

Service Level, Software Subscription, and End-User License Agreement

This Service Level, Software Subscription and End-User License Agreement (the “Agreement”) is by and between ITpipes Opco LLC, a Delaware limited liability company (“Vendor”, or “ITpipes”) and Union County, NC (“Customer”). This Agreement is effective as of the date set forth on the signature page.

Section A - Service Level Agreement

A.1 ITpipes Level of Service – Requirements.

The Vendors’ staff require remote access for any software application troubleshooting.

- Customer will manage and provide remote access to Vendor as needed.
- The Vendor does not require the Customer to keep a user that has successfully finished ITpipes training on staff to help with service or support on the Customer side.
- The Vendor requires the Customer to have high-speed internet available and provide ITpipes remote access to a system for troubleshooting. Additional systems or hardware that are external to ITpipes software but work within ITpipes software do require Microsoft Windows Administrative permission for ITpipes to help with any type of service. This includes, for example Ibak hardware and software.
- The Vendor recommends that an IT Administrator be available for support if the Customer is connecting to any in-house VPN systems.
- The Vendor requires that all product requirements, including computer and hardware specifications, are confirmed on the Customer’s system for Vendor to install a product or provide service for a product, as set forth in the document “ITpipes Hardware Requirements,” which is attached and incorporated herein by reference.

A.2 Software Application – Technical Issue Severity.

The Vendor defines technical issues as Severity 1 to 3. Below is a description of each severity level:

- Severity 1 - This is a critical, urgent request prohibiting field inspections from being performed.
- Severity 2 - This is an important request affecting the performance of ITpipes software and is impacting usage for field or office users. Therefore, remote access is required to work on this severe issue.

- Severity 3 - This is a request that would improve usability. Remote access is required to work on this severe issue.

A.3 Service Level Responsiveness.

Timeliness for response varies based on the technical issue's level of severity, as follows:

Severity 1: Vendor will respond from a qualified staff member to begin to diagnose and to correct a Severity 1 problem as soon as reasonably possible, but in any event, the Vendor will provide a response via telephone within eight (8) hours. The Vendor will continue to provide its best efforts to resolve a Severity 1 problem in less than three business days. The resolution may be a work-around or an interim software release. If Vendor delivers an acceptable work-around, the severity classification will drop to a Severity 2.

Severity 2: The Vendor will provide a response by a qualified staff member to begin to diagnose and to correct a Severity 2 problem as soon as reasonably possible, but in any event will provide a response via telephone within twelve (12) hours. The Vendor will exercise its best efforts to resolve Severity 2 problems within five (5) days. The resolution will be delivered to the Customer in the same format as the Severity 1 problem. If Vendor delivers an acceptable work-around for a Severity 2 problem, the severity classification will drop to Severity 3.

Severity 3: Produces an inconvenient situation in which the ITpipes Software is usable but does not provide a function in the most convenient or expeditious manner, and the user suffers little or no significant impact. Vendor will exercise its best efforts to resolve Severity 3 problems in the next maintenance release.

Service Level Agreement Definitions - The following definitions apply to Section A:

- "Availability" or "Available" means, with respect to a particular Subscription, the periods when the Customer, which for the sole purposes of the Agreement shall include Consultant of Customer, can access all material portions of such Subscription outside of (a) Scheduled Maintenance or (b) Special Maintenance.
- "Business Hours" means 7 am to 5 pm (Mountain Time), Monday through Friday. Business hours exclude major holidays, and if a holiday falls on a weekend, the preceding Friday.
- "Order Form" is a product list with pricing identifying specific subscription products that are part of the Service Level and Software Subscription Agreement, typically this is included in Attachment A.
- "Scheduled Maintenance" means a period during which Vendor performs maintenance

activities of the Subscription, during which the availability of all or part of the Subscription is suspended. Scheduled Maintenance includes, without limitation, database index rebuilding, hardware upgrades, software upgrades, and network upgrades, as applicable. They are not expected to last longer than 4 business hours.

- “Special Maintenance” means a period during which Vendor may suspend the availability of the Subscription, in whole or in part, to address a Severity 1 Error.
- “Severity 1 Error” means a security or other performance issue which may impact one or more Customer’s use of or access to the Subscription and ultimately may impact the availability of the Subscription.

A.4 Software Support Services.

Vendor and Customer agree that Vendor will provide telephone software support during Business Hours by calling (505) 341.0109 or 877-itpipes. This includes support for software technical issues and access to download updates via the Vendor’s website. Only Customer employees who have been through and received software training from Vendor can call in for support using this Agreement. Customer employees that have not attended ITpipes software training will have a maximum of 2 calls available before the untrained person is referred to attend training, and the Customer will be notified in writing when this occurs.

A.5 Service Level Terms.

