The SaaS Vision and Definition

At Selah Legal Technology, LLC, we believe that properly developed SaaS (Software-as-a-Service) applications will *always* provide superior practice management functionality and often at lower and more predictable cost levels. The criteria for "true" SaaS applications and our vetting process for these applications is as follows:

1. The chosen software must be run from a SSAE 16 (Formerly SAS 70 Level II) or better Certified Data Center. The software vendor co-locates their software in one of these certified centers and takes full responsibility for their software, their upgrades, the software support and the hosting service.

2. Specific SaaS applications, i.e. document management and litigation support may need to use the *Akamai* enabled Internet highway of 70,000 direct connectivity servers to enhance overall performance and to provide more direct routes through the Internet to enhance overall performance. The *Akamai* Service is for high performance content delivery over the Internet. (High performance throughways and no back roads over the Internet) Most major SaaS vendors use this service including NetFlix, MS 365, NetDocuments etc. to enhance the user experience.

3. The SaaS vendor must take the full responsibility for the capabilities of the certified data center. These multi-million dollar data center facilities provide superior power, reliability of power, back-up power, disaster recovery/fail-over capability, 24-hour per day staffing, communications/bandwidth and bandwidth redundancy, fire prevention/retardation, environment/humidity, back-up food and water and related building security. These certified data centers include: Amazon AWS; Cincinnati Bell, now known as CyrusOne; Force.com, known as either Salesforce or SFDC; Lexis/Nexis; IBM; Hewlett Packard and many others.

4. The SaaS vendor may use hundreds of matrixed 64-bit computers loosely coupled together as one, or the SaaS vendor may use many multiple symmetric processors (multiple cores) keeping performance optimized and scalable on-demand.

5. The SaaS vendor pushes updates and enhancements out to its subscribers through a process known as *Multi-Tenant*. All subscribers get software updates automatically and on a scheduled/regular basis.

   Multi-Tenant means that there is only one instance of the application software. This single instance of the software is shared by all of the subscribers to the service. However, each subscriber has their own private data repository.

6. *Multi-Tenant* assures common support, lower costs and common documentation. Most users are all on the same release of the software even though specific features/capabilities may get turned on or off based on the needs of the specific subscribers.

7. The SaaS vendor does not sell licensed software and software maintenance. Subscribers pay one monthly fee/user, a subscription fee, to use the software, get periodic upgrades via. *Multi-Tenant* technology. The SaaS vendor provides the users with help-desk support and the inherent data center hosting. Most subscription fees are capped at periodic increases of no more than 5% per year depending on the individual SaaS vendor's pricing.

8. The SaaS vendor typically charges up-front fees for set-up, training and conversion. However, specific SaaS vendors may provide financing over 60 months for these needed up-front set-up, training and conversion costs. Some SaaS vendors may charge higher subscription rates for the first 60 months and then lower their rates after 60 months once the up-front costs have been paid off. Still the law firm is shielded from large up-front costs.

9. The SaaS-based software has been written from the ground up for the Web. It is not Windows® based but runs using a Web browser interface. Most of the SaaS vendors provide software that is *browser independent* or at least they are working toward *browser independence*. Most SaaS vendors support Microsoft's Internet Explorer (IE), Google's Chrome, Apache's Firefox and Apple's Safari. Most SaaS vendors have moved away from the Windows® graphical interface because of the required desktop overhead and the negative impact on bandwidth. Even Microsoft is moving away from some Windows® components in their Microsoft 365 office products. Because the SaaS vendors have moved away from Windows®, very little if any Citrix/Terminal Server software is required for most SaaS suppliers. Some SaaS vendors may have only a few components/modules left in Windows® that may still require some small amount of Citrix or Terminal Services Software. The law firm will still have desktop applications like Word, PowerPoint, Outlook, etc. but these applications will interact with the SaaS applications that are resident in the data center. It is these SaaS applications that have the Web-browser interface.

10. Because of full Web design and the use of HTML 5, a new Web standard, SaaS-based applications can be viewed on hand-held devices, tablets or traditional PCs and notebooks. The interface repositions itself on smaller devices like iPhones/Android phones and takes on a different layout on larger devices like PCs or tablets.

11. The middleware and development environments of the SaaS vendors typically come from the Open Source community, i.e. Apache, the Java Foundation, Red Hat or other Open Source and/or non-profit foundations. The SaaS vendors typically want to use these environments because the software is less expensive and without middleware licensing. Very little of the SaaS vendor's prerequisite middleware comes from a vendor for two reasons: they don't want the vendor lock-in or the higher licensing fees.

Using non-profit-based open source foundations require that if the SaaS vendor enhances the middleware, then these enhancements must be given back to the open-source foundation for others to use as well. For these reasons, open source development has outpaced software from manufacturers by five to one in the last ten years according to the Gartner Research Group. The one exception to this rule is in the area of relational databases: Oracle, IBM and Microsoft still supply the majority of these core SQL database components even though some SaaS vendors have started to use open source-based SQL databases.

12. In the selection process of its preferred SaaS vendors, Selah wants to choose SaaS – based software that has a track record and a significant market share in the Am Law 100. Then our users will know that the software has been thoroughly tested and has a rich feature-set.

