



Florida

Department of Highway Safety and Motor Vehicles

Division of Motor Vehicles

PROCEDURE	SUBJECT:	
EFS-03	ELECTRONIC FILING SYSTEM (EFS) CERTIFICATION PROCESS AND REQUIREMENTS FOR CERTIFIED SERVICE PROVIDERS	
DESCRIPTION AND USE:		
THIS PROCEDURE PROVIDES INFORMATION AND INSTRUCTIONS TO ASSIST CERTIFIED SERVICE PROVIDERS, EFS AGENTS, TAX COLLECTOR EMPLOYEES, AND THE DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES FOR EFS CERTIFICATION AND IMPLEMENTATION PROCESSES.		
<p>I. PROVISIONS OF LAW:</p> <p>Section 320.03(10), Florida Statutes, grants the Department jurisdiction and regulatory authority over the electronic filing system for use by authorized electronic filing system agents to electronically title or register motor vehicles, vessels, mobile homes, or off-highway vehicles; issue or transfer registration license plates or decals; electronically transfer fees due for the title and registration process; and perform inquiries for title, registration, and lienholder verification and certification of service providers.</p> <p>The electronic filing system shall be available for use statewide and applied uniformly throughout the state. An entity that, in the normal course of its business, sells products that must be titled or registered, provides title and registration services on behalf of its consumers, and meets all established requirements may be an authorized electronic filing system agent and shall not be precluded from participating in the electronic filing system in any county. The Department shall adopt rules in accordance with chapter 120 to administer the provisions of this section, including, but not limited to, establishing participation requirements, certification of service providers, electronic filing system requirements, and enforcement authority for noncompliance. Upon request from a qualified entity, the tax collector shall appoint the entity as an authorized electronic filing system agent for that county. An authorized electronic filing agent may charge a fee to the customer for use of the electronic filing system.</p> <p>Florida Administrative Code Electronic Filing System Rules 15C-18.001-15C-18.007.</p> <p>II. DEFINITIONS:</p> <p>A. Certified Service Provider or CSP: A Department approved provider of electronic registration and titling or other motor vehicle, vessel, mobile home, or off-highway vehicle transactions allowed under the Electronic Filing System. The Certified Service Provider hosts an approved system for interface between EFS agents and the Department.</p>		
<i>Revisions to this Procedure: Created a new Procedure</i>		
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- B. Electronic Filing System or EFS agent: An entity authorized by the Department and appointed by the tax collector to process title and registration transactions using the Electronic Filing System defined in Section 320.03(10), F.S.

III. REQUIREMENTS FOR BECOMING A CERTIFIED SERVICE PROVIDER (CSP):

An entity shall at a minimum:

- A. Enter into a contract with the Department. See Exhibit A, Memorandum of Understanding.
- B. Provide a performance bond for \$2 million.
- C. Demonstrate that it can successfully process the following transactions: original new, original used, and transfers of title and original, transfer and renewal of registrations.
- D. Provide all equipment necessary to interface between its server (the Certified Service Provider's server) and the Department's server.

IV. OPERATING AS A CERTIFIED SERVICE PROVIDER:

Once the entity receives authorization from the Department, it becomes authorized as a Certified Service Provider and may provide authorized EFS agents with the interface capabilities to process titles and registrations in accordance with EFS rules ([15C-18.001-15C-18.007](#)) and applicable Florida Statutes ([320.03\(10\)](#)).

The Certified Service Provider shall at a minimum:

- A. Support, assist, and train EFS agents using its system.
- B. Maintain records of electronic fund transfers, inventories, and files of transactions for three fiscal years.
- C. Maintain all contractual agreements for five fiscal years after completion or termination of contract and allow the Department to inspect or audit records.
- D. Ensure that all EFS agent principals and authorized users who will access the EFS system have had a criminal history check conducted by the Florida Department of Law Enforcement.
- E. Maintain and provide the Department with a current list of all principals and authorized users of the Electronic Filing System.
- F. Create and maintain user accounts for authorized users.