This Agreement includes software service and support for the Term of the Agreement, with a maximum of 16 hours of live telephone support in a single month, provided in minimum 15-minute increments, for the annual period defined in the invoice. Any other hardware, software, and other products requested by Customer will be charged to Customer by Vendor as specified in separately quoted fees and terms. Future agreements may be subject to different fees and terms. The Term of the Agreement is shown on Attachment A. The fee for annual support is shown on Attachment A.

A.6 Optional Services.

With this Agreement, the Customer has the option to purchase or add on services. These are included on Attachment A.

A.7 Service Amount Provided.

The amount of Service provided during an annual SLA term is a maximum of 48 hours. At 48 hours of usage completed, the Customer will be notified that the SLA expires with 30 days' notice, with an option to renew at an additional cost.

End-User License

Unless superseded by a signed license agreement between you and the ITpipes Opco LLC, ITpipes is willing to provide ITpipes Offerings and Services to you only if you accept all terms and conditions contained in this Agreement as the sole and final agreement of the parties regarding your acquisition of ITpipes Offerings and Services. Please read the terms and conditions carefully. You may not use ITpipes Offerings until you have agreed to the terms and conditions of this Agreement. If you do not agree to the terms and conditions as stated, ITpipes must be informed in writing within 30 days of receipt of the product, you may then request a refund for pro-rated applicable fees paid.

Section B - General Agreement

B.1.0 General Grant of Rights and Restrictions.

B.1.1 Grant of Rights. In consideration of Customer's payment of all applicable fees and in accordance with this agreement, the Vendor:

- provides Offerings and Services as set forth in this agreement,
- grants to Customer a non-exclusive, non-transferable right and a license or subscription to access and use the Vendor Offerings as outlined in the specifications and or applicable ordering documents, and
- authorizes Customer to copy and make derivative works of the ITpipes software documentation for Customer's own internal use in conjunction with Customer's authorized use of ITpipes software subscription.
- Customer will include the following copyright attribution notice acknowledging the proprietary rights of the Vendor and its' licensors in any derivative work: Portions of this document include intellectual property of the Vendor and are used under license. Copyright ITpipes and its licensors. All rights reserved.

The grants of right in this section:

- continue for the duration of the subscription or applicable term, and
- are subject to additional rights and restrictions in this Agreement.

B.1.2 Consultant or Contractor Access. Customer may authorize its consultants or contractors to

- host the Vendor Offerings for Customer’s benefit, and
- use the Vendor Offerings exclusively for Customer’s benefit. Customer will be solely responsible for its consultants and contractors compliance with this Agreement and will ensure that each consultant or contractor discontinues the use of the Vendor Offerings upon completion of work for Customer. Access to our use of the Vendor Offerings by consultants or contractors that is not exclusively for Customer’s benefit is prohibited

B.1.3 Reservation of Rights. All the Vendor Offerings are the copyrighted works of the Vendor or its license source; all rights not specifically granted in this Agreement are reserved.

B.1.4 Customer Content. The Vendor does not acquire any rights in Customer content under this Agreement other than as needed to provide the Vendor Offerings and Services to Customer and as expressly set forth in this Agreement.

B.2.0 General Definitions.

The following definitions apply to the whole agreement:

- “Anonymous Users” means all who have public access (i.e. without having to provide a Named User Credential) to any part of Customer Content or Customer’s Value-Added Applications.
- “API” means application programming interface.
- “App Login Credentials” means a system-generated application login and associated password, provided when registering a Value-Added application with Online Services, which is then embedded in a value-added application, which then allows the value-added application to access and use Online Services.
- “Cloud Services” means Vendor managed, online hosting services.
- “Concurrent Use License” means a license to use Software on computer(s) on a network, provided that the number of simultaneous users may not exceed the number of licenses acquired.
- “Initial Term” means the agreed upon minimum term of the Agreement as set forth on Attachment A.

- “Named User(s)” is Customer’s employee, agent, consultant, or contractor to whom Customer has assigned a unique, secure login credential (identity) enabling access to an ITpipes software product for Customer’s exclusive benefit. For educational use, Named Users may include registered students.
- “Named User Credential(s)” means the right for a single Named User to use a specific Vendor Offering(s) .
- “Online Services” means any commercially available, internet-based application that Vendor provides.
- “Online Services Subscription” means a limited-term subscription conveying the right for one or more Named Users to access Vendor Offering(s).
- “Ordering Documents” means a sales quote, renewal quote, purchase order, proposal, or other document identifying Products or Services that Customer orders.
- “Server License” means a license to install and use Software on a server computer. Server Licenses may be subject to a limited number of server cores or distributed deployment based on the Ordering Documents.
- “Service Level Agreement” means a limited-term subscription agreement that Vendor provides that entitles Customer to technical support and web-based learning resources.
- “Sharing Tools” means capabilities included with Customer’s authorized use of Vendor Offering(s) that allow Customer to make Customer content and Value-Added applications available to third parties or Anonymous Users.
- “Single Use License” means a license for an authorized end user to install and use Software on a single computer. No other end user may use Software under the same license, at the same time, for any other purpose.
- “Software Subscription” means a limited-term subscription conveying the right for one or more Named Users to access and use Online Services.
- “Term” means the total term of the Agreement, which includes the Initial Term set forth on Attachment A and any extensions as by renewal per Section C3.
- “Value Added Application” means an application developed by Customer for use in conjunction with the authorized use of any software, data, or Online Services.
- “Vendor Offering and Services” mean any product or service provided by the Vendor to the Customer, as defined in Attachment A.

