BW BIT-WIZARDS

STATEMENT OF WORK

Managed IT Support for CareerSource Okaloosa Walton

This Agreement is between **Bit-Wizards Information Technology Solutions, Inc.,** having an address of **13 Memorial Parkway SW, Fort Walton Beach, Florida 32548** ("**BIT-WIZARDS**"), and **CareerSource Okaloosa Walton** having an address of **109 8th Ave Shalimar, FL 32579 ("CSOW").**This Statement of Work is entered into by the parties in accordance with the **Master Services Agreement** dated **10 April 2020** (the "Agreement"). This Statement of Work is hereby incorporated by reference into the Agreement as if fully set forth therein.

1. Services Description

The purpose of this agreement is to provide Managed Cloud Server Services for **CSOW**.

2. Services Scope

A. Onboarding

- Onboarding has already occurred (under MSA terms), this SOW covers the management of the CSOW Cloud Server.

B. Monthly Management

As part of the monthly management of **CSOW**'s Cloud Server, BIT-WIZARDS will perform the following administrative tasks on a continual basis:

- Proactively monitor servers for critical events.
- Provision and configure performance monitoring, operating system updates and patches, and offsite backups of servers.
- Provide high-level network and server security and permissions management.
- Manually verify the restoration of servers.

C. Helpdesk Support

BIT-WIZARDS will provide helpdesk support during regular business hours, Monday through Friday, 8 AM–5 PM CST:

- The MITS helpdesk support system is staffed with friendly and professional IT engineers.
- We facilitate multiple options of communication to reach helpdesk support: dedicated phone line, email and on-site.
- We continuously document issues, business-specific requirements, configurations, and other technology-related information.

D. Projects

- Additional projects requires a new Statement of Work..

3. Services Assumptions

Rules and Policies

BIT-WIZARDS enforces certain policies to provide maximum effort to protect your organization from data loss and business disruption.

- The delivery of this service is a partnership between BIT-WIZARDS and **CSOW**. On occasion, we may require assistance from **CSOW** in obtaining cooperation from **CSOW**'s other vendors.

4. Helpdesk versus Project

Our helpdesk and projects are billed per the Master Services Agreement at $195 per hour. For clarity, this is the definition of the difference between the two billing codes: Helpdesk is defined as fixing something that is broken or performing a simple admistration task. Example: Email stops working, an employee encounters a blue screen of death (BSOD) on a workstation, configuring a new workstation for an employee, or creating a shared mailbox in Office 365.

A project is defined as a planned improvement to the IT infrastructure. Example: Installation of a new office, a server migration to the cloud, or replacing and configuring several workstations with upgraded and newer machines.

One item of note regarding the definition of project work: If a systemic problem is identified and communicated to **CSOW**, further break/fix (help desk) issues related to that original problem are no longer considered help desk items. They are instead billed to the remediation project. These issues will still be addressed and worked on, but a time and materials project rate will apply. At this point, it is beneficial to schedule a project to fix the root systemic problem (e.g. a windows workstation acting as a server that needs to be redeployed to a server environment).

All helpdesk and projects are billed under the MSA between Bit-Wizards and CSOW.

5. Pricing

To place an organization under MITS management, BIT-WIZARDS must install our agent software on all devices to allow for remote monitoring and administration. Anti-virus software is also pushed and configured remotely. The on-boarding cost is calculated by the number of devices and network locations, and by adherence to our minimum requirements. If the email, firewall, etc. configurations do not meet our minimum requirements, we migrate existing services to be in compliance, and deploy the necessary hardware for security. Example: Migrate from G-Suite email to Office 365, replace existing routers with secure Fortinet firewalls, etc. These costs are included in the on-boarding fee.

Professional Rates	Price	QTY	Subtotal
Helpdesk Support	$0.00	0	$0.00
Managed User	$150.00	0	$0.00
On-Premises Server	$300.00	0	$0.00
Cloud Server	$300.00	1	$300.00
Cloud Domain Controller	$125.00	0	$0.00
Firewall/Router	$100.00	0	$0.00
Switch	$50.00	0	$0.00
Wireless Access Point	$0.00	0	$0.00
Network Attached Device	$0.00	0	$0.00
Cloud Server Consumption	$2.01	0	$0.00

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Additional Rates

Project Work	$195.00	0	$0.00
After-hours Emergency	$225.00	0	$0.00
		Subtotal	**$300.00**
		Total	**$300.00**

A. Onboarding Fee
The onboarding fee is calculated from our best-effort determination of **CSOW**'s IT environment and is based on current estimated number of devices and can fluctuate based a more accurate count on the specific date of on-boarding.

Onboarding fee already billed under MSA terms.

B. Monthly Management
Managed Cloud Server Services is a comprehensive solution based primarily on the number of cloud servers in your company. This plan does not include helpdesk support. The total monthly management fee, based on current server specifications, for CSOW is:

$300 + Server Consumption ($2.01 per hour)
Total Monthly Estimate (Management + Server Consumption) = ~$600-$971

6. Schedule

The on-boarding start date will be mutually determined upon receipt of this signed SOW.

On-boarding—The Cloud Server is already on-boarded, operational and migrated per terms of the MSA.

Right-sizing Server - BIT-WIZARDS will review the server performance on a bi-annual basis to ensure peak performance in accordance with CSOW requirements. Adjustments to server specifications will adjust monthly rates.

7. Term

The initial term is a 12-month commitment, if **CSOW** terminates for any reason prior to fulfilling the 12 month commitment, the balance of the remaining months will be billed to **CSOW.**

Termination of MITS or Cloud Server services requires 15-day notice in writing. Please be aware we are unable to pro-rate any of our monthly fees. All partial months of service will be billed for the whole month. Many of the services BIT-WIZARDS provisions for our MITS clients are billed by vendors in whole month increments. Upon notice of termination an offboarding date will be set. We will make every effort to transition your IT management away from BIT-WIZARDS as smoothly as possible. At the offboarding date and time, BIT-WIZARDS will remove the management and monitoring software, remove our antivirus solution, all backups will be purged, and the leased hardware will be retrieved. We will provide **CSOW** with our documentation and stored credentials. We will also coordinate the transfer of ownership and billing for the Office 365 tenancy with **CSOW**. Offboarding is considered an IT project, and all time spent in removing BIT-WIZARDS software and hardware—including project management—will be billed as time and materials.

