

# Master Services Agreement

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UPDATED:  
MAY 10, 2023

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## Master Services Agreement (“Agreement”)

	AGREEMENT NUMBER <b>2023-05</b>
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1. This Agreement is entered into between Western Climate Initiative, Inc. (WCI, Inc.) and the Contractor named below:  
**Teruo Tech, LLP**
2. The term of this Agreement is: **May 10, 2023 through December 31, 2024**
3. The maximum amount of this Agreement is: [REDACTED]
4. The parties agree to comply with the terms and conditions set forth on the pages following this first page of the Agreement of the following attachments, which are by this reference made a part of the Agreement. WCI, Inc. is not an agent of the WCI, Inc. Participating Jurisdictions or any of its funding entities.

Attachment A – Scope of Work and Work Authorization  
 Attachment B – Invoicing and Payment Provisions  
 Attachment C – General Terms and Conditions  
 Attachment D – Individual Conflict of Interest and Confidentiality  
 Attachment D1 – Organization Conflict of Interest and Confidentiality  
 Attachment E – Contractor Insurance Requirements  
 Attachment F – Contractor’s Technical Proposal for the SOW/Work Authorization  
 Attachment G – Contractor’s Cost Proposal for the SOW/Work Authorization

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		WCI, Inc. Use Only
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.) <b>Teruo Tech, LLP</b>		
BY (Authorized Signature) <b>signature on file</b>	DATE SIGNED (Do not type) <b>May 24, 2023</b>	
PRINTED NAME AND TITLE OF PERSON SIGNING <b>Sachin Pendse, Representative Officer</b>		
ADDRESS: <b>S NO 37/12, F NO. A-801 PALAZZO APARTMENT BALEWADI Baner Gaon Pune City Pune Maharashtra 411045</b>		
WCI, INC.		
NAME <b>Western Climate Initiative, Inc.</b>		
BY (Authorized Signature) <b>signature on file</b>	DATE SIGNED (Do not type) <b>May 24, 2023</b>	
PRINTED NAME AND TITLE OF PERSON SIGNING <b>Gregory Tamblyn, Executive Director</b>		
ADDRESS <b>1107 Ninth Street, Suite 1070, Sacramento, CA 95814</b>		

Contractor agrees, as part of the Agreement, to provide to WCI, Inc. the services described in the Agreement and the Attachments to the Agreement, including the services described in Attachment A, Scope of Work and Work Authorization, and in Attachment F, Contractor's Technical Proposal, (all such services, collectively, the "Work" or the "Work Schedule"), provided, however, that Contractor shall not commence any Work unless expressly authorized by WCI, Inc. in writing to begin performing such Work.

This Agreement may be extended and Contractor may be engaged for additional Work, only by mutual agreement of the parties in writing. The cost of the extension or additional Work must be mutually agreed to by WCI, Inc. and the Contractor based on the scope of work of the requested services.

Project Representatives are responsible for administrative and financial oversight and accountability. The Contractor Project Representative has the authority to make executive level administrative decisions for the Contractor and any subcontractor(s). The Project Representatives during the term of this Agreement will be:

Western Climate Initiative, Inc.	Contractor:
Name: Umesh Ghodke	Name: Sachin Pendse
Phone: [REDACTED]	Phone: [REDACTED]
Email: [REDACTED]	Email: [REDACTED]

Direct all administrative inquiries to:

Western Climate Initiative, Inc.	Contractor:
Attention: Eric Turcotte	Attention: Sachin Pendse
Phone: [REDACTED]	Phone: [REDACTED]
Email: [REDACTED]	Email: [REDACTED]

## Purpose / Background / Overview

### A. Purpose

WCI, Inc. expects the Contractor to provide custom software development services as requested by WCI, Inc. (each, the “Services”). The Project is separated into two major phases: (1) the Auction Project (already underway) and (2) the Registry Project. Within the Auction Project and Registry Project, the work is further segmented as will be explained in the scopes of work.

WCI, Inc. expects to start releasing the Registry Project scope of work(s) in the fourth quarter of 2021 and will accept bids from contractors with valid master services agreements at that time. The contractor(s) selected by WCI, Inc. will work with WCI, Inc. to finalize a Work Authorization for any work awarded before any Services commence for the Registry Project.

Additionally, during the course of the master services agreement, WCI, Inc. may release additional Software Development Projects on an as-needed basis and will accept bids from contractors with valid master services agreements at that time. The contractor(s) selected by WCI, Inc. will work with WCI, Inc. to finalize a Work Authorization for any work awarded before any Services commence for the Additional Development Project(s).