B.2.1. License and Subscription Types. Vendor provides software products under one or more of

the license or subscription types identified in the above definitions. The Ordering Documents identify which license or subscription type is covered within the agreement.

B.2.2 Terms of Use. A Customer may:

- install access or store software and data on electronic storage devices
- make archival copies or routine computer backups
- install and use a newer version of software concurrently with a version to be replaced during a reasonable transition, not to exceed six months, provided that the deployment of either version does not exceed Customer's license quantity. After the transition to a newer version of the software is complete, the Customer will not use more software in the aggregate than Customer's total license quantity.
- move software in the license configuration to a replacement computer.

Customer may customize software using any scripting language, APIs, or object code libraries but only to the extent that such customization is described in the ITpipes software documentation.

B.2.3 Online Services Terms of Use.

- **Online Service Descriptions.** The Online Cloud Services Agreement at <https://www.itpipes.com/security/> is hereby incorporated by reference with respect to use of Online Services.
- **Modifications of Online Services.** Vendor may change Online Services and associated APIs at any time, subject to 30 days' notice of material changes and 90 days' notice for deprecation; if any modification discontinuation, or deprecation of Online Services causes a material adverse impact to Customer's operations Vendor may, at its discretion attempt to repair, correct, or provide a workaround for Online Services. If a viable solution is not commercially reasonable for Customer, Customer may cancel the subscription to Online Services when applicable and upon request, Vendor will issue a prorated refund.
- **Sharing Customer Content.** Sharing Customer content using sharing tools that enable third parties to use, store, cache, copy, reproduce, redistribute, and re-transmit Customer content through Online Services. Vendor is not responsible for any loss, deletion, modification, or disclosure of Customer content resulting from use or misuse of sharing tools. Customer use of sharing tools is at Customer's sole risk.

B.2.4 Named User Licenses. Except as expressly set forth in this Agreement the following terms apply to Software and Online Services for which Customer acquires named user licenses.

- Named users.
 - Named user login credentials are for designated users only and may not be shared with others.
 - Customer may reassign a named user license to another user if the former user no longer requires access to the software or Online Services.
 - Customer may not add third parties as named users other than those included within the definition of named users.
- Anonymous Users. Anonymous users may only access software or Online Services through value-added applications that provide access to services or content that has been published for shared access through the use of sharing tools.

B.2.5 Value-Added Applications.

- Customer is responsible for the development operation and technical support of Customer content and value-add applications.
- Customer may not provide a third party, other than third parties included within the definition of named users, with access to software or Online Services other than through Customer's Value Added Applications.

B.2.6 Limited-Use Programs.

Trial, Evaluation, and Beta Programs. Products acquired under a trial, evaluation, or beta program are licensed for evaluation and testing purposes and not for commercial use. Any such use is at Customer's own risk and the products do not qualify for maintenance. If Customer does not convert to a purchased license or subscription license prior to the expiration of the trial, evaluation, or beta license, Customer may lose any Customer content and configurations made during the license term. If Customer does not wish to purchase a license or subscription, Customer should export Customer content before the license expires.

Services

Vendor may provide managed Cloud Services, Training, or Professional Services under an

applicable Ordering Document. Unless Customer has signed and has a fully executed agreement with Vendor establishing terms and conditions for such services, Vendor performance is subject to the Services terms and conditions incorporated by reference and found within the above Service Level Agreement.

Section C: General Terms and Conditions

C.1 General Use Restrictions.

The following general terms and conditions apply to all Vendor Offerings and Services that Vendor may offer to its Customers.

Except as expressly permitted in this Agreement, Customer will not:

- Sell, rent, lease, sublicense, distribute, lend, time-share, or assign Vendor Services or Offerings.
- Distribute or provide direct access to Services or Vendor Offerings to third parties, in whole or in part.
- Distribute authorization codes to third parties;
- Reverse engineer, decompile, or disassemble any Product or Deliverable delivered in compiled form;
- Make any attempt to circumvent the technological measure(s) that control access to or use of Vendor Offerings;
- Remove or obscure any Vendor or its licensor's patent, copyright, trademark, proprietary rights notices, or legends contained in or affixed to any Vendor Offerings, output, online, or hard copy data or documentation; or
- Publish or in any other way communicate the results of benchmark tests run on Beta Products without the prior written permission of Vendor.