8. CSOW Responsibilities

CSOW warrants that it will actively participate in MITS. This is a partnership coupling BIT-WIZARDS IT experience with clients' business knowledge. Participation will include periodic meetings, and monitoring of any project schedules and

budget. In the event a roadblock is present that is standing in the way of completing a project or task, **CSOW** will be available to assist BIT-WIZARDS in making necessary progress. Example: Migrating email from Google Apps to Office 365 requires **CSOW** employee participation. If we encounter delays in reaching employees or vendors, we may need your help.

9. BIT-WIZARDS Responsibilities

A. Responsibilities

BIT-WIZARDS shall perform assigned Managed IT engineering tasks as defined in the Managed IT scope or as defined by the duly authorized officer or designated representative of **CSOW** (the "Services"). BIT-WIZARDS has a four-hour service level agreement (SLA) in which to respond to helpdesk support inquiries during regular business hours; Monday–Friday 8:00 AM–5:00 PM excluding some holidays.

B. Warranties.

BIT-WIZARDS warrants that the Services will be performed in a workmanlike and professional manner by appropriately qualified personnel. BIT-WIZARDS further warrants that it shall have and maintain sufficient resources, facilities, and manpower to ensure that the Services shall be diligently performed in accordance with the estimated timeline set forth in this Statement of Work.

10. Compliance with Agreement

By signing this Statement of Work, the parties hereby agree to comply with all of the terms and conditions set forth in the Agreement between BIT-WIZARDS and **CSOW**; provided, however, that if there is any conflict between the terms of the Agreement and the terms of this Statement of Work, the terms of this Statement of Work shall control.

This Agreement is solely between **CSOW** and BIT-WIZARDS. BIT-WIZARDS is not responsible for any agreements between **CSOW** and their customers, nor does BIT-WIZARDS assume any liability for those agreements.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized representatives on

Date: 01 JULY 2020

Bit-Wizards Information Technology Solutions, Inc.	**CareerSource Okaloosa Walton**
By: Vince Mayfield	By: Therese Baker
Title: CEO	Title: Finance Director
Vincent W. Mayfield	Therese Baker

BW BIT-WIZARDS

Master Services Agreement

This Agreement is between **Bit-Wizards Information Technology Solutions, Inc.**, having an address of **13 Memorial Parkway SW, Fort Walton Beach, Florida 32548** ("BIT-WIZARDS") and **CareerSource Okaloosa Walton**, having and address of

109 8th Ave, Fort Walton Beach, FL 32547 ("CSOW").

RECITALS

A. **CSOW** desires to engage BIT-WIZARDS to provide services to **CSOW**, and BIT-WIZARDS desires to provide such services.

B. The parties desire to enter into this Agreement to specify the terms and conditions under which BIT-WIZARDS will render services.

AGREEMENT

1. Services to be Performed. BIT-WIZARDS will provide the services (the "Services") described in individual Schedule A (the "Schedule A") and those additional Services as the parties may agree upon from time to time, in writing.

2. Independent BIT-WIZARDS. BIT-WIZARDS is an independent corporation and not part of **CSOW**. Neither party will have authority to act for or bind the other party or to incur any debts or liabilities on behalf of the other party, except as explicitly agreed to by the parties. BIT-WIZARDS is not an agent of **CSOW** in performing Services. Nothing in this Agreement shall be construed to provide that the parties are in any joint venture, association, or partnership. There is no intended third party beneficiary to this Agreement. An exception being, **CSOW** agrees that BIT-WIZARDS may sign customer acceptance for the Microsoft Cloud Agreement in order to purchase Microsoft products and services on behalf of **CSOW**.

3. Fees and Charges. The fees and acceptable charges for the Services are set forth in Schedule A. Bit-Wizards may increase its rates from time to time, but no more frequently than annually. Rate increases will be communicated to **CSOW** prior to providing services at such increased rates.

4. Safety and Health. Both BIT-WIZARDS and **CSOW** will comply with, or cause to be complied with, all applicable federal, state and local, environmental, occupational, health and safety requirements in matters related to this Agreement.

5. Proprietary and Confidential Information

   a. BIT-WIZARDS agrees, and shall keep secret any Confidential or Proprietary Information belonging to **CSOW** which it may learn in the course of the performance of this Agreement and shall not use, or disclose any such Confidential Information without authorization to any person or entity. Likewise **CSOW** agrees, and shall keep secret any Confidential or

Proprietary Information belonging to BIT-WIZARDS which it may learn in the course of the performance of this Agreement and shall not use or disclose any such Confidential Information without authorization to any person or entity.

b. For purposes of this Agreement, Confidential or Proprietary Information means: (i) all information or materials with respect to any software product of **CSOW** (and any modifications, derivative works, additions, supplements and full or partial copies thereof), regardless of the source of such information or materials, and (ii) all other information disclosed or made available by **CSOW** to BIT-WIZARDS with respect to **CSOW**'s operations, financial condition, future business plans, products, technology or other proprietary or confidential information of **CSOW** or which has been labeled or marked as confidential or proprietary. BIT-WIZARDS acknowledges that the Confidential and Proprietary Information of **CSOW** constitutes a valuable asset and trade secret of **CSOW**.

c. For purposes of this Agreement, Confidential or Proprietary Information additionally means: (i) all information or materials with respect to any software product of BIT-WIZARDS (and any modifications, derivative works, additions, supplements and full or partial copies thereof), regardless of the source of such information or materials, and (ii) all other information disclosed or made available by BIT-WIZARDS to **CSOW** with respect to BIT-WIZARDS's operations, financial condition, future business plans, products, technology or other proprietary or confidential information of BIT-WIZARDS or which has been labeled or marked as confidential or proprietary. **CSOW** acknowledges that the Confidential and Proprietary Information of BIT-WIZARDS constitutes a valuable asset and trade secret of BIT-WIZARDS.

d. The foregoing restrictions of confidentiality and nonuse will not apply, however, to any information which is: (i) generally available to or known to the public without breach of this Agreement; (ii) independently developed by the receiving party outside the scope of this Agreement; or (iii) lawfully disclosed by a third party to the receiving party. The foregoing restrictions on confidentiality shall not apply to any information required to be disclosed by governmental or judicial order, provided that the disclosing party gives the other party prompt notice of such order and the opportunity to limit such disclosure and complies with any protective order (or equivalent) imposed on such disclosure.