### B. Background

WCI, Inc. supports the Participating Jurisdictions registering to the programs and in executing coordinated auctions of greenhouse gas emission allowances that conform to the Participating Jurisdictions’ requirements. WCI, Inc. also supports the execution of reserve sales from the Participating Jurisdictions’ programs. WCI, Inc. through RFP # 2021-02, sought to contract with several experienced and qualified contractors to develop a consolidated platform to manage the single market registry and the auction of emission allowances (the “System”) for all Participating Jurisdictions (the “Project”).

### C. Overview of the Project

#### Registry Project: General Overview

The WCI, Inc. centralized market Registry will be the official record used to issue, transfer, track, and retire compliance instruments in accordance with the regulatory requirements of the Participating Jurisdictions.

The Registry will be used to register market participants and track compliance instruments (e.g., emissions allowances and offsets) from the point of issuance by Participating Jurisdictions to transfer to regulated GHG emitters and other voluntary market participants, transfers among regulated GHG emitters and other voluntary market participants and final compliance retirement by regulated entities. The Registry should allow transfers of fungible instruments between linked programs and prevent transactions between unlinked programs.

The Registry will be designed to simplify the participation in the cap-and-trade program for market participants, jurisdiction staff, and contractors involved in implementing cap-and-trade

programs within Participating Jurisdictions. It should accommodate the primary languages of each Participating Jurisdiction, currently English for California and Nova Scotia, and English and French for Québec participants, but not be limited to these languages.

Once WCI, Inc. releases the Registry Project scope of work(s) it will then accept bids from contractors with valid master services agreements. The contractor(s) selected by WCI, Inc. will work with WCI, Inc. to finalize a Work Authorization for any work awarded before any Services commence for the Registry Project.

### **Additional Development Projects**

During the term of contractors' master services agreements, WCI, Inc. may release additional software development Projects on an as-needed basis and will accept bids from contractors with valid master services agreements at that time. The contractor(s) selected by WCI, Inc. will work with WCI, Inc. to finalize a Work Authorization for any work awarded before any Services commence for the Additional Development Project(s).

## Attachment A: Scope of Work and Work Authorization(s)

*Details have been removed from the public document for business confidentiality and competitiveness reasons.*



## Attachment B

### Invoicing and Payment Provisions

#### A. Invoicing and Payment

- i. **Fixed Price.** For completed deliverables rendered to WCI, Inc.'s reasonable satisfaction, and upon receipt and approval of the invoice for such services rendered to WCI, Inc.'s reasonable satisfaction, WCI, Inc. agrees to compensate the Contractor at the pricing set forth in this Attachment B. The maximum amount payable for each deliverable and task, and total contract value, shall not exceed the value identified in this Attachment B, unless otherwise agreed by the parties in writing, and shall include all applicable taxes, fees, and any other non-travel. Compensation refers to the consideration set forth in this Attachment B to be paid to Contractor for all of Contractor's services provided and costs incurred to fulfill its duties and obligations under the Agreement.
- ii. **Hourly Rates.** The fixed not-to-exceed fees proposed by Contractor for a Scope of Work shall be based on the hourly rates included in this Exhibit B and shall, for the duration of this Agreement, be inclusive of all taxes, fees, and any other non-travel expenses.
- iii. **Holdback.** Ten percent (10%) of the amount of each invoice for completed deliverables provided to WCI, Inc. reasonable satisfaction by Contractor under this Agreement, and invoiced in accordance with subsection (d) below, will be deducted as a holdback from each payment by WCI, Inc. to Contractor. Upon acceptance of the final deliverable for each task, as specified in the applicable Scope of Work or Work Authorization, and after receiving an invoice from Contractor, WCI, Inc. shall within 45 days remit to Contractor the holdback amount withheld for such work.
- iv. **Travel.** Costs for travel will be incurred and charged for on a cost-reimbursable basis, at cost, and only if authorized in writing by the WCI, Inc. Executive Director. When traveling within the United States, travel cost reimbursement must abide by U.S. Federal travel regulations and per diem rates per <https://www.gsa.gov/travel/plan-book/per-diem-rates>. When traveling outside the United States, travel cost reimbursement must abide by the per diem rates used by the U.S. State Department: [https://aoprals.state.gov/web920/per\\_diem.asp](https://aoprals.state.gov/web920/per_diem.asp).
- v. **Invoicing.** All completed deliverables performed to WCI, Inc.'s reasonable satisfaction shall be payable in arrears after delivery and acceptance. The hourly rates included in any Work Authorization shall not exceed the rates set forth in this Exhibit B, and the maximum amount payable under the applicable Scope of Work/Work Authorization shall not exceed the amount set forth in the applicable Work Authorization, unless otherwise agreed to by the parties in writing to modify the Scope of Work/Work Authorization. Payment terms are NET 45 after receipt of undisputed invoices for completed deliverables that have been accepted by WCI, Inc. Invoices shall include the Agreement Number and summary of deliverables and services performed for the amount invoiced. Invoices shall be submitted monthly in arrears. Each item in the invoice must correspond

