January 10, 2023

Re: Sole Source Acquisition of 365Labs Hardware

To Whom It May Concern:

This letter is to request sole source approval to purchase the following from 365Labs:

- Body Warn Cameras (4G model)
- Dashcam Dual-IP Cameras
- VDR
- DEMS

As the Isle of Wight's selected vendor for public safety software, 365Labs is solely qualified to provide this necessary hardware. Because the hardware is created by the same company as our software, there are unique capabilities inherent to the pairing. 365Labs as the only vendor capable of providing the system integrations outlined below:

CAD Integration	365Labs' cameras have native integration with the 365 platform's Computer-Aided Dispatch (CAD) and Real Time applications, enabling real-time streaming within the software.
RMS Integration	365Labs' cameras feature native integration with the 365 Records Management System (RMS), allowing users to review and connect footage directly to reports inside the software.
DEMS Integration	365Labs' RMS syncs evidence cases and reports without requiring redundant data entry. Use of any other cameras or devices would necessitate multiple data entries, increasing the complexity of daily operations, and exposing the department to data errors and the risk of liability.
Redactor Integration	365Labs' hardware integrates directly with the vendor's redaction software, which auto-detects faces in video allowing users to conceal faces/objects with a single click.

Conclusion

365Labs is the only vendor able to provide the capabilities required. Procuring this hardware through 365Labs will leverage the system's native integrations, ensuring a seamless and swift implementation to optimize the safety of both agency personnel and the community we serve. This will allow consolidation of our several different evidence/records storage systems into one master digital evidence management system. I appreciate your attention to this matter and respectfully request approval for this vital purchase.

Respectfully,

365™ SOFTWARE LICENSE AND SERVICES AGREEMENT

This Software License and Services Agreement (the "Agreement"), dated effective as of the date signed by both parties below (the "Effective Date") is between 365 Labs LLC, with a principal address at 1 Smart Way, Ste. 200, Baton Rouge, LA 70810 ("365Labs") and Isle of Wight Sheriff's Office, Virginia, a political subdivision of the Commonwealth of Virginia, with a principal address at 17110 Monument Circle, Isle of Wight, VA 23397 ("Client").

RECITALS:

    A. 365Labs has developed certain public safety software that is available to access on 365Labs's Website as a subscription service or is downloaded and installed at Client's site, as specified in the applicable 365Labs Quote, together with other mobile apps, products, services, and materials provided by 365Labs.

    B. Client desires to license or access the Software, and 365Labs desires to provide such license or access to Client, subject to the terms and conditions of this Agreement.

In consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, 365Labs and Client agree as follows:

AGREEMENTS:

1. Definitions.

    (a) "Acceptance" means that the Client has accepted in writing that the Software is performing in accordance with the Software's Documentation (as defined below). Within forty-five (45) days of the Go Live Date (as defined below) Client present 365Labs with a written list of Defects (as defined below), which must be corrected before Acceptance, except for errors Client deems to be minor or inconsequential in its sole discretion. Following correction of such Defects, Acceptance shall not be unreasonably withheld. If no Defects are reported within 45 days of the Go Live Date, the Software is deemed accepted by the Client. The parties acknowledge that Acceptance does not override the warranty and support terms under this Agreement. To note, 365Labs will create an acceptance criteria form, which has to be signed off on by the Client.

    (b) "Applicable Specifications" means the functional and operational characteristics of the Product as described in the 365Lab's current published documentation, specifications, literature, the written proposals, if any, made by 365Labs to Client, and any additional specifications set forth in the Product Schedule.

    (c) "Change Order" is a mutual agreement in writing by both Parties changing the scope of the project. The Change Order will include information such as but not limited to the date executed, due date, scope of work, assumptions, agreed upon cost, hours and rates, job responsibilities, deliverables, verification and acceptance testing, payment terms, requestor, and approving parties).

    (d) "Client Data" means all electronic data or information input by Client and Users into the Software, including Client's data contained in Software reports, financial data, and Personal Data. Client Data does not include Usage Data, Feedback or template report forms provided to Client through the Software.

    (e) "Confidential Information" means the Software, Client Data, either party's non-public business and technology information, trade secrets, 365Labs's pricing, any written materials marked as confidential and any other information which is clearly identified as confidential or proprietary at the time of disclosure or that the receiving party reasonably should understand to be confidential. Confidential Information excludes information that the receiving party can document: (i) is or becomes generally available to the public without fault of the receiving party; (ii) was rightfully in the receiving party's possession prior to its disclosure by the other party; (iii) is independently developed without the use of any Confidential Information of the disclosing party; or (iv) is obtained without obligation of confidentiality from a third party who has the right to disclose it. The receiving party also may disclose Confidential Information to the extent required under a

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judicial or legislative order or proceeding or as necessary to comply with open records acts or other freedom of information laws or regulations; provided that it gives the disclosing party, if legally permissible, reasonable prior notice and an opportunity to respond or object to the disclosure.

(f) "Customization" means but is not limited to all code, software modifications or computer programming to the licensed Software developed or modified under the terms of this Agreement or related Change Order or Statement of Work.

(g) "Defect" (or Issue) means a failure of the 365Labs' Software to substantially conform to the functional features they are designed to accomplish for the Client, including but not limited to (i) an omission in software code causing the software to operate such that it is not in compliance with the Applicable Specifications or the Documentation; (ii) the media on which the Product is delivered is damaged or corrupted such that the software does not load properly; or (iii) any virus, backdoor entry, time bomb, unauthorized programming, spyware, malware, lockout devices or other disruptive technology.

(h) "Discovery" means the discovery of all software needs for the Client that is needed to provide a granular project plan from the beginning of the project, though Go Live Date, and to Sign Off, of all deliverables listed in this Agreement, 365Labs's proposal, and Quote.

(i) "Documentation" means 365Labs' User instructions and help materials for the Software, whether in electronic, printed or other form, as updated by 365Labs from time to time, including the 365Labs' written proposal to the Client, user manuals, collateral material (such as brochures), systems guides, technical guides, training documents, 365Labs' Web site documents and information, mutually agreed upon Statement of Work, Supporting Documentation (see below).

(j) "Effective Date" means the date that this Agreement takes effect, which unless otherwise stated, will be the date set forth on Page One of this Agreement upon being signed by duly authorized representatives of 365Labs and Client.

(k) "Feedback" means any suggestions, enhancement requests, complaints or other feedback from Client or Users relating to the Software or 365Labs's Services.

(l) "Go-Live Date" means the date of Client's cutover to live operation of the Software, which is the date of the first production use of the licensed Software by Client where the Client is using the Software as its primary system to manage its normal business operations. Prototype development and testing, data conversion and testing, initial system training, and conference room pilot operations and testing take place before the Go Live Date.

(m) "Malicious Code" means any virus, worm, trap door, back door, snoopware, spyware, malicious logic, Trojan horse, time bomb or other malicious software functionality that would intentionally erase or render the Software unusable or intentionally interfere with the use of the Software or a User's computer system or software.

(n) "Mobile App(s)" means 365Labs's mobile applications that are used in connection with its primary Software product.

(o) "Modifications" means updates, upgrades, patches, improvements, enhancements, bug fixes, additional features, and other modifications to the Software.

(p) "Personal Data" means information that identifies a particular individual, such as name, birthdate, address, telephone number, e-mail address, government-issued identification numbers; passwords, credit and debit card numbers, financial account numbers and security codes; biometric data, and personal health information. However, if applicable law in the jurisdiction where a person resides defines personal information or data, that definition shall apply.

(q) "Product" means the 365Labs' computer software programs ("Software") identified in the Product Schedule, and related Documentation, and manuals deployed by 365Labs. Product shall also include each and every Release (as defined below), patch, upgrade, version or Product correction available from 365Labs during the term of each Maintenance and Support Period.

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(r) "Quote" means a quote/purchase order provided by 365Labs and agreed to by Client, that sets forth products or services being purchased by Client, pricing, number of authorized Users (where applicable), and other terms.

(s) "Release" means a new Product distribution, version, update or upgrade intended to correct errors or Defects, make incremental improvements in the functionality of the Product, provide significant improvements in the functionality or performance of the Product, and to allow Client intended functional productive use of the Product.

(t) "Services" means technical support, Software maintenance, consulting, training, professional services, and other services offered by 365Labs to its Clients as part of or in connection with the Software, including services for which 365Labs may charge a separate fee.

(u) "Sign Off" means the date on which Client signs off on all deliverables of this Agreement and 365Labs' proposal and Quote.

(v) "Software" means the 365Labs software and/or Mobile Apps related to such software, as specified in the applicable Quote(s) agreed to by the parties, including Modifications. The Software will be provided to Client either through online access as part of a hosted system, onsite at Client's facility, or (in the case of the Mobile Apps) made available to download onto electronic devices used by Client's authorized Users. Except as otherwise provided in this Agreement, "Software" includes Third-Party Software provided by 365Labs as part of the Software solution.

(w) "Statement of Work" means the document attached to the Professional Services Agreement and mutually developed and agreed upon by both parties, which describes in detail the services to be provided by 365Labs, implementation schedule and phases, responsibilities of Client and 365Labs, description and schedule of training, detailed list of professional services fees and expenses by major work task, acceptance plans, assumptions, risks, training schedule and description, etc.

