

AGREEMENT FOR ANIMAL LICENSING SERVICES

THIS AGREEMENT FOR ANIMAL LICENSING SERVICES ("Agreement") is made and entered into by and between City of Hawthorne, hereinafter called "CITY," and PETDATA, INC., a Texas for-profit corporation, hereinafter called "CONTRACTOR," as of the date last signed by a party as reflected on the signature page of this Agreement ("the Execution Date").

For good and valuable consideration, CITIES and CONTRACTOR agree as follows:

1. SERVICES

For the consideration set forth below, CONTRACTOR agrees to provide to CITIES the animal licensing services described under "CONTRACTOR'S RESPONSIBILITIES" in Exhibit A, attached hereto and incorporated herein by reference (collectively, the "Services"), upon the terms and conditions of this Agreement. The Services relate to CITY's licensing and registration of pets. CITY agrees to perform "CITY'S RESPONSIBILITIES" described in Exhibit A. In the event of any conflict between any of the contents of Exhibit A and any of the provisions of the main body of this Agreement, the provisions of the main body of this Agreement will prevail.

2. OVERSIGHT AND COORDINATION

All Services shall be performed to the reasonable satisfaction of CITY, as reasonably determined by CITY's Administrator or other person whom CITY shall from time to time designate to monitor the performance of the Services by CONTRACTOR. CITIES agrees to promptly notify CONTRACTOR of the name and contact information of the person who will monitor the performance of the Services on behalf of CITY, and to promptly notify CONTRACTOR of any changes to CITY'S monitoring designee or the contact information for CITY's monitoring designee.

3. PERFORMANCE OF SERVICES

CONTRACTOR acknowledges that, prior to signing this Agreement, CONTRACTOR has become familiar with the scope of the Services required under this Agreement. Subject to CONTRACTOR's fulfillment of its obligations under this Agreement, the means, methods, timing, and manner of performing the Services shall be within the sole discretion of CONTRACTOR. CONTRACTOR may perform the Services at such location(s) that CONTRACTOR may from time to time determine, and shall not be required to perform any of the Services at a CITY location. CITY acknowledges that CONTRACTOR shall not be obligated to commence the performance of the Services until the Commencement Date, as hereinafter provided. CONTRACTOR shall not be responsible or liable to CITY or any third party for any delays, errors or omissions in the performance of the Services or any losses or damages sustained by CITY or any third party that are caused by (i) CITY or any of CITY's employees or agents, (ii) the inaccuracy, incompleteness, or other insufficiency of any data furnished by or on behalf of CITY to CONTRACTOR under or in connection with this Agreement, or (iii) any other items furnished by or on behalf of CITY to CONTRACTOR under or in connection with this Agreement.

4. CUSTOM SUPPLIES

If CITY requests that CONTRACTOR utilize specific supplies in connection with the performance of the Services, such as, for example, forms, brochures, or rabies books, CITY will provide those supplies to CONTRACTOR without charge.

5. BANK ACCOUNTS

Licensing fees and any other amounts that are collected by CONTRACTOR for the benefit of CITY under this Agreement will be deposited into an account of one of the following types that is from time to time designated by CITY (a "Bank Account"):

- A. An account established and maintained by CITY in its name at a bank or other financial institution (a "CITY Account"); or
- B. A separate account established and maintained by CONTRACTOR at a bank or other financial institution selected by CONTRACTOR in which will be deposited funds that relate solely to this Agreement (a "Maintained Account").

CITY will initially designate the type of Bank Account to be utilized hereunder in a notice that CITY will deliver to CONTRACTOR during the Transition Phase in accordance with Section 11. CITY may thereafter change the designation of the type of Bank Account to be utilized hereunder from time to time upon notice to CONTRACTOR, and CONTRACTOR will have a reasonable time in order to effect any such requested change. CITY will reimburse CONTRACTOR for all out-of-pocket expenses incurred by CONTRACTOR in connection with any change in the type of Bank Account utilized hereunder. CITY acknowledges and consents that CONTRACTOR may make an initial deposit into a Maintained Account from CONTRACTOR's funds in order to establish the account, which initial deposit will be refunded or otherwise reimbursed to CONTRACTOR. When a Maintained Account is closed, any funds remaining in the account after the payment of all amounts due CITY hereunder will belong to and be disbursed to CONTRACTOR.

6. COMPENSATION TO CONTRACTOR

In consideration of the Services, CONTRACTOR shall be entitled to the following compensation:

- A. Basic Fees.

CITY shall pay to CONTRACTOR the following fees for all animal licenses issued during the term of this Agreement, regardless of whether they are issued by CITY, CONTRACTOR, veterinarians, or any other persons:

- 1) \$4.40 for each one-year license or replacement tag and for the first year for each multi-year license (which amount is subject to adjustment as provided below).
- 2) \$2.00 for each additional year after the first year for each multi-year license.
- 3) \$2.50 collection service fee for each late fee, if any, paid by a Licensee during the term of this Agreement.

