time and a half rate (1.5 x the rate set forth in the ordering document).

4.3. Effective Period of this SOW

This SOW is valid only if the Services start within ninety (90) days after the Effective Date or before the pricing expiration date stated in the applicable ordering document signed by ServiceNow, whichever is later (“Project Start Date”). If Services do not start prior to the Project Start Date, then ServiceNow has the option of changing the prices provided in this SOW.

5. **CHANGE REQUESTS**

Any requests for services outside of this SOW will be set forth in a change order executed by the parties. Tasks not specifically stated as being performed by ServiceNow in this SOW are outside of the scope of this Project and are not covered under the time and fee estimates of this SOW. Customer and ServiceNow will agree upon changes prior to execution of additional services or costs outside of this SOW.

6. **SCHEDULING POLICY**

ServiceNow requires at least fifteen (15) days prior written notice to cancel or reschedule Service dates that have been scheduled by Customer. For scheduled Service days that are canceled or rescheduled by Customer with less than ten (10) business days prior written notice, Customer shall be charged and pay for (a) any travel expenses that cannot be canceled or refunded, and (b) the canceled/rescheduled Service days if ServiceNow is not able to reassign the personnel to another project. If Customer reschedules a planned Services activity, remote or onsite, with less than ten (10) business days written notice, Customer may incur additional consulting time and travel expenses. For the purposes of this Section, email to the ServiceNow project manager will be sufficient as written notice. ServiceNow personnel will perform the engagement both onsite at Customer and offsite at ServiceNow, doing analysis and design. ServiceNow shall not be responsible for delays, due to the lack of access, facilities, cooperation or information requested by ServiceNow or changes to the approach or Services described in this SOW.

7. **RULES OF ENGAGEMENT**

At the commencement of the Project, the Customer Project Manager and the ServiceNow Engagement Manager will agree on the format of weekly status reports and the schedule for submitting such reports to Customer Project Management.

In the status reports, ServiceNow will include: (1) a summary of work activities completed by the ServiceNow project team for the week prior; (2) issues and risks relating to the Project; and (3) suggestions for resolving or mitigating the issues and risks (“**Weekly Status Report**”). The Customer Project Manager will review the Weekly Status Report submitted by ServiceNow and respond with guidance and

suggestions for the Project within two (2) business days of receiving the Weekly Status Report.

If Customer requests ServiceNow to make a change to the Project because the Services were not performed in a workmanlike manner as set forth in Section 2 of the Agreement, ServiceNow shall promptly address such non-conformance in accordance with the Agreement and this SOW ("Remedial Action"). Customer shall give ServiceNow two (2) weeks (or a time as mutually agreed upon by the parties) to put in effect its Remedial Action. Customer will have the right to terminate this SOW if ServiceNow fails to take appropriate Remedial Action to address the nonconformity.

In the event of such termination Customer shall pay ServiceNow for any Services performed in accordance to the specifications set forth in this SOW prior to termination.

The Customer Project Manager or ServiceNow Engagement Manager, as appropriate, may escalate any dispute related to the Services or Deliverables provided pursuant to this SOW to the applicable Escalation Contact set forth in the table below, if such dispute is not resolved within the corresponding timeframe:

Timeframe to Resolve Dispute	Escalation Contact at ServiceNow	Escalation Contact at Customer
24 hours	Andres Cook, Delivery Manager M: (303) 915-3003 andres.cook@servicenow.com	
48 hours	Kent Moddelmog, Practice Manager M: (925) 200-8822 kent.moddelmog@servicenow.com	
72 hours	Greg Clock, Director West Services M: (408) 828-1737 greg.clock@servicenow.com	

8. GENERAL

ServiceNow is in the business of providing IT service management applications and other applications based off of the ServiceNow platform and consulting services drawing upon the knowledge, understanding and expertise ServiceNow has gained in the course of working with many other customers. Nothing in this SOW shall assign rights in or limit ServiceNow’s use of any know-how or knowledge pertaining to the ServiceNow intellectual property rights or technology. ServiceNow shall have a royalty-free, worldwide, non-exclusive, transferable, sub-licensable, irrevocable, perpetual right to use any suggestions, enhancements, recommendations or other feedback provided by Customer and its users relating to the ServiceNow product or services.

