

ANNUAL INSPECTION AGREEMENT

THIS ANNUAL INSPECTION AGREEMENT (the "Agreement") dated this 1st day of October, 2019 (the "Effective Date").

BETWEEN:

Client

Burnet County, Texas
220 S. Pierce
Burnet, TX 78611
(the "Client")

Contractor

DK Haney Roofing
1420 Markum Ranch Road
Fort Worth, TX 76126
(the "Contractor")

1. The Client is of the opinion that the Contractor has the necessary qualifications, experience and abilities to provide services to the Client.
2. The Contractor is agreeable to providing such services to the Client on the terms and conditions set out in this Agreement.
3. The Parties agree to do everything necessary to ensure that the terms of this Agreement take effect.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Client and the Contractor (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

The Client hereby agrees to engage the Contractor to provide the Client with the following services (the "Services"):

- Contractor shall provide roof inspections of identified Client properties.
- Identified Client properties include six (6) buildings: North Annex, Library, Sheriff's Office, Courthouse, Elections and Historic Jail.
- It is anticipated that each building will be inspected no more once a year, after the heat stress of summer and/or the cold stress of winter. Time and date of inspections shall be agreed upon by the parties.
- Inspections shall include the following:
 - Visual inspection of interior and exterior of building, as accessible.
 - Rooftop inspection of roof system, flashings, counter flashings, projections, drainage, parapet walls, and parapet coping as applicable.
 - Written record of existing conditions, findings, recommendations, and budgets.
 - Overview and deficiency photographs.
- Other "Services" included are as follows:
 - Identification and budgeting of emergency repairs, proactive repairs, and roof replacements.
 - Client portal access to DK Haney Roofing's CenterPoint™ roof asset management system.

Term of Agreement

1. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect for one year after the Effective Date, subject to earlier termination as provided in this Agreement. The Term may be extended with the written consent of the Parties.
2. In the event either Party wishes to terminate this Agreement prior to the end of the Term, that Party will be required to provide 7 days' written notice to the other Party.

Compensation

1. The Contractor will charge the Client for the Services as follows (the "Compensation"):
 - Cost for the Agreement is \$250.00 (two-hundred and fifty dollars) per building per inspection.
2. Invoices submitted by the Contractor to the Client are due within 30 days of receipt.

3. In the event that this Agreement is terminated by the Client prior to completion of the Services but where the Services have been partially performed, the Contractor will be entitled to pro rata payment of the Compensation to the date of termination provided that there has been no breach of contract on the part of the Contractor.
4. The Contractor will not be reimbursed for any expenses incurred in connection with providing the Services of this Agreement unless the expenses have been approved by Client.

Penalties for Late Payment

1. For Government Entities: The Texas Prompt Payment Act, Tex. Gov't Code Ann. § 2251.021, shall be binding on this contract. Any late payments will trigger a fee of 1.00% plus prime rate per month on the amount still owing beginning 31 days after the later of:
 - o (1) the date the governmental entity receives the goods under the contract;
 - o (2) the date the performance of the service under the contract is completed; or
 - o (3) the date the governmental entity receives an invoice for the goods or service.
2. For Private Entities: Any late payments will trigger a 5% fee per month on the amount still owing beginning 31 days after Client receives and invoice for the goods or services.

Ownership of Intellectual Property and Trade Secrets

1. All intellectual property and related material, including any trade secrets, moral rights, goodwill, relevant registrations or applications for registration, and rights in any patent, copyright, trademark, trade dress, industrial design and trade name (the "Intellectual Property") that is developed or produced under this Agreement, will be the sole property of the Contractor. Client hereby grants Contractor and its assigns permission to copyright, edit, use, re-use and publish photographs or videos of the roof or roofs or "work" on roof or roofs installed on Client's property by Contractor. Client waives right to inspect or pre-approve said photos or videos. Client understands these materials may include the name, location and recognizable parts of Client's building.
2. Trade secrets (the "Trade Secrets") include but are not limited to any data or information, technique or process, tool or mechanism, formula or compound, pattern or test results relating to the business of the Contractor, which are secret and proprietary to the Contractor, and which give the business a competitive advantage where the release of that Trade Secret could be reasonably expected to cause harm to the Contractor.
3. The Client agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any Trade Secrets which the Client has obtained, except as authorized by the Contractor or as required by law. The obligations of confidentiality will apply during the Term and will survive indefinitely upon termination of this Agreement.

Capacity/Independent Contractor

1. In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Client acknowledge that this Agreement does not create a partnership or joint venture between them and is exclusively a contract for service. The Client is not required to pay, or make any contributions to, any social security, local, state or federal tax, unemployment compensation, workers' compensation, insurance premium, profit-sharing, pension or any other employee benefit for the Contractor during the Term. The Contractor is responsible for paying, and complying with reporting requirements for, all local, state and federal taxes related to payments made to the Contractor under this Agreement.

Notice

1. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties at the addresses listed on the first page of this contract or to such other address as either Party may from time to time notify the other. Notices, requests, demands, or other communications will be deemed to be properly delivered (a) immediately upon being served personally, (b) two days after being deposited with the postal service if served by registered mail, or (c) the following day after being deposited with an overnight courier.

Indemnification

1. Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

General Terms

1. Time is of the essence in this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.
2. The Contractor will not voluntarily, or by operation of law, assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Client.
3. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.
4. This Agreement will endure to the benefit of and be binding on the Parties and their respective heirs, executors, administrators and permitted successors and assigns.
5. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.
6. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.
7. This Agreement will be governed by and construed in accordance with the laws of the State of Texas.
8. In the event any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.
9. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.
10. Upon the expiry or termination of this Agreement, the Contractor will return to the Client any property, documentation, records, or confidential information which is the property of the Client.
11. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

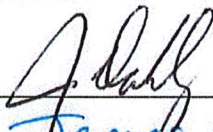
EXECUTED AND EFFECTIVE AS OF THE EFFECTIVE DATE.

CUSTOMER NAME

Signature: _____

Printed Name: _____

Title: _____


James Oakley
County Judge

DK HANEY ROOFING

Signature: _____

Printed Name: _____

Title: _____


Brian H. Burden
Director of Sales