(x) "Supporting Documentation" means all materials, in print or electronic form, related to the Software and Customizations which shall include technical specifications, technical manuals, user manuals, user guides, abbreviated user guides, system administrator manuals, and all other training, reference, or support materials for Products, hardware, and Third-Party Software provided under the terms of this Agreement

(y) "Term" means the Initial Term of this Agreement together with any and all Renewal Terms, as those terms are defined in Section 10(a).

(z) "Third-Party Software" means any third-party applications and software, whether open source or proprietary, that are owned by entities or individuals other than 365Labs and that are required by or may be related to the Software that are necessary and required to provide the functional requirements as identified in the Software and Product Schedule.

(aa) "Users" means individual employees and personnel of Client who are authorized to use the Software, as specified in the applicable Quote(s). Users may also include consultants or contractors of Client who are using the Software solely for Client's internal business purposes, but shall not include competitors of 365Labs.

(bb) "Website" means the applicable 365Labs website or web portal for Client, where hosted Software will be accessed by Client and its Users via a Client login, and where Mobile Apps and other Software made available by 365Labs may be made available for downloading.

2. Engagement and Services of 365Labs.

    2.1 Engagement of 365Labs. Subject to the terms and conditions set forth in this Agreement, Client hereby engages 365Labs, and 365Labs agrees to provide the Product and any Customizations thereof in accordance with the terms and conditions of this Agreement.

    2.2 Performance of 365Labs. 365Labs accepts the relationship of trust and confidence established by the terms of this Agreement between Client and 365Labs. 365Labs covenants and warrants to Client to furnish 365Labs' best skill, judgment, and efforts, and to cooperate with Client and any other contractors engaged by Client in the implementation

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and use of Product. 365Labs covenants to use its best efforts to perform its duties and obligations under this Agreement in an efficient, expeditious, and economical manner, consistent with the best interests of Client.

3. Responsibilities of 365Labs.

    3.1   Provision of Software Product. 365Labs agrees to provide, install and ensure functional operation of the Product and all Customizations thereof in accordance with the Product Schedule and Statement of Work.

    3.2   365Labs' Responsibilities for Costs and Expenses. 365Labs shall be responsible for all costs and expenses incurred by 365Labs, personnel of 365Labs, and subcontractors of 365Labs, in connection with this Agreement and performance of the Professional Services, including, without limitation, payment of salaries, fringe benefit contributions, payroll taxes, and all other amounts due to its personnel and subcontractors, office overhead expenses, travel expenses except as otherwise agreed, telephone and other telecommunications expenses, and document reproduction expenses.

    3.3   Transfer or Assign This Agreement. Neither party may transfer or assign this Agreement without the prior written consent of the other party which shall be timely and not unreasonably withheld. Notwithstanding the foregoing, either party may assign this Agreement and all rights hereunder without prior written consent when in connection with any merger, name change, full or partial jurisdictional change, annexation, as required by law or government or judicial direction, or sale of all or substantially all of the assets of that party provided that the other party is promptly notified in writing of such action.

If allowed, assignment of this Agreement shall not be valid unless the Assignment expressly provides that the assignment of any of 365Labs' rights or benefits under the Agreement is subject to a prior lien for labor performed, services rendered and materials, tools and equipment supplied for the performance of the work under this Agreement in favor of all persons, firms, or corporations rendering such labor or services or supplying such materials, tools and equipment.

    3.4   Supporting Documentation. (i) Within fifteen (15) days of the Effective Date of this Agreement, 365Labs shall furnish Client with electronic access to all available Supporting Documentation; and (ii) For any hardware or Third Party Software purchased from 365Labs, 365Labs shall, within fifteen (15) days of the Effective Date of this Agreement, furnish Client with a complete set of Supporting Documentation that is available from the hardware manufacturer or Third-Party Software for hardware and Third Party Software purchased from 365Labs. Such Third-Party Supporting Documentation shall be provided electronically. Printed copies of Third-Party Software Documentation may be purchased by Client at Client's option and expense.

    3.6   Electronic Format for Supporting Documentation. All 365Labs and Third-Party Supporting Documentation provided electronically shall be provided in a form and format that does not require Client to purchase additional Third-Party Software to view and print the Supporting Documentation.

    3.7   365Labs Compliance with Virginia Law. 365Labs shall comply with all federal, state and local laws and regulations pertaining to 365Labs' business operations and performance of 365Labs' obligations set forth herein

4.   Grant of Rights and Restrictions. 365Labs hereby grants to Client, and Client hereby accepts a nontransferable, non-exclusive license for Client and its Users to use the Product(s) and Customizations specified in the Quote attached hereto, and incorporated by reference, pursuant to the terms and conditions specified in this Agreement for use by Client, its Users and its business partners for the business operations and information processing needs of the Client and its Users to (a) access and use hosted Software, (b) license to install and use downloadable or onsite Software at Client's locations, and (c) in the case of Mobile Apps, a license to download and use the Mobile Apps on the electronic devices of Client's Users. Business partners that develop software must sign a non-disclosure agreement (NDA). Hosted Software will be hosted either on 365Labs's servers or the servers of a third party that in the business of hosting web- or cloud-based software applications. Use of the Software is subject to the following terms and limitations:

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(a) <u>Scope of Use</u>. Use of the Software is limited to Client's own internal business and to its authorized Users, except as set forth below.

  (i) <u>Affiliates and Shared Agencies</u>. Client's rights and licenses may be shared only with affiliates or (where Client is a governmental agency or entity) other governmental agencies or entities that are specifically named in the applicable Quote ("<u>Shared Agencies</u>"). If Client's affiliates or Shared Agencies are using the Software pursuant to this Agreement, Client is responsible for their compliance with the terms of this Agreement unless otherwise stated in the applicable Quote.

  (ii) <u>Cooperative Purchasing (Piggyback) Terms</u>. Where Client is a state or local governmental agency or entity, then, to the extent provided (if at all) by the laws of the State in which Client is located, that any public procurement unit, within or outside of such State, is permitted under applicable law to purchase services, supplies, materials, equipment, and other personal property under the terms of a contract entered into by another awarding or sponsoring public procurement unit pursuant to the process commonly known as "piggybacking," 365Labs and Client hereby consent thereto and, to the extent permitted under applicable law, hereby extend such piggyback purchase option to other public procurement units for the products and Services that are the subject of this Agreement, as specified in the applicable Quotes between 365Labs and Client. Governmental entities wishing to use this Agreement for piggybacking purposes (the "<u>Piggybacking Agency</u>") will be required to enter into a separate Software License and Services Agreement and Quotes/purchase orders with 365Labs and for all fees and payments for the products and services provided to the Piggybacking Agency. Client shall not in any way be responsible or liable for any third party claims, demands, actions, or causes of actions of any kind resulting directly or indirectly, arising out of, or in any way connected with the use of this Agreement for such piggybacking purposes.

(b) <u>License Types</u>. If a Quote specifies that Client is purchasing a site or seat license, such license shall include all agencies named in the Quote,

(c) <u>Modifications</u>. Client acknowledges and agrees that the Software, Documentation and other materials that may be made available by 365Labs may be updated and changed from time to time with Modifications, in 365Labs's sole discretion.

(d) <u>Restrictions</u>. Client will not reverse engineer, disassemble, decompile or otherwise attempt to derive source code, trade secrets, algorithms, programming methods or Confidential Information from the Software. Client will not modify or create derivative works of the Software or use it in order to build a competitive product or service, or copy any features, functions or graphics of the Software or Website. Client shall not remove, alter, cover or obfuscate any copyright notices or other proprietary rights notices placed or embedded by 365Labs on or in the Software or its Documentation. Client and its Users will use the Software only as permitted by applicable laws and regulations. Client is responsible for all activities conducted under its Users' Software accounts and passwords, and for ensuring that its Users comply with the EULA (defined below) and the applicable terms and limitations in this Agreement.

(e) <u>EULA</u>. Users will be required to accept 365Labs's then-current form of end user license agreement (the "<u>EULA</u>") prior to accessing, downloading or using any of the Software, including the Mobile Apps.

(f) <u>Third-Party Software</u>. Third-Party Software that is embedded in the Software, or is provided by 365Labs as an integrated part of the Software, is provided by 365Labs to Client pursuant to the applicable terms of this Agreement, unless a separate third-party license or subscription agreement for such Third-Party Software is provided to Client in advance. Third-Party Software is authorized only for use in connection with the Software, unless otherwise permitted under an open source license. 365Labs shall obtain at 365Labs' cost and provide to Client all licenses necessary for use of any Third Party Software. The terms of any such Third Party Software license agreement(s) shall be as set forth in such license agreements included by reference in this Agreement, and such terms shall be consistent with the terms of Section 4 of this Agreement. Should the license for any Third Party Software purchased from 365Labs expire or become obsolete during the term of this Agreement, 365Labs shall provide Client a suitable

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substitute to replace the obsolete license(s) at the best available cost available to other 365Labs Clients.