6. Intellectual Property

a. The parties acknowledge that any work which is the subject of a copyright is being created at the request of **CSOW** and agree that the work shall be deemed a "work made for hire" under the United States Copyright Law. Both parties acknowledge that the work is the sum-of-parts assemblage of various individual program elements and that the ownership rights only apply to the end work and not to the individual program elements. The work product shall be turned over to **CSOW** upon any of the following circumstances: a) upon request; b) upon the completion of the services to be provided by BIT-WIZARDS pursuant to this Agreement; or c) upon the earlier termination of this Agreement. In the event of termination, all work product(s) shall be turned over to **CSOW** in a sufficiently complete form to permit utilization by **CSOW** personnel or

other contractors in continuing to perform the services begun by BIT-WIZARDS provided all agreed fees for work rendered are paid.

b. Intellectual Property Rights Indemnity: Each party (the "Indemnitor") shall indemnify and hold the other harmless with respect to all costs, damages, and reasonable attorneys' fees actually incurred by the other party (the "Indemnitee") resulting from any legal action AND shall defend any legal action brought against the Indemnitee to the extent that it is based upon a claim that any Indemnitor-provided materials infringe a patent, copyright, or intellectual or industrial property right of any person, firm, or corporation not a party to this Agreement.

c. Software Copyright: BIT-WIZARDS assumes all information provided by **CSOW** including but not limited to software installed on **CSOW** computers, or software which is delivered by **CSOW** to BIT-WIZARDS for installation on **CSOW** computers by BIT-WIZARDS, has been approved for use by the original owner and does not infringe on any owner or manufacturer's copyright or trademark. **CSOW** shall defend, indemnify and hold BIT-WIZARDS harmless from any and all claims by third Parties which allege infringement on trademark or copyright arising from such use. BIT-WIZARDS shall not be held liable for **CSOW** illegal / unauthorized use of software or hardware.

7. Insurance. Each party will maintain liability insurance necessary to protect each party from liabilities that may be incurred under this Agreement, as well as such other insurance as may be required by law. Proof of insurance will be provided upon request.

8. No Consequential Damages: Limitation on Liability. Notwithstanding anything to the contrary contained in this Agreement, neither party shall be liable to the other party for any special, indirect, exemplary or consequential damages arising out of this Agreement or the Services including, but not limited to, interruption of service, loss of data, loss of revenue or profit, or any similar loss, even if the party has been advised of the possibility of such damages. Any liability of BIT-WIZARDS for damages will be limited to amounts paid BIT-WIZARDS by **CSOW** for the specific services that result in damages, except for liability under Sections 6(b), 12 and 22. Any liability of **CSOW** for damages will be limited to amounts paid BIT-WIZARDS by **CSOW** for the specific services that result in damages, except for liability under Sections 6(b),12, and 22; furthermore, in the event of nonpayment by **CSOW** , BIT-WIZARDS shall be entitled to all costs and expenses of collection, including, without limitation, reasonable attorneys' fees, incurred in connection with BIT-WIZARDS' collection efforts, or in connection with any bankruptcy or other judicial proceeding, whether or not any claim or suit is filed.

9. Term. This Agreement will become effective upon execution by **CSOW**, and will continue until terminated as described in Section 10.

10. Termination of Agreement. Either party may terminate this Agreement in whole or in part, with or without cause, upon fifteen (15) days prior written notice to the other party. Either party may terminate this Agreement immediately in whole or in part upon a breach of Section 5 of this Agreement. In the event of termination of this Agreement, BIT-WIZARDS will be entitled to payment for all work performed to the date of termination.

11. Force Majeure. Except obligations to make payments hereunder for work previously performed, both parties shall be excused from performing hereunder to the extent they are prevented from performing as a result of any act or event which occurs and is beyond their reasonable control, including, without limitation, acts of God, hurricane, war, or action of a governmental entity; provided that affected party provides the other party with prompt written notice thereof and uses all reasonable efforts to remove or avoid such causes and to resume performance as soon as possible.

12. Non-Solicitation. During the term of this Agreement and for one year immediately following the termination of this Agreement, both BIT-WIZARDS and **CSOW** agree not to hire the services of any employee or subcontractor of the other party, without prior written consent of the other party. During the term of this Agreement, BIT-WIZARDS agrees not to hire the employees of any **CSOW** customer for whom BIT-WIZARDS has performed services under this Agreement. Violation of this provision entitles the other party to assert liquidated damages equal to 100% of solicited employee's annual compensation.

13. Non-Competition. During the Term hereof and for a period of six (6) months thereafter (regardless of how this Agreement may terminate or expire), BIT-WIZARDS agrees not to perform software development services for any customer of **CSOW** for whom services were provided by BIT-WIZARDS on behalf of **CSOW**, without prior written consent from **CSOW**.

14. Assignment. No rights or interests in this Agreement may be assigned by either party without the written consent of the other party and any attempted assignment by either party without the written consent of the other party will be void.

15. Waivers. The waiver of any term hereof will be valid only when committed to writing by the party charged with the waiver. A valid waiver is limited to the specific situation for which it is sought.

16. Modification or Amendments. No modifications or amendments may be made to this Agreement unless in writing and signed by the parties.

17. Survival. Termination of this Agreement will not affect any rights and obligations the parties intend to survive a termination, including without limitation Sections 5, 6, 8, 12 and 13.

18. Entire Agreement and Savings Clause. This Agreement constitutes the entire agreement between the parties, and supersedes all prior oral or written communications or agreements of the parties on the subject matter hereof; the parties further agree that there are no representations and warranties except for those expressly contained in this Agreement. If any provision of this Agreement is found to be legally invalid or unenforceable for any reason, all remaining provisions will remain in full force and effect.

