

APPRAISAL AND COLLECTION TECHNOLOGIES, L.L.C.

HOSTING SERVICE AGREEMENT

This Hosting Service Agreement (this "**Agreement**") is made and entered into as of the date set forth below (the "**Effective Date**") by and between Appraisal and Collection Technologies, L.L.C., a Texas limited liability company ("**ACT**"), and the Customer identified in the signature block below (the "**Customer**").

In consideration of the rights and benefits that they each will be receiving under this Agreement, and intending to be legally bound, ACT and Customer (each a "**Party**" and together, the "**Parties**") agree to the terms of this Agreement.

APPRAISAL AND COLLECTION TECHNOLOGIES, L.L.C.

Address:

By: _____
Adrian Garza, President

2915 W Bitters Road, Suite 400
San Antonio, Texas 78248
Attention: Adrian Garza

CUSTOMER: Atascosa County

By: _____

Address:

Print Name: _____

Title: _____

Attention: _____

Effective Date:

ADDITIONAL TERMS AND CONDITIONS OF THIS AGREEMENT BEGIN ON THE FOLLOWING PAGE. THIS AGREEMENT MAY CONTAIN SEVERAL ATTACHED EXHIBITS, THE PAGES OF WHICH MAY NOT BE NUMBERED.

TABLE OF EXHIBITS

Exhibit A	Fee Schedule
Exhibit B	Service and Support Level Specification Agreement

TERMS AND CONDITIONS

1. Services.

1.1. Customer's Rights to Use the Services. ACT grants Customer a limited non-exclusive, non-transferable, worldwide right and license to access and use the Services for the duration of the Term (as defined herein) solely for the purposes of tax assessment and collection by or on behalf of Customer and/or on behalf of other member jurisdictions. This right is subject to Customer's payment of all required fees described in Exhibit A (the "**Fee Schedule**") attached hereto and incorporated herein and compliance with all of its obligations under this Agreement. The "**Services**" means the services provided by ACT that are described in Exhibit B attached hereto and incorporated herein. Services may also include the creation and hosting of one or more websites for the benefit of Customer (each, a "**Website**"), provided, however, the term Services specifically excludes any Third Party Applications (as defined herein) that are used or implemented by Customer.

1.2. Service Levels. In providing the Services, ACT shall use commercially reasonable efforts to comply in all material respects with any service levels set forth in Exhibit B ("**Service Levels**"). ACT shall not be responsible for failing to meet a Service Level to the extent the failure is caused by Customer, a third party, a Third Party Application or a force or cause beyond ACT's reasonable control.

1.3. Third Party Applications. Customer's use of Third Party Applications (defined below) is governed entirely by the terms of Customer's agreement with the relevant third party. Nothing in this Agreement creates any rights or obligations on the part of ACT with respect to any Third Party Applications nor should this Agreement be construed as creating any rights or obligations on the part of any third party providing Third Party Applications with respect to the Services provided by ACT. "**Third Party Applications**" means software products provided by third parties that interoperate with the Services, including, without limitation, payment processing software and services. ACT MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WITH RESPECT TO ANY THIRD PARTY APPLICATIONS, WHETHER EXPRESS, IMPLIED OR STATUTORY. FURTHER, ACT IS NOT RESPONSIBLE FOR, AND CUSTOMER RELEASES ACT FROM, ANY DAMAGES RESULTING FROM CUSTOMER'S IMPLEMENTATION OR USE OF THIRD PARTY APPLICATIONS. For any Third Party Application that Customer wants to interoperate with the Services, an Interconnection Security Agreement between the relevant third party and ACT (and ACT's parent, Linebarder Goggan Blair & Sampson, LLP), in form and substance acceptable to ACT and its parent, is an essential component of on-going PCI DSS and SOC compliance efforts by ACT and its parent. Accordingly, (i) for any Third Party Application that Customer wants to interoperate with the Services, Customer will require the relevant third party to enter into an Interconnection Security Agreement with ACT and its parent, and (ii) ACT shall not be obligated to integrate the Services with any Third Party Application unless the owner of such application enters into such an Interconnection Security Agreement and such third party pays the integration fees and annual integration maintenance fees required under such agreement.

1.4. Rights of ACT. ACT shall be free to provide Services for others on an unrestricted basis. ACT may subcontract any portion of the Services without notice, consent or any other restriction and has sole discretion in its use of subcontractors and consultants, including, but not limited to third party server hosting services.