(g) <u>Software Specifications</u>. 365Labs warrants that products delivered hereunder shall perform in accordance with the Software specifications listed and described in its proposal.

(h) <u>Escrow and Release of Source Code to Client</u>. Should 365Labs or its Assignee for any reason initiate bankruptcy proceedings, become insolvent, cease to carry on its business, no longer sell the Product or for any reason be unable to perform necessary maintenance or support of the Product or Customizations, 365Labs shall provide via separately-executed escrow agreement with an escrow agent and Client that the Source Code and related Documentation to Product be made immediately available to Client by transmitting a copy of all Source Code and Documentation for the Product as installed on Client's system(s) to Client. In this event, 365Labs grants Client a limited license to access Source Code for the sole purpose of maintaining Client's systems(s). In the event that 365Labs files for bankruptcy protection or is adjudged to be bankrupt, it is the agreement of and the intent of the parties that this Agreement shall be interpreted and governed in accordance with the Intellectual Property Bankruptcy Protection Act of 1988, including, but not limited to 11 U.S.C. § 365(n). The parties expressly agree and acknowledge that the licensed Product is "intellectual property" as defined by § 101(35A) of the United States Bankruptcy Code. 365Labs or its Assignee shall provide Client with contact information reasonably necessary to allow Client to contact former 365Labs employees and engage them for continued support of the Software and Products.

(i) <u>Binding Agreement.</u> This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns.

(j) <u>Derivative Works.</u> Derivative Works shall include, but shall not be limited to: features, bug fixes, workarounds, new or additional functionality, systems, modules or programs, interface programs, utilities, documentation, methods, and procedures that are for use with Product provided to Client as part of this License Agreement.

5. <u>Monitoring/Audits</u>. 365Labs may monitor use of hosted Software and Mobile Apps for system performance and compliance with the terms of this Agreement.

6. <u>Other Services and System Components.</u>

(a) <u>Technical Support and Service Levels</u>. 365Labs will provide Client with technical support and maintenance Services as set forth in Schedule A, including service levels as described in Schedule A. 365Labs may reasonably update its support and maintenance terms from time to time, upon notice to Client.

(b) <u>Professional Services</u>. Upon Client's request and subject to a separate written Statement of Work ("<u>SOW</u>") or Quote between the parties, Client may purchase training, consulting services, or other professional Services from 365Labs. All such Services are subject to the terms and conditions set forth in such SOW or Quote as well as the terms and limitations of this Agreement, to the extent not conflicting with such SOW or Quote.

(c) <u>Hardware and Third-Party Software and Services</u>. Client agrees to purchase from 365Labs the Third-Party Software licenses or subscriptions and the hardware identified in a Quote agreed to by the parties. 365Labs does not itself warrant third-party products or services but agrees to pass through to Client any warranties provided by the third party providers, to the extent permitted. 365Labs will be responsible for resolving any performance issues with those third party providers with which 365Labs contracts for use within the Software at its sole cost and expense and shall do so within thirty (30) days; Client will reasonably assist 365Labs in addressing such issues. Client will be responsible for resolving any performance issues with those third party providers with which Client contracts for use with its software at its sole cost and expense and shall do so within thirty (30) days; 365Labs will reasonably assist Client in addressing such issues

7. <u>Client Responsibilities.</u>

(a) <u>Account Security and Limitations</u>. Client acknowledges and agrees that it is responsible for managing its organization's security environment and security profile, including without limitation

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security configurations, system access, and security privileges. Client will maintain commercially reasonable administrative, physical, and technical safeguards and standards for its Users' use of the Software and the security of the Software and Users' passwords. Client agrees it and its Users shall securely manage their respective password(s) for access to the Software. Client will promptly notify 365Labs if it becomes aware of any unauthorized access or use of the Software or any unauthorized use or disclosure of Users' passwords or accounts. A single username and password may not be used by more than one User.

(b) Client Administrator. If requested by 365Labs or specified in a SOW, and agreed upon by the Client, Client will designate one or more system administrators (the "Client Administrator") to manage the Software system for Client, provide first-line support to Users, and act as Client's primary technical contact and liaison with 365Labs. The Client Administrator must attend training and be certified as reasonably required by 365Labs, and be qualified to operate the Software on Client's equipment. Client may replace its Client Administrators upon written notice to 365Labs, provided that the new Client Administrator must receive the required 365Labs training. Client will be charged additional fees for any training for Client's Users beyond the initial training provided as part of 365Labs's implementation Services, except that no fees will be assessed for training of new or additional Client Administrators, excluding travel costs.

(c) Implementation. Client will actively assist with implementation of the Software, including by assigning personnel with the required skills and authority to perform the applicable tasks effectively and providing all information and assistance reasonably requested by 365Labs.

(d) Hardware and Additional System Components. Client will provide hardware, an operating system, browser software and other system components for use with the Software that meet 365Labs's technical specifications, as set forth in a SOW or other technical requirements documentation provided to Client, except where the parties have agreed in a Quote that 365Labs will provide such components. Client will also maintain a stable, high-speed Internet connection and remote connectivity.

(e) Client Data. Client is solely responsible for the accuracy, completeness, and integrity of all Client Data input into the Software or otherwise provided to 365Labs, and for obtaining any necessary consents or authorizations for use of such Client Data as contemplated by this Agreement. Client Data to be imported into the Software by 365Labs must be provided by Client in a digital form After testing of the data conversion and sign off of the data conversion by the Client, it is Client's sole responsibility to add further input and modifications to the Client Data in Client's database in the Software. Client is also solely responsible for the accuracy of any and all reports, displays and/or uses of Client Data, whether or not 365Labs assisted Client with the development or construction of such reports and displays and other uses of the Client Data.

(f) Email. Client shall maintain an active e-mail account for correspondence with 365Labs.

(g) Required Certifications. Client is responsible for maintaining the required certifications for access to Client's state CJIS system, NCIC and/or other local state, federal and/or applicable systems.

(h) Firewall. Client is responsible for proper firewall maintenance allowing data to move from Client's on-premise data-contributing system to the Software.

8. Ownership.

(a) 365Labs Ownership. 365Labs has the right to grant Client this license to use the Software and, as licensor, hereby warrants and represents to Client as licensee that 365Labs is the owner of the Software licensed hereunder or otherwise has the right to grant to Client the licensed rights to the Software provided by 365Labs through this Agreement without violating any rights of any third party, and that there is currently no actual or threatened suit by any such third party based on an alleged violation of such right by 365Labs. 365Labs owns and retains all right, title and interest in and to the Software and Documentation, text, graphics, logos and images, 365Labs's trademarks and service marks, the Website and its contents, any custom developments, Modifications, training and other written or electronic documents and materials produced by 365Labs that relate to the Software, and all intellectual property rights in the foregoing. The Software and any other materials made available to Client by 365Labs may be used by Client and Users only for the purposes described in this Agreement. Any rights not expressly granted

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herein are reserved to 365Labs. Neither this Agreement nor any other agreement between the parties changes ownership of any pre-existing software or other materials.

(b) Client Ownership. As between the parties, Client owns and shall retain all right, title and interest in and to all Client Data, as well as the contents of any reports or forms generated by the Software that are specific to Client. 365Labs has the right to use, process and disclose Client Data as necessary to provide the Services to Client, to comply with legal obligations, and exercise its legal rights. Upon 365Labs and the Client separating, 365Labs will provide the Client's database to the client in SQL format with a data map.

(c) Usage Data. The Software tracks metadata and other statistical and usage data related to Client's and Users' use of the Software ("Usage Data") and provides such data to 365Labs. 365Labs shall own such Usage Data, provided that any Client Data used in creating the Usage Data is included only in aggregated and/or anonymized form so that it is not identifiable as to Client or any individual person. 365Labs may collect, aggregate, use, and distribute such Usage Data only for the internal purpose of providing services and improving the Software and 365Labs's products and services generally.

(d) Feedback. 365Labs shall have a royalty-free, worldwide, irrevocable, perpetual license to use Feedback and incorporate it into 365Labs's software, products and services. 365Labs shall exclusively own all right, title and interest in and to any software and intellectual property developed or delivered to Client in the performance of this Agreement, regardless of whether it is based on or incorporates any Feedback, subject to the rights granted herein to Client.

9. Fees.

(a) Fees. The prices and fees payable by Client (collectively, the "Fees") are set forth in the applicable Quote(s).

(b) Past Due Amounts. If any amounts owed by Client are thirty (30) or more days overdue, 365Labs may, without limiting its other rights and remedies: (i) charge interest at the rate of 1% per month or the highest rate permitted by law, whichever is less, on the past due amounts.

(c) Disputed Amounts. Client will not withhold any undisputed portion of any amounts payable hereunder but may withhold disputed amounts upon written notice of a dispute. Unless Client provides 365Labs such notice, including the basis for such dispute, regarding the amounts due hereunder within one hundred twenty (120) days after the date of the invoice on which such amounts appear, the invoice will be deemed approved by Client and the right to dispute any such amounts invoiced will be deemed waived.

