



Attn: Katherine Manning, Director of Client Services
NEORide Regional Council of Governments
One Park Center Drive, Suite 300,
Wadsworth, Ohio
44281

August 7th, 2019

Dear Katherine,

RE: Variation to the Agreement

1. We refer to the agreement between Masabi LLC ("Masabi") and NEORide Regional Council of Governments ("NEORide") for mobile ticketing technology and ancillary hardware, including access to the Justride Platform on a software as a service basis dated March 12, 2019 ("Agreement"), a copy of which is attached as the Schedule 1 to this variation letter ("**Variation Letter**").
2. The Agreement was varied or amended by mutual written agreement of the parties, as recorded in a variation letter executed on June 24th 2019 ("June 2019 Variation Letter"). This Variation Letter hereby revokes, supersedes and replaces in its entirety the June 2019 Variation Letter.
3. Masabi and NEORide have agreed to vary or amend certain terms of the Agreement, together with Annex 2 (Charges and Payment) of the Agreement, subject to certain of NEORide's member agencies (as defined in Schedule 2 to this Variation Letter) proceeding to purchase services and, where applicable, ancillary hardware, under the terms of the Agreement. Additionally, the parties have agreed to incorporate a Compliance Matrix (hereto attached at Schedule 3), into the Agreement, which is referenced in the Agreement as "Annex 4." As a result, pursuant to Section 15.1 of the Agreement, the parties wish to amend the Agreement as set out in this Variation Letter with effect from and after August 7th, 2019 ("**Variation Date**").
4. In this Variation Letter, expressions defined in the Agreement and used in this Variation Letter have the meaning set out in the Agreement.
5. With effect from the Variation Date the parties agree to the following amendments to the Agreement:

a)	Clause 11.3	Reference to "five (5) business days" is replaced with "thirty (30) business days".
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b)	Clause 13.1(a)	Reference to "ten (10) days" is replaced with "thirty (30) days".
c)	Clause 13.2(a)	The following sentence is added to the end of this sub-clause: "Masabi shall immediately pay to the Customer any funds due pursuant to clause 8.4"
d)	Clause 13.2(c)	Reference to "ten (10) days" is replaced with "ninety (90) days (after which time Masabi reserves the right to charge reasonable monthly data storage fees on a pro rata basis)"
	Annex 2 deleted and replaced:	The entire text of Annex 2 is deleted and replaced with the updated Annex 2 attached hereto at Schedule 2 to the Variation Letter.
	Annex 4 added:	A new Annex 4: Compliance Matrix, attached hereto at Schedule 3 to the Variation Letter, is hereby incorporated into the Agreement

6. Except as set out above in paragraph 5, the Agreement shall continue in full force and effect.
7. This Variation Letter and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and interpreted in accordance with the law of the State of Ohio, without reference to its conflict of law principles.
8. The parties irrevocably agree that the courts of Summit County, Ohio shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) that arises out of, or in connection with, this Variation Letter or its subject matter or formation.
9. Please sign and return the enclosed copy of this Variation Letter to acknowledge your agreement to the variation of the Agreement.

Yours faithfully,



Zach Ascher
VP Business Development, North America
for and on behalf of Masabi LLC

We agree to the variation or amendment of the Agreement with effect from the Variation Date on the terms set out above.

Signed 

for and on behalf of NEORide Regional Council of Governments

Date 08-29-19

SCHEDULE 1



Signed Contract
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SCHEDULE 2

ANNEX 2

CHARGES AND PAYMENT

All fees below are exclusive of any sales tax applicable.

	Year 1	Year 2	Year 3	Year 4	Year 5
Initial startup costs	\$0.00				
Annual fixed cost	\$12,000.00	\$12,000.00	\$12,000.00	\$12,000.00	\$12,000.00
NEORide Current per transaction revenue share***	8.5%	8.5%	8.5%	8.5%	8.5%
NEORIDE Updated per transaction revenue share	7.90%	7.90%	7.90%	7.90%	7.90%
Per-transaction fee (for transactions below \$2)	20¢	20¢	20¢	20¢	20¢

***The NEORide Current per transaction revenue share percentage will continue to apply until such time as the NEORide updated per transaction revenue share percentage (“Reduced Percentage”) becomes applicable (see Notes paragraph 5 below).

Optional Items:

- 1) Stored Value per transaction fee clarification:

Should the NEORide agencies deploy stored value functionality (“Stored Value”), the following rate chart will apply (this assumes that the Reduced Percentage has become applicable:

Transactions into the Justride Platform	Tickets	Stored Value
Masabi-processed credit card transaction	7.9%*	10.8%*
Non-credit card ticket issuance	2.9%*	<i>Not Applicable</i>
Non-credit card top-up	<i>Not Applicable</i>	5.8%*

* See Notes paragraph 2 below for payment details.