These restrictions will not apply to the extent they conflict with applicable law or regulation.

C.2 Term & Termination.

Customer may terminate this Agreement or any ITpipes license or subscription at any time upon written notice to Vendor, provided that in the event that the Customer terminates this Agreement before the expiration of the Initial Term specified in Attachment A, the Customer

shall be required to pay an early termination fee in the amount of 50% of the annual agreement cost, for each of the remaining Initial Term of the contract. However, such early termination fee shall not apply to any termination of the AIC Subscription. Similarly, in the event Customer desires to decrease the level of services specified in Attachment A, the Customer may provide written notice to Vendor specifying the services that Customer wishes to remove, in which case such services shall be terminated and the Customer shall be required to pay an early termination fee in the amount of 50% of the value of the terminated services, for the remaining Initial Term of the contract. These fees are intended to compensate Vendor for initial efforts put into the contract and any losses or damages that Vendor may incur as a result of the early termination and shall be due and payable on receipt of written notice from the Customer. All fees paid by the Customer to the Vendor are non-refundable.

Upon any termination of this Agreement for breach and notification to Customer with a minimum ten (10) day opportunity to cure (unless expressly set forth otherwise below), Vendor may stop providing Services and Offerings.

Vendor may terminate this Agreement or any ITpipes license or subscription due to Customer's at any time upon written notice to Customer and cure period as set forth above. If Vendor terminates this Agreement following Customer's breach, then Vendor may terminate Customer's licenses or subscriptions to Vendor Offerings.

Upon any termination or expiration of a license or subscription, Vendor will:

- Provide 30 days' notice to the Customer.
- Provide access to systems for 30 days at which time, Customer will download their data from the Vendors website using means approved in the Vendor Support materials available online, which shall include allowing Customer to download its data in a non-proprietary, reasonably commercially available format.

Either party reserves the right to immediately cease providing services to the other party upon written notice if a customer or representative of the party engages in verbal harassment or sexual harassment of any employee of the party. Verbal harassment or sexual harassment shall be determined by the party at its reasonable discretion. If Vendor stops providing services due to harassment or breach by Customer or its representatives, Customer shall remain liable for all fees and expenses incurred by Vendor up to the termination date.

The Vendor may stop performing Services immediately upon written notice to Customer if a

bankruptcy or insolvency proceeding is commenced by or against Customer until the trustee cures any existing defaults and provides adequate assurance of future performance under this Agreement. This Agreement terminates upon the insolvency, liquidation, or dissolution of either party.

C.3 Renewal.

Reserved

C.4 Limited Warranties and Disclaimers.

- Except as disclaimed below, the Vendor warrants to Customer that:
 - Products and Training will substantially comply with the applicable Specifications
 - Services will substantially conform to the proposal and professional and technical industry standards.
 - The warranty period for the Vendor Offerings under a perpetual license and for Services runs for 90 days from the date of delivery or from the date of acceptance if this Agreement provides an acceptance period. The warranty period for the Vendor Offerings offered under a subscription basis runs for the duration of the subscription term.
- Special Disclaimer. Online Services are provided at no charge, and Beta Products are delivered “as is” and without warranty of any kind.
- Except for the express limited warranties outlined in this Agreement, the Vendor disclaims all other warranties or conditions of any kind, whether express or implied, including, but not limited to, warranties or conditions of merchantability, fitness for a particular purpose, and non-infringement of intellectual property rights. The vendor is not responsible for any non-conformity with specifications or loss deletion modification or disclosure of the Customer content caused by the Customer’s modification of any Vendor offering other than as specified in the documentation. The Vendor does not warrant that Vendor Offerings, or Customer operation of the same, will be uninterrupted, error-free, fault-tolerant, or fail-safe or that all non-conformities can or will be corrected. The Vendor Offerings are not designed, manufactured, or intended for use in environments or applications that may lead to death, personal injury, or physical property or environmental damage. Any such uses will be at the Customer’s own risk and cost.

C.5 Disclaimers.

- **Internet Disclaimer.** Neither party will be liable for damages under any theory of law related to the performance or discontinuation of operation of the Internet or regulation of the Internet that might restrict or prohibit the operation of Cloud Services.

C.6 Exclusive Remedy.

The Customer's exclusive remedy and the Vendor entire liability for breach of the limited warranties in the section will be to:

- Provide a workaround for the applicable Vendor Offering or Service.
- At the Vendors' election, terminate the Customer's right to use and refund the fees paid for the Vendor Offerings or Services that do not meet the Vendors' limited warranties.

C.7 Limitation of Liability.

Disclaimer of liability. Neither the Vendor nor any Vendor distributor will be liable for any indirect, special, incidental, or consequential damages; lost profits; lost sales; loss of Goodwill; cost of replacement or substitute goods or services;

The limitations and exclusions of liability in the preceding paragraph do not apply to Customer's infringement, misuse, or misappropriation of ITpipes software and intellectual property rights, indemnification obligations, gross negligence, willful misconduct, or any applicable law or regulation.