(d) Taxes. Client is responsible for any applicable sales and use taxes or duties associated with this Agreement. Client is not responsible for any taxes on 365Labs's net income. If Client is a tax-exempt entity, Client must provide a tax-exemption certificate to 365Labs. 365Labs shall be liable for all other federal, state, municipal or other governmental taxes, duties, charges or costs upon the storage, licensing, transportation, distribution or use of the Product, including, but not limited to, taxes based upon net income, gross income or net worth of 365Labs; taxes based upon any franchise of 365Labs; taxes based upon any equipment or software, other than that which is licensed in this Agreement, which are owned by 365Labs; or taxes paid by or for any employee of 365Labs.

(e) Other. All amounts paid under this Agreement are payable in U.S. dollars. All payments are non-refundable, other than as expressly set forth in this Agreement.

(f) The Quote includes all costs to implement, train, and use the software, with outside or additional fees, other than:

Hardware not covered in the Quote

Third party costs for interfaces where a third-party vendor with whom IoWSO has a direct contract has costs for their portion of an interface or software 365 Labs is interfacing to.

Payment Terms – Payment made up front.

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10. Term and Termination; Suspension.

   (a) Term. This Agreement will commence on the Effective Date and will continue for the initial term of _6_ years from the Acceptance (the "Initial Term"), subject to prior termination as set forth below. At the end of the Initial Term, this Agreement will automatically renew for additional twelve (12) month renewal terms (each a "Renewal Term") at 365Labs's then-current rates or as otherwise agreed in writing by the parties, subject to termination as set forth below. Either party may give the other party written notice of non-renewal of this Agreement at least thirty (30) days prior to the expiration of the then-current Initial Term or Renewal Term.

   (b) Termination for Cause or Convenience. Either party will have the right to terminate this Agreement for cause at any time, upon written notice, in the event of (i) any material breach of this Agreement by the other party, subject to thirty (30) days prior written notice and opportunity to cure such breach; or (ii) the other party's dissolution, distribution of a substantial portion of its assets, or cessation of all or substantially all of its normal business affairs. Beginning twenty-four (24) months after the Effective Date, Client shall have the right to terminate this Agreement for convenience upon thirty (30) days prior written notice.

   (c) Breach of Contract. Each of the following events shall constitute a breach of contract:

   10(c)1 Should either party fail to observe, perform or comply with any material term, covenant, agreement or condition of this Agreement which is to be observed, performed or complied with by either party, if such failure continues uncured for thirty (30) working days after either party gives the other party written notice of any failure and specified the nature of such failure.

   10(c)2 Non-payment by Client of any sum of payment due, except for payments in dispute, shall be considered an event of default.

   10(c)3 Should either party commit any fraud, misrepresentation, breach of fiduciary duty, willful misconduct, or intentional breach of any provision of this Agreement.

   (d) Termination upon Breach of Contract. In the event of breach of contract by either party, the non-defaulting party shall provide the defaulting party with a thirty (30) day written notice of its intent to terminate this Agreement for default. Both parties agree that the thirty (30) day notification period shall be used by both parties for the purposes of seeking a mutually satisfactory solution to the dispute precipitating the default. In the event that the parties are unable to resolve this dispute within the thirty (30) day notification period, the non-defaulting party shall have the right to immediately terminate this Agreement. In the event of termination due to default, the non-defaulting party shall be entitled to all other remedies available at law in accordance with this Agreement, and the election to terminate shall not constitute a waiver of any other rights the non-defaulting party may have. In the event of termination by 365Labs due to default on the part of Client, Client shall not be entitled to a refund of any unearned fee.

   (e) Remedies for Termination Upon Breach of Contract. If this Agreement is terminated by 365Labs for default by Client, 365Labs may pursue any legal and equitable remedies as provided by the terms of this Agreement. If this Agreement is terminated by Client for 365Labs's default or failure to perform as required by this Agreement, Client may pursue any legal and equitable remedies as provided by the terms of this Agreement.

   (f) 365Labs may suspend Client's and its Users' access to Software if Client is in material breach of this Agreement, including any non-payment of fees, subject to fifteen (15) days' prior written notice and opportunity to cure such breach. 365Labs may also immediately suspend Client's or a User's access to the Software with prior notice if continued use creates a substantial risk to the security or integrity of the Software system or may result in material harm to the Software, 365Labs, or other Clients of 365Labs, in which case 365Labs will promptly notify Client of the suspension. 365Labs will limit the suspension in time and scope as reasonably necessary under the circumstances. 365Labs shall have the right to monitor use of the Software to verify compliance with the Agreement.

   (g) Right to Retain Non-Production Archival Copy. In the event of termination and at the direction of 365Labs, Client will destroy or return any and all copies of the Software except for a single, non-production archive copy that will be kept for use only in the event of a requirement of

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law (including but not limited to the Records Retention Act, Chapter 40.14 RCW), by the IRS, by a regulatory or governmental agency, by Client's auditors, or by judicial direction.

(h)   Payment upon Termination. Upon termination of this Agreement, each party shall pay to the other party all amounts due not in dispute for refunds due, or goods and services delivered or completed as of the date of termination or milestones completed, except if termination is due to breach of contract by one party, payment will not be due to such party for goods and services in dispute, not in compliance with specifications, or in which there was non-performance or materially substandard performance.

(i)   Remedies upon Termination for Convenience. In the event of a termination by Client for convenience, Client agrees to pay 365Labs for the work performed and accepted by Client, plus the cost of any labor and/or Product(s) or items ordered in good faith prior to notice of termination that could not be canceled, less amounts previously paid by Client for such work and/or Product(s) or items. 365Labs is entitled to retain all amounts paid under any Quote or order prior to termination. To the extent Client exercises its right to terminate a specific Quote or order, that termination shall have no effect upon the remaining Agreement, which, along with any other active Quotes or orders, shall remain in full force and effect. If Client desires to terminate the Agreement under its termination for convenience rights, then the Parties shall proceed to wind down all ongoing work under the respective Quotes or orders in effect under this Agreement by the termination date. Each Party shall take commercially reasonable steps to bring the work to a close and to reduce its costs and expenditures. 365Labs shall promptly deliver to Client in a format reasonably acceptable to Client all of Client's data, Confidential Information, and other materials or items owned by Client. 365Labs shall not be entitled to any claim or lien against Client for any additional compensation or damages in the event of such termination, including but not limited to lost profits; provided, however, that if Client chooses to continue any of 365Labs' services or requests additional services from 365Labs during the winding-up period then Client shall be responsible for 365Labs's staff costs and expenses incurred with providing and winding up such services.

11. Dispute Resolution.

11.1   Dispute Resolution. In the event of any dispute between the parties hereunder, the parties shall first attempt to resolve the dispute at the Project Manager level representing Client and his/her equivalent representing 365Labs. If the dispute is not resolved at this level within ten (10) business days of the date the other party is first informed of the dispute in writing, the parties shall attempt to resolve the dispute at the Client Administrator level and his/her equivalent representing 365Labs. The use of the foregoing procedure is a condition precedent to the commencement of any mediation or other legal proceedings hereunder.

11.2   Mediation. Should any dispute arise out of this Agreement, any party may request that it be submitted to mediation. The parties shall meet in mediation within sixty (60) days of a request. The mediator shall be agreed to by the mediating parties; in the absence of an agreement, the parties shall each submit one name from mediators listed by either the American Arbitration Association, or other agreed-upon service. The mediator shall be selected by a "blindfolded" process. The cost of mediation shall be borne equally by the parties. Neither party shall be deemed the prevailing party. No party shall be permitted to file a legal action without first meeting in mediation and making a good faith attempt to reach a mediated settlement. The mediation process, once commenced by a meeting with the mediator, shall last until agreement is reached by the parties but not more than sixty (60) days, unless the parties extend the maximum time by written agreement.

12. Confidential Information.

(a) General Confidentiality Obligations. Both parties acknowledge that, in the course of performing their responsibilities under this Agreement, they each may be exposed to or acquire information that is proprietary to or confidential to the other party or its licensors or agents. Both parties agree to hold such information using the same degree of care they employ with respect to their own confidential information. Both parties agree not to copy, reproduce, sell, license, market, give or otherwise disclose such information to third parties except authorized professional advisors, agents or subcontractors who shall require access to or use of the Licensed Software

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solely in connection with the business and information processing needs of Client, or to use such information for any purpose whatsoever, without the express written permission of the other party, other than for the performance of obligations hereunder or as otherwise agreed to herein. The obligation of confidentiality shall survive termination of this Agreement and the license granted hereunder and any permitted assignment of this Agreement. The obligations of confidentiality and non-disclosure imposed shall not apply to the following data and information: (i) Any information in the public domain at the time of its communication thereof to either party by the other party; (ii) Any information which enters the public domain, through no fault of the receiving party, subsequent to the time of its communication to the receiving party; (iii) Any information which is obtained in good faith by either party from a third party, provided such third party is not bound by a confidentiality agreement with 365Labs or Client, as applicable; (iv) Information that was already known to that party prior to the date of disclosure to that party; (v) Information which the receiving party establishes was developed independently of confidential or proprietary information furnished to it; (vi) Information that is required to be disclosed to any person, entity, agency, court, government authority or regulatory authority pursuant to any requirement of law, including but not limited to the Virginia Freedom of Information Act, §2.2-3700 et seq. of the Code of Virginia.