The fee provided for in clause 1), above, will be adjusted as follows during any of the following periods that fall within the term of this Agreement: (a) commencing on the third (3rd) annual anniversary of the Execution Date and continuing until the fifth (5th) annual anniversary of the Execution Date, the fee provided for in clause 1), above, will be \$4.50; and (b) if the term of this Agreement is for more than five (5) years, then, commencing on the fifth (5th) annual anniversary of the Execution Date and continuing on each annual anniversary of the Execution Date thereafter throughout the remaining term of this Agreement, the fee provided for in clause 1), as previously adjusted, will increase by an amount equal to five percent (5%) of the fee under clause 1) that is in effect immediately prior to the respective anniversary, and the fee, as so increased, will thereupon become the fee payable under clause 1) unless and until further adjusted in accordance with this clause (b).

An animal license will be considered "issued" for purposes of this Agreement regardless of the means, method, program, process, or agency used for the issuance or registration of the license, and whether or not a fee or other consideration is charged or received by the CITY for the license. Without limiting the generality of the foregoing, an animal license that is donated or issued free of charge by the CITY or that is issued as part of a bundling of CITY services or programs will be considered "issued" for purposes of this Agreement. Further, any animal license that is

processed by CONTRACTOR for CITY during the term of this Agreement will be considered "issued" for purposes of this Agreement, whether or not the license was or is actually issued or delivered before, during, or after the term of this Agreement.

Notwithstanding the preceding provisions of this Section 6A, the parties agree that CONTRACTOR's minimum aggregate fees under this Section 6A are \$6,000.00 per calendar year. In order to assure the payment of such minimum aggregate annual fees to CONTRACTOR, the parties agree that if the aggregate fees payable to CONTRACTOR under this Section 6A for a calendar month would, but for the application of this sentence, be less than \$500.00, then the aggregate fees payable to CONTRACTOR under this Section 6A for that calendar month will be \$500.00. However, the foregoing minimum monthly amount will not be applicable if the aggregate fees paid to CONTRACTOR under this Section 6A have already equaled or exceeded, or in the opinion of CONTRACTOR are reasonably expected to otherwise equal or exceed, \$6,000.00 for that calendar year. If the aggregate annual fees paid to CONTRACTOR under this Section 6A during any calendar year do not equal or exceed \$6,000.00, then CITY shall pay an amount equal to the positive difference between (i) the amount previously paid to CONTRACTOR for that calendar year and (ii) \$6,000.00, upon demand by CONTRACTOR. The \$6,000.00 minimum annual amount shall be prorated for any partial calendar year during the term of this Agreement. No delay or failure on the part of CONTRACTOR in imposing or collecting the aforesaid monthly minimum amount shall affect CONTRACTOR's right to receive the aforesaid minimum aggregate annual fees or to collect the aforesaid minimum aggregate monthly amount either then or in the future. CITY acknowledges that the aforesaid minimum fee amounts apply only to the fees payable to CONTRACTOR under this Section 6A, and do not include, by way of example and not by way of limitation, any Start-Up Fee payable to CONTRACTOR under Section 6B.

The fees paid to CONTRACTOR under this Section 6A are further subject to reasonable adjustment in the event that CITY adds, modifies, or eliminates any fees that are charged to Licensees during the term of this Agreement. CITY and CONTRACTOR agree to negotiate any such reasonable adjustments in good faith.

As used in this Agreement, the term "Licensee" refers to any person who applies for an animal license to be issued by or on behalf of CITY.

B. Start-Up Fee.

[This section intentionally omitted for renewal agreement.]

C. Additional Service Fees or Costs.

The following fees or cost reimbursements will apply to the extent that the corresponding services described below are requested by CITY:

- 1) **Cost of Bank Account.** CITY will be responsible for all out-of-pocket costs related to any Bank Account. CITY will reimburse CONTRACTOR on a monthly basis for any out-of-pocket costs for a Bank Account that are paid by CONTRACTOR. CITY may request copies of the bank statements for a Maintained Account at any time and CONTRACTOR will provide available bank statements for that Maintained Account within five business days after a request is received by CONTRACTOR.
- 2) **Bank Deposit Mailing Fees.** If CITY requires CONTRACTOR to deposit money into a CITY Account other than at a branch located in the city where CONTRACTOR's principal office is located, CONTRACTOR may make any deposit to that CITY Account by means of any form of U.S. Mail or overnight delivery service, and the actual cost to transmit the deposits to the required bank location will be borne by CITY and included in invoices submitted to CITY for the Services.