ServiceNow warrants that the Services will be performed in a competent and workmanlike manner in accordance with accepted industry standards and practices. Customer’s exclusive remedy for breach of this warranty is to notify ServiceNow in writing of the breach within forty-five (45) days after performance of the non-conforming Services. Upon receipt of such notice, ServiceNow, at its option, shall either use commercially reasonable efforts to re-perform the Services in conformance with these warranty requirements or shall terminate the affected Services and refund to Customer any prepaid amounts for unperformed Services. This Section sets forth Customer’s exclusive rights and remedies (and ServiceNow’s sole liability) in connection with the performance of Services.

EXCEPT FOR THE WARRANTIES, IF ANY, EXPRESSLY STATED IN THIS SOW, THE SERVICES PROVIDED HEREUNDER AND ANY ACCOMPANYING SOFTWARE OR DELIVERABLE ARE PROVIDED “AS-IS” WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND AND, TO THE MAXIMUM EXTENT ALLOWED BY LAW, SERVICENOW DISCLAIMS ALL WARRANTIES OF ANY KIND INCLUDING WARRANTIES ARISING UNDER STATUTE, WARRANTIES OF MERCHANTABILITY, ACCURACY, QUIET ENJOYMENT, TITLE OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTIES ARISING FROM USAGE OF TRADE, COURSE OF DEALING OR COURSE OF PERFORMANCE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SERVICENOW SPECIFICALLY DOES NOT WARRANT THAT THE SERVICES AND ANY ACCOMPANYING SOFTWARE OR DELIVERABLES WILL MEET THE REQUIREMENTS OF CUSTOMER OR OTHERS OR THAT THEY WILL BE ACCURATE OR OPERATE WITHOUT INTERRUPTION OR ERROR.

LIMITATIONS OF LIABILITY. TO THE EXTENT PERMITTED BY LAW, THE TOTAL, CUMULATIVE LIABILITY OF EACH PARTY ARISING OUT OF OR RELATED TO THIS SOW OR THE SERVICES PROVIDED HEREUNDER, WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, SHALL BE LIMITED TO THE AMOUNTS PAID BY CUSTOMER FOR THE SERVICE GIVING RISE TO THE CLAIM DURING THE TWELVE (12) MONTH PERIOD PRECEDING THE FIRST EVENT GIVING RISE TO LIABILITY. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT ENLARGE THIS LIMIT. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO: (1) BODILY INJURY OR DEATH; (2)

INFRINGEMENT BY A PARTY OF THE OTHER PARTY'S INTELLECTUAL PROPERTY RIGHTS; AND (3) CUSTOMER'S OBLIGATION TO PAY AMOUNTS OWED FOR SERVICES PROVIDED HEREUNDER.

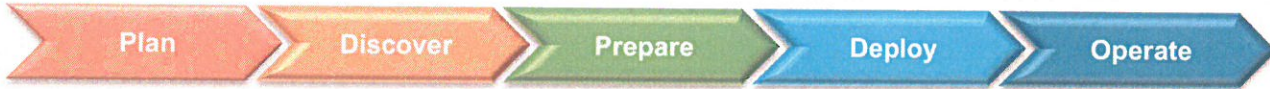
EXCLUSION OF DAMAGES. TO THE EXTENT PERMITTED BY LAW, NEITHER SERVICENOW NOR CUSTOMER SHALL BE LIABLE TO THE OTHER OR ANY THIRD PARTY FOR LOST PROFITS (WHETHER DIRECT OR INDIRECT) OR LOSS OF USE OR DATA, COSTS OF SUBSTITUTE GOODS, OR FOR INCIDENTAL, CONSEQUENTIAL, PUNITIVE, SPECIAL OR EXEMPLARY DAMAGES (INCLUDING DAMAGE TO BUSINESS, REPUTATION OR GOODWILL), OR INDIRECT DAMAGES OF ANY TYPE HOWEVER CAUSED, WHETHER BY BREACH OF WARRANTY, BREACH OF CONTRACT, TORT, OR ANY OTHER LEGAL OR EQUITABLE CAUSE OF ACTION EVEN IF SUCH PARTY HAS BEEN ADVISED OF SUCH DAMAGES OR IF SUCH DAMAGES WERE FORESEEABLE. THE FOREGOING EXCLUSIONS SHALL NOT APPLY TO: (1) BODILY INJURY OR DEATH; AND (2) INFRINGEMENT BY A PARTY OF THE OTHER PARTY'S INTELLECTUAL PROPERTY RIGHTS.