(b) Should Client require the services of a third party to operate, maintain or modify the Product(s) nothing in this Agreement shall preclude Client from doing so. Client shall provide 365Labs with as much notice as practicable before utilizing or divulging any proprietary information or trade secrets so that 365Labs may coordinate and or limit the delivery of said information to the third party necessary to accomplish said operation, modification or maintenance. Any third party receiving Confidential or Proprietary Information or trade secrets under this paragraph must agree to the same prohibition against disclosure as Client. Prior to their involvement, any third party software developer must sign a non-disclosure agreement (NDA), agreeing to the terms of this Agreement. The provisions of this Section 12 shall survive termination of this Agreement.

(c) Beta and Pre-Release Software. If 365Labs provides any beta or pre-release software (the "Pre-Release Software") to Client and its Users for evaluation and use, then, in consideration of the grant of rights to use such Pre-Release Software, Client agrees as follows:

  (i) The Pre-Release Software, including its planned release date, new or unique features, any problems or errors with the Pre-Release Software, and benchmark test results, is highly confidential to 365Labs and has not yet been made available to Clients on a commercial basis. Without limiting the confidentiality obligations set forth above in Section 8(a), Client agrees that it and its Users will maintain strict confidentiality with respect to the Pre-Release Software, including by not distributing or sharing the Pre-Release Software with any person, agency or entity not specifically authorized by 365Labs in writing, or allowing any unauthorized person to view or use the Pre-Release Software.

  (ii) Client and its Users will provide Feedback relating to the Pre-Release Software as reasonably requested by 365Labs. 365Labs will solely own the intellectual property rights to such Feedback and any resulting modifications to the Pre-Release Software. Client agrees to give 365Labs full ownership of the Pre-Release Software, including Feedback.

  (iii) Client understands that the Pre-Release Software is at a testing stage and, therefore, that the Pre-Release Software and all related materials provided by 365Labs to Client are provided "AS IS." Pre-Release Software is not covered by 365Labs' warranties or indemnities set forth in this Agreement.

  (iv) Except as set forth above, the Pre-Release Software is subject to all other terms and conditions of this Agreement that apply to the Software.

13. Use and Security of Personal Data. 365Labs will collect and maintain all Personal Data of individuals contained in the Client Data in compliance with applicable data privacy and protection laws, statutes, and regulations, and Client's policies upon notification by Client. 365Labs agrees to maintain commercially reasonable administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Client Data, including Personal Data. Please refer to

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365Labs's privacy policy, which informs users of 365Labs's policies and practices related to collection, storage, processing, destruction, and other use of Personal Data. The requirements of any applicable data privacy and protection laws, statutes, regulations, and Client's policies, when provided by Client, shall prevail over 365Labs's privacy policy.

14. <u>Client's Warranties.</u> Client represents and warrants to 365Labs that:

    (a) Client represents and warrant that Client has all requisite power and authority to conduct its business and to execute and deliver, and to perform all of its obligations under this Agreement. Client also warrants that the individuals who have signed this Agreement have the legal power, right and authority to enter into this Agreement so as to bind Client to perform the conditions contemplated herein.

    (b) Client Data will not violate any person's right of privacy or copyright, trademark, or other intellectual property rights, and Client and its Users will not transmit any such materials to 365Labs. Client warrants that it has all necessary rights and consents required to upload all Client Data, including Personal Data, into the Software or otherwise provide such Client Data to 365Labs.

    (c) Client agrees not to remove any product identification or notices of any proprietary restrictions from the Product or accompanying materials. 365Labs has exclusive ownership of, or license to distribute, the Product, patents, copyright, trademarks, trade secrets and proprietary information related to the same. Client acknowledges that all such items are confidential and trade secret information belonging solely to 365Labs. Except as required by law (including but not limited to the Virginia Freedom of Information Act, §2.2-3700 et seq. of the Code of Virginia), Client shall keep all such items strictly confidential and shall not use such items except pursuant to this Agreement.

15. <u>365Labs Warranties and Disclaimers.</u>

    (a) 365Labs Warranties. 365Labs warrants to Client as follows:

        (i)   365Labs represents and warrant that 365Labs has all requisite power and authority to conduct its business and to execute and deliver, and to perform all of its obligations under this Agreement. 365Labs also warrants that the individuals who have signed this Agreement have the legal power, right and authority to enter into this Agreement so as to bind 365Labs to perform the conditions contemplated herein.

        (ii)   365Labs warrants that it has full title to and ownership of each Product licensed or otherwise provided to Client under this Agreement or, if 365Labs does not own the applicable Product, that it has the right to license or provide such Product to Client under this Agreement, and in either case that 365Labs has full power and authority to grant the licenses and rights granted to Client under this Agreement. 365Labs warrants that, to 365Labs' knowledge, Client's use of each Product as contemplated by this Agreement will in no way constitute an infringement or other violation of any copyright, trade secret, trademark, patent or other proprietary or other right of any third party. As of the Effective Date, 365Labs warrants that there currently is no actual or threatened suit by any third party based on an alleged violation of its rights by 365Labs.

        (iii)   365Labs warrants that the Software, when used properly and in accordance with its Documentation and this Agreement, will comply in all material respects with its Documentation. The period of this warranty will be ninety (90) days from the download or installation date for downloaded or locally-installed Software, and the Term of this Agreement for hosted Software.

        (iv)   365Labs will use commercially reasonable, industry-standard efforts and means to keep Malicious Code out of the Software.

    (b) <u>Exclusions.</u> 365Labs's warranties exclude non-performance issues that result from (i) modification of the Software by Client or any person or entity other than 365Labs; (ii) defects or problems that are outside the reasonable control of 365Labs, including defects or damage resulting from use of the Software in other than its normal and authorized manner; or (iii) Client's or its Users' failure to comply with due standards of care. Client will reimburse 365Labs for its

reasonable time and expenses for any services provided at Client's request to remedy excluded non-performance issues.

(c) Remedies. In the event of a breach of any of the above warranties, Client shall contact 365Labs's designated support personnel within thirty (30) days of Client's discovery of the breach or defect in the Software. Client's sole and exclusive remedies and 365Labs's entire liability for breach of this warranty will be: (a) at 365Labs's option, to repair any material, reproducible deficient functionality of the Software, or to replace such defective functionality with reasonably equivalent functionality; or (b) if 365Labs is unable or fails to cure the warranty breach within a reasonable time, 365Labs or Client may terminate this Agreement upon fifteen (15) days' prior written notice. Any such termination by Client must occur within three months of the initial occurrence of the warranty breach.

365Labs's agreement to indemnify, defend, and hold Client harmless from third party claims pursuant to Section 16 herein shall not be limited by these breach of warranty remedy provisions.

(d) Limitation of Warranties. **Except as expressly set forth herein or agreed in writing by an authorized official of 365Labs, the Software, Documentation, Website and all Services are provided "AS IS". Open source copyright holders have no liability to Client for any reason. 365LABS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE, whether arising by law, by reason of custom or usage of trade, or by course of dealing. 365Labs does not warrant that the Software or its Services are error-free. Hardware, Third-Party Software, and hosting services are covered only by the manufacturer's or third-party software or service provider's warranty or service level agreement (SLA). Warranties are not transferable to a third party, other than in connection with assignment of this entire Agreement under Section 3.3.**

16. Indemnification.

(a) Infringement Indemnity. 365Labs shall defend or settle at its option and expense any third-party claim, proceeding or legal action brought against Client (a "Claim") alleging that the Software infringes a U.S. registered patent, copyright, or trademark or misappropriates a trade secret. 365Labs shall have no liability for any infringement Claim to the extent such Claim is based on: (1) modification of the Software other than by 365Labs; (2) any open source or other third-party software or component; or (3) the combination, operation or use of the Software with any software, hardware or other materials not furnished by 365Labs. In the event of an infringement Claim, 365Labs may at its option and expense: (a) replace or modify the Software so that it becomes non-infringing; or (b) procure for Client the right to continue using the Software. If neither of these alternatives is reasonably available, 365Labs may terminate this Agreement and refund to Client any prepaid fees for the period after termination. This Section 16(a) states the entire extent of the liability and obligations of 365Labs with respect to any alleged infringement or misappropriation of intellectual property rights.

(b) General Indemnity. 365Labs will defend Client against any and all Claims arising from any personal injuries, death, or damages to tangible property to the extent caused by the negligence or willful misconduct of 365Labs, its agents or employees, and 365Labs will pay any final judgment or amounts agreed in settlement by 365Labs. The foregoing excludes any claims related to the functionality or use of, or bugs or errors in, the Software, which shall be governed solely by the warranty and support terms of this Agreement. However, 365Labs is not obligated to indemnify Client to the extent any liability or damages arises out of the negligence or intentional misconduct of Client, its employees or agents. In the case of shared fault, 365Labs will be responsible for and indemnify Client for 365Labs' proportionate fault.