19. Choice of Law and Dispute Resolution. This Agreement will be governed by the laws of the State of Florida exclusive of the principles of conflicts of law. The parties agree that all disputes between them shall first be submitted for informal resolution to their respective chief operating officers. If the parties cannot resolve the issue within ten (10) days, all controversies, claims, and other matters in question arising out of or relating to this Agreement or its breach will be settled as follows:

a. The parties will have forty (40) days from the date a dispute arises between them to attempt to resolve the matter through mediation, failing which the parties will resolve the dispute through neutral binding arbitration in Okaloosa county, Florida. The arbitrator may not alter the Agreement terms or award any remedy not provided for in this Agreement. The award will be based on the greater weight of the evidence and will state findings of fact and the contractual authority on which it is based. If the parties agree to use discovery, it will be in accordance with the Florida Rules of Civil Procedure and the arbitrator will resolve all discovery-related disputes. The circuit court of Okaloosa County, Florida will have jurisdiction to enter judgment on an award rendered in an arbitration under this Agreement.

b. "Mediation" is a process in which parties attempt to resolve a dispute by submitting it to an impartial mediator who facilitates the resolution of the dispute but who is not empowered to impose a settlement on the parties. Mediation will be in accordance with the rules of the American Arbitration Association ("AAA") or other mediator agreed on by the parties. The parties will equally divide the mediation fee, if any. "Arbitration" is a process in which the parties resolve a dispute by a hearing before a neutral person who decides the matter and whose decision is binding on the parties. Arbitration will be in accordance with the rules of the AAA or other arbitrator agreed on by the parties.

20. Notices. Any notice required or permitted by this Agreement hereof shall be effective only if it is in writing signed by the party giving same and delivered or sent by: hand delivery; registered or certified mail, postage prepaid, return receipt requested; or via overnight delivery via Federal Express or United Parcel Service, and addressed as follows:

TO CSOW:

CareerSource Okaloosa Walton.
Attn: Therese Baker, Finance Director
109 8th Ave

Shalimar, FL 32579
tbaker@careersourceow.com

TO BIT-WIZARDS:

Bit-Wizards Information Technology Solutions, Inc.
Attention: Vincent W. Mayfield, CEO
PO Box 937
Fort Walton Beach, FL 32549-0937
mayfieldv@bit-wizards.com

The date of service by mail shall be on the date on which such written notices are deposited in the United States Post Office, addressed as above provided, with postage fully prepaid thereon. The date of service via the other methods approved above shall be the date on which such notices are received. The address or addresses of either party may be changed by written notice to the other by the means set forth in this Section.

21. Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

22. Attorneys' Fees. In the event of a dispute between the parties, the prevailing party shall be entitled to recover from the non-prevailing party any and all costs including reasonable attorney fees, incurred by the prevailing party. Such relief shall be in addition to any other relief, award or damages to which the prevailing party may be entitled.

23. Microsoft Customer Agreement. Therese Baker has received a copy of the Microsoft Customer Agreement located at the end of this MSA, and has accepted the General Terms outlined by Microsoft Corporation and is authorized to enter into the agreement on behalf of CareerSource Okaloosa Walton.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized representatives on Date: **10 April 2020**

Bit-Wizards Information Technology Solutions, Inc.	**CareerSource Okaloosa Walton**
By: Vincent Mayfield	By: Therese Baker
Title: CEO	Title: Finance Director
Vincent W. Mayfield	Therese Baker

Schedule A

Services to be Performed:	Engineering Services – **CSOW** has requested services in support of **CSOW** from BIT-WIZARDS. This is an open services contract for hours to be determined by **CSOW**. BIT-WIZARDS will perform assigned tasks on a Time & Material basis. Tasks will be assigned by an Officer or designated representative of **CSOW**. If **CSOW** requests an estimate, BIT-WIZARDS will attempt to accurately approximate the time required to complete a task, however, **CSOW** will be responsible for actual hours worked. Status and/or detailed time reports will be provided in writing upon request.

Rates

$195.00	Custom Software Development
$195.00	Digital Marketing Consulting
$195.00	Infrastructure Consulting
$225.00	Emergency After-hours Support

Payment Terms:	This is a Time and Material contract. BIT-WIZARDS shall submit an invoice to **CSOW** for work performed twice a month. Invoices are due upon receipt. Payment is appreciated within 15 days. **CSOW** will make payment to BIT-WIZARDS within 30 days of receipt of invoice or a 3% finance and administration fee will be assessed. If payment is not received by 60 days BIT-WIZARDS will assess an additional 5% fee. If payment is not received by 90 days BIT-WIZARDS will assess an additional 10% fee. Work will stop if an invoice goes more than 45 days past due, unless otherwise approved by BIT-WIZARDS.
Travel Expenses:	If travel is determined necessary by **CSOW**, BIT-WIZARDS will submit authorization requests for travel to **CSOW**. **CSOW** will approve and reimburse BIT-WIZARDS for airfare, lodging, daily government per diem, and transportation. Billable time will apply to travel.
BIT-WIZARDS Responsibilities:	Perform assigned software development tasks as defined by the duly authorized officer or designated representative of **CSOW**.
CSOW Responsibilities:	Provide technical support for activities. Define tasks to be performed for each block of hours to be worked.

Any schedule change will be by mutual agreement between **CSOW** and BIT-WIZARDS. This Agreement is solely between **CSOW** and BIT-WIZARDS. BIT-WIZARDS is not responsible for any agreements between **CSOW** and their customers, nor does BIT-WIZARDS assume any liability for those agreements.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized representatives on

Date: **10 April 2020**

BW BIT-WIZARDS

Bit-Wizards Information Technology Solutions, Inc.

By: Vincent Mayfield

Title: CEO

Vincent W. Mayfield

CareerSource Okaloosa Walton

By Therese Baker

Title: Finance Director

Therese Baker

Microsoft

Microsoft Customer Agreement

This Microsoft Customer Agreement (the "Agreement") is between Customer and Microsoft and consists of these General Terms, the applicable Use Rights and SLAs, and any additional terms Microsoft presents when an order is placed. This Agreement takes effect when the Customer accepts these General Terms. The individual who accepts these General Terms represents that he or she is authorized to enter into this Agreement on behalf of the Customer.

General Terms

These General Terms apply to all of Customer's orders under this Agreement. Capitalized terms have the meanings given under "Definitions."