EXHIBIT A – SERVICENOW STARTNOW IMPLEMENTATION METHODOLOGY

This document is set forth at www.servicenow.com/schedules.do.

ServiceNow implements its solutions for customers using the StartNow Implementation Methodology. The services set forth in the project will be undertaken by a project team of representatives from ServiceNow and the customer (“Project Team”) and will be managed jointly by a project manager from the customer and a ServiceNow engagement manager. The composition of the Project Team will typically change during the various stages of the project. Some project members may play more than one role during the project lifecycle.

StartNow – Implementation Methodology

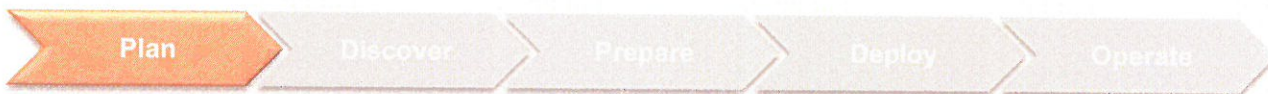


StartNow is based on ServiceNow’s best practices gathered over hundreds of implementations and designed to support Strategic Alignment and drive Rapid Transformation for ServiceNow customers. StartNow uses a combination of traditional waterfall approach and Scrum to manage the implementation.

The StartNow Implementation Methodology includes five deployment stages: **Plan, Discover, Prepare, Deploy, and Operate** as outlined below.

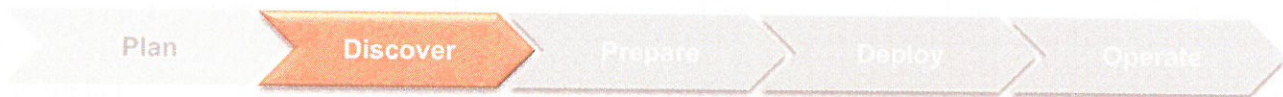
During the project term and for 45 days thereafter (“Use Extension Period”), the customer may use Project Portfolio Management (PPM) and Software Development Lifecycle (SDLC) or any extended table to support StartNow to read and write data to the ServiceNow tables to support its implementation subject to the terms and conditions of its master ordering agreement with ServiceNow. After the Use Extension Period, if the customer’s purchased rights to the ServiceNow IT Service Automation Suite do not include the foregoing applications, the customer may use these applications to only read data about the implementation or upgrade to the applicable package that includes PPM and SDLC to continue its read and write capabilities. Each stage has its own set of unique tasks. Many tasks may be executed in parallel to one another within a given stage. The stages are further defined below.

The “Staged” Approach



<p>What is required?</p>	<ul style="list-style-type: none"> ▪ Initiate the project by a meeting of members from the customer and ServiceNow ▪ Review deliverables of the project with the customer ▪ Agree on the rollout approach (phased versus big bang) ▪ Load the StartNow methodology tool set onto one of the customer’s instances ▪ Schedule System Administration training, if purchased, for the customer ▪ Plan and conduct a project kick-off workshop ▪ Begin security discussions to understand the approval requirements and what the triggers are
<p>How is it done?</p>	<ul style="list-style-type: none"> ▪ Introduce the StartNow methodology to the customer ▪ Introduce the best practices around the ServiceNow StartNow deployment approach ▪ Walk through the sample project plan with the customer project manager
<p>Who does what?</p>	<ul style="list-style-type: none"> ▪ The ServiceNow engagement manager: <ul style="list-style-type: none"> ○ Establishes the project cadence (daily/weekly meetings & calls) and agrees with the customer project manager on when and where these should occur ○ Kicks-off the project and runs kick-off meetings ○ Loads the StartNow tool set ○ Organizes the System Administration training if purchased ▪ The customer project manager:

	<ul style="list-style-type: none"> ○ Is brought up to speed on the StartNow methodology ○ Confirms deliverables ○ Reviews the preliminary project plan with milestones and key dates ▪ The customer executive sponsor: <ul style="list-style-type: none"> ○ Communicates the vision and tone for the initiative in the project kick-off workshop
When will things happen?	<ul style="list-style-type: none"> ▪ Usually 4 weeks after both parties sign the statement of work



What is required?	<ul style="list-style-type: none"> ▪ Process reviews to describe the out-of-the-box ServiceNow process functionality ▪ Introduce ServiceNow design and configuration standards ▪ Conduct a conference room pilot to review the out-of-the-box ServiceNow tool functionality ▪ Conduct gap analysis workshops for each process that is in the scope of the statement of work to identify gaps between the customer processes and ServiceNow best practices ▪ Customer documents requirements (stories) in the Scrum application ▪ The Project Team reviews and refines the project plan in StartNow ▪ Customer agrees and signs off on requirements before proceeding on each in-scope application
How is it done?	<ul style="list-style-type: none"> ▪ Onsite customer based workshops with process owners ▪ Customer supplies a scribe to document requirements (stories) in Scrum
Who does what?	<ul style="list-style-type: none"> ▪ The ServiceNow business process consultant will be responsible for the workshop and facilitate discussions ▪ The customer process owners will walk through their processes or agree to ServiceNow processes
When will things happen?	<ul style="list-style-type: none"> ▪ After processes are agreed (either using customer's processes or ServiceNow's out-of-the-box processes)

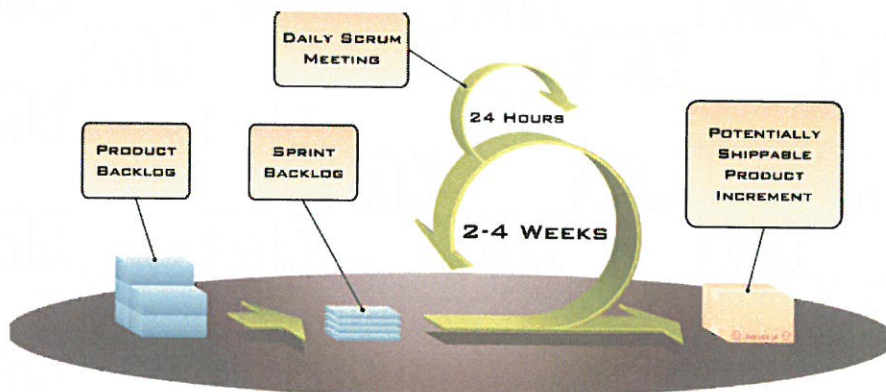


What is required?	<ul style="list-style-type: none"> ▪ Core system set-up (LDAPS, Locations, Groups, Roles, Security, Calendars, Schedules) ▪ Sprint planning (building Sprints and organizing stories) ▪ Review and refine project plan ▪ Update Risk, Issue, Decision, Actions, Changes (RIDAC) in StartNow
How is it done?	<ul style="list-style-type: none"> ▪ ServiceNow's technical consultant enables the customer's administrators on core system set-up ▪ ServiceNow's engagement manager works with the customer project manager for Sprint planning
Who does what?	<ul style="list-style-type: none"> ▪ ServiceNow technical consultants will guide and enable the customer's system administrators ▪ The customer's system administrator will be teamed with the ServiceNow technical

	<ul style="list-style-type: none"> consultant ServiceNow engagement manager leads on the Sprint planning
When will things happen?	<ul style="list-style-type: none"> After the customer instances have been completely provisioned After the customer's system administrators have been trained After the gap analysis workshops