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<p>G. Ensure that access to the Electronic Filing System and data are secure.</p> <p>H. Provide a variety a reports as specified by and in accordance with EFS rules (15C-18.001-15C-18.007) and applicable Florida Statutes (320.03(10)).</p>	
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**STATE OF FLORIDA
DEPARTMENT OF
HIGHWAY SAFETY AND MOTOR VEHICLES
TALLAHASSEE, FLORIDA 32399-0500**

**MEMORANDUM OF UNDERSTANDING
FOR ELECTRONIC FILING SYSTEM (EFS)
ELECTRONIC VEHICLE
TITLING AND REGISTRATION**

This Agreement dated _____, 20__ is between the Florida Department of Highway Safety and Motor Vehicles, hereinafter referred to as the Department, having offices at the Neil Kirkman Building, 2900 Apalachee Parkway, Tallahassee, Florida 32399-0500 and _____, a _____ corporation, hereinafter referred to as the Service Provider, with offices at _____.

I. Definitions.

- A.** "Driver's Privacy Protection Act" (DPPA) – 18 United States Code section 2721 et seq.
- B.** "Parties" – The Department and the Service Provider.
- C.** "Personal Information" – Information found in the motor vehicle or driver record, which includes but is not limited to, the subject's driver identification number, name, address, telephone number, and medical or disability information. Personal information does not include information related to vehicular crashes, driving violations, and driver's status.
- D.** "Vehicle Records" – title and registration data collected and maintained by the Department for vehicles, vessels and mobile homes.
- E.** "EFS" – Electronic Filing System, a proprietary service network used to process titles and registrations via an electronic system.
- F.** "Tax Collectors" – A network of elected or appointed officials who are responsible for the collection of taxes and fees as pertaining to the duties and responsibilities related to Electronic Filing System (EFS) transactions by the county taxing jurisdictions of the State of Florida.
- G.** "FRVIS" – Florida Real-time Vehicle Information System, an electronic network for issuing registrations and titles.
- H.** "Service Provider" – Entity who enters into MOU with Department to provide inquiry and update information from and to the Department's Vehicle Record database via the FRVIS application and their interface system.

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- I. "Service Provider Host System" – A system capable of accessing the Department's Vehicle Records to allow inquiries to be made against and updating of the Department's Vehicle Records.
- J. "FRVIS Interface" – An application programming interface that allows for the processing of motor vehicle transactions through the Florida Real-Time Vehicle Information System (FRVIS).
- K. "EFS Agent Agreement" – An Agreement between the Service Provider and the Authorized EFS Agent.
- L. "EFS Agent" – A Dealer or Entity who has a current Agreement with a Certified Service Provider and approved to perform the duties of title and registration transactions via EFS.

Refer to Rule 15C-18.001, Florida Administrative Code (FAC) for further definitions used in this Agreement, <https://www.flrules.org/gateway/ChapterHome.asp?Chapter=15C-18>.

II. Legal Authority.

Whereas, the Department maintains computer databases containing information pertaining to motor vehicles and vessels pursuant to Chapters 319, 320 and 328, Florida Statutes; and

Whereas, the Department is responsible for certain vehicle registration and title activities for vehicle owners in the state of Florida; and

Whereas, the Department collects and maintains certain vehicle registration and title records of the State of Florida through a network of Tax Collectors through FRVIS; and

Whereas, the Department desires to enhance the vehicle registration and titling process and through cooperation with the Tax Collectors and the Service Provider, to utilize the Service Provider's vehicle registration software to effectuate the program set forth herein; and

Whereas, the Service Provider may obtain via remote electronic means blocked personal information exempt from public disclosure as provided pursuant to section 119.0712(2), Florida Statutes, the Service Provider shall maintain the confidential and exempt status of such data. Anyone accessing records obtained per this Agreement must ensure that the end users of the records are complying with section 119.0712(2), Florida Statutes and DPPA.