License to use Microsoft Products

a. **License grant.** Products are licensed and not sold. Upon Microsoft's acceptance of each order and subject to Customer's compliance with this Agreement, Microsoft grants Customer a nonexclusive and limited license to use the Products ordered as provided in the applicable Use Rights and this Agreement. These licenses are solely for Customer's own use and business purposes and are nontransferable except as expressly permitted under this Agreement or applicable law.

b. **Duration of licenses.** Licenses granted on a subscription basis expire at the end of the applicable subscription period unless renewed. Licenses granted for metered Products billed periodically based on usage continue as long as Customer continues to pay for its usage of the Product. All other licenses become perpetual upon payment in full.

c. **Applicable Use Rights.** For perpetual licenses, the Use Rights in effect when Customer orders a Product will apply. For subscriptions, the Use Rights in effect at the start of each subscription period will apply. Customers with subscriptions for Software may use new versions released during the subscription period subject to the Use Rights in effect when those versions are released. For metered Products billed periodically based on usage, the Use Rights in effect at the start of each billing period will apply during that period. Microsoft may update the Use Rights periodically, but material adverse changes for a particular version will not apply during the applicable license, subscription, or billing period.

d. **End Users.** Customer will control access to and use of the Products by End Users and is responsible for any use of the Products that does not comply with this Agreement.

e. **Affiliates.** Customer may order Products for use by its Affiliates. If it does, the licenses granted to Customer under this Agreement will apply to such Affiliates, but Customer will have the sole right to enforce this Agreement against Microsoft. Customer will remain responsible for all obligations under this Agreement and for its Affiliates' compliance with this Agreement.

f. **Reservation of Rights.** Microsoft reserves all rights not expressly granted in this Agreement. Products are protected by copyright and other intellectual property laws and international treaties. No rights will be granted or implied by waiver or estoppel. Rights to access or use a

Microsoft

Product on a device do not give Customer any right to implement Microsoft patents or other Microsoft intellectual property in the device itself or in any other software or devices.

g. **Restrictions.** Except as expressly permitted in this Agreement or Product documentation, Customer must not (and is not licensed to):

(1) reverse engineer, decompile, or disassemble any Product, or attempt to do so;

(2) install or use non-Microsoft software or technology in any way that would subject Microsoft's intellectual property or technology to any other license terms;

(3) work around any technical limitations in a Product or restrictions in Product documentation;

(4) separate and run parts of a Product on more than one device;

(5) upgrade or downgrade parts of a Product at different times;

(6) transfer parts of a Product separately; or

(7) distribute, sublicense, rent, lease, or lend any Products, in whole or in part, or use them to offer hosting services to a third party.

h. **License transfers.** Customer may only transfer fully-paid, perpetual licenses to (1) an Affiliate or (2) a third party solely in connection with the transfer of hardware to which, or employees to whom, the licenses have been assigned as part of (a) a divestiture of all or part of an Affiliate or (b) a merger involving Customer or an Affiliate. Upon such transfer, Customer must uninstall and discontinue using the licensed Product and render any copies unusable. Customer must notify Microsoft of a License transfer and provide the transferee a copy of these General Terms, the applicable Use Rights and any other documents necessary to show the scope, purpose and limitations of the licenses transferred. Attempted license transfers that do not comply with this section are void.

i. **Customer Eligibility.** Customer agrees that if it is purchasing academic, government or nonprofit offers, Customer meets the respective eligibility requirements (https://aka.ms/eligiblitydefinition). Microsoft reserves the right to verify eligibility and suspend product use if requirements are not met.

Non-Microsoft Products.

Non-Microsoft Products are provided under separate terms by the Publishers of such products. Customer will have an opportunity to review those terms prior to placing an order for a Non-Microsoft Product through a Microsoft online store or Online Service. Microsoft is not a party to the terms between Customer and the Publisher. Microsoft may provide Customer's contact information and transaction details to the Publisher. Microsoft makes no warranties and assumes no responsibility or liability whatsoever for Non-Microsoft Products. Customer is solely responsible for its use of any Non-Microsoft Product.

Verifying compliance.

Microsoft

Customer must keep records relating to Products it and its Affiliates use or distribute. At Microsoft's expense, Microsoft may verify Customer's and its Affiliates' compliance with this Agreement at any time upon 30 days' notice. To do so, Microsoft may engage an independent auditor (under nondisclosure obligations) or ask Customer to complete a self-audit process. Customer must promptly provide any information and documents that Microsoft or the auditor reasonably requests related to the verification and access to systems running the Products. If verification or self-audit reveals any unlicensed use, Customer must, within 30 days, order sufficient licenses to cover the period of its unlicensed use. Without limiting Microsoft's other remedies, if unlicensed use is 5% or more of Customer's total use of all Products, Customer must reimburse Microsoft for its costs incurred in verification and acquire sufficient licenses to cover its unlicensed use at 125% of the then-current Customer price or the maximum allowed under applicable law, if less. All information and reports related to the verification process will be Confidential Information and used solely to verify compliance.

Privacy.

a. **Personal Data.** Customer consents to the processing of Personal Data by Microsoft and its Affiliates, and their respective agents and subcontractors, as provided in this Agreement. Before providing Personal Data to Microsoft, Customer will obtain all required consents from third parties (including Customer's contacts, Partners, distributors, administrators, and employees) under applicable privacy and data protection laws.

b. **Location of Personal Data.** To the extent permitted by applicable law, Personal Data collected under this Agreement may be transferred, stored and processed in the United States or any other country in which Microsoft or its Affiliates, or their respective agents and subcontractors, maintain facilities. Microsoft will abide by the requirements of European Economic Area and Swiss data protection law regarding the collection, use, transfer, retention, and other processing of Personal Data from the European Economic Area and Switzerland.