Item description	Unit Price
Additional member set up fee	\$0.00
Transit app SDK Implementation fee, 1x	\$6,000.00
Installation Mobilization, per mobilization (pricing from ESP installation partner)	\$7,500.00
Centralized site survey; A review of buses accessible within the workshop duration - likely 2 to 4 locations	\$15,000.00

Additional site surveys (if necessary)	\$5,000.00
Electronic Validation Installation, per unit	\$425.00
VAL 100 Electronic Validator, per unit	\$1,950.00
VAL 100 Electronic Validator Warranty, per unit (first year after purchase)	\$0.00
VAL 100 Electronic Validator Warranty, per unit (second and subsequent years after purchase)	\$234.00
Justride Validator	\$1,200.00
Justride Validator Warranty, per unit (first year after purchase)	\$0.00
Justride Validator Warranty, per unit (second and subsequent years after purchase)	\$135.00

Notes:

1. The transaction fee for those transactions below \$2 has been included to account for payment processing fees. An alternative approach to this would be to institute a minimum transaction value over \$2, thereby requiring passengers to at a minimum purchase enough tickets to exceed the \$2 value (accomplished by purchasing multiple tickets at once). With this approach, the NEORide agencies can avoid these fees.
2. Transaction fees are applied to all transactions, which for the purpose of clarity, comprise of: i) the loading of value onto the platform; and ii) the purchase of a ticket. i) will only take effect if the optional stored value functionality is implemented. Once stored value is implemented, Masabi will charge a bundled fee comprising both (i) and (ii) at the time when value is loaded to the platform (subject to Note 5 below). For those transactions paid by credit card, this bundled fee will be 10.8%, and for all non-credit transactions, this bundled fee will be 5.8%.
3. These commercial terms have been calculated assuming a chargeback ratio of 0.05% of all transactions, which is considered market average. Any chargeback fees charged by the payment processing services over this estimated rate will be charged back to the Transit Agencies at cost, with no profit margin for Masabi.
4. Installation Mobilization is a fee for the costs of mobilizing the team for installation. If more than one trip is necessary to install validators across the multiple agencies, this will be a fee per each mobilization.
5. Note on concessionary tickets: Concessionary tickets (those tickets that are issued free of payment within the platform) are included in this pricing up to an aggregate total shared between all agencies of 1million rides per year. Rides are measured by activations and validations. Once the NEORide consortium exceeds this amount, concessionary tickets will incur a 2.9% per ticket fee, calculated using the commercial value that agencies charge partners for the issuance of tickets "Commercial Value". To process concessionary rides, NEORide must provide the Commercial Value of all concessionary rides transacted on the platform at the beginning of the term and at the beginning of each subsequent calendar year. Those tickets that do not have a Commercial Value will not incur a fee.
6. The Reduced Percentage will apply to all transactions under the Agreement going forward once all of the following agencies deploy on Justride:

SCHEDULE 3

Annex 4
Compliance Matrix



SORTA-OhioRide
Transit & Masabi Fun

Training Material Development	187.5	1,500
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PAYMENT AND FARE REMITTANCE

The total value of fares received by the Service Provider less the charges described above shall be remitted to the Customer within 5 working days of the end of each calendar month by ACH bank transfer, together with remittance advice by email.

The Customer will provide ACH details for each participating agency separately.

The Customer's contact(s) for the remittance advice shall be Katherine Manning. Contact information below:

Katherine Conrad
Director of Client Services
Ohio Transit Risk Pool (OTRP)
1 Park Center Dr #300
Wadsworth, OH 44281
330-334-6877
katherinem@otrp.org

- a) Southwest Ohio Regional Transit Authority (“SORTA”);
 - b) Butler County Regional Transit Authority (“BCRTA”);
 - c) Transit Authority of North Kentucky (“TANK”); and
- provided that all agencies deployed on Justride make reasonable efforts to sell all commercially available fare types through the Justride platform.

Agency Specific Optional Items:

Item description	Unit Price
SORTA, BCRTA, and TANK AVL Integration	\$94,500
CAD / AVL Integration (per agency)	\$35,200

Notes on Agency Specific Optional Items:

1. SORTA AVL Integration Note: This pricing is subject to SORTA's fare policy changing from a zonal fare structure to a flat fare structure and requires all fare types for BCRTA and TANK to maintain their current fare structure.
2. TANK AVL Integration Note: This pricing is subject to an assessment of GTFS RT feeds and commitment from TANK to produce a GTFS-RT feed.
3. Additional CAD / AVL integrations are quoted with the assumption that the agency will make a GTFS - RT feed available for a server-side integration.

Professional Services

The following rates shall be used for Professional Services:

Role	Hourly Rate (USD)	Daily Rate (USD)
Program Manager	300	2,400
Project / Product Manager	250	2,000
Senior Architect	400	3,200
Senior Platform Engineer	300	2,400
Developer	220	1,800
Industrial Designer	500	4,000
Support Engineer	187.5	1,500
Training Services - Onsite	150	1,200