Now therefore, the Parties, in consideration of the promised and mutual covenants hereinafter contained, do hereby enter into this Agreement.

III. Statement of Work.

- A. This Agreement defines the terms and conditions in which the Department and the Service Provider agree to abide. This Agreement will outline the roles, responsibilities and standards for services provided.
- B. The Department will provide the Service Provider with access to FRVIS, with the status of Tax Collector, for the purposes of performing title and registration transactions and updating the Department's Vehicle Records.
- C. The Department shall certify the Service Provider who will enter into a contract with the Department and provide a \$2 million performance bond, with the Department named as the insured under such bond.

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- D.** The Service Provider shall develop a proprietary service network to process titles and registrations via EFS. This system will be developed and compliant with the program specifications and this Agreement. The Service Provider will market, license, install and support its Vehicle Record accessing system and train agents in the use of the Service Provider's services in accordance with the requirements of this Agreement.
- E.** The Service Provider shall demonstrate to the Department that the Service Provider's system, at a minimum, can successfully process the following transactions; original new, original used, transfers of title and original, and transfer and renewal of registrations.
- F.** The Service Provider shall maintain all records of electronic fund transfers, inventories and files of transactions for a period of three (3) years. The Service Provider shall maintain all contractual Agreements for a period of five (5) years and make all records available for inspection or audit by the Department at any time during normal business hours.
- G.** The Service Provider shall preserve the security of the Vehicle Records and the Department's databases in FRVIS, which are the subject of this Agreement. The Service Provider Host System shall control the flow of communicational data between the Department and the computer terminal used by an Authorized User of the EFS Agent.
- H.** The Service Provider shall develop procedures for controlling access to the Service Provider Host System by the EFS Agent. The intent is to provide reasonable assurance that access is available only to the EFS Agents who have been authorized by the Service Provider and who have been appropriately identified.
- I.** The Service Provider shall suspend or terminate the access privileges of an EFS Agent or Authorized End User upon the breach of, or failure to fulfill, any responsibility established by the Department, the Tax collector or the Service Provider.
- J.** The Service Provider shall ensure all EFS agent principals or prospective users have had a criminal history check conducted by the Florida Department of Law Enforcement and maintain up to date lists of all authorized users.
- K.** The Service Provider shall transfer all funds collected in connection with the processing of all registration and title transactions and other approved services via Electronic Funds Transfer to the applicable Tax Collector office within two (2) business days of the date the transaction is submitted to the Tax Collector office.
- L.** The Service Provider shall collect all fees, pursuant to applicable Florida Statutes, rules and policies for providing the electronically requested data. The fee shall include all direct and indirect costs of providing remote electronic access, according to section 119.07(2)(c), Florida Statutes.
- M.** The Service Provider shall collect all fees due for electronic requests through the Automated Clearing House account of the banking institution that has been designated by the treasurer of the State of Florida for such purposes.
- N.** The Service Provider shall discontinue the EFS Agent's access for non-payment of required fees. The Service Provider shall not be responsible for the failure, refusal, or inability of the EFS Agent to make the required payments, or interest on late payments for periods of delay attributable to the action or inaction of Network Providers.
- O.** The Service Provider shall provide, at its own expense, all equipment necessary to establish an interface between its server and the Department's server.