(c) Indemnification Procedure. When an indemnifiable Claim is made against Client, Client shall promptly notify 365Labs of such Claim, grant 365Labs sole control of the defense and all related settlement negotiations, and provide 365Labs with the assistance, information and authority reasonably necessary to defend against the Claim, at 365Labs' expense. 365Labs will pay any costs or damages finally awarded against Client that are attributable to an indemnifiable Claim, or any amounts agreed by 365Labs in settlement of the Claim. Client may, at its option and expense, be represented by separate counsel in any such action.

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17. Insurance.

    (a) 365Labs shall provide and maintain:

        A.   365Labs shall comply with the following conditions and procure and keep in force at all times during the term of this Agreement, at 365Labs's expense, the following policies of insurance with companies authorized to do business in the State of Virginia. The 365Labs's insurance shall be rated by A. M. Best Company at least "A" or better with a numerical rating of no less than seven (7) and otherwise acceptable to the Client.

            1.   Workers' Compensation Insurance as required by Virginia law and Employer's Liability Insurance with limits not less than $1,000,000 per occurrence. If the Client authorizes sublet work, the 365Labs shall require each sub-365Labs to provide Workers' Compensation Insurance for its employees, unless the 365Labs covers such employees.

            2.   Commercial General Liability Insurance on an occurrence basis in an amount not less than $1,000,000 per occurrence and at least $2,000,000 in the annual aggregate, including but not limited to: premises/operations (including off-site operations), blanket contractual liability and broad form property damage.

            3.   Business Automobile Liability Insurance in an amount not less than $1,000,000 per occurrence, extending to any automobile. A statement certifying that no vehicle will be used in accomplishing this Agreement may be substituted for this insurance requirement.

            4.   Professional Errors and Omissions Insurance in an amount not less than $2,000,000 per occurrence and $2,000,000 in the annual aggregate. Coverage may be written on a claims made basis; provided that the retroactive date on the policy or any renewal policy shall be the effective date of this Agreement or prior, and that the extended reporting or discovery period shall not be less than 36 months following expiration of the policy. The Client may waive the requirement for Professional Errors and Omissions Insurance whenever the Work does not warrant such coverage or the coverage is not available.

            5.   Each policy shall contain a provision that the policy shall not be canceled or materially changed without 30 days prior written notice to the Client. Upon written request to the Client, the insurer will furnish, before or during performance of any Work, a copy of any policy cited above, certified to be a true and complete copy of the original.

        B.   Before the 365Labs performs any Work, 365Labs shall provide the Client with a Certificate of Insurance acceptable to the Client Attorney evidencing the above-required insurance and naming the Client, its officers, employees and agents as Additional Insured on the Commercial General Liability Insurance policy and the Business Automobile Liability Insurance policy with respect to the operations performed and services provided under this Agreement and that such insurance shall apply as primary insurance with respect to any insurance or self-insurance of the Client. Receipt by the Client of any certificate showing less coverage than required is not a waiver of the 365Labs's obligations to fulfill the requirements.

        C.   365Labs shall comply with the provisions of Title 65.2 of the Code of Virginia before commencing the performance of the Work. 365Labs shall provide the Client with evidence of Workers' Compensation Insurance (or evidence of qualified self-insurance) before any Work is commenced.

        D.   In case of the breach of any provision of this section, the Client may provide and maintain at the expense of 365Labs insurance in the name of the 365Labs and deduct the cost of providing and maintaining such insurance from any sums due to 365Labs under this Agreement, or the Client may demand 365Labs to promptly reimburse the Client for such cost.

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18. Limitations of Liability. **IN NO EVENT SHALL 365LABS OR ITS LICENSORS BE LIABLE FOR LOST PROFITS, LOSS OF DATA, INTERRUPTIONS OF BUSINESS, OR ANY INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OR RELATED TO OF THIS AGREEMENT, INCLUDING WHERE SUCH TYPES OF DAMAGES RELATE TO THE ACCIDENTAL OR UNLAWFUL DESTRUCTION, LOSS, ALTERATION, UNAUTHORIZED DISCLOSURE OF, OR ACCESS TO PERSONAL DATA TRANSMITTED, STORED OR OTHERWISE PROCESSED, REGARDLESS OF WHETHER SUCH PARTY HAS NOTICE OF THE POTENTIAL FOR SUCH LOSS OR DAMAGE, AND REGARDLESS OF THE THEORY OF LIABILITY (INCLUDING NEGLIGENCE AND STRICT LIABILITY). 365Labs' AND ITS LICENSORS' TOTAL AGGREGATE LIABILITY FOR ANY CLAIM OR DAMAGE ARISING OUT OF THIS AGREEMENT SHALL NOT EXCEED THE FEES PAID BY CLIENT FOR THE APPLICABLE SOFTWARE OR SERVICES TO 365LABS DURING THE TWELVE (12) MONTH PERIOD PRIOR TO THE EVENT GIVING RISE TO THE CLAIM.** The fees for the Software reflect this allocation of risk and limitations of liability. These limitations form an essential basis of the bargain between the parties, and shall apply notwithstanding the failure of the essential purpose of any limited remedy. The above limitations may be superseded by law in some jurisdictions.

19. Publicity.

    (a) Any press releases or other public statement regarding this Agreement may be made only with the other party's consent, which shall not be unreasonably withheld, except that a party may make public disclosures to the extent required by law, and 365Labs is permitted to include Client's name on Client lists that may be posted on 365Labs's Website or provided to potential Clients and other third parties.

    (b) Client, on behalf of itself and its personnel, hereby grants 365Labs the perpetual, worldwide right and permission to use, disseminate and publish Client's name and logo, as well as images, video, voice and written statements of Client and its personnel, in the following materials and ways: press releases, 365Labs's Website, social media, and printed and digital marketing materials and campaigns. Client will cooperate in the creation of such materials as reasonably requested by 365Labs. Such materials are subject to approval of both parties prior to public use. No additional compensation will be provided to Client or its personnel. The materials created will be owned solely by 365Labs. Client and its personnel may not be informed in advance of the specific use of any statements, videos or images.

20. General.

    (a) Entire Agreement; Amendment. This Agreement, including the attached schedules and Exhibits and any related 365Labs Quotes, constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or oral agreements or understandings with respect thereto. Any preprinted terms in a purchase order submitted by Client to 365Labs are expressly agreed to be of no force or effect. This Agreement may not be amended except by a writing signed by authorized representatives of both parties.

    (b) No Waiver. Any waiver by either party of a default or obligation under this Agreement will be effective only if in writing. Such a waiver does not constitute a waiver of any subsequent breach or default. No failure to exercise any right or power under this Agreement or to insist on strict compliance by the other party will constitute a waiver of the right in the future to exercise such right or power or to insist on strict compliance.

    (c) Choice of Law and Venue. This Agreement shall be construed in accordance with the laws of the State where Client has its primary place of business, excluding conflicts of laws provisions. If any term or provision of this Agreement shall be found to be illegal or unenforceable the remaining provisions of this Agreement shall remain in full force and effect and such term or provision shall be deemed stricken. Any lawsuit brought to enforce this Agreement shall be brought and litigated in South Hampton County, Virginia.

    (d) Severability. If any provision of this Agreement is deemed invalid or unenforceable by a court or governmental authority, that provision shall be modified, if possible, to the minimum extent necessary to make it valid and enforceable, or if it cannot be so modified, then severed, and the remainder of this Agreement shall remain in full force and effect.

(e) <u>Export Compliance</u>. Client may not use, export or re-export any of the Software's data, software, content or materials in any form in connection with this Agreement in violation of U.S. export laws and regulations, or without first obtaining the appropriate United States and foreign government authorizations, when required by law.

(f) <u>Notices</u>. All notices required under this Agreement will be in writing and will be delivered personally, mailed by registered or certified mail with return receipt requested, sent by commercial overnight delivery service with provisions for a receipt, or sent by e-mail. Notices shall be sent to the receiving party set forth below or to such other person or address that a party may specify by written notice. Notices shall be presumed to have been received by the other party (i) upon receipt if sent by hand delivery, registered or certified mail, or delivery service; or (ii) upon transmission (provided that receipt is confirmed by non-automated means).

> To Client: Isle of Wight County
> Address: 17090 Monument Circle, P.O. Box 80
> Attention: County Administrator
> Email: admn@isleofwightus.net
>
> To 365Labs:
> 1 Smart Way, Ste. 200
> Baton Rouge, LA 70810
> Email: Contracts@365Labs.com

(g) <u>Independent Contractors</u>. The parties are independent contractors. Client is not an agent of 365Labs and will not represent to any third party that it is an employee or agent of 365Labs. Client shall have no authority to enter into any contract on behalf of 365Labs.

(h) <u>Litigation</u>. 365Labs shall testify at Client's request if litigation is brought against Client in connection with 365Labs's services under this Agreement.

(i) Any provision of this Agreement which imposes an obligation after termination or expiration of this Agreement shall survive the terms or expiration of this Agreement and be binding on the parties, including obligations related to intellectual property and Confidential and Proprietary Information. All provisions of Section 16 Indemnity, shall survive termination of this Agreement.