2. Customer Restrictions; Proprietary and other Rights.

2.1. Restrictions. Customer shall not, and shall not permit any third party to: (i) sublicense, resell, lease, transfer or assign to any third party the Services or any associated software owned by ACT ("**ACT Software**") or associated software owned by a third party that is licensed by ACT and provided to Customer by ACT as part of the Services ("**Third Party Software**"); (ii) duplicate, modify or make derivative works of any ACT Software or Third Party Software; or (iii) reverse engineer, decompile, disassemble, or translate any ACT Software or Third Party Software. Customer has no rights to the source code of the ACT Software or Third Party Software. Customer may not access the Services other than as expressly provided by ACT pursuant to this Agreement. Access to the Services shall be limited by Customer to employees, contractors, consultants, representative or agents of Customer that are authorized by Customer to access and use the Services on Customer's behalf ("**Authorized Users**"). Customer shall be solely responsible for any activities that occur under its account with ACT, including the activities of its Authorized Users.

2.2. Data Rights. Customer grants ACT a royalty-free, non-exclusive, non-transferable, worldwide right and license to access and use in any media the data, information, trademarks and content of Customer ("**Customer Data**") to the extent ACT needs the Customer Data to provide the Services, to configure the format and other technical or display requirements of the Services, and to manipulate and display the Customer Data for

processing transactions on behalf of Customer. The Services may be designed to collect transaction, connection and/or performance information for use by ACT ("**Transaction Information**"). All Customer Data and Transaction Information is and shall remain the sole and exclusive property of Customer and shall not be used by ACT for any purpose other than the performance of its obligations and exercise of its rights under this Agreement. Notwithstanding anything to the contrary herein, Customer acknowledges and agrees that certain non-Customer Data outputs and deliverables provided to Customer via the Services ("**Outputs**") are derived from publicly available data sets and are, as between Customer and ACT, the sole and exclusive property of ACT. Any analysis, presentation, report, or other work delivered by ACT using Customer Data under this Agreement (collectively, "**Work**"), shall be the sole and exclusive property of ACT, but nothing herein shall be interpreted to give ACT any ownership of Customer Data (only the analysis, presentation, report, and other work). ACT hereby grants to Customer a royalty-free, perpetual license to use for internal purposes the Work, including ACT's intellectual property as incorporated into the Work. In addition, notwithstanding anything to the contrary, ACT shall have the right to collect and analyze data and other information relating to the provision, use and performance of various aspects of the Services and related systems and technologies (including, without limitation, anonymized Customer Data and data derived therefrom), and ACT will be free to (i) use such information and data to improve and enhance the Services and for other development, diagnostic and corrective purposes in connection with the Services and other ACT offerings, and (ii) disclose such data solely in aggregate or other de-identified form in connection with its business.

2.3. Privacy Policy. Customer agrees that ACT and its affiliates may use any information Customer provides to ACT, including but not limited to, the Customer Data and Transaction Information for the purposes of this Agreement and in a manner consistent with ACT's then-current Privacy Policy as set forth at www.acttax.com which may be changed by ACT without notice. Customer agrees, however, that (i) any information provided by Customer to ACT that is generally publicly available, shall not be subject to the ACT privacy policy and (ii) ACT is not responsible for any information that Customer provides to third parties, and that the privacy policies, if any, of such third parties will govern the use and disclosure of such information.

2.4. Acceptable Use. Customer shall comply, and shall cause its Authorized Users to comply, with the then-current Acceptable Use Policy located at www.acttax.com, as it may be modified from time to time, at ACT's sole discretion without notice ("**Use Policy**"). ACT shall notify Customer of any Use Policy violation by Customer and Customer shall cure the violation within one business day of receipt of notice of the violation. If the violation is by an Authorized User and the violation is not cured within this timeframe, Customer shall terminate that user's access to the Service. If Customer fails to terminate the access of any Authorized User that continues to violate the Use Policy, ACT shall have the right to terminate this Agreement. Customer shall comply with all written policies related to the Service that are published or reasonably communicated by ACT and all reasonable written directives provided by ACT with respect to use of the Service that are reasonably designed by ACT to ensure efficient operation of the Service.

2.5. Proprietary Rights. The Services, the ACT Software, the Third Party Software and any trade secrets, know-how, methodologies and processes, copyrights, trademarks, patents, trade secrets, and any other proprietary and intellectual property rights associated with or inherent in the Services, the ACT Software or the Third Party Software are and shall remain the sole and exclusive property of ACT and its third party licensors and shall not be used by Customer for any purpose other than the performance of its obligations and exercise of its rights under this Agreement. All content on any Website(s) created and hosted by ACT for the benefit of Customer shall remain the sole and exclusive property of Customer.