What is required?	<ul style="list-style-type: none"> Work through the Scrum stories/requirements Manage in small Sprints which make up a particular release of pieces for testing Review and refine project plan Update Risk, Issue, Decision, Actions, Changes (RIDAC) in StartNow
How is it done?	<ul style="list-style-type: none"> Daily stand-up meetings <ul style="list-style-type: none"> What did you do yesterday What will you do today What road blocks are in the way Onsite and remote consultancy help to enable the customer's administrators on the deliverables Collaboration in the Project Team
Who does what?	<ul style="list-style-type: none"> ServiceNow technical consultants will guide and enable customer system administrators and technical resources The customer's system administrators will be teamed with the ServiceNow technical consultant
When will things happen?	<ul style="list-style-type: none"> After core system set-up is complete and users have been successfully loaded Sprints are planned



Managing the Product Backlog



What is required?	<ul style="list-style-type: none"> Training for the customer's Fulfillers Fulfiller pre-production testing & re-work
-------------------	--

	<ul style="list-style-type: none"> ▪ Go-live checklist completed ▪ Customer end user pre-production testing ▪ Go-live ▪ Customer participates in the engagement survey to provide feedback to ServiceNow about the project
How is it done?	<ul style="list-style-type: none"> ▪ Testing done against the criteria on each Scrum story (the customer owns the test plans / use cases)
Who does what?	<ul style="list-style-type: none"> ▪ ServiceNow technical consultants and the customer’s system administrators re-work issues discovered in pre-production testing ▪ ServiceNow engagement manager works with the customer during pre-production testing and conducts go-live checklist ▪ The customer sets up communication plans
When things will happen?	<ul style="list-style-type: none"> ▪ After Scrum requirements are completed

THIS SPACE INTENTIONALLY LEFT BLANK

SNC Account Exec	Chris Hunt
Phone	408-425-5073
E-mail	Chris.Hunt@servicenow.com

Customer Invoice Address: **Customer Ship To Address:** **End Customer Address:**

Company Name County of Monterey Address 168 W Alisal Street Suite 3rd floor City Monterey State/Province CA Zip/Postal Code 93901 Country United States Website www.co.monterey.ca.us AP Contact Name Fred Hartmann Title IT Division Manager Phone 8317596954 E-mail hartmannf@co.monterey.ca.us Account #: ACCT0023849	Company Name County of Monterey Address 168 W Alisal Street Suite 3rd floor City Monterey State/Province CA Zip/Postal Code 93901 Country United States Website www.co.monterey.ca.us Business Contact Fred Hartmann Title IT Division Manager Phone 8317596954 E-mail hartmannf@co.monterey.ca.us	Company Name County of Monterey Address 168 W Alisal Street Suite 3rd floor City Monterey State/Province CA Zip/Postal Code 93901 Country United States Website www.co.monterey.ca.us Business Contact Please Provide Title Please Provide Phone Please Provide E-mail Please Provide
---	---	--

Reference Contract #(s)	31013CH	PO #	
Reference Statement of Work #(s)	31013CH-SOW2	Tax exempt?	No
Currency	USD		

Professional Services:	Unit of Measure	Product or Days/Hours	Net Price	Total Price
ServiceNow* Implementation - Tailored - T&M	Hours	1,126	Varied - See SOW	\$ 253,350.00

Customer shall reimburse ServiceNow for all authorized and verifiable travel expenses incurred during the performance of the professional services, training and other services. ServiceNow agrees to keep commercially reasonable records of all expenses to support claims for reimbursement from Customer. All fees and expenses shall be invoiced to Customer within sixty (60) days from of the date the fees and expenses were incurred.

Travel and Expense Fees	Estimated T&E
Estimated Professional Services Travel and Expense	\$ 12,668.00
Educational Services, Knowledge, and Professional Services Subtotal	\$ 253,350.00
Estimated Travel & Expense Fees	\$ 12,668.00
Pre-tax Total	\$ 266,018.00
Estimated Taxes	TBD
Estimated Grand Total	\$ 266,018.00

Invoice Schedule:	Invoice Date	Amount	Est. Taxes	Grand Total
Services - Based on Hours Worked	Monthly In Arrears	\$ 253,350.00		\$ 253,350.00
Estimated Travel Expenses	Monthly In Arrears	\$ 12,668.00		\$ 12,668.00
		\$ 266,018.00		\$ 266,018.00