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- P.** The Service Provider shall ensure the software developed and delivered pursuant to this Agreement, as well as any modifications or enhancements made by the Service Provider subsequent to acceptance, is free from defects. The connection with the Department Interface, the Department Host, the FRVIS Interface operational capabilities and the Service Provider software will meet and continue to meet the functional specifications and performance standards made applicable by this Agreement.
- Q.** The Service Provider shall correct such defects of noncompliance within a reasonable time, if the Service Provider's software is not free from defects or does not meet functional specifications or performance standards of this Agreement. If the Service Provider is unable to correct the defect or performance issue after repeated attempts, the provisions of Paragraph XIV, "Limitation of Liability", shall apply.
- R.** The Service Provider shall allow the EFS Agent to electronically access motor vehicle information through a telecommunications link, established between the EFS Agent's computer and the Service Provider.
- S.** The Service Provider shall accept the EFS Agent's electronic requests and respond with appropriate data. At a minimum, ninety percent (90%) of the responses to the electronic requests from the Service Provider will occur within fifteen (15) seconds of receiving the transaction.
- T.** The Service Provider shall comply with all applicable Florida Statutes and accompanied Department promulgated rules.
- U.** The EFS Agent shall use the information received from the Service Provider only for the purposes authorized by this Agreement.
- V.** The EFS Agent shall protect and maintain the confidentiality and security of motor vehicle information received from the Service Provider in accordance with this Agreement and applicable state and federal law.
- W.** The EFS Agent shall, to the extent allowed by law, defend, hold harmless and indemnify the Service Provider and Department and its employees or agents from any and all claims, actions, damages, or losses which may be brought or alleged against its employees or agents resulting from the EFS Agent's negligent, improper, or unauthorized use or dissemination of information provided by the Service Provider.
- X.** The EFS Agent shall update user access permissions upon termination or reassignment of users within twenty-four (24) hours and immediately revoke user access permissions upon discovery of negligent, improper, or unauthorized use or dissemination of information.
- Y.** The EFS Agent Shall conduct quarterly quality control reviews to ensure all current users are appropriately authorized.
- Z.** The EFS Agent shall, for all records containing personal information released to a Third Party, maintain for a period of five (5) years, records identifying each person or entity that receives the personal information and the purpose for which it was used. The Service Provider shall make these records available for inspection upon request by the Department.

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IV. **Effective Date.**

- A. This Agreement shall become effective on the date it is signed by both parties, and shall continue in full force and effect for a period of two (2) years and on a year by year basis thereafter.

V. **Termination.**

- A. This agreement may be immediately terminated in writing for cause by either party upon finding that the terms and conditions contained herein are not being followed.
- B. This agreement is subject to unilateral cancellation by the Department without notice for failure of the Service Provider to comply with any of the requirements of the Agreement and applicable Florida Statutes, including section 119.0712(2), Florida Statutes.
- C. The Contract may be terminated upon thirty (30) days notice in writing to the Contract Manager without penalty to either party. All obligations of either party under the contract will remain in force during the thirty (30) day notice period.

VI. **Creation of Electronic Filing System.**

- A. The Service Provider shall develop, at its own expense, the following:
 - 1) A Service Provider host computer system, which will be capable of accessing, allowing inquiries to be made against and for updating of Vehicle Records;
 - 2) An interface between the Service Provider Host System and the FRVIS network that allows for transfer through FRVIS of title and registration data from the EFS Agent to the Tax Collector; and
 - 3) An interface between the Service Provider Host System and the Department's mainframe computer, the Department Host, operated through the Department Interface.
- B. The Department hereby grants the Service Provider access to the Vehicle Records through the FRVIS network to access, submit and update the Vehicle Records as follows:
 - 1) Directly and through the FRVIS system, as determined by the Department, to perform inquiries against the Vehicle Records for the purpose of verification of certain Vehicle Record information.
 - 2) The Service Provider shall pay any applicable fees pursuant to s. 320.05(3)(e), Florida Statutes.
- C. The Department will provide reasonable assistance to the Service Provider in development of the FRVIS Interface and the Department Interface. This will include, providing necessary transaction details to allow the Service Provider to develop the Electronic Filing System, the interface specifications, pre-and-post implementation testing opportunities, and timely notification of future changes which might affect the FRVIS Interface with the Department.
- D. The Department agrees to allow the Service Provider to install the system software, relevant to the terms of this Agreement, on any FRVIS computer operated by a Tax Collector, if agreed upon by the individual Tax Collector. If such related software requires any hardware or software upgrade on any FRVIS computer system on which it is installed or is to be installed, all such costs, including acquisition, transportation, installation, and maintenance or license fees, shall be paid by the Service Provider. Hardware or software installed pursuant to this paragraph shall