The foregoing disclaimers' limitations and excuses exclusions may be invalid in some jurisdictions and apply only to the extent permitted by applicable law regulation and Customer's jurisdiction. The Customer may have additional rights that may not be waived or disclaimed. The Vendor does not seek to limit the Customer's warranty or remedies to any extent not permitted by law.

C.7.1 Indemnification.

The Vendor will defend, hold all indemnities harmless, and indemnify Customer from any loss arising from an infringement claim. If Vendor reasonably determines that an infringement claim is valid the Vendor may, at its expense, either:

- Obtain rights for Customer to continue using the Vendor Offerings or Services or
- Modify the Vendor Offerings or Services while maintaining substantially similar functionality.

If neither alternative is commercially reasonable, Vendor may terminate Customer's right to use the Vendor Offerings or Services and will refund license fees that Customer paid for the infringing Vendor Offerings or Services for the unused portion of fees paid for term licenses.

The Vendor has no obligation to defend an infringement claim or to indemnify Customer to the extent the infringement claim arises out of:

- the combination or integration of Vendor Offerings or Services with a product, process, system, or element, that the Vendor has not supplied or specified in the Specifications;
- alteration of Vendor Offerings or Services by anyone other than the Vendor or a party under the control or direction of Vendor; or
- compliance with customer specifications or for use of the Vendor Offerings or Services after the Vendor either provides a modified version to avoid infringement or terminates the Customer right to use the Vendor Offerings or Services.

C.8 Cloud Services.

C.8.1 Prohibited Uses. The Customer shall not provide Customer Content or otherwise access or use Cloud Services in a manner that:

- Creates or transmits spam, spoofing, or phishing email or offensive or defamatory material
- Stores or transmits any Malicious Code;
- Violates any law or regulation;
- Inferences or misappropriates the rights of any third party;

C.9.2. Service Interruption. System failures or other events beyond Vendor's reasonable control may interrupt the Customer's access to Cloud Services. The Vendor may not be able to provide advance notice of such interruptions. See the Online Cloud Services Agreement at <https://itpipes.com/security/> for more detail.

C.9.3 Malicious Code. The Vendor will use commercially reasonable efforts to ensure that Vendor Offerings will not transmit any Malicious Code to the Customer. The Vendor is not responsible for Malicious Code that the Customer introduces to Vendor Offerings or that is introduced through Customer content.

C.9.4 Personal Data. The Vendor does not collect personal data and recommends that customers do not use ITpipes software to collect personal data.

C.9.5 Notice to Vendor. The Customer will promptly notify Vendor if Customer becomes aware of any unauthorized use of Customer's subscription or any other breach of security regarding Cloud Services.

Section D - General Provisions

D.1 Payment. The Customer will pay each correct invoice no later than 30 days after receipt and will remit payment via ACH, wire transfer, or credit card as stated on the invoice. All

payments shall be conditioned upon appropriation by the Union County Board of Commissioners for each request for services.

D.2 Feedback. Vendor may freely use any feedback, suggestions, quotes, comments, or requests for Product Improvement on Vendors Offerings or Services that Customer provides to Vendor.

D.3 Severability. If any provision of this Agreement is held to be unenforceable for any reason, such provision will be reformed only to the extent necessary to make the intent of the language enforceable and all other provisions of this Agreement will remain in effect.

D.4 Successor and Assigns. The Customer may, with the prior written consent of the Vendor, assign or transfer any rights or obligations under this Agreement to a third party for a reasonable fee paid to the Vendor, plus an administrative cost. The Customer shall remain liable for all obligations under this contract until the effective date of the assignment or transfer. Any purported assignment or transfer without the prior written consent of the Vendor shall be null and void. Upon consent to assignment, this Agreement will be binding on the respective successors and assigns of the parties hereto.

Notwithstanding the above, in the event that a contractor under contract with a government entity seeks to transfer the rights and obligations of this Agreement to its government customer, the contractor may do so only with the prior written notice to the Vendor and the express consent of the Vendor. Further, the government customer must agree to the terms and conditions of this Agreement in order to effectuate the transfer of the Products acquired for delivery pursuant to this Agreement.

The Vendor reserves the right to assign, transfer, or subcontract any rights or obligations under this contract with the Customer's consent, which consent shall not be unreasonably withheld. The Vendor shall provide the Customer with written notice of any such assignment or transfer. The Customer acknowledges and agrees that the Vendor may assign or transfer its rights and obligations under this contract to any third party upon Customer's consent, which consent shall not be unreasonably withheld, provided that the Vendor ensures the assignee or transferee is capable of performing the obligations under this contract.