3. Relationship Management. ACT and Customer shall each designate a representative (a "**Relationship Manager**") for this Agreement. Each Party shall have the right to change its Relationship Manager or designate an alternate by providing written notice to the other Party.

4. Fees, Payment, Taxes.

4.1. Fees. Customer shall pay ACT the Fees set forth in Exhibit A.

4.2. Payment. Unless this Agreement or an Exhibit to this Agreement specifically provides otherwise, Customer shall pay all Fees within thirty (30) days of the date of invoice at the address specified in Exhibit A. Any Fees not paid when due shall accrue interest at a rate equal to the lesser of (i) one and one half percent (1.5%) of the invoiced amount per month or (ii) the maximum rate allowable under applicable law on all unpaid amounts. If Customer fails to pay any Fees on a timely basis, ACT may suspend Customer's access to the Services until the outstanding payment including any late charges is made in full.

4.3. Expense Reimbursement. Customer will reimburse ACT for all pre-approved out-of-pocket expenses incurred by ACT in rendering the Services, as specified in the applicable Exhibit to this Agreement. Such expenses may include, but shall not be limited to, travel and travel related expenses (including transportation, lodging and meals) and costs of any tangible material acquired by ACT for Customer's benefit.

4.4. Taxes. Customer shall be liable for, and shall reimburse ACT for, all sales, use, transfer, privilege, excise, service, telecommunication, all other taxes and all duties and regulatory fees related to this Agreement, whether foreign, federal, state or local, however designated (including any interest and penalties imposed thereon), other than taxes based on the net income of ACT.

5. Confidentiality.

5.1. Non-Disclosure Obligations. Except as is specifically required or permitted by this Agreement, neither Party shall, without the express prior written consent of the other Party, redistribute, market, publish, disclose or divulge to any other person or entity, or use or modify for use, directly or indirectly in any way for any person or entity: (i) any of the other Party's Confidential Information during the Term and for three (3) years after any end to the Term; and (ii) any of the other Party's Trade Secrets at any time during which such information shall constitute a Trade Secret (before or after the end of the Term). The Parties agree that, during the Term and thereafter, each Party will hold Confidential Information and Trade Secrets in a fiduciary capacity for the benefit of the other Party and shall not (a) directly or indirectly use, copy, reproduce, distribute, manufacture, duplicate, reveal, report, publish, disclose or cause to be disclosed, or otherwise transfer any Confidential Information or Trade Secrets of the other Party to any third party, or (b) utilize Confidential Information or Trade Secrets for any purpose, except as expressly contemplated by this Agreement or authorized in writing by the other Party. Each Party will limit the disclosure of the other Party's Confidential Information and Trade Secrets to employees, contractors or agents with a need-to-know, shall notify its employees, contractors and agents of their confidentiality obligations with respect to Confidential Information and Trade Secrets and shall require its respective employees, contractors and agents to comply with these obligations. Each Party shall be liable for any breach by any employee, contractor or agent of the confidentiality obligations contained herein.

5.2. Trade Secrets. For purposes of this Agreement the following terms shall have the following meanings: "**Trade Secrets**" shall mean information (including, but not limited to, confidential business information, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, lists of actual or potential customers or suppliers) that: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The Parties stipulate that the Services and the ACT Software and the Third Party Software and all intellectual property rights associated with those items shall constitute Trade Secrets of ACT and its licensors.

5.3. Confidential Information. "**Confidential Information**" shall mean, with respect to a Party, all valuable, proprietary and confidential information belonging to or pertaining to the Party that does not constitute a Trade Secret of the Party and that is not generally known by or available to the Party's competitors but is generally known only to the Party and those of its employees, contractors, clients or agents to whom such information must be confided for internal business purposes. Confidential Information does not include information that: (a) was in the possession of, or was rightfully known by, the recipient thereof without an obligation to maintain its confidentiality prior to receipt from disclosing Party; (b) is or becomes generally known to the public without violation of this Agreement; or (c) is obtained by the recipient in good faith from a third party having the right to disclose it without an obligation of confidentiality.

5.4. Required Disclosure. Notwithstanding the foregoing, either Party may disclose Confidential Information or Trade Secrets of the other Party in judicial or other government proceedings to the extent that the Party is legally compelled to do so, provided that the Party has notified the other Party in writing at least ten (10) days prior to disclosure and shall have used its best efforts to obtain, and shall have afforded the other Party a reasonable opportunity to obtain, an appropriate protective or similar order providing for the confidential treatment of the Confidential Information or Trade Secrets required to be disclosed.