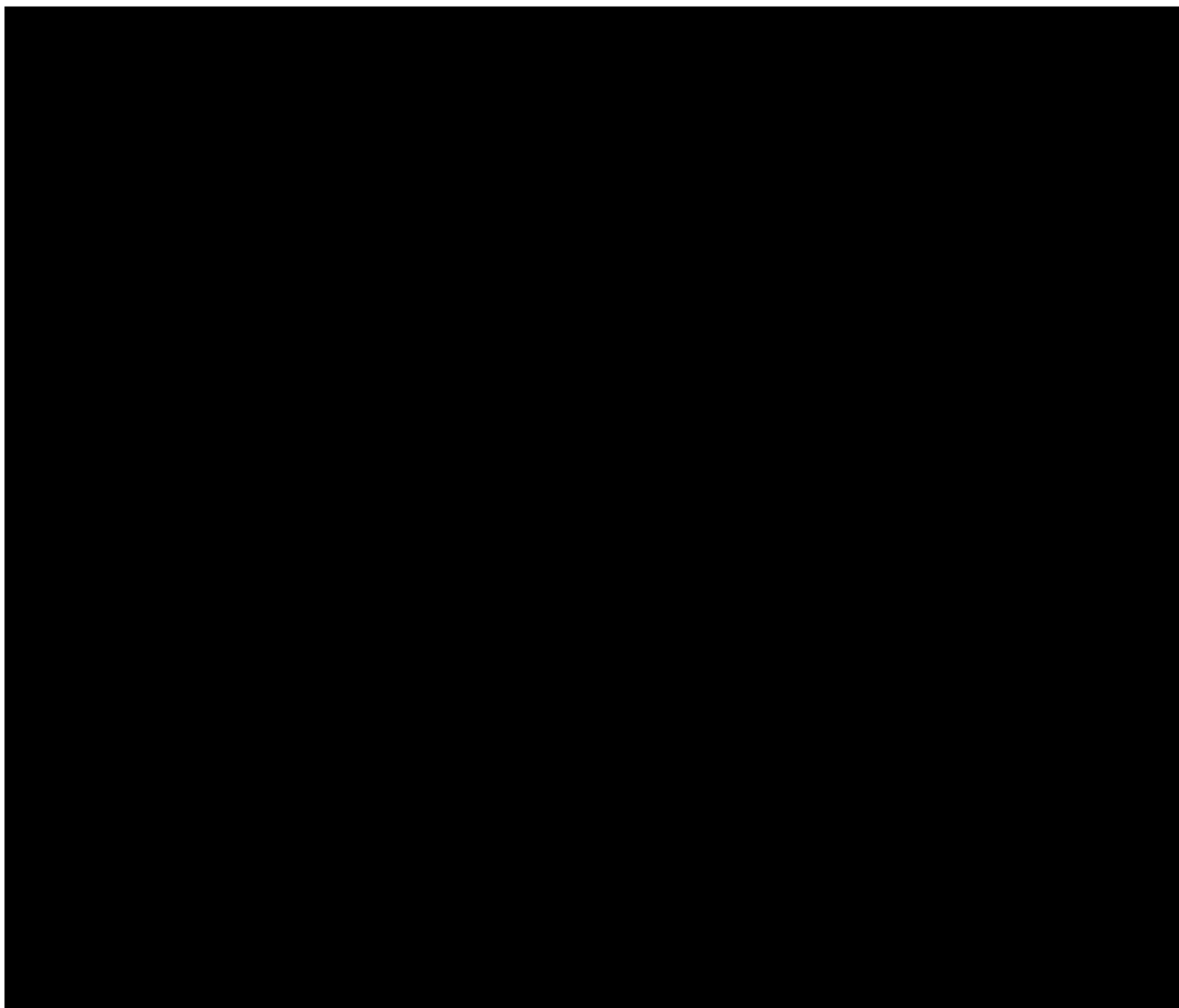
to the budget identified in Attachment B. Invoices shall be emailed to [operations@wci-inc.org](mailto:operations@wci-inc.org) and mailed to the following address:

Western Climate Initiative, Inc.  
1107 Ninth Street, Suite 1070  
Sacramento, CA 95814



## B. Budget Detail

Contractor's maximum hourly rates for the software development services are as follows:

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## Attachment C General Terms and Conditions

*Details have been removed from the public document for business confidentiality and competitiveness reasons.*

## Attachment D

### Individual Conflict of Interest and Confidentiality Statement

I certify that I and any member of my immediate family (parents, siblings, spouse, children, or domestic partner) are not a partner, director, manager, officer, key employee, or beneficial owner of more than 5% of the voting interests of any entity that is subject to any of the provisions of the greenhouse gas (GHG) reporting or cap-and-trade programs implemented by WCI, Inc., any Participating Jurisdiction or any funding entity.

I certify that if I or any member of my immediate family becomes a partner, director, manager, officer, or key employee or acquire beneficial ownership of more than 5% of the voting interests of any entity that is subject to any of the provisions of the GHG reporting or cap-and-trade programs implemented by WCI, Inc., any Participating Jurisdiction or any funding entity, I will immediately disclose this information to \_\_\_\_\_ who will disclose this information to WCI, Inc.

I certify that I and any member of my immediate family are not a partner, director, manager, officer or key employee of, or a beneficial owner of more than 5% of the voting interests of, any entity that owns, trades, facilitates trades, or advises on trades in instruments (such as derivatives) that derive their value in whole or in part from the greenhouse gas (GHG) reporting or cap-and-trade programs implemented by WCI, Inc., any Participating Jurisdiction or any funding entity.

I certify that if I or any member of my immediate family becomes a partner, director, manager, officer or key employee of, or a beneficial owner of more than 5% of the voting interests of, any entity that owns, trades, facilitates trades, or advises on trades in instruments (such as derivatives) that derive their value in whole or in part from the greenhouse gas (GHG) reporting or cap-and-trade programs implemented by WCI, Inc., any Participating Jurisdiction or any funding entity, I will immediately disclose this information to \_\_\_\_\_ who will disclose this information to WCI, Inc.

I certify that I will not accept any gift, benefit, gratuity or consideration from anyone other than my employer, based on any understanding that it would influence my performance under this Agreement.

I certify that I will keep confidential and secure and will not copy, give, or otherwise disclose to any other person or entity who has not signed a copy of this Conflict of Interest and Confidentiality Statement, all appropriately marked or verbally deemed confidential information concerning the Project (as defined in the Work Schedule) and any other confidential or proprietary information which I learn or acquire in the course of performing duties under the Agreement, and I will follow any instructions provided by the WCI, Inc. Project Manager relating to the confidentiality of Project information. I understand that the information that must be kept confidential ("confidential information") includes, but is not limited to:

- A. All data, analyses, specifications, requirements, concepts and discussions received from WCI, Inc., any Participating Jurisdiction or any funding entity in the course of performing requirements under the Project.

- B. Any personally identifying information, proprietary process or sensitive, non- public market data.
- C. Any third-party confidential information included with, or incorporated in, information provided by WCI, Inc., any Participating Jurisdiction or any funding entity, or otherwise obtained in the course of performing requirements under the Project.
- D. Communications with staff of WCI, Inc., any Participating Jurisdiction or any funding entity related to any of the requirements under the Project, including oral discussions, telephone conversations, emails, attachments, letters and faxes.
- E. All notes, data, analyses, compilations or reports prepared by me that contain or are based upon confidential information.

I certify that I will not use confidential information, or any part thereof, in the performance of services or for the benefit of any person or entity, in any form, whether gratuitously or for valuable consideration, except as provided under the Project, without the prior written consent of WCI, Inc. I understand that Teruo Tech, LLP is authorized to disclose information pursuant to law or legal process.

I certify that if I leave this Project before it ends, or at the termination of the Project, I will return all confidential information and copies thereof in my possession or control to Teruo Tech, LLP, and I will not disclose such information or otherwise make it available, in any form or manner, to any other person or entity. I certify that I have read and understand this Conflict of Interest and Confidentiality Statement, including the requirements set forth therein related to conflict of interest, confidentiality and limitations on the use of confidential information.