D.5 Dispute Resolution. This Agreement will be governed by and construed in accordance with the laws of the State of North Carolina, irrespective of its choice of law principles. Exclusive venue for any disputes arising hereunder is conferred upon the General Courts of Justice of the State of North Carolina, sitting in Union County, North Carolina.

D.6 Notice. Customer may send notices required under this Agreement to Vendor at the following physical and email address:

ITpipes Opco LLC
Attn: CEO and/or CEO
9450 SW Gemini Dr PMB 26914
Beaverton, OR - 97008

Email: bookkeeping@itpipes.com

D.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument. The signatures to this Agreement may be evidenced by facsimile copies or electronic copies reflecting the party's signature, and any such facsimile copy or electronic copy shall be sufficient to evidence the signature of such party as if it were an original signature. This Agreement is not effective until signed by both parties.

D.8 Additional Terms. The parties agree to the terms and conditions of Attachment B, which is attached and incorporated herein by reference.

[Remainder of Page Left Intentionally Blank]

Entire Agreement.

This Agreement, with Attachment A and Attachment B contains the entire agreement of the parties on the subject matter hereof. This Agreement may be amended only by the execution of an additional written agreement signed by both parties.

Customer Name: Union County, NC

ITpipes: ITpipes Opco LLC

Printed Name: _____

Printed Name: Lucas D. Lima

Contact Title: _____

Contact Title: Chief Operating Officer

Signature: _____

Signature: _____

Date Signed: _____

Date Signed: _____

Dated Effective: _____

Approved as to Legal Form: BTI

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Deputy Finance Officer

Attachment A: Software Subscription Terms, Order Form, & Payment Schedule

Payment and Term: The minimum term of this contract is **3** years (the “Term”). Years 4 and 5 are optional add on years at the Customer’s sole discretion by Customer’s provision of notice to Vendor prior to the end of the then-current term.

Subscription: This quote includes licensing for the following:

- **Software** - Tier 2 Municipal Package
 - ITpipes Web - **10** Named Users
 - ITpipes Mobile - **3** Trucks
 - ITpipes Cloud - **5TB** storage
 - **Unlimited** Inspection Viewer
 - **Contractor Deliverable Functionality**
 - **AMS Integration** - Lucity
 - **Sanitary Mainline, Lateral, and Manhole** asset classes
- **Assisted Inspection Coding** - **150k LF/year** minimum commitment, with additional services:
 - Proactive Data Structure Assistance
 - Insights reporting package

Services: This quote includes the following one-time services as part of the implementation:

- Guided ESRI integration and support
- Guided Template creation and support

Subscription Term & Payment Schedule:

Item	Price with 3-year commitment	Fee Schedule
Initial Implementation	\$39,500	
Year 1 software subscription	\$46,500	
Year 1 AIC subscription	\$45,000	150k LF/year included; <i>Overage fee: \$0.30/LF</i>
Year 1 total	\$131,000	Due 90 days after implementation start
Year 2 software subscription	\$48,825	
Year 2 AIC subscription	\$47,260	150k LF/year included; <i>Overage fee: \$0.31/LF</i>
Year 2 total	\$96,085	Due 1 year after activation

Year 3 software subscription	\$51,266	
Year 3 AIC subscription	\$49,623	150k LF/year included; <i>Overage fee: \$0.33/LF</i>
Year 3 total	\$100,889	Due 2 years after activation
Year 4 software subscription	\$53,829	
Year 4 AIC subscription	\$52,104	150k LF/year included; <i>Overage fee: \$0.34/LF</i>
Year 4 total	\$105,933	Due 3 years after activation
Year 5 software subscription	\$56,520	
Year 5 AIC subscription	\$54,709	150k LF/year included; <i>Overage fee: \$0.36/LF</i>
Year 5 total	\$111,229	Due 4 years after activation

** Implementation and training require Client staff, IT resources, and collaboration with ITpipes Project Manager.*

Optional services:

1. **Manhole Inspection Coding (AIC):** This service includes NASSCO MACP condition assessment of manhole inspection data. Cost per manhole: \$30 per manhole

Cost per manhole: \$30 per manhole

2. **Data QA/QC Guidelines:** A data QC program defines clear guidelines for mainline inspection data submittals. The deliverable is a document used by internal personnel and external contractors to clarify inspection submittal requirements. This can be used for training, qa/qc, and contractor submittal review and should clean up data inconsistencies, ensuring Client staff time is spent reviewing, planning, and scheduling.

The cost to develop a Data QA/QC Guideline Manual is not to exceed the amount of \$10,000, billed at hourly rates that vary based on the personnel involved. The final result will be a road map that parties doing work for your organization can follow and access to provide your desired expectations. For sample deliverables, please request more information.

3. **Active Planning:** ITpipes specialists will support the creation of an Annual Inspection Plan and monthly goal tracking, to ensure prioritization of resources and resilience of your system.

The cost is TBD. (proposals are provided for Active Planning once a scope is developed).