5.5. Injunctive Relief. Each Party acknowledges that any unauthorized disclosure or use of the other Party's Trade Secrets or Confidential Information would be likely to injure the other Party irreparably. Each Party acknowledges that its misuse or unauthorized disclosure of the other Party's Confidential Information or Trade Secrets shall entitle the other Party to injunctive or other equitable relief.

6. Representations and Warranties.

6.1. ACT Representations and Warranties. ACT represents and warrants to Customer that: (i) it will provide the Services in a manner consistent with reasonably applicable general industry standards; (ii) in providing the Services, it shall comply with all applicable Federal, state and local laws and regulations ("**Laws**") and shall obtain all required permits and licenses; and (iii) will update the ACT Software and the Service as necessary to comply with changes mandated by legislative changes to the State of Texas Property Tax Code and administrative directives issued by the Property Tax Division of the Comptroller's Office for the State of Texas.

6.2. Customer Representations and Warranties. Customer represents and warrants to ACT that: (i) the Customer Data does not and shall not infringe on or violate any third party's intellectual property or other proprietary rights; (ii) Customer owns the Customer Data or otherwise has the right to place the Customer Data on the ACT's infrastructure in connection with the Services and to view and access the Customer Data through the Services; (iii) Customer owns the content placed on any Website(s) created and hosted by ACT under this Agreement, or otherwise has the right to place such content of the Website(s) in connection with the Services; (iv) no further approval, authorization or consent of any governmental or regulatory authority is required to be obtained by it in order for it to enter into and perform its obligations under this Agreement; and (v) in connection with its use of the Services, it shall comply with all Laws and shall obtain all applicable permits and licenses. If Customer intends to use the Services, including the ACT Software and Third Party Software, to assess and collect taxes on behalf of other member jurisdictions, Customer further represents and warrants that: (x) it has all rights necessary to enter into this Agreement on behalf of, and for the benefit of, each such member jurisdiction and to fulfill Customer's obligations hereunder; and (y) it will use its best efforts to ensure that no such member jurisdiction will violate any of the terms of this Agreement.

6.3. Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, ACT MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR ANY WARRANTY OF NON-INFRINGEMENT. ACT DOES NOT WARRANT THAT: (a) THE SERVICES AND ANY RELATED SOFTWARE WILL OPERATE UNINTERRUPTED OR ARE FREE FROM ERRORS; (b) SERVICE OR SOFTWARE ERRORS CAN BE CORRECTED; OR (c) THE APPLICATIONS CONTAINED IN THE SERVICES OR SOFTWARE ARE DESIGNED TO MEET ALL OF CUSTOMER'S BUSINESS REQUIREMENTS.

6.4. Internet Delays. THE SERVICES MAY BE SUBJECT TO LIMITATIONS, DELAYS AND OTHER PROBLEMS INHERENT IN THE USE OF THE INTERNET AND ELECTRONIC COMMUNICATIONS. ACT IS NOT RESPONSIBLE FOR, AND CUSTOMER RELEASES ACT FROM, ANY DELAYS, DELIVERY FAILURES OR DAMAGES RESULTING FROM SUCH PROBLEMS.

7. Indemnification.

7.1. ACT Indemnity. Subject to Section 8, ACT shall indemnify and hold harmless Customer and any affiliated entities and their respective officers, directors, partners, employees, shareholders and agents against any damages awarded against the Customer by a court of competent jurisdiction in connection with a final judgment or ruling that the Customers use of, or access to, the Services infringes a United States patent, copyright or trademark of the third party that is registered as of the date ACT provides Customer with the Services, provided, that: (a) Customer gives ACT prompt notification in writing of any such infringement claim specifying in reasonable detail the nature and all material aspects of the claim and reasonable assistance, at ACT's expense, in the defense of such infringement claim; and (b) ACT has the sole authority to defend or settle such infringement claim.

7.2. Indemnification Limitations. ACT shall have no obligation for any infringement claim arising out of or relating to: (a) use of the Services other than in accordance with the terms of this Agreement; (b) any Third Party Software associated with the Service; (c) and Third Party Application; or (d) use of the Services in combination with any other hardware, software or other materials where absent such combination, the Services would not be the subject of the infringement claim.

7.3. Effect of Infringement Claim. If an infringement claim is asserted or, in ACT's reasonable belief, is likely to be asserted, (a) ACT may require Customer to discontinue use of the Services immediately and Customer shall comply with such requirement; and (b) ACT will, at its sole option, either (i) procure for Customer the right to use and exercise its rights with respect to the Services as provided in this Agreement; (ii) replace the Services with other non-infringing services or modify the Services to make it not infringing while retaining substantially similar functionality; or (c) if the remedies set forth in clauses (b)(i) and (b)(ii) are not commercially feasible, as determined

by ACT in its sole discretion, terminate this Agreement, in whole or in part, and pay to Licensee any prepaid Fees paid by Licensee for the infringing Services that are not provided due to the early termination.