(j) Client's Rights to Engage Other Vendors. Client reserves the right to engage other Vendors in connection with this Agreement and the Product(s). Any third party receiving confidential information or trade secrets under this paragraph must agree to the same prohibition against disclosure as Client, and 365Labs may require that any such third party execute a non-disclosure agreement which includes widely accepted and reasonable non-disclosure terms.

(k) <u>Electronic Delivery Method</u>. 365Labs shall electronically transfer to Client copies of each Product specified in the Product Schedule and all related Documentation. Client must also receive all Product releases, updates and upgrades electronically. 365Labs agrees that it will not leave tangible copies of Products or Documentation at the installation location, but will arrange for electronic downloading of those items. 365Labs and Client will execute a Certificate of Delivery and Installation after the electronic delivery of the Product(s) and Documentation has been completed.

(l) <u>References to 365Labs</u>. All references to "365Labs" shall include all personnel, employees, agents and subcontractors of 365Labs.

(m) <u>365Labs Employee Background Check</u>. In the event that Client requires 365Labs to provide employee and subcontractor background checks, Client shall make the request in writing. If such a request is made by Client, then, in a timely manner and at its sole option, 365Labs may either: (i) Provide Client with written certification that all 365Labs employees, subcontractors, or others who will have access to Confidential or Proprietary Information, or Client systems and facilities have successfully passed a criminal background check and would be, according to Client standards, qualified to be hired as an employee with access to facilities and data related to this Agreement, or; (ii) Require all 365Labs employees, subcontractors, employees of subcontractors or others who will have access to Confidential or Proprietary Information, or Client systems and

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facilities, to submit, at Client's sole expense, to a Client background check to determine suitability to have access to such Information, systems or facilities.

(n) Product Guaranty for Future Products. 365Labs agrees that as long as Client is current on its annual maintenance with 365Labs, Client has the right at its option to migrate to any new software product of 365Labs (such as but not limited to software written in new programming language, on a new platform or on a new database) with similar functionality to the Product(s) in this Agreement at no additional charge except for modules or functionality that it had not already licensed, incremental user licenses that it had not purchased, and implementation and training services for such new software.

(o) Injunctive Relief. Each party acknowledges that the other party's intellectual property and Confidential Information is highly valuable to the other party, that any breach of such party's obligations with respect to confidentiality and/or use of the other party's intellectual property, including any breach by Client of any restrictions on use of the Software or the scope of the rights granted by 365Labs herein, may severely damage the other party, the extent of which damage would be difficult to ascertain and, therefore, that the other party is entitled to seek, among other remedies, temporary and permanent injunctive relief and other equitable relief for any such breach.

(p) Force Majeure. A party shall be excused from delays or failure to perform its duties (other than payment obligations) to the extent such delays or failures result from acts of nature, riots, war, acts of public enemies, fires, labor disputes, or any other causes beyond its reasonable control. The parties will promptly inform and consult with each other as to any of the above causes that in their judgment may or could be the cause of a substantial delay in the performance of this Agreement. The affected party shall resume performance as soon as is reasonably feasible.

(q) Electronic Signatures and Delivery; Signature Authority. This Agreement and any other documents to be delivered in connection herewith may be electronically signed and delivered. Any electronic signatures appearing on this Agreement or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility. The person accepting this Agreement and any related purchase orders on behalf of Client represents that he or she has the authority to bind Client to this Agreement.

(r) Professional Services.

   a. The Project Manager cannot be changed without prior consent of the Client.

   b. Within 60 days a Discovery must be performed and a granular project plan provided to the Client for sign off.

      i. Changes to the project plan of any magnitude cannot be made without sign off of the agency:

         1. Does not include minor changes which do not affect the project quality or timeline to Go Live and Sign Off.

   c. The project tool for the Client's project will be Microsoft Project.

   d. CAD training will consist of onsite training of all dispatch staff.

   e. RMS and JMS training will be onsite training, and can be train-the-trainer.

   f. Go live and Acceptance dates must be agreed upon within 30 days of the project plan being provided to the Client or 90 days from effective date, whichever is sooner.

   g. No third party contractors can be used without prior written permission from the Client. Otherwise, contractors must be employees of 365Labs.

   h. There are no additional fees for updates or upgrades to the 365Labs system, other than the annual subscription fees already listed in the Quote.

(s) 365Labs agrees not to hire anyone from the Client for at least 18 months from effective date.

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(t) Client remains proprietor of data and copy of data will be provided free of charge at the termination of the relationship or at any time. 365Labs shall transfer all data to Client's live server at Client's location upon termination or expiration of this Agreement, in its native format to include all metadata.

(u) In the event of an emergency, the Client has the right to allow partner agencies to share the use of the system during the time of the emergency and post emergency activities to close out those agency actions at no additional cost to Client.

(v) The cost to add other agencies and/or users from non-existing agencies on the system will be negotiated applying the same Client discount in this contract.

AGREED AND ACCEPTED:

Isle of Wight County Sheriff's Office, Virginia, a political subdivision of the Commonwealth of Virginia (Client):

By: *Erin Wishall*
_____
Signature

Title: _____ Purchasing Agent _____

Date: _____ April 21, 2023 _____

365Labs LLC:

By: _____
Signature

Title: _____

Date: _____

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Quote #   **LABQ21634-04**

Date	Good Until	Terms
12/29/22	**05/31/23**	**Upfront**

Agency: Isle of Wight County Sheriff's Office

17110 Monument Circle
Isle of Wight, VA 23397

Prepared By: Allison Miller
225-800-7777
allison.miller@365labs.com

Qty	Description	List Price	Discount Price	Extended Price
	BWC Hardware (One-Time)			
45	365™ BWC - Camera Assembly - 128GB - 4G	$428.00	$365.00	$16,425.00

- Pre-Event Recording of up to 2 minutes with configurable audio
- On-Device Encryption at rest and in transit
- SOS Alert communicates with   dispatch in real-time and auto-triggers recording
- Live streaming to VMS & mobile app

Configurable Automatic Recording Activation:
- Gun Release Activation (with smart holster module)
- Foot Pursuit/G-Sensor Activation
- Voice Activation
- In-car events and Alarms (door open, light bar & more) (with MDVR only)

Built-in Artificial Intelligence:
- Facial Recognition (where permitted)
- Gunshot Detection
- License Plate Recognition (optional)

Emergency Alert
In case of an emergency, officers in the field can communicate in real-time with dispatch. An alarm will be trigger and video recording will begin automatically

Multi-Mic Audio
Built-in 4 microphones with wind noise reduction gives crystal-clear audio for a better sense of what happened at the scene.

Detachable Battery
Field detachable battery while on the go. Officers can keep an extra battery for unexpectedly long shifts

VIDEO
Resolution: 1080P/720P/480P
Lens: 2.7 mm
Video Compression: H.265/H.264
In-field Playback: Support via mobile APP
Water Mark: Officer ID&Name, Time&Date, GPS,
Agency Name
Activation Prompt: Audible, Visual, and Buzzer

AUDIO
Audio Input: 4 Mic
Mic Mute: Supported
Pre-event Recording: Supported

DISPLAY SCREEN
Dimension: 0.85 (L) * 0.43 (W) inch
Resolution: 80 * 160 pixels

NETWORK
4G: Optional*
WiFi: 802.11 b/g/n/ac at 5 GHz and 2.4 GHz
Bluetooth: Supported
Near field communication (NFC): Supported

BATTERY
Battery Capacity: 4000mAh   (main) 80mAh
Recording Capacity: 12h   (720P) without 4G

STORAGE
128GB

PHYSICAL
Dimension: 2.76 (L) *1.09 (W) *3.74   (H) inch
Combined Weight: ~7.37oz   (209g)
Ingress Protection Rating: IP67
MIL SPEC: MIL-STD-810G

Agency to provide Data Plan

Qty	Description	List Price	Discount Price	Extended Price
45	365™ BWC Body Clip + Magnetic Clip	$68.00	$48.00	$2,160.00
1	365™ BWC Dock - Multi - 6 Slot	$695.00	$495.00	$495.00
	SubTotal - BWC Hardware (One-Time)			**$19,080.00**

In-Car Video Hardware (One-Time)

Qty	Description	List Price	Discount Price	Extended Price
23	365™ Dashcam - Mobile Camera Assembly - Dual IP Camera	$425.00	$295.00	$6,785.00

Dual View Dashcam Wide Angle & Focus View

Full HD 1080P Recording

Embedded Microphone

License Plate Recognition   supported

RESOLUTION
Selective Resolution   1080P/720P

LENS - DUAL LENS
Telephoto Lens   2.6mm
Wide-angle Lens   8mm/16mm (optional)

AUDIO & VIDEO COMPRESSION FORMAT
Video Compression Format   H.265/H.264
Audio Compression Format
G.711A/G.711U/ADPCM/G.726

VIDEO PARAMETERS CONTROL
Wide Dynamic Range (WDR)   Supported
Gain Control   Automatic/Manual
White Balance   Automatic
Backlight Compensation   Supported

AUDIO INPUT
Built-in Mic   Supported

PHYSICAL PROPERTY
Dimension   3.90 (L) * 1.57(W) * 3.23(H) inch
Weight   273.1 g
Operation Temperature Range   -40.0°F-158°F (-40° - 70°C)
Storage Temperature Range   -40.0°F-185°F (-40° - 85°C)
Ingress Protection Rating   IP54
Operating Humidity   95% non-condensing
MIL SPEC   MIL-STD-810G