4. **Certification Training:** PACP, LACP, and MACP new certification or refresher. Virtual and onsite classes are available.

The cost is TBD. (Proposals are provided once location, students, and course subject(s) are determined)

Attachment B

I. At ITpipes Opco, LLC's sole expense, ITpipes Opco, LLC ("Vendor") shall procure and maintain the following minimum insurances with insurers authorized to do business in North Carolina and rated A-VII or better by A.M. Best, or as otherwise authorized by the Union County Risk Manager.

A. **WORKERS' COMPENSATION**

Statutory (coverage for three or more employees) limits covering all employees, including Employer's Liability with limits of:

\$500,000	Each Accident
\$500,000	Disease - Each Employee
\$500,000	Disease - Policy Limit

B. **COMMERCIAL GENERAL LIABILITY**

Covering Ongoing and Completed Operations involved in this Agreement.

\$2,000,000	General Aggregate
\$2,000,000	Products/Completed Operations Aggregate
\$1,000,000	Each Occurrence
\$1,000,000	Personal and Advertising Injury Limit

C. **NETWORK SECURITY & PRIVACY LIABILITY (CYBER)**

\$1,000,000	Claims Made
\$2,000,000	Aggregate Limit

Vendor shall provide evidence of continuation or renewal of Network Security & Privacy Liability Insurance for a period of two (2) years following termination of the Agreement.

D. **UMBRELLA LIABILITY (Excess Liability)**

Coverage with underlying coverage of Commercial General Liability and Network Security & Privacy Liability (Cyber)

\$1,000,000	Minimum Limit
-------------	---------------

II. **ADDITIONAL INSURANCE REQUIREMENTS**

A. Vendor's General Liability policy shall be endorsed, specifically or generally, to include the following as Additional Insured:

UNION COUNTY, ITS OFFICERS, AGENTS AND EMPLOYEES ARE INCLUDED AS ADDITIONAL INSURED WITH RESPECTS TO THE GENERAL LIABILITY INSURANCE POLICY.

Additional Insured status for Completed Operations shall extend for a period of not less than three (3) years from the date of final payment.

- B. Before commencement of any work or event, Vendor shall provide a Certificate of Insurance in satisfactory form as evidence of the insurances required above.
- C. Vendor shall have no right of recovery or subrogation against Union County, NC (“Customer”), including its officers, agents and employees.
- D. It is the intention of the parties that the insurance policies afforded by Vendor shall protect both parties and be primary and non-contributory coverage for any and all losses covered by the above-described insurance.
- E. Customer shall have no liability with respect to Vendor’s personal property whether insured or not insured. Any deductible or self-insured retention is the sole responsibility of Vendor.
- F. Notwithstanding the notification requirements of the Insurer, Vendor hereby agrees to notify Customer’s Risk Manager at 500 North Main Street, Monroe, NC 28112, within two (2) days of the cancellation or substantive change of any insurance policy set out herein. Customer, in its sole discretion, may deem failure to provide such notice as a breach of this Agreement.
- G. The Certificate of Insurance should note in the Description of Operations the following:
 - Department: Water
 - Contract #: 9241
- H. Insurance procured by Vendor shall not reduce nor limit Vendor’s contractual obligation to indemnify, save harmless and defend Customer for claims made or suits brought which result from or are in connection with the performance of this Agreement.
- I. Certificate Holder shall be listed as follows:
 - Union County
 - Attention: Risk Manager
 - 500 North Main Street
 - Monroe, NC 28112
- J. If Vendor is authorized to assign or subcontract any of its rights or duties hereunder and in fact does so, Vendor shall ensure that the assignee or subcontractor satisfies all requirements of this Agreement, including, but not limited to, maintenance of the required insurances coverage and provision of

certificate(s) of insurance and additional insured endorsement(s), in proper form prior to commencement of services.

- III. Vendor agrees to protect, defend, indemnify and hold Customer, its officers, employees and agents free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings, or causes of action of every kind in connection with or arising out of this Agreement and/or the performance hereof that are due, in whole or in part, to the negligence of Vendor, its officers, employees, subcontractors or agents. Vendor further agrees to investigate, handle, respond to, provide defense for, and defend the same at its sole expense and agrees to bear all other costs and expenses related thereto.
- IV. E-Verify is the federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program, used to verify the work authorization of newly hired employees pursuant to federal law. PROFESSIONAL shall ensure that Vendor and any subcontractor performing work under this Agreement: (i) uses E-Verify if required to do so by North Carolina law; and (ii) otherwise complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. A breach of this provision by Vendor will be considered a breach of this Agreement, which entitles Customer to terminate this Agreement, without penalty, upon notice to Vendor.
- V. Notwithstanding anything in this Agreement to the contrary, Vendor acknowledges that Customer is subject to Chapter 132 of the North Carolina General Statutes, the Public Records Act, and that the Agreement, including all documents incorporated by reference, shall be a public record as defined in such Act, and as such, will be open to public disclosure and copying.