7.4. Exclusive Remedy. THE PROVISIONS OF THIS SECTION STATE THE SOLE, EXCLUSIVE, AND ENTIRE LIABILITY OF ACT AND ITS LICENSORS TO CUSTOMER, AND IS CUSTOMER'S SOLE REMEDY WITH RESPECT TO, ANY CLAIM OF INFRINGEMENT OR MISAPPROPRIATION OR ALLEGED INFRINGEMENT OR MISAPPROPRIATION OF ANY THIRD PARTY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY RIGHT.

7.5 Customer Indemnity. If Customer intends to use the Services, including the ACT Software and Third Party Software, to assess and collect taxes on behalf of other member jurisdictions, Customer agrees that: (i) ACT has no obligation or liability to any such member jurisdiction under this Agreement; (ii) Customer shall be responsible for any act or omission by any such member jurisdiction that constitutes a breach of this Agreement; and (iii) only Customer (and not any member jurisdiction) may bring a claim against ACT, any affiliated entities or their respective officers, directors, partners, employees, shareholders and agents (collectively, "ACT Parties") under this Agreement, including any claims arising out of or related to the Services, the ACT Software or any Third Party Software. Customer shall indemnify and hold harmless all ACT Parties from and against any damages or losses that are incurred by any ACT Party that arise out of, relate to, or are based on: (x) any acts or omissions of any member jurisdiction that constitute a breach of this Agreement; or (y) any claim brought by any member jurisdiction against any ACT Party based on this Agreement or the provision or use of the Services, the ACT Software or any Third Party Software.

8. Limitation of Liability. EXCEPT FOR DAMAGES RESULTING FROM BREACHES OF SECTION 5, ACT SHALL NOT BE LIABLE TO CUSTOMER FOR ANY INDIRECT, INCIDENTAL, SPECIAL EXEMPLARY OR CONSEQUENTIAL DAMAGES, OR FOR ANY LOSS OF PROFITS OR LOSS OF REVENUE, OR COMPUTER FAILURE. ACT SHALL NOT BE LIABLE TO CUSTOMER FOR; (I) LOST DATA OR LOST REVENUES (INCLUDING REVENUES FOR MEMBER JURISDICTIONS FOR WHOM CUSTOMER ASSESSES AND COLLECTS TAXES); OR (II) FAILURE TO REALIZE EXPECTED SAVINGS RESULTING FROM THE USE OF THE SERVICES, EVEN IF ACT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES. IN ANY CASE, ACT'S ENTIRE AGGREGATE LIABILITY UNDER ANY PROVISION OF THIS HOSTING AGREEMENT SHALL BE LIMITED TO THE FEES ACTUALLY PAID BY CUSTOMER TO ACT UNDER THE TERMS OF THE HOSTING AGREEMENT EXHIBIT A DURING THE IMMEDIATELY PRECEDING TWELVE (12) MONTHS. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, THIS SECTION SETS FORTH CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR ANY BREACH OF WARRANTY.

9. Dispute Resolution.

9.1. Injunctive Relief. A material breach of Sections 2.1, 2.4 or 2.5 by Customer would irreparably harm ACT and, accordingly, Customer agrees that in the event of such a breach ACT shall be entitled to apply to a court of appropriate jurisdiction for injunctive relief, specific performance and/or, as the case may be, other interim measures, without the posting of any bond, to prevent or stop harm, including, but not limited to, harm relating to, trademarks, copyrights, patent rights, know-how, trade secrets or other intellectual property rights. These rights to injunctive relief are in addition to those rights specified in Section 5.5.

9.2. Arbitration. Except with respect to equitable remedies and disputes related to the sections identified in Section 9.1, the Parties agree that any dispute, claim or controversy relating in any way to this Agreement shall be fully and finally settled by binding arbitration in Austin, Texas in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association, as modified herein. The arbitration panel shall include only persons with experience in information technology or computer software licensing or implementation matters. Each Party shall choose one arbitrator, and the two arbitrators so selected shall choose the third arbitrator. Determinations of the arbitrators will be final and binding upon the Parties, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. The existence, subject, evidence, proceedings, and ruling resulting from the arbitration proceedings shall be deemed Confidential Information, and shall not be disclosed by any Party, their representatives, or the arbitrators except as ordered by any court of competent jurisdiction or as required to comply with any applicable governmental statute or regulation. The arbitrators shall apply the governing law of this Agreement (without giving effect to its conflict of law principles) to all aspects of the dispute, including but not limited to the interpretation and validity of this Agreement, the rights and obligations of the Parties, the mode of performance and the remedies and consequences of the breach of the Agreement.