13. Selah wants all training and documentation to come from the SaaS vendor. Even end-user training has to be from either the employees of the SaaS vendor or their <u>certified</u> third-party trainers.

14. The Service Level Agreement for the use of the software, the support and the hosting must be between the SaaS vendor and the end-user law firm. This avoids finger pointing and puts the SaaS vendor in total charge of that specific software application and the related support.

15. The SaaS vendor is typically a specialist in only one software application, their own SaaS-based application software. The SaaS vendor rarely will host another vendor's applications.

16. Many SaaS vendors are now encrypting the law firm's data both during data transmission and also on the resident data center servers. This approach further protects the law firm from having their data read by anyone but the end-user law firm personnel. Even the workers in the data center cannot read the data.

17. Most SaaS vendors are now providing real-time disaster recovery, often referred to as "high availability". Should a natural disaster occur like a "Sandy" or a "Katrina", the Firm's applications and data are up and running immediately in another location. The approach is considered to be designed for "always up".

18. Some SaaS vendors can only provide for a fast "restore" of the subscriber's data to another location. Fast restore methods are typically up and running in a few hours should a disaster occur.

19. Today, we believe the fastest growing trend in law office computing is the use of multiple SaaS vendors by a single law firm:
    a. email/groupware SaaS;
    b. Document and email Management SaaS;
    c. Time & Billing/financial management SaaS;
    d. Litigation Support SaaS;
    e. Records Management SaaS;

f. Human Resources/Payroll SaaS;

g. Case Management SaaS;

h. And many other SaaS solutions designed specifically for the law firm

20. Through Selah and its Selah Central[tm] Case Management Portal, multiple SaaS services can be integrated through single sign-on (shared authentication services) technology, allowing Case Centric views of the data in a client/matter format.

21. Because law firms want to use multiple SaaS vendors, even small firms may require bandwidth of 50/50 MB/sec up to 100/100 MB/sec and faster performance levels. Redundant bandwidth is also not uncommon. Perhaps a fiber optic connection with a cable modem for back-up.

22. Using SaaS will eliminate the need for most internal servers. Web authentication, Active Directory and Print Servers may be required based on the size of the firm using the SaaS applications.

23. Desktop PCs should not be virtualized. A standard desktop high performance PC should be used in order to provide the best user experience. However, desktop monitoring services can be used to keep the PCs on the latest Operating System releases, virus free and with secure authentication. These PCs are usually monitored through active directory services. These network management companies typically will provide a help desk for all of the users.

Even multi-location law firms can have all of their PCs/desktops monitored 24/7. These services can be shared between an in-house skeleton staff and the outside service. Desktop monitoring software is available from N-able, Level Platform, Kaseya and others. This type of desktop monitoring gives one IT person access and visibility of all PCs across multiple desktops and across multiple branch locations. With shared responsibility, an outside monitoring service can also provide for help-desk logging of problems, help-desk for user issues and can create less in-house staffing when these products are used in conjunction with both in-house IT staff and with shared responsibility for 24/7 monitoring with an outside group.

About Selah Legal Technology, LLC

Selah Legal Technology, LLC provides consulting, project management, certified support, and integration services for the SaaS market requirements in law firms in the US, Canada and the Caribbean. Selah wants to provide a one-stop place for law firms to access the very best legal software (Tier 1 Software), software that has been proven in the Am Law 100 sized firms.

Because of Selah's Cloud implementation and its unique client/matter integration portal, Selah Central™, the law firm will *typically* reduce hard-dollar costs or at least will provide a predictable IT budget. Selah Central™ is delivered via SaaS and provides the integration and glue between all of the law firm SaaS applications. The law firm will not have to buy application software licenses, middleware licenses, hardware servers and will not have to maintain an extensive IT staff or outsourced IT service to keep it all running. There are no costs for software or hardware, yearly maintenance or disaster recovery/business continuity. The law firm subscriber only pays

monthly service center fees for the use of the chosen SaaS software applications. Selah Legal Technology, LLC provides the consulting, the project management and the integration services between the chosen applications and the intuitive Client/Matter portal, Selah Central™.

If the law firm follows Selah's proven Needs/Cost Assessment Process and Cloud implementation plan, the Firm will typically reduce costs and gain the availability of Tier 1 software capabilities. There are very few situations where a new design is so superior, but, as a result of a "rule-breaking" technology, will never-the-less reduce overhead and improve the overall design.

Law Firms of less than 200 lawyers will especially be drawn to the SaaS design because the Cloud implementation eliminates most of the IT overhead typically required of a Tier 1 software application. Small to mid-sized firms have never been able to use Tier 1 quality software products and have been relegated to overly simplistic, low function, software. Windows®-based Tier 1 software installed in the typical small firm has just required too much IT overhead (servers, middleware, licenses and IT personnel); however, with a proven SaaS design, these same law firms will be able to use the same software found in the 1000 lawyer firms. Selah creates a level playing field between large and small firms for the availability of Tier 1 capabilities. IT overhead and related support costs are no longer an issue for small to medium sized firms because of the SaaS/Cloud Design, the unique Client/Matter integration, the robust data center implementation and the disaster recovery/fail-over capabilities.