WARRANTY
1 Year Hardware Warranty

Qty	Description	List Price	Discount Price	Extended Price
23	365™ Mobile VDR	$585.00	$450.00	$10,350.00

Connect up to 4 Cameras (In-car & BWC)
- Full HD Recording
- Wireless Connectivity
- Built-in GPS
- Sensor Based Recording Supported
- Up to 8 TB Onboard Storage
- Safety Lock

VIDEO
Input   4-channel AHD+4-channel IPC
Output   1-channel CVBS and 1-channel VGA (support 1080P to be compatible with 720P)

RECORDING
Alarm pre-recording   5-10min
Alarm recording delay   0-3min

NETWORK
Wired   LAN { 1000M/100M (RJ45 without light)}
Wireless (optional)   LAN { 1000M/100M (RJ45 without light)}

POSITIONING
GPS   Support positioning, speed detection and time synchronization

STORAGE
SSD   1 x2.5" SSD   Thickness 7mm. Support SSD heating
SD Card   Support SDXC 32GB/64GB/128GB/256GB and hot plugging

INTERFACE
Serial Port   2 x RS232, 1 x Rs485
IO   8-channel input and 2-channel output
Status Screen   LED screen

PHYSICAL PROPERTY
Dimensions (L x W x H)   180.5x 188 x 60mm (with the rear cover and holder)

	SubTotal - In-Car Hardware (One-Time)			**$17,135.00**

Qty	Description	List Price	Discount Price	Extended Price
	Annual HW Warranty & Maintenance			
45	365™ Warranty & Maintenance - 128 GB - 4G BWC Annual	$214.00	$184.00	$8,280.00
1	365™ Warranty & Maintenance - Multi-Slot Dock Annual	$275.00	$207.00	$207.00
23	365™ Warranty & Maintenance - Dashcam	$165.00	$140.00	$3,220.00
	SubTotal - Annual HW Warranty			**$11,707.00**

Digital Evidence Management Annual Subscription - DEMS Pro

365™ Digital Evidence Management
Annual Subscription

Live View using LTE with Real Time Alerts - Live video
streaming application enables agencies to securely and
remotely view the live video, audio, and GPS either
from 365 Bodycams

Evidence Search
Search video evidence by Officer ID, Device ID, data
type, priority level and classification

Audit Trails & Reports
Importing external Evidence, Export search results to
CSV, and Detailed evidence audit trail

User Management
Set up access permissions based on multiple user
accounts, Create organizational groups

Qty	Description	List Price	Discount Price	Extended Price
45	365™ DEMS Professional License - Annual Subscription - 1 user	$595.00	$495.00	$22,275.00

Digital Evidence Management

Live View with Real Time Alerts (available with
LTE-BWC only)
Live video streaming application enables agencies to
securely and remotely view the live video, audio, and
GPS from 365 Bodycams

Evidence Search
Search video evidence by Officer ID, Device ID, data
type, priority level and classification

Audit Trails & Reports

Qty	Description	List Price	Discount Price	Extended Price
	Importing external Evidence, Export search results to CSV, and Detailed evidence audit trail			
	User Management Set up access permissions based on multiple user accounts, Create organizational groups			
	365™ DEMS Professional Included Storage - 50 GB per user Additional Storage billed at $0.65/GB			
23	365™ DEMS Professional License - Annual Subscription - 1 Vehicle	$595.00	$495.00	$11,385.00
	Digital Evidence Management			
	Live View with Real Time Alerts (available with LTE) Live video streaming application enables agencies to securely and remotely view the live video, audio, and GPS from 365 Dashcams			
	Evidence Search Search video evidence by Officer ID, Device ID, data type, priority level and classification			
	Audit Trails & Reports Importing external Evidence, Export search results to CSV, and Detailed evidence audit trail			
	User Management Set up access permissions based on multiple user accounts, Create organizational groups			
	365™ RMS Auto Connect			
	365™ DEMS Professional Included Storage - 50 GB per user Additional Storage billed at $0.65/GB			
	SubTotal - DEMS Annual Subscription			**$33,660.00**

Subscription prices based on Annual Billing
6 Year Term

Signature _Erin Wishall_   Date April 21, 2023

Print Name   **Erin Wishall**

Total   **$81,582.00**

365LABS
1 SMART WAY • BATON ROUGE, LA 70810

Quote #	**LABQ21636**

Date	Good Until	Terms
10/28/22	**05/31/23**	**Upfront**

Agency: Isle of Wight County Sheriff's Office

17110 Monument Circle
Isle of Wight, VA 23397

Prepared By: Allison Miller
225-800-7777
allison.miller@365labs.com

Qty	Description	Unit Price	Extended Price
1	Professional Services - DEMS Implementation	$4,800.00	$4,800.00
	Hardware implementation to be completed by agency fleet operations or third party.		
1	Professional Services - DEMS Training	$1,500.00	$1,500.00
	Remote Training *Onsite Available - Travel & Lodging billed separately*		
	Additional Training available at $1500/day		

Signature *Erin Wishall*

Date April 21, 2023

Print Name Purchasing Agent

Total	**$6,300.00**

365LABS
1 SMART WAY · BATON ROUGE, LA 70810

Date	Good Until	Terms
12/28/22	**05/31/23**	**Upfront**

Agency: Isle of Wight County Sheriff's Office

17110 Monument Circle
Isle of Wight, VA 23397

Prepared By: Allison Miller
225-800-7777
allison.miller@365labs.com

Qty	Description	List Price	Discount Price	Extended Price
6	365™ BWC Battery	$95.00	$80.00	$480.00

THIS QUOTE IS SUBJECT TO THE TERMS OF THE 365LABS SOFTWARE LICENSE AND SERVICES AGREEMENT (THE "SLSA") SIGNED BY THE PARTIES, WHICH GOVERNS THE SALE AND LICENSING OF 365LABS' SERVICES AND SOFTWARE. IN ADDITION TO THE SLSA TERMS, THE FOLLOWING TERMS APPLY:

SOFTWARE LICENSES MAY BE SHARED ONLY WITH THOSE AGENCIES OR ENTITIES SPECIFICALLY LISTED IN A 365LABS QUOTE. PRICING FOR ADDITIONAL LICENSES WILL BE QUOTED UPON REQUEST.

QUOTED PRICING DOES NOT INCLUDE LICENSING FOR THIRD-PARTY PRODUCTS, SUCH AS MICROSOFT OFFICE OR POWERBI. THIRD-PARTY SOFTWARE LICENSING IS TO BE OBTAINED BY THE AGENCY FROM THE RESPECTIVE SOFTWARE VENDOR.

PRICES ARE BASED UPON CLIENT'S COMMITMENT TO PURCHASE THE TOTAL PACKAGE QUOTED BY 365LABS AND ARE SUBJECT TO CHANGE IF THERE IS ANY REVISION TO SUCH PACKAGE, INCLUDING CONFIGURATION OR EQUIPMENT SPECIFICATIONS.

ALL DELIVERY, SUPPORT, TRAINING, AND CONSULTING SERVICES WILL BE BILLED AT 365LABS' STANDARD RATES FOR SUCH ACTIVITY, UNLESS OTHERWISE EXPLICITLY SPECIFIED. A MINIMUM 15% RESTOCKING FEE APPLIES TO HARDWARE RETURNS MADE WITHIN 14 DAYS OF PURCHASE. NO RETURNS MAY BE MADE THEREAFTER. HARDWARE MUST BE RETURNED IN ITS ORIGINAL PACKAGING AND CONDITION. SOFTWARE CANNOT BE RETURNED ONCE ORDERED. IN CASE OF AN EARLY TERMINATION OF THE SLSA FOR ANY REASON OTHER THAN FOR A MATERIAL BREACH BY 365LABS, CLIENT AGREES TO PURCHASE ALL HARDWARE LISTED IN THIS QUOTE AT MSRP.

THE VANGUARD DISCOUNT IS A CONDITIONAL DISCOUNT GIVEN FOR CERTAIN MARKETING ASSISTANCE BY CLIENT, AS DESCRIBED IN SECTION 14(B) OF THE SLSA. VANGUARD DISCOUNT APPLICABLE YEAR 1 NORMAL PRICING RESUMES AFTER THE TERM.

EXCEPT AS EXPRESSLY STATED IN THIS QUOTE OR IN THE SLSA BETWEEN THE PARTIES, CLIENT ACKNOWLEDGES AND AGREES THAT 365LABS HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES REGARDING ITS PRODUCTS AND SERVICES. BY SIGNING OR ELECTRONICALLY ACCEPTING THIS QUOTE, CLIENT AGREES THAT THE TERMS OF THIS QUOTE ARE ACCEPTABLE TO CLIENT. THIS QUOTE BECOMES A BINDING PURCHASE ORDER UPON CLIENT'S SIGNATURE.

Signature   *Erin Wishall*   Date   April 21,, 2023

Print Name   Purchasing Agent

Total	$480.00