10. Term and Termination.

10.1. Term. The “**Term**” shall be the duration of ACT’s obligation to provide Services to Customer. The Term shall commence on the Effective Date and shall continue for an initial period of one (1) year, unless terminated sooner in accordance with this Agreement (the “**Initial Term**”). The Term shall automatically renew beyond the Initial Term on an annual basis subject to earlier termination in accordance with this Agreement (each, a “**Renewal Term**”).

10.2. Non-Renewal. This Agreement may be terminated by Customer or ACT on the last day of the Initial Term or on the last day of any Renewal Term by providing written notice to the other Party not less than sixty (60) days prior to the expiration of the Initial Term or the then current Renewal Term, as the case may be, indicating an intention to terminate the Agreement as of the last day of the Initial Term or the then current Renewal Term (“**Termination Date**”).

10.3. Termination.

10.3.1 Termination by ACT. In addition to any other rights ACT may have under this Agreement or law, ACT may, at ACT’s option, terminate this Agreement as follows: (i) upon Customer’s failure to pay any Fees or other amounts it owes ACT under this Agreement; (ii) upon Customer’s material breach of any of its other obligations, representations or warranties under this Agreement where the breach is not cured within thirty (30) business days after written notice of the breach is provided to Customer by ACT (provided, that if ACT determines in good faith that a breach by Customer is incurable, then the termination of the Term shall be effective immediately upon notice without a cure period); or (iii) immediately upon Customer’s ceasing to do business in the normal course, becoming or being declared insolvent or bankrupt, being the subject of any proceeding relating to liquidation or insolvency which is not dismissed within ninety (90) calendar days or making an assignment for the benefit of its creditors.

10.3.2 Termination by Customer. Customer may, at Customer’s option, terminate this Agreement as follows: (i) for convenience during the Initial Term of the Agreement upon ninety (90) days written notice; (ii) upon ACT’s material breach of any of its other obligations, representations or warranties under this Agreement, where the breach is not cured within thirty (30) business days after written notice of the breach is provided to ACT by Customer; and (iii) immediately upon ACT ceasing to do business in the normal course, becoming or being declared insolvent or bankrupt, being the subject of any proceeding relating to liquidation or insolvency which is not dismissed within ninety (90) calendar days or making an assignment for the benefit of its creditors.

10.3.3 Migration Period. Subject to Section 10.3.4, upon the termination or expiration of the Term (other than for violation by Customer of Section 2.1, 2.4, 2.5 or 5.), Customer shall have the right, upon providing written notice to ACT, to receive Services from ACT for up to six (6) months after the termination date (the “**Migration Period**”) provided Customer continues paying all applicable Fees to ACT. With respect to a Migration Period after a termination by ACT pursuant to Section 10.3.1, Customer shall pay Fees on a monthly basis in advance, but in the event that Customer fails to make any one (1) payment when due during the Migration Period, ACT shall be entitled to discontinue the provision of Services.

10.3.4 Effect of Termination; Customer Data. Upon the expiration or termination of the Term and after receipt of all amounts due from Customer, ACT shall return to Customer all Customer Data; provided that ACT may retain any Customer Data necessary for it to continue to perform under this Agreement pursuant to any Migration Period obligations, which Customer Data will be returned to Customer at the end of the Migration Period. In addition to returning all Customer Data, ACT shall destroy any copies and shall permanently delete and destroy all electronic versions of all Customer Data, and shall ensure that if any Customer Data has been provided to a third party, such third party shall similarly destroy any copies and shall permanently delete and destroy all electronic versions of all Customer Data. Notwithstanding the foregoing, ACT shall be entitled to retain and maintain a copy of all Customer Data and Transaction Information (which shall remain subject to Section 5 (Confidentiality)), to comply with any archive policies of ACT, as in effect from time to time, and for the purposes set forth in Section 2.2 of this Agreement.

10.3.5 Effective of Termination; Fees. Upon the expiration or termination of the Term, Customer shall (i) pay ACT all amounts then due and owing to ACT, and (ii) return to ACT all proprietary materials of ACT received under this Agreement. Upon termination or expiration of the Term for any reason, in addition to other amounts payable to ACT, Customer shall pay to ACT (i) all costs associated with ACT’s provision of Services during any Migration Period, and (ii) any termination fee that may be payable under the applicable Exhibit to this Agreement.

