



UNFAIR
SUBSCRIPTIONS

SAFEGUARDS AGAINST UNFAIR SUBSCRIPTIONS:

Unfair subscriptions have an imbalance of rights and obligations between parties. Common examples in construction software include lack of transparency of total cost to onboard, misrepresentation of products and service and failing to provide options for cancellation without penalty.

- 1 **Client may cancel agreement at any time** (any payments made are non-refundable)
- 2 **Software vendor shall provide detailed plan**, including a complete list of tasks, commitments, milestones, skills and hours required for successful onboarding.



CLOUD
CUFFING

SAFEGUARDS AGAINST CLOUD CUFFING:

Cloud-cuffing is when software vendors charge license or subscription fees before the client is LIVE while also keeping client data hostage in order to extort additional payments from client in future.

- 3 **Software vendor shall defer software payments until client is LIVE on related software.** LIVE is defined as when the following 4 critical milestones are achieved:
 - 3a AP payments are paid through software
 - 3b Payroll runs (and/or) Payroll service export is completed through software
 - 3c Client is posting to the GL
 - 3d Entry of historical AIA/progress billings details to enable accurate retention billing
- 4 **Lifetime user licenses granted** in this agreement shall be grandfathered into ANY future agreement(s) or end user license agreements for updates accepted by client.



SMOKE
STACKING

SAFEGUARD AGAINST SMOKE STACKING:

Smoke-stacking is when software vendors oversell the level of integration of products in a tech stack AND charge additional fees to improve integrations as well as fees to maintain integrations when they break with updates.

- 5 Software vendor shall ensure integrations between estimating, mobile apps, project management and accounting functions are integrated to the level sold in sales demonstrations with NO additional set up or support fees, as well as NO additional fees for keeping integrations compatible with updates to any product.



R&D
REDIRECTION

SAFEGUARDS AGAINST R&D REDIRECTION:

R&D redirection is when software vendors collect similar fees from all customers in all industries while functions and workflows mostly benefit a core group of customers (common when subcontractors use software primarily made for general contractors)

- 6 Annual support fees shall be aligned with the demonstrable value delivered to **specialty contractors over the previous 3 years of the product's release notes** as it compares to value delivered to general contractors and/or other industries.



OVERAGES &
OVERRUNS

SAFEGUARD AGAINST OVERAGES AND OVERRUNS:

Software vendors can undersell the complexity and cost of deployment which often results in overages of 200% to 400% of the cost on contract as well as multiple schedule overruns.

- 7 Software vendor shall provide a complete deployment plan with GMP (guaranteed maximum price) for all commitments required for a successful GO-LIVE.