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remain the property of the Service Provider. However, should the Service Provider elect to deinstall such hardware or software and, in the opinion of the Department, the deinstallation will have a negative impact upon FRVIS, such hardware or software will become property of the Department at no cost, provided the Department does not allow access to or use of the Service Provider software by any third party providing EFStype services.

- E. In the event that EFS related hardware or software owned by the Service Provider is installed on any FRVIS computer and such installation results in performance degradation to the FRVIS computer or any component of FRVIS, the Service Provider must restore the FRVIS computer or any component of FRVIS to the level of performance experienced prior to installation of the EFS related hardware or software. All costs associated with restoration of performance shall be paid by the Service Provider.

VII. Access by EFS Agents

The Department agrees that access by the Service Provider to the Vehicle Records will be direct, online, real-time access to FRVIS at no cost to the Service Provider other than as set forth in Paragraph XIII, Compensation. The Department further agrees that the Service Provider may provide its EFS services to the Tax Collector and EFS agents pursuant to the restrictions of this Agreement. Access to Vehicle Records by the Service Provider and EFS Agents pursuant to this section, shall be solely for the purposes of electronic access to, and submission of, Vehicle Record information. To become an EFS Agent, an Entity must be authorized by the Department and appointed by the Tax Collector to provide registration and title services. Any such approval must be in full force and effect to continue as an EFS Agent, and the EFS Agent must sign the Service Provider's standard agreement for accessing the EFS and other appropriate agreements regarding participation in EFS.

VIII. On-Line Remote Filing of Vehicle Records Information.

A. Accommodations

The Department will cooperate with the Service Provider to establish the following:

- 1) A capability for the Service Provider to perform transactions, which simply establish a file for Vehicle Records referred to by the Department as "Record Only" or "RO" transactions;
- 2) A policy to allow for issuance of vehicle titling and registration materials at the EFS Agent level as opposed to the Tax Collector level, which will allow for sequential numbering of Titling Materials at the Agent level.
- 3) A policy for allowing title numbers to be printed on form HSMV 82041 and allow such title numbers to be issued in blocks to the Service Provider.
- 4) A procedure for return of Titling Materials and deleting/modifying Record Only transactions in the case of canceled transactions at the EFS Agent level.

Refer to Department Procedures for Electronic Filing System (EFS) Inventory.
<http://www3.flhsmv.gov/DMV/Proc/EFS/EFS-01.PDF>

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B. Issuance of Materials by EFS Agents

An EFS Agent, who submits a vehicle registration application or renewal to the Tax Collector via the Service Provider Host System and FRVIS Interface, shall be authorized to issue to the person submitting a Titling Transaction application, appropriate Titling Materials including license plates and/or registration decals, upon payment of all appropriate fees and taxes. Issuance of such Titling Materials shall be subject to the terms, conditions and procedures developed by the Department and the Tax Collector.

IX. Maintenance and Equipment.

The Service Provider shall provide at its own expense the equipment, devices, modems, telephone and data lines, associated communications facilities, wiring and other components necessary to connect to the FRVIS Interface and the Department Interface. The Department shall provide the Service Provider reasonable access to premises and facilities.

X. Safeguarding Information

The Parties shall access, use and maintain the confidentiality of all information received under this Agreement in accordance with Chapter 119, Florida Statutes, and DPPA. Information obtained under this Agreement shall only be disclosed to persons to whom disclosure is authorized under Florida and federal law. Any person who willfully and knowingly violates any of the provisions of this section is guilty of a misdemeanor of the first degree punishable as provided in sections 119.10 and 775.083, Florida Statutes. In addition, any person who knowingly discloses any information in violation of DPPA may be subject to criminal sanctions and civil liability.