10.4. Survival. Termination or expiration of the Term does not terminate other provisions of this Agreement that by their terms do not expire on termination or expiration of the Term.

11. Miscellaneous.

11.1. Entire Agreement. This Agreement and the Exhibits referencing this Agreement attached hereto and incorporated herein constitute the entire agreement between Customer and ACT with respect to the subject matter of the Agreement and supercede all prior oral negotiations and prior written agreements with respect to these matters.

11.2. Independent Contractors. Nothing in this Agreement or in the course of dealing between ACT and Customer shall be deemed to create between ACT and Customer (including their respective directors, officers, employees and agents) a partnership, joint venture, association, employment relationship or any other relationship other than an independent contractor relationship.

11.3. Use of Customer Name. ACT shall have the right to identify Customer as a customer of ACT as part of ACT's marketing efforts, including customer lists and naming Customer in press releases.

11.4. Audit Rights. ACT shall have the right during customary business hours, upon reasonable written notice and at ACT's expense, to examine Customer's books and records and use of the Services in order to audit Customer's compliance with this Agreement.

11.5. Waiver; Non-Waiver; Amendment. Failure by either Party to enforce any of the provisions of this Agreement or any rights with respect to it or the failure to exercise any option provided under this Agreement shall in no way be considered to be a waiver of that provision, right or option, or in any way affect the validity of this Agreement. No waiver of any rights under this Agreement, nor any modification or amendment of this Agreement, shall be effective or enforceable, unless it is in writing and signed by each Party.

11.6. Force Majeure. Neither Party to this Agreement, other than for payments due and payable, will be liable to the other for any failure or delay in performance under this Agreement due to circumstances beyond its reasonable control including, without limitation, Acts of God, labor disruption, strikes, lockouts, riots, acts of war, terrorist threat, epidemics, communication line failures, power failures or government action.

11.7. Governing Law. This Agreement shall be governed by the laws of the State of Texas without giving effect to any choice of law principles. The Parties hereby acknowledge and agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

11.8. Assignment. Except as provided in this Agreement, Customer may not assign or transfer any of its rights, duties or obligations under this Agreement (whether by assignment, merger, transfer of assets, sale of stock, operation of law or otherwise) without the prior written consent of ACT and any assignment not in compliance with this Section shall be deemed void. ACT in its sole discretion may assign or transfer any of its rights, duties or obligations under this Agreement.

11.9. Notice. All notices or other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) five (5) calendar days after being deposited in the United States Mail, postage pre-paid, or (c) two (2) calendar days after being deposited for delivery with a nationally recognized overnight delivery service, such as Federal Express, (with written confirmation of receipt) and addressed or sent, as the case may be, to the appropriate addresses set forth on the first page of this Agreement (or to such other addresses as a Party may designate by notice to the other Party). All notices to ACT shall be addressed to the attention of the President with a copy delivered to Linebarger Goggan Blair & Sampson, L.L.P. (the "Firm"), to the attention of the Chief Operating Officer, at P.O. Box 17428, Austin, Texas 78760-7428 (or such other address as ACT or the Firm may designate by notice to the other Party).

11.10. Severability. If any provision of this Agreement is held invalid or unenforceable, the provision shall be deemed modified only to the extent necessary to render it valid or eliminated from this Agreement, as the situation may require, and this Agreement shall be enforced and construed as if the provision had been included in this Agreement as modified in scope or applicability or not been included, as the case may be.

11.11. No Third Party Beneficiaries. This Agreement inures to the benefit of ACT and Customer only and no third party shall enjoy the benefits of this Agreement or shall have any rights under it except as is expressly provided in this Agreement.

11.12. Headings. The headings preceding the text of the paragraphs of this Agreement have been inserted solely for convenience of reference and neither constitute a part of this Agreement nor affect its meaning, interpretation or effect.

11.13. Interpretation; Order of Precedence. In the event of any discrepancy or conflict between the terms of the Agreement and the terms of any Exhibit, the terms of this Agreement shall control. This Agreement and any Exhibit hereto shall prevail over any additional, conflicting, or inconsistent terms or conditions which may appear on any purchase order or other document issued by Customer.

11.14. Export Controls. Customer agrees to comply fully with all relevant export laws and regulations of the United States including but not limited to the U.S. Export Administration Regulations (collectively, "**U.S. Export Controls**").

11.15. Compliance with Tx. Govt. Code §2252.151-.154. In order to comply with Tx. Govt. Code §2252.152, ACT verifies that it is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State under federal law.