I certify that I understand that any unauthorized disclosure of confidential information will be handled in accordance with Section 26 of the Agreement.

Date:
Signature:
Printed Name:
Title:
Organization:
Telephone No.:
Email Address:

Capitalized terms used but not defined in this Conflict of Interest and Confidentiality Statement shall have the meanings assigned to such terms in the Standard Agreement, dated May 10, 2023, between Western Climate Initiative, Inc. and Teruo Tech, LLP.

## Attachment D1

### Organization Conflict of Interest and Confidentiality Statement

I certify that Teruo Tech, LLP is not a beneficial owner of more than 5% of the voting interests of any entity that is subject to any of the provisions of the greenhouse gas (GHG) reporting or cap-and-trade programs implemented by WCI, Inc., any Participating Jurisdiction or any funding entity.

I certify that if Teruo Tech, LLP acquires beneficial ownership of more than 5% of the voting interests of any entity that is subject to any of the provisions of the GHG reporting or cap-and-trade programs implemented by WCI, Inc., any Participating Jurisdiction or any funding entity, I will immediately disclose this information to WCI, Inc.

I certify that Teruo Tech, LLP is not a beneficial owner of more than 5% of the voting interests of any entity that owns, trades, facilitates trades, or advises on trades in instruments (such as derivatives) that derive their value in whole or in part from the greenhouse gas (GHG) reporting or cap-and-trade programs implemented by WCI, Inc., any Participating Jurisdiction or any funding entity.

I certify that if Teruo Tech, LLP acquires beneficial ownership of more than 5% of the voting interests of any entity that owns, trades, facilitates trades, or advises on trades in instruments (such as derivatives) that derive their value in whole or in part from the greenhouse gas (GHG) reporting or cap-and-trade programs implemented by WCI, Inc., any Participating Jurisdiction or any funding entity, I will immediately disclose this information to WCI, Inc.

I certify that Teruo Tech, LLP will not accept any gift, benefit, gratuity or consideration from anyone, based on any understanding that it would influence Teruo Tech, LLP's performance under this Agreement.

I certify that Teruo Tech, LLP will keep confidential and secure and will not copy, give, or otherwise disclose to any other person or entity who has not signed a copy of this Conflict of Interest and Confidentiality Statement, all appropriately marked or verbally deemed confidential information concerning the Project any other confidential or proprietary information which Teruo Tech, LLP learns or acquires in the course of performing duties under the Agreement, and will follow any instructions provided by the WCI, Inc. Project Manager relating to the confidentiality of Project information.

Teruo Tech, LLP understands that the information that must be kept confidential ("confidential information") includes, but is not limited to:

- A. All data, analyses, specifications, requirements, concepts and discussions received from WCI, Inc., any Participating Jurisdiction or any funding entity in the course of performing requirements under the Project.
- B. Any personally identifying information, proprietary process or sensitive, non- public market data.

- C. Any third-party confidential information included with, or incorporated in, information provided by WCI, Inc., any Participating Jurisdiction or any funding entity, or otherwise obtained in the course of performing requirements under the Project.
- D. Communications with staff of WCI, Inc., any Participating Jurisdiction or any funding entity related to any of the requirements under the Project, including oral discussions, telephone conversations, emails, attachments, letters and faxes.
- E. All notes, data, analyses, compilations or reports prepared by Variance Infotech Private Limited that contain or are based upon confidential information.
- F. All other information identified in the Agreement as Confidential Information.

I certify that Teruo Tech, LLP will not use confidential information, or any part thereof, in the performance of services or for the benefit of any person or entity, in any form, whether gratuitously or for valuable consideration, except as provided under the Project, without the prior written consent of WCI, Inc. I understand that Teruo Tech, LLP is authorized to disclose information pursuant to law or legal process.

I certify that Teruo Tech, LLP understands that any unauthorized disclosure of confidential information will be handled in accordance with Section 26 of the Agreement.

Date:	16-05-2023
Signature:	signature on file
Printed Name:	Sachin Pendse
Title:	Representative Officer
Organization:	Teruo Tech, LLP
Telephone No.:	[REDACTED]
Email Address:	[REDACTED]

Capitalized terms used but not defined in this Conflict of Interest and Confidentiality Statement shall have the meanings assigned to such terms in the Standard Agreement, dated May 10, 2023, between Western Climate Initiative, Inc. and Teruo Tech, LLP.



## Attachment E

### Contract Insurance Requirements

WCI, Inc. retains the right to increase insurance requirements when additional risk exposures are evident.