Payment Terms

Net 30 Days from Invoice Date

Customer shall issue a purchase order (PO), but the PO and any other ordering document submitted by Customer will not modify or add to the terms of this Order Form. No fewer than fifteen (15) days prior to each Invoice Date, please submit a PO for the amount set forth above to accountsreceivable@servicenow.com or fax to 877-824-0673 or ServiceNow, Inc., Attention: Accounts Receivable, 4810 Eastgate Mall, San Diego, CA 92121

PRICES ARE FINAL. THIS ORDER IS NON-CANCELLABLE AND NON-REFUNDABLE. The order is for the entire subscription term and is undividable. Payments are due as per the invoice schedule. All remaining fees are due immediately if Customer fails to pay as stated

Terms and Conditions

ENTIRE AGREEMENT. This order is on terms consisting of the signed definitive agreement(s) with the reference number(s) set forth above and the same availability service level target and support terms in Customer's last Order Form as supplemented by this Order Form and the service descriptions for the purchased packaged professional services ("Service Description"). If not attached to this Order Form, the Service Description is as set forth on www.servicenow.com/schedules do and is INCORPORATED HEREIN BY THIS REFERENCE. Customer may request printed copies of the documents incorporated herein by reference by emailing us at legal.request@servicenow.com. Customer shall limit the types and number of ServiceNow applications, Custom Applications, users and their permitted roles, and other use restrictions to those specified in this Order Form.

ACKNOWLEDGED AND AGREED:

End Customer: County of Monterey

ServiceNow, Inc.

Signature:

Signature:

Name:

Name:

Title:

Title:

Date:

Date:

Signature:

Name: Michael R. DERR

Title: CONTRACTS/PURCHASING OFFICER
COUNTY OF MONTEREY

Date: 5-5-15

Signature:

Name: CHIN KIM

Title: Sr. Director, Orders to Cash

Date: April 8, 2015

Reviewed as to fiscal provisions

Auditor/Controller
County of Monterey

4-30-15

ITSM ServiceNow Cost Overview

Term	ServiceNow Software Subscription (Recurring Costs)	Units	Monthly Per Unit	Annual
Dec. 20, 2013 - Dec. 19, 2014	IT Service Automation Suite (Platinum Edition) - Fu	100	90 \$	108,000
	IT Service Automation Suite - Requester User	1500	- \$	-
	Orchestration Core	1	2,500 \$	30,000
Dec. 20, 2014 - Dec. 19, 2015	IT Service Automation Suite (Platinum Edition) - Fu	100	90 \$	108,000
	IT Service Automation Suite - Requester User	1500	- \$	-
	Orchestration Core	1	2,500 \$	30,000
Dec. 20, 2015 - Dec. 19, 2016	IT Service Automation Suite (Platinum Edition) - Fu	100	90 \$	108,000
	IT Service Automation Suite - Requester User	1500	- \$	-
	Orchestration Core	1	2,500 \$	30,000
Subtotal Software Subscription \$				414,000

Term	Professional Services	Hours	\$/Hr	Subtotal
Dec. 20, 2013 - July 31, 2014	Phase I - billed on an "as-incurred" basis	643	226 \$	145,125
April 27, 2015 - June 30, 2016	Phase II - billed on an "as-incurred" basis	1126	225 \$	253,350
April 27, 2015 - June 30, 2016	Estimated Travel Costs*		\$	12,668
Subtotal Professional Services \$			411,143	

Maximum Agreement Amount \$ 825,143

ITD DESIGNATION ACCOUNT BREAKDOWN

Fiscal Year	Description	Notes	Amount	Running Balance
FY 2011-12	End of Year Surplus	Reference FY 11-12 BEYR report	\$ 834,133.00	\$ 834,133.00
FY 2012-13	Assignment of funds to Appropriation Unit INF003	Shortfall due to closure of Graphics Division of ITD. See Legistar File No. 13-0723	\$ (250,000.00)	\$ 584,133.00
FY 2013-14	Assignment of funds for implementation of ITSM service tool - Phase I	Legistar File No. 13-1313 Board Order Agreement No. A-12623	\$ (290,381.00)	\$ 293,752.00
FY 2014-15	Requested assignment of funds for implementation of ITSM service tool - Phase II	Legistar File No. A15-083	\$ (266,018.00)	\$ 27,734.00