11.16. Compliance with Tx. Govt. Code 2271.002. In order to comply with Tx. Govt. Code 2271.002, ACT verifies that it does not boycott Israel and will not boycott Israel during the term of the contract.

11.17. Compliance with Tx. Govt. Code 2274.002, added by Acts 2021, 87th Leg., R.S., Ch. 529 (S.B. 13). In order to comply with Tx. Govt. Code 2274.002, ACT hereby certifies that it does not boycott energy companies and will not boycott energy companies during the term of the agreement.

11.18. Compliance with Tx. Govt. Code 2274.002, added by Acts 2021, 87th Leg., R.S., Ch. 529 (S.B. 19). In order to comply with Tx. Govt. Code 2274.002, ACT certifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and that it will not discriminate during the term of the contract against a firearm entity or firearm trade association.

11.19. Compliance with Tx. Govt. Code 2273.001-.005. ACT hereby certifies that it is not an "abortion provider," nor is it an "affiliate" of abortion provider.

EXHIBIT A

Fee Schedule

1. Fees

1.01. **Fees.** Customer shall pay ACT the following fees:

Fee	Amount
Annual Service Fee	\$ 65,000
Conversion Fee	\$50,000

1.02. **The Annual Service Fee ("Annual Service Fee").** The Annual Service Fee is the annual fee for the Services provided under the Agreement and includes other modules in addition to the ACT Tax Collection System (TCS) software. Those modules available at no additional cost include TaxLedge (entity remittance software), Permits (TABC beer and liquor fees), Special Inventory Tracking (SIT), and a taxpayer web portal with electronic payment functionality.

1.03. **The Conversion Fee ("Conversion Fee").** The Conversion Fee is a one-time data conversion fee.

1.04. **Additional Fees.** Customer shall also pay the following additional fees:

1) a conversion fee at a rate to be negotiated between Customer and ACT for the conversion of any taxing units not presently administered or collected by the Customer, with a minimum conversion fee of \$2,500;

1.05. **Fee Adjustment.** ACT will increase any recurring fees (e.g. the Annual Service Fee) up to ten percent (10%) each contract year.

2. Customer Responsibilities

2.01. The Customer will pay for local network equipment and local costs necessary to facilitate the Customer's connection to the System, including but not limited to routers, hubs and data transmission lines.

3. Payments

3.01. **Payment Due.** The initial Annual Service Fee and the Conversion Fee will be due within thirty (30) days from the rendering of services or the date of receipt of the invoice. Payment of the Conversion Fee will be made in two (2) equal installments and will be due concurrently with the Annual Service Fee. Upon any renewal, the Annual Service Fee and the Conversion Fee (as such annual fees may be adjusted) shall be invoiced by ACT and shall be due and payable upon receipt. All other fees shall be invoiced by ACT and shall be due and payable in accordance with the Agreement.

All payments shall be sent to:

ACT, LLC
2915 W Bitters Rd, Suite 400
San Antonio, Texas 78248

Discount Reimbursement:

Customer acknowledges that the Conversion Fee includes a discount of \$35,000 (the "**Conversion Discount**"), which ACT has provided as an incentive for Customer to contract with ACT's preferred payment solutions provider (the "**Preferred Provider**"). If Customer ceases to use the Preferred Provider for payment processing at any time prior to the third anniversary of the Effective Date of this Agreement, then Customer shall pay ACT the full amount of the Conversion Discount. ACT shall invoice Customer for the full amount of the Conversion Discount, and Customer shall pay such invoice upon receipt in accordance with the terms of the Agreement.
 User requested system alterations:

4. Modifications

4.01. All requests by Customer for modifications, enhancements or other changes to the ACT System (as defined in the Service and Support Level Specification Agreement attached to the Agreement as Exhibit B (the "SSLSA")) shall be evaluated by ACT and processed in accordance with the Change Control Procedures set forth at Schedule C of the SSLSA. If the Customer request is approved in accordance with such Change Control Procedures, ACT will determine if the request is billable. If ACT has determined that a request is billable, ACT will notify Customer in advance, in writing, of the determination of cost and the amount. Customer acknowledges that any request determined to be billable will be charged at the following rates:

<u>Rate Classification</u>	<u>Hourly Rate</u>
Principal	\$300.00
Project Manager	\$225.00
Senior Analyst	\$200.00
Developer	\$150.00
Quality Assurance / Trainer	\$125.00
Mileage	IRS standard rate
Airfare	Actual Airfare
Per Diem	Actual Charges

EXHIBIT B

Service and Support Level Specification Agreement

(attached)