Confidentiality.

a. **Confidential Information.** "Confidential Information" is non-public information that is designated "confidential" or that a reasonable person should understand is confidential, including, but not limited to, Customer Data, the terms of this Agreement, and Customer's account authentication credentials. Confidential Information does not include information that (1) becomes publicly available without a breach of a confidentiality obligation; (2) the receiving party received lawfully from another source without a confidentiality obligation; (3) is independently developed; or (4) is a comment or suggestion volunteered about the other party's business, products or services.

b. **Protection of Confidential Information.** Each party will take reasonable steps to protect the other's Confidential Information and will use the other party's Confidential Information only for purposes of the parties' business relationship. Neither party will disclose Confidential Information to third parties, except to its Representatives, and then only on a need-to-know basis under nondisclosure obligations at least as protective as this Agreement. Each

party remains responsible for the use of Confidential Information by its Representatives and, in the event of discovery of any unauthorized use or disclosure, must promptly notify the other party. The Online Services Terms may provide additional terms regarding the disclosure and use of Customer Data.

c. **Disclosure required by law.** A party may disclose the other's Confidential Information if required by law, but only after it notifies the other party (if legally permissible) to enable the other party to seek a protective order.

d. **Residual information.** Neither party is required to restrict work assignments of its Representatives who have had access to Confidential Information. Each party agrees that the use of information retained in Representatives' unaided memories in the development or deployment of the parties' respective products or services does not create liability under this Agreement or trade secret law, and each party agrees to limit what it discloses to the other accordingly.

e. **Duration of Confidentiality obligation.** These obligations apply (1) for Customer Data, until it is deleted from the Online Services; and (2) for all other Confidential Information, for a period of five years after a party receives the Confidential Information.

Product warranties.

a. **Limited warranties and remedies.**

(1) **Online Services.** Microsoft warrants that each Online Service will perform in accordance with the applicable SLA during Customer's use. Customer's remedies for breach of this warranty are described in the SLA.

(2) **Software.** Microsoft warrants that the Software version that is current at the time will perform substantially as described in the applicable Product documentation for one year from the date Customer acquires a license for that version. If it does not, and Customer notifies Microsoft within the warranty term, Microsoft will, at its option, (a) return the price Customer paid for the Software license or (b) repair or replace the Software.

The remedies above are Customer's sole remedies for breach of the warranties in this section. Customer waives any warranty claims not made during the warranty period.

b. **Exclusions.** The warranties in this Agreement do not apply to problems caused by accident, abuse, or use inconsistent with this Agreement, including failure to meet minimum system requirements. These warranties do not apply to free, trial, preview, or prerelease products, or to components of Products that Customer is permitted to redistribute.

c. **Disclaimer. Except for the limited warranties above and subject to applicable law, Microsoft provides no other warranties or conditions for Products and disclaims any other express, implied or statutory warranties for Products, including warranties of quality, title, non-infringement, merchantability, and fitness for a particular purpose.**

Defense of third-party claims.

The parties will defend each other against the third-party claims described in this section and will pay the amount of any resulting adverse final judgment or approved settlement, but only if the defending party is promptly notified in writing of the claim and has the right to control the defense and any settlement of it. The party being defended must provide the defending party with all requested assistance, information, and authority. The defending party will reimburse the other party for reasonable out-of-pocket expenses it incurs in providing assistance. This section describes the parties' sole remedies and entire liability for such claims.

a. **By Microsoft.** Microsoft will defend Customer against any third-party claim to the extent it alleges that a Product made available by Microsoft for a fee and used within the scope of the license granted under this Agreement (unmodified from the form provided by Microsoft and not combined with anything else), misappropriates a trade secret or directly infringes a patent, copyright, trademark, or other proprietary right of a third party. If Microsoft is unable to resolve a claim of misappropriation or infringement, it may, at its option, either (1) modify or replace the Product with a functional equivalent or (2) terminate Customer's license and refund any license fees (less depreciation for perpetual licenses), including amounts paid in advance for unused consumption for any usage period after the termination date. Microsoft will not be liable for any claims or damages due to Customer's continued use of a Product after being notified to stop due to a third-party claim.

b. **By Customer.** To the extent permitted by applicable law, Customer will defend Microsoft and its Affiliates against any third-party claim to the extent it alleges that: (1) any Customer Data or Non-Microsoft Product hosted in an Online Service by Microsoft on Customer's behalf misappropriates a trade secret or directly infringes a patent, copyright, trademark, or other proprietary right of a third party; or (2) Customer's use of any Product, alone or in combination with anything else, violates the law or harms a third party.

Limitation of liability.

For each Product, each party's maximum, aggregate liability to the other under this Agreement is limited to direct damages finally awarded in an amount not to exceed the amounts Customer was required to pay for the Products during the term of the applicable licenses, subject to the following:

a. **Subscriptions.** For Products ordered on a subscription basis, Microsoft's maximum liability to Customer for any incident giving rise to a claim will not exceed the amount Customer paid for the Product during the 12 months before the incident.

b. **Free Products and distributable code.** For Products provided free of charge and code that Customer is authorized to redistribute to third parties without separate payment to Microsoft, Microsoft's liability is limited to direct damages finally awarded up to US$5,000.

c. **Exclusions.** In no event will either party be liable for indirect, incidental, special, punitive, or consequential damages, or loss of use, loss of profits, or interruption of business, however caused or on any theory of liability.

d. **Exceptions.** No limitation or exclusions will apply to liability arising out of either party's (1) confidentiality obligations (except for liability related to Customer Data, which will remain

subject to the limitations and exclusions above); (2) defense obligations; or (3) violation of the other party's intellectual property rights.

Partners.

a. **Selecting a Partner.** Customer may authorize a Partner to place orders on Customer's behalf and manage Customer's purchases by associating the Partner with its account. If the Partner's distribution right is terminated, Customer must select an authorized replacement Partner or purchase directly from Microsoft. Partners and other third parties are not agents of Microsoft and are not authorized to enter into any agreement with Customer on behalf of Microsoft.

b. **Partner Administrator privileges and access to Customer Data.** If Customer purchases Online Services from a Partner or chooses to provide a Partner with administrator privileges, that Partner will be the primary administrator of the Online Services and will have administrative privileges and access to Customer Data and Administrator Data. Customer consents to Microsoft and its Affiliates providing the Partner with Customer Data and Administrator Data for purposes of provisioning, administering and supporting (as applicable) the Online Services. Partner may process such data according to the terms of Partner's agreement with Customer, and its privacy commitments may differ from Microsoft's. Customer appoints Partner as its agent for purposes of providing and receiving notices and other communications to and from Microsoft. Customer may terminate the Partner's administrative privileges at any time.

c. **Support and Professional Services.** Customer's Partner will provide details on support services available for Products purchased under this agreement. Support services may be performed by Partner or its designee, which in some cases may be Microsoft. If Customer purchases Professional Services under this agreement, the performance of those Professional Services will be subject to the terms and conditions in the Use Rights.