- 3) Postal Box/Mail Forwarding Fee. If CITY requests CONTRACTOR to establish a local post office box for mail collection and forwarding, CITY will pay or reimburse CONTRACTOR for the actual costs of mail box rental, mail forwarding and postage fees.
- 4) Supply Fee. If CITY requests changes to supplies or notices that it has previously approved, including but not limited to fee or program changes, CITY will be responsible for the actual costs associated with changing, replacing or discontinuing the use of the previously approved supplies. If CITY terminates this Agreement for any reason other than for cause, CITY will remain responsible for the actual cost of supplies purchased on its behalf.
- 5) Lock Box Fees. If CITY utilizes a lockbox, the actual fees and costs associated with the lockbox, including the cost to forward mail to CONTRACTOR from a lockbox, shall be borne solely by CITY.

D. Charges to Licensees.

CITY agrees that CONTRACTOR may charge and collect the following fees directly from Licensees, and CONTRACTOR shall be entitled to retain any such fees so collected as part of CONTRACTOR's compensation under this Agreement, except as otherwise provided below:

- 1) \$2.00 for each on-line transaction engaged in by a Licensee.
- 2) CONTRACTOR may charge a fee to a Licensee of no more than \$25.00 (or, if lower, the maximum amount permitted by applicable law from time to time in effect) for each check or other payment from that Licensee that is returned uncollected for any reason. Any such returned item fee related to a Maintained Account that is actually collected shall be deposited into the Maintained Account and shall be for the benefit of CITY; otherwise the fee shall be retained by CONTRACTOR.

7. MODIFICATIONS OF SERVICES

If CITY requests Services in addition to those described in this Agreement, and CONTRACTOR agrees to provide those additional Services, then CONTRACTOR shall be entitled to additional compensation for those additional Services as shall be agreed upon by CONTRACTOR and CITY in a written modification to this Agreement that is signed by CITY and CONTRACTOR. CONTRACTOR shall not be required to perform any such additional Services unless and until the parties have entered into a written modification of this Agreement. Without limiting the other types of services that may be considered to be outside of the scope of the Services described in this Agreement, the following types of Services would be considered to be outside of the scope of the Services described in this Agreement and, therefore, the subject of additional compensation to CONTRACTOR: customized software projects; requests for new features in CONTRACTOR's software; or requests for CONTRACTOR to implement new procedures or operations. CITY may determine after the Execution Date that certain portions of the Services are no longer necessary, in which event CITY shall notify CONTRACTOR of the portions of the Services that are no longer required, and CONTRACTOR shall be relieved of the responsibility for performing those portions of the Services. However, there shall be no adjustment in CONTRACTOR's compensation hereunder for any portions of the Services that CONTRACTOR is not required to perform.

8. REPORTS

A. Reports from CONTRACTOR. Within 15 business days after the end of each calendar month during the term hereof, CONTRACTOR will submit an animal licensing summary report for the preceding calendar month to CITY in a format that is mutually agreed upon by CITY and CONTRACTOR. Any such report may be transmitted electronically or by any other means.

B. Reports from CITY. Within 10 calendar days after the end of each calendar month during the term hereof, CITY will submit a report to CONTRACTOR of all license fees that CITY has received during the preceding calendar month from Licensees, veterinarians or any other source other than CONTRACTOR. Any such report may

be transmitted electronically or by any other means.

9. PAYMENTS

A. CITY Account Used. If and for so long as a CITY Account is utilized hereunder, the following provisions shall apply (and the provisions of Section 9B shall be inapplicable):

Within 15 business days after the end of each calendar month, CONTRACTOR will submit to CITY an invoice with supporting documentation for the compensation due CONTRACTOR under this Agreement for that calendar month. CITY will pay CONTRACTOR the invoiced amount by means of check, ACH payment or other form of payment acceptable to CONTRACTOR within 30 days after the date CONTRACTOR submits the invoice to CITY. Invoices that are not timely paid will, at CONTRACTOR's option, bear interest from the 30th day after the date that CONTRACTOR submits the invoice to CITY until paid at a rate equal to the lesser of (i) 8% per annum or (ii) the maximum annual rate of interest permitted from time to time under applicable law (or if those rates are the same, then at the rate determined under either clause). Invoices will be submitted electronically to the e-mail address that CITY shall from time to time provide CONTRACTOR for the submission of invoices or in such other manner as CITY may from time to time request in writing to CONTRACTOR and that is acceptable to CONTRACTOR.

B. Maintained Account Used. If and for so long as a Maintained Account is utilized hereunder, the following provisions shall apply (and the provisions of Section 9A shall be inapplicable):

Within 15 business days after the end of each calendar month, CONTRACTOR shall remit to CITY the residual amount, if any, of all license fees collected by CONTRACTOR hereunder during the preceding calendar month after deducting therefrom all fees, costs, expenses, and reimbursements due CONTRACTOR hereunder. If at any time the funds in the Maintained Account are not sufficient to fully pay amounts due to CONTRACTOR hereunder, then CONTRACTOR may recoup any shortfall from any subsequent payments due to CITY under this paragraph until all sums due CONTRACTOR have been fully paid.