The Parties mutually agree to the following:

- A.** Information exchanged will not be used for any purposes not specifically authorized by this Agreement. Unauthorized use includes, but is not limited to, queries not related to a legitimate business purpose, personal use, and the dissemination, sharing, copying or passing of this information to unauthorized persons.
- B.** Information exchanged by electronic means will be stored in a place physically secure from access by unauthorized persons.
- C.** Access to the information exchanged will be protected in such a way that unauthorized persons cannot review or retrieve the information.
- D.** All personnel with access to the information exchanged under the terms of this Agreement will be instructed of, and acknowledge their understanding of, the confidential nature of the information and acknowledge their understanding of, the criminal sanctions specified in state law for unauthorized use of the data. These acknowledgements must be maintained in a current status by the EFS Agent.
- E.** All access to the information must be monitored on an on-going basis by the EFS Agent.
- F.** By signing this Agreement, the representatives of the Department and Service Provider, on behalf of the respective Parties attest that their respective agency procedures will ensure the confidentiality of the information exchanged will be maintained.

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- G.** The Service Provider shall not release any personal information contained in Motor Vehicle records unless the person to whom such personal information is to be released is authorized to receive such information by one or more of the exceptions set forth in section 119.0712(2), Florida Statutes. If the Service Provider resells or rediscloses the information in accordance with this paragraph, the Service Provider must maintain records identifying each person or entity that receives the personal information and the permitted purpose for which the personal information will be used. This information must be maintained for a period of five years and these records must be made available for inspection upon request by the Department.

XI. Compliance and Control Measures

- A. Internal Control Attestation.** This Agreement is contingent upon the Service Provider having appropriate internal controls over personal data sold or used by any Authorized User or EFS Agent to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. Upon request from the Department, the Service Provider must submit an attestation from a currently licensed Certified Public Accountant performed in accordance with American Institute of Certified Public Accountants (AICPA) "Statements on Standards for Attestation Engagement". The attestation must indicate that the internal controls over personal data have been evaluated and are adequate to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. The attestation must be received by the Department within 120 days of the written request. The Department may extend the time to submit the attestation upon written request and for good cause shown by the Service Provider.
- B. Misuse of Personal Information.** The Service Provider must immediately notify the Department and the affected individual following the determination that personal information has been compromised by any unauthorized access, distribution, use, modification, or disclosure. The statement to the Department must provide the date and the number of records affected by any unauthorized access, distribution, use, modification, or disclosure of personal information. Further, as provided in section 817.5681, Florida Statutes, the document must provide a statement advising if individuals whose personal information has been compromised have been notified and, if not, when they will be notified. The statement must include the corrective actions and the date these actions were completed by the Service Provider.
- C.** The Department shall receive an annual affirmation from the Service Provider indicating compliance with the requirements of this Agreement no later than thirty (30) days after the anniversary date of this Agreement.

- XII. Other Providers.** Should the Department allow other EFS vendors offering EFS type services, contract for, or develop itself, systems which provide substantially similar services for vehicle dealers as those provided by the Service Provider under this Agreement, the Department agrees to treat the Service Provider/EFS Agent on an equal basis with the participants of the other systems. Vendors allowed to provide similar services to those being provided by the Service Provider under this Agreement, will be required to meet all applicable departmental requirements established for the Service Provider under this Agreement and through later established program requirements.

- XIII. Compensation.** The Department has no obligation to make any payments to the Service Provider for submission of Vehicle Record information to the Tax Collector via the Service Provider Host System or FRVIS. The Department will charge the Service Provider no more than the Department charges the Tax Collectors for Titling Activities. The Department shall make available to the Service Provider any discount, rebate, reduction or other incentive enjoyed by the Tax Collectors. The Service Provider shall be entitled to charge EFS Agents fees as set forth in their individual EFS Agent Agreements.