Throughout the life of the Agreement, the Contractor shall pay for and maintain in full force and effect with an insurance company(s) (Company) rated not less than "A: VII" in Best Insurance Key Rating Guide, the following policies of insurance:

1. **Commercial General Liability Insurance** Commercial General Liability insurance written on an occurrence basis (Insurance Services Office, Form CG 00 01 or equivalent) with limits of at least [REDACTED] per occurrence and at least [REDACTED] products/completed operations aggregate and a [REDACTED] general aggregate limit. Contractor shall not provide general liability insurance under any Claims Made General Liability form. The General Liability Insurance policy must expressly cover, without limitation, all liability to third parties arising out of or related to Contractor's services or other activities associated with the Agreement, including, without limitation, Contractor's indemnification obligations under the Agreement. Contractor's liability insurance must be issued by responsible insurance companies, maintaining an A.M. Best's Rating of A-VII or better. The insurance policy shall waive right of recovery (waiver of subrogation) against WCI, Inc., each Participating Jurisdiction and each funding entity.
2. **Additional Insured on General Liability Policy** WCI, Inc., each Participating Jurisdiction and each funding entity and their respective directors, officers, representatives, agents, employees and volunteers as additional insureds under each commercial general liability policy identified in the preceding paragraph above. The additional insured status shall include ongoing operations and completed operations coverage. Specifically, the policy shall include a combination of ISO forms CG2010 10/01 and CG 2037 10/01 or is equivalent and shall stipulate that the insurance afforded the additional insureds shall apply as primary insurance, and that any other insurance coverage carried by or otherwise available to an "Additional Insured" will be excess only and will not contribute with this insurance.
3. **Workers Compensation Insurance** Contractor's Workers Compensation Insurance with minimum limits of [REDACTED] each for bodily injury by accident (per accident per person), bodily injury by disease (policy limit) and bodily injury by disease (each employee). Contractor must maintain such a policy and provide a certificate of insurance and must provide a waiver of subrogation endorsement.
4. **Automobile Insurance** If applicable, Automobile Liability Insurance, including liability for all owned, hired and non-owned vehicles, with minimum limits of [REDACTED] for bodily injury per person, [REDACTED] property damages and [REDACTED] combined single limit per occurrence; such coverage must be for (A) "any auto" or (B) "all owned autos, hired autos and non-owned autos".
5. **Professional E&O Insurance** (if applicable) Professional Liability Insurance in an amount of not less than [REDACTED] per claim and written on a claims made bases.

6. CYBER LIABILITY COVERAGE: (if applicable) Insurance with limit no less than [REDACTED] per occurrence or claim, [REDACTED] aggregate that includes:
  - Security and privacy liability
  - Media liability
  - Business interruption and extra expense
  - Cyber extortion
7. If the PROFESSIONAL LIABILITY (ERRORS AND OMISSIONS) and/or CYBER LIABILITY COVERAGE insurance above is written on a claims-made basis, it shall be maintained continuously for a period of no less than 3 years after the date of Final Completion. The insurance shall have a retroactive date of placement prior to or coinciding with the date services are first provided that are governed by the terms of the Agreement and shall include, without limitation coverage for professional services as called for in the Agreement.
8. General Insurance Provisions
  - Certificates of Insurance, as evidence of the insurance required by this Contract Insurance Requirements Attachment shall be submitted by Contractor to WCI, Inc. Contractor shall provide prior written notice to WCI, Inc. before any cancellation or reduction in coverage required under this Agreement becomes effective.
  - Proper Address for Mailing Certificates, Endorsements and Notices shall be:

Western Climate Initiative, Inc.  
1107 Ninth Street, Suite 1070  
Sacramento, CA 95814

- If at any time during the life of the Agreement or any extension, the Contractor fails to maintain the required insurance in full force and effect, all work under the Agreement shall be discontinued immediately, and all payments due or that may become due to the Contractor shall be withheld until acceptable replacement coverage notice is received by WCI, Inc. Any failure to maintain the required insurance shall be sufficient cause for WCI, Inc. to immediately terminate the Agreement.
- Contractor shall ensure that its sub-contractors of every tier also carry insurance with the provisions of this Contract Insurance Requirements Attachment.

## Attachment F Contractor's Technical Proposal for the SOW/Work Authorization

*Details have been removed from the public document for business confidentiality and competitiveness reasons.*

## Attachment G Contractor's Cost Proposal for the SOW/Work Authorization

*Details have been removed from the public document for business confidentiality and competitiveness reasons.*