Pricing and payment.

If Customer orders from a Partner, the Partner will set Customer's pricing and payment terms for that order, and Customer will pay the amount due to the Partner. Pricing and payment terms related to orders placed by Customer directly with Microsoft are set by Microsoft, and Customer will pay the amount due as described in this section.

a. **Payment method.** Customer must provide a payment method or, if eligible, choose to be invoiced for purchases made on its account. By providing Microsoft with a payment method, Customer (1) consents to Microsoft's use of account information regarding the selected payment method provided by the issuing bank or applicable payment network; (2) represents that it is authorized to use that payment method and that any payment information it provides is true and accurate; (3) represents that the payment method was established and is used primarily for commercial purposes and not for personal, family or household use; and (4) authorizes Microsoft to charge Customer using that payment method for orders under this Agreement.

b. **Invoices.** Microsoft may invoice eligible Customers. Customer's ability to elect payment by invoice is subject to Microsoft's approval of Customer's financial condition. Customer authorizes Microsoft to obtain information about Customer's financial condition, which may include credit reports, to assess Customer's eligibility for invoicing. Unless the Customer's financial statements are publicly available, Customer may be required to provide their balance sheet, profit and loss and cash flow statements to Microsoft. Customer may be required to provide security in a form acceptable to Microsoft to be eligible for invoicing. Microsoft may withdraw Customer's eligibility at any time and for any reason. Customer must promptly notify Microsoft of any changes in its company name or location and of any significant changes in the ownership, structure, or operational activities of the organization.

c. **Invoice Payment terms.** Each invoice will identify the amounts payable by Customer to Microsoft for the period corresponding to the invoice. Customer will pay all amounts due within thirty (30) calendar days following the invoice date.

d. **Late Payment.** Microsoft may, at its option, assess a late fee on any payments to Microsoft that are more than fifteen (15) calendar days past due at a rate of two percent (2%) of the total amount payable, calculated and payable monthly, or the highest amount allowed by law, if less.

e. **Cancellation fee.** If a subscription permits early termination and Customer cancels the subscription before the end of the subscription or billing period, Customer may be charged a cancellation fee.

f. **Recurring Payments.** For subscriptions that renew automatically, Customer authorizes Microsoft to charge Customer's payment method periodically for each subscription or billing period until the subscription is terminated. By authorizing recurring payments, Customer authorizes Microsoft to process such payments as either electronic debits or fund transfers, or as electronic drafts from the designated bank account (in the case of Automated Clearing House or similar debits), as charges to the designated card account (in the case of credit card or similar payments) (collectively, "Electronic Payments"). If any payment is returned unpaid or if any credit card or similar transaction is rejected or denied, Microsoft or its service providers reserve the right to collect any applicable return item, rejection or insufficient funds fee to the maximum extent permitted by applicable law and to process any such fees as an Electronic Payment or to invoice Customer for the amount due.

g. **Taxes.** Microsoft prices exclude applicable taxes unless identified as tax inclusive. If any amounts are to be paid to Microsoft, Customer shall also pay any applicable value added, goods and services, sales, gross receipts, or other transaction taxes, fees, charges, or surcharges, or any regulatory cost recovery surcharges or similar amounts that are owed under this Agreement and that Microsoft is permitted to collect from Customer. Customer shall be responsible for any applicable stamp taxes and for all other taxes that it is legally obligated to pay including any taxes that arise on the distribution or provision of Products by Customer to its Affiliates. Microsoft shall be responsible for all taxes based upon its net income, gross receipts taxes imposed in lieu of taxes on income or profits, and taxes on its property ownership.

If any taxes are required to be withheld on payments invoiced by Microsoft, Customer may deduct such taxes from the amount owed and pay them to the appropriate taxing authority, but only if Customer promptly provides Microsoft an official receipt for those withholdings and other documents reasonably requested to allow Microsoft to claim a foreign tax credit or refund. Customer will ensure that any taxes withheld are minimized to the extent possible under applicable law.

Term and termination.

a. **Term.** This Agreement is effective until terminated by a party, as described below.

b. **Termination without cause.** Either party may terminate this Agreement without cause on 60 days' notice. Termination without cause will not affect Customer's perpetual licenses, and licenses granted on a subscription basis will continue for the duration of the subscription period(s), subject to the terms of this Agreement.

c. **Termination for cause.** Without limiting other remedies it may have, either party may terminate this Agreement on 30 days' notice for material breach if the other party fails to cure the breach within the 30-day notice period. Upon such termination, the following will apply:

   (1) All licenses granted under this Agreement will terminate immediately except for fully-paid, perpetual licenses.

   (2) All amounts due under any unpaid invoices shall become due and payable immediately. For metered Products billed periodically based on usage, Customer must immediately pay for unpaid usage as of the termination date.

   (3) If Microsoft is in breach, Customer will receive a credit for any subscription fees, including amounts paid in advance for unused consumption for any usage period after the termination date.

d. **Suspension.** Microsoft may suspend use of an Online Service without terminating this Agreement during any period of material breach. Microsoft will give Customer notice before suspending an Online Service when reasonable.

e. **Termination for regulatory reasons.** Microsoft may modify, discontinue, or terminate a Product in any country or jurisdiction where there is any current or future government regulation, obligation, or other requirement, that (1) is not generally applicable to businesses operating there; (2) presents a hardship for Microsoft to continue offering the Product without modification; or (3) causes Microsoft to believe these terms or the Product may conflict with any such regulation, obligation, or requirement. If Microsoft terminates a subscription for regulatory reasons, Customer will receive, as its sole remedy, a credit for any subscription fees, including amounts paid in advance for unused consumption for any usage period after the termination date.