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XIV. Limitation of Liability.

- A.** THE DEPARTMENT SHALL BE LIABLE TO THE SERVICE PROVIDER, FOR ANY DIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES RESULTING FROM THE LOSS OF DATA, OR THE USE OF PRODUCTS, UNDER THIS AGREEMENT ONLY TO THE EXTENT PROVIDED BY SECTION 768.28, FLORIDA STATUTES.
- B.** The Service Provider's entire liability and the Department's exclusive remedy shall be as follows:
- 1) In all situations involving non-performance of machines or programming furnished under this Agreement, the Department will:
 - i. Request the adjustment or repair of the machine or replacement of its parts by the Service Provider, or at the Service Provider's option, correction of the programming error.
 - ii. If, after repeated efforts, the Service Provider is unable to repair the machine or install a replacement machine, restore it to good working order, or make the programming operate as warranted, the Department shall be entitled to recover actual damages up to a limit of \$100,000.00 per incident.
- C.** The Service Provider shall hold the Department harmless for any and all suits and judgments against the Department for personal injury or damage to real or tangible personal property caused by the Service Provider's tortuous conduct in the performance of this Agreement provided that:
- 1) The Department promptly notifies Service Provider in writing of any claim.
 - 2) The Service Provider is given the opportunity to participate and associate with the Department in the control, defense and trial of any claims and any related settlement negotiations and, provided further, that with respect to any claim, or portion thereof, for which the Service Provider agrees at the initiation of such claim that the Service Provider shall save and hold the Department harmless, The Service Provider shall have the sole control of the defense, trial and any related settlement negotiations.
 - 3) The Department fully cooperates with the Service Provider in the defense of any claim. In no event, however, will the Service Provider be liable for:
 - i. Any damages caused by the Department's failure to perform its responsibilities,
 - ii. Any profits or other consequential damages, even if the Service Provider has been advised of the possibility of such damages,
 - iii. Any claim against the Department by any other party, except as provided in the hold harmless provision of the preceding paragraph of this Special condition and except as provided in the Article entitled "Patents and Royalties,"
 - iv. Any damages caused by performance or non-performance of machines or programming located outside the United States or Puerto Rico.

XV. Intellectual Property Representations.

- A.** The Service Provider represents and warrants that the Service Provider Host System, the FRVIS Interface, the Department Interface and all equipment, software, or any combination thereof, provided by the Service Provider pursuant to this Agreement, and the use thereof, do not violate or infringe upon any U.S. patent, copyright, trade secret, or any other proprietary right of any third party. In the event of any action brought against the Department in which such infringement is alleged, the Service Provider will, to the extent permitted by the law, defend or settle any such claim of infringement or violation at its own expense, and indemnify and hold harmless the Department against any expenses, costs or damages (including reasonable legal fees and expenses) incurred by the Department in connection with such claim, defense, settlement and payment provided that:
- 1) The Service Provider is notified of any claim promptly after the Department becomes aware of it.
 - 2) The Department gives the Service Provider information reasonably available and assistance reasonably necessary to facilitate the defense or settlement of such claim and, to the extent permitted by law, the Department makes any defenses available to it, available to the Service Provider.
 - 3) In the event such a claim occurs, or in the Service Provider's opinion is likely to occur, the Service Provider will, at its option and expense, either procure for the Department the right to continue using the equipment and/or software, or replace or modify the same so that they become non-infringing. If neither alternative is feasible, the Service Provider will accept return of the infringing products.
 - 4) Notwithstanding anything to the contrary above, the Service Provider shall not be required to indemnify the Department against any claim of infringement based upon equipment, software or system made or modified to the Department's own systems, detailed specifications or design.
 - 5) The provisions of this paragraph state the sole remedy of the Department regarding any claimed infringement by the equipment, software, the Service Provider Host System, the Department Interface or the FRVIS Interface provided by the Service Provider pursuant to this Agreement.