ITpipes Online Cloud Services

ITpipes Hosting uses Amazon RDS, AWS and S3 services. ITpipes uses services provided by Amazon for data back ups, server uptime, and security. ITpipes Cloud Services fall under the terms of the ITpipes End User License Agreement agreed upon by the parties. **Data Ownership:**

Ownership of all Client data remains with the Client, whether hosted by ITpipes online or physically in the possession of ITpipes unless otherwise specified by the Client. At any time any or all data may be downloaded by the Client to a destination of their choosing. A full copy of the (ITpipes format) SQL database can also be provided via email with a link for download at any time.

Storage and Backups.

We select the AWS Region(s) in which our content is stored and the type of storage. You can choose to backup your content locally at any time using tools within ITpipes.

Amazon back ups:

The backup for the RDS is done daily and set to the maximum limit, which is 35 days. So there will be 35 days worth of backup should a catastrophic data event happen. We use Amazon's S3 to store the media and the media is stored at several separate server farms run by Amazon. Other options can be implemented such as a local backup of the cloud stored media if needed although the downloading associated with this may incur extra costs.

Server durability

Amazon S3 Standard and Standard - IA are designed to provide 99.999999999% durability of objects over a given year. This durability level corresponds to an average annual expected loss of 0.000000001% of objects. For example, if you store 10,000 objects with Amazon S3, you can on average expect to incur a loss of a single object once every 10,000,000 years. In addition, Amazon S3 is designed to sustain the concurrent loss of data in two facilities.

As with any environment, the best practice is to have a backup and to put in place safeguards against malicious or accidental users errors. For S3 data, that best practice includes secure access permissions, Cross-Region Replication, versioning and a functioning, regularly tested backup.

We use Amazon's S3 to store the media. RDS to store the Database information. EC2 to hold the application. Should the EC2 go down, due to some unfortunate event such as an update, the data, media and information is safe due to it being on a different service.

Per Amazon:

Amazon S3 gives any developer access to the same highly scalable, reliable, fast, inexpensive data storage infrastructure that Amazon uses to run its own global network of websites. S3 Standard is



designed for 99.99% availability and Standard - IA is designed for 99.9% availability. Both are backed by the Amazon S3 Service Level Agreement.

Denial of Service attacks.

ITpipes can set up the site using Amazon's "AWS DDoS attack mitigation". For instance the EC2 can be set to only accept calls from specific IP addresses or ITpipes can set the site to be scalable.

Vertical scaling, EC2 instances that support enhanced networking, and host-based IDS/IPS agents can help mitigate a DDoS attack in this scenario as well. For workloads that have a predetermined set of external consumers, configure security groups to allow traffic that originates from specific IP addresses only.

How long would it take to rebuild web data if a catastrophic event happens.

If a catastrophic event occurs on the RDS and/or the EC2. It would take ITpipes up to 5 days to get the site back up and running. This time will vary on what the event is. However, ITpipes would restore the latest backup to the RDS and instate the EC2 server with the latest version of ITpipes Web as soon as reasonably possible. If data is stored by the Client locally, the time to restore any data locally would be Client dependent and situation dependent.

What encryption is done on the data.

Access to the data is done through a random password generator (such as LastPass) that ITpipes uses to gain access. ITpipes provides strong encryption for your content in transit and at rest. If the desire to gain access to the information on the database, ITpipes can set up a user that the password is set to expire in a certain time and will need to be reset at said time. All password credential information, used to gain access to media and entry into ITpipes Web, are salted and hashed and the information is stored in the database. The data stored on the server is encrypted in motion during the sync process and while at rest stored on the Amazon server.

Access.

As a customer, you maintain full control of your content and responsibility for configuring access to ITpipes services and resources. We provide an advanced set of access, encryption, and logging features to help you do this effectively. We do not access or use your content for any purpose without your consent. We never use your content or derive information from it for marketing or advertising without your consent.

In regards to login credentials, ITpipes supports login credentials via Microsoft Azure Active Directory Federation Services. Optionally, clients can request server access be locked for specific IP address only tied to client location.



Disclosure of consumer content

We do not disclose customer information unless we're required to do so to comply with a legally valid and binding order. Unless prohibited from doing so or there is clear indication of illegal conduct in connection with the use of ITpipes products or services, ITpipes notifies customers before disclosing content information.

Privacy Notice

ITpipes only collects a username for an individual. Beyond that, ITpipes does not collect personal information and does not store any personal information. We do not share, sell, or provide this information to anyone outside ITpipes.

Resources:

<https://aws.amazon.com/s3/sla/>

https://aws.amazon.com/s3/faqs/#How_durable_is_Amazon_S3

<https://aws.amazon.com/answers/networking/aws-ddos-attack-mitigation/>

Rev. 5/14/2021 CCR