Miscellaneous.

a. **Independent contractors.** The parties are independent contractors. Customer and Microsoft each may develop products independently without using the other's Confidential Information.

b. **Agreement not exclusive.** Customer is free to enter into agreements to license, use, and promote the products and services of others.

c. **Amendments.** Microsoft may modify this Agreement from time to time. Changes to the Use Rights will apply as provided in this Agreement. Changes to other terms will not apply until Customer accepts them. Microsoft may require Customer to accept revised or additional terms before processing a new order. Any additional or conflicting terms and conditions contained in a purchase order or otherwise presented by Customer are expressly rejected and will not apply.

d. **Assignment.** Either party may assign this Agreement to an Affiliate, but it must notify the other party in writing of the assignment. Customer consents to the assignment to an Affiliate or third party, without prior notice, of any rights Microsoft may have under this Agreement to receive payment and enforce Customer's payment obligations, and all assignees may further assign such rights without further consent. Any other proposed assignment of this Agreement must be approved by the non-assigning party in writing. Assignment will not relieve the assigning party of its obligations under the assigned Agreement. Any attempted assignment without required approval will be void.

e. **U.S. export.** Products are subject to U.S. export jurisdiction. Customer must comply with all applicable international and national laws, including the U.S. Export Administration Regulations, the International Traffic in Arms Regulations, and end-user, end use and destination restrictions by U.S. and other governments related to Microsoft products, services, and technologies.

f. **Severability.** If any part of this Agreement is held to be unenforceable, the rest of the Agreement will remain in full force and effect.

g. **Waiver.** Failure to enforce any provision of this Agreement will not constitute a waiver. Any waiver must be in writing and signed by the waiving party.

h. **No third-party beneficiaries.** This Agreement does not create any third-party beneficiary rights except as expressly provided by its terms.

i. **Survival.** All provisions survive termination of this Agreement except those requiring performance only during the term of the Agreement.

j. **Notices.** Notices must be in writing and will be treated as delivered on the date received at the address, date shown on the return receipt, email transmission date, or date on the courier or fax confirmation of delivery. Notices to Microsoft must be sent to the following address:

Microsoft Corporation
Dept. 551, Volume Licensing
6100 Neil Road, Suite 210
Reno, Nevada 89511-1137
USA

Notices to Customer will be sent to the individual at the address Customer identifies on its account as its contact for notices. Microsoft may send notices and other information to Customer by email or other electronic form.

k. **Applicable law.** This Agreement will be governed by and construed in accordance with the laws of the State of Washington and federal laws of the United States. The 1980 United Nations Convention on Contracts for the International Sale of Goods and its related instruments will not apply to this Agreement.

l. **Dispute resolution.** When bringing any action arising under this Agreement, the parties agree to the following exclusive venues:

(1) If Microsoft brings the action, the venue will be where Customer has its headquarters.

(2) If Customer brings the action against Microsoft or any Microsoft Affiliate located outside of Europe, the venue will be the state or federal courts in King County, State of Washington, USA.

(3) If Customer brings the action against Microsoft or any Microsoft Affiliate located in Europe, and not also against Microsoft or a Microsoft Affiliate located outside of Europe, the venue will be the Republic of Ireland.

The parties consent to personal jurisdiction in the agreed venue. This choice of venue does not prevent either party from seeking injunctive relief in any jurisdiction with respect to a violation of intellectual property rights or confidentiality obligations.

m. **Order of precedence.** These General Terms will take precedence over any conflicting terms in other documents that are part of this Agreement that are not expressly resolved in those documents, except that conflicting terms in the Use Rights take precedence over these General Terms as to the applicable Products. Terms in the Online Services Terms take precedence over conflicting terms in the Product Terms. Terms in an amendment control over the amended document and any prior amendments concerning the same subject matter.

n. **Microsoft Affiliates and contractors.** Microsoft may perform its obligations under this Agreement through its Affiliates and use contractors to provide certain services. Microsoft remains responsible for their performance.

o. **Government procurement rules.** By accepting this agreement, Customer represents and warrants that (i) it has complied and will comply with all applicable government procurement laws and regulations; (ii) it is authorized to enter into this Agreement; and (iii) this Agreement satisfies all applicable procurement requirements.

Definitions.

"Administrator Data" means the information provided to Microsoft or its Affiliates during sign-up, purchase, or administration of Products.

"Affiliate" means any legal entity that controls, is controlled by, or is under common control with a party. "Control" means ownership of more than a 50% interest of voting securities in an entity or the power to direct the management and policies of an entity.

"Confidential Information" is defined in the "Confidentiality" section.

"Customer" means the entity identified as such on the account associated with this Agreement.

"Customer Data" means all data, including all text, sound, software, image or video files that are provided to Microsoft or its Affiliates by, or on behalf of, Customer and its Affiliates through use of Online Services.

"End User" means any person Customer permits to use a Product or access Customer Data.

"Licensing Site" means http://www.microsoft.com/licensing/contracts or a successor site.

"Microsoft" means Microsoft Corporation.

"Non-Microsoft Product" means any third-party-branded software, data, service, website or product, unless incorporated by Microsoft in a Product.

"Online Services" means Microsoft-hosted services to which Customer subscribes under this Agreement. It does not include software and services provided under separate license terms.

"Online Services Terms" means the additional terms that apply to Customer's use of Online Services published on the Licensing Site and updated from time to time.

"Partner" means a company Microsoft has authorized to distribute Products to Customer.

"Personal Data" means any information relating to an identified or identifiable natural person.

"Product" means all Software and Online Services identified in the Product Terms that Microsoft offers under this Agreement, including previews, prerelease versions, updates, patches and bug fixes from Microsoft. Product availability may vary by region. "Product" does not include Non-Microsoft Products.

"Product Terms" means the document that provides information about Products available under this Agreement. The Product Terms document is published on the Licensing Site and is updated from time to time.

"Publisher" means a provider of a Non-Microsoft Product.

"Representatives" means a party's employees, Affiliates, contractors, advisors and consultants.

"SLA" means Service Level Agreement, which specifies the minimum service level for the Online Services and is published on the Licensing Site.

"Software" means licensed copies of Microsoft software identified in the Product Terms. Software does not include Online Services, but Software may be part of an Online Service.

"use" means to copy, download, install, run, access, display, use or otherwise interact with.

"Use Rights" means the license terms and terms of service for each Product published on the Licensing Site and updated from time to time. The Use Rights supersede the terms of any end user license agreement that accompanies a Product. License terms for all Products are published in the Product Terms. Terms of service for Online Services are published in the Online Services Terms.