XVI. Ownership of inventions, discovery and improvements. Each invention, discovery, or improvement which includes ideas, concepts, know-how or techniques relating to data processing developed pursuant to this Agreement shall be treated as follows:

- A.** If made by the Department's personnel, it shall be the property of the Department,
- B.** If made by the Service Provider's personnel, it shall be the property of the Service Provider, who grants to the Department a nonexclusive, irrevocable, and royalty-free license throughout the world,
- C.** If made jointly by personnel of the Service Provider and the Department, it shall be jointly owned without accounting, and the Department and the Service Provider shall each have the right to grant licenses to third parties or assign its rights therein without consent of the other.

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XVII. Use of the Department Name and Position. The Service Provider may use the Department's name or refer to the Department's vehicle records in connection with the Service Provider's provision of services to the EFS Agents. The Service Provider shall not state or imply that the Department requires the use of the Service Provider's services.

XVIII. Confidentiality. To the extent permitted by subsection 119.084, Florida Statutes, or other applicable statutes the Department shall not disclose software licensed to it by the Service Provider.

XIX. Dispute Resolution. In the event that any dispute arises between the parties with respect to the interpretation or implementation of this Agreement, or any rights, responsibilities, duties, entitlement or obligations arising hereunder, the parties mutually agree to make prompt, good faith efforts to resolve their differences without resort to litigation.

XX. Notices. All notices shall be in writing and shall be delivered or sent by recognized courier or registered or certified mail, return receipt requested, to the addresses indicated below or to such other addresses as the parties shall specify by notice given pursuant hereto:

To the Department: Florida Department of Highway Safety and Motor Vehicles
Neil Kirkman Building
2900 Apalachee Parkway
Tallahassee, Florida 32399-0500
Attn: _____

To Service Provider:

Attn: _____

With a copy to:

Attn: _____

XXI. Relationship of Parties. The Service Provider and the Department acknowledge that both parties hereto are independent contractors. Neither party shall in any way represent itself as a partner, joint-venture, agent, employee or general representative of the other party. This does not in any way preclude joint advertising and selling efforts.

XXII. Assignment. Neither party may assign this Agreement in full without the prior written consent of the other, except that Service Provider may assign or delegate to a parent, subsidiary or affiliate of Service Provider without the Department's consent. Any attempted assignment in violation of this provision shall be void. This Agreement shall be binding upon and inure to the benefit of the parties' respective and permitted successors and assigns.

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XXIII. General.

- A. This Agreement shall become valid and binding upon the parties upon execution and delivery of this Agreement by the duly authorized signatories of the Department and Service Provider.
- B. This Agreement shall not be changed, modified or amended except by a writing signed by both parties, and this Agreement may not be discharged except by performance in accordance with its terms.
- C. This Agreement, the exhibits incorporated herein by reference set forth the entire Agreement of the parties as to the subject matter hereof and supersede all existing Agreements and all other oral, written or other communications between them concerning its subject matter. There are no warranties, representations or Agreements other than those set forth in this Agreement.
- D. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected or impaired thereby. If any provision or portion of a provision is found to be invalid, illegal or unenforceable, such provision or portion thereof shall be modified to the extent necessary to correct the issue and meet the original intentions of the parties.
- E. Neither Service Provider nor the Department shall directly solicit the services of employees of the other without the written consent of the other during the term of this Agreement. This provision shall only apply to employees directly related to the parties' activities in the performance of this Agreement.
- F. The headings in this Agreement are intended for convenience of reference only and shall not affect its interpretation.
- G. This Agreement shall be governed by the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last date signed by both parties.

Service Provider _____ _____ (Signature)	Department of Highway Safety and Motor Vehicles _____ (Signature)
By: _____ (Type/Print)	By: _____ (Type/Print)
Title: _____ (Type/Print)	Title: _____ (Type/Print)
Date: _____	Date: _____