C. Direct Collections by CITY. If CITY collects any animal license fee or any other amount that is subject to this Agreement directly from a Licensee, veterinarian or other source, other than CONTRACTOR, CITY may either forward the amount collected to CONTRACTOR within fifteen business days for deposit into a Maintained Account, if a Maintained Account is in effect, or retain the amount. In either event, CITY shall report the amount so collected to CONTRACTOR in accordance with Section 8B so that the fee(s) due CONTRACTOR hereunder with respect to the amount collected by CITY may be determined and paid in accordance with this Agreement.

10. TERM

The initial term of this Agreement will commence on the Execution Date and will expire at the close of business on the last day of the ___36th___ full calendar month after the Commencement Date, unless this Agreement is sooner terminated in accordance with other provisions of this Agreement.

11. TRANSITION PHASE

[This section intentionally omitted for renewal agreement.]

12. PERMITS AND REQUIREMENTS

A. Permits.

CONTRACTOR shall obtain the necessary permits(s), if any, required by CITY or its governing ordinances for the performance of the Services. CITY agrees to provide CONTRACTOR with a list of any and all such permits and to cooperate and assist CONTRACTOR in good faith to aid CONTRACTOR in obtaining any such permits in a timely fashion.

B. Legal Requirements.

CONTRACTOR shall, in performing the Services under this Agreement, comply with all federal, state, county, or CITY statutes, laws, codes and ordinances, as amended, that are directly applicable to CONTRACTOR's performance of the Services. CITY shall notify CONTRACTOR of changes to laws, codes or ordinances affecting CONTRACTOR's performance of Services under this Agreement of which CITY obtains actual knowledge during the term of this Agreement.

13. COVENANTS REGARDING DATA

CONTRACTOR agrees that it will not, without CITY's consent, use personal data collected on behalf of CITY other than for the performance of the Services or other uses permitted by this Agreement or under applicable law. Further, CONTRACTOR agrees that it will not sell, or intentionally transfer or release, to any third party personal data that CONTRACTOR has collected in performing the Services, except as may otherwise be required by this Agreement or applicable law, and that it will take commercially reasonable measures to prevent the unauthorized release of any such third party personal data.

Upon the termination of this Agreement, CONTRACTOR agrees to return or transfer to CITY, in a mutually acceptable format, all animal licensing data maintained by CONTRACTOR under this Agreement within 15 business days after CONTRACTOR has received all sums due CONTRACTOR under this Agreement.

14. INDEMNITY

To the fullest extent permitted by law, CONTRACTOR shall indemnify, and hold harmless CITY and any and all of its officials, employees and/or agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including reasonable attorney's fees and costs to the extent same are caused in whole or in part by any negligent act, error or omission of CONTRACTOR, its officers, agents, employees or subcontractors (or any entity or individual that CONTRACTOR shall bear the legal liability thereof) in the performance of professional services under this Agreement. In the event of joint and concurring responsibility of CONTRACTOR and CITY, responsibility and indemnity, if any, shall be apportioned comparatively. The provisions of this paragraph are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, in or to any other person or entity.

15. INSURANCE REQUIREMENTS

- A. CONTRACTOR shall maintain in full force and effect, a policy of Commercial General Liability insurance with a minimum coverage of \$1,000,000 per occurrence and \$2,000,000 in the aggregate for bodily injury, sickness or disease, or death to any person and damage to any property, including the loss of use hereof, and in accordance with any other the requirements provided by CITY to CONTRACTOR.
- B. CONSULTANT shall maintain in full force and effect Workers' Compensation and Employer's Liability Insurance as required by the California Labor Code, for not less than \$1,000,000 per accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.
- C. CONTRACTOR does not own any vehicles. However, CONTRACTOR does have coverage for non-owned vehicles under its commercial liability policy. Therefore, CONTRACTOR does not carry and shall not be obligated to carry separate automobile liability coverage.

CONTRACTOR shall furnish to City evidence of any insurance required by this Agreement. A Certificate of Insurance from an insurer admitted to do business in the State of California will be provided, indicating that the respective policy meets the following requirements: (1) The CITY, its officers, employees, and agents shall be named as additional insured; (2) Insurance shall not be cancelled or terminated without thirty (30) days written notice to CITY, except 10 days' notice for non-payment of premium; (3) General Liability shall be primary and any insurance held by City for its own protection shall be excess and shall be effective only upon exhaustion of CONTRACTOR's insurance; (4) Insurance shall be maintained for the duration of the Agreement, including any period extended beyond the expiration date of this Agreement required to complete performance as stipulated in this Agreement and all amendments thereto.

16. TERMINATION

A. Expiration.

If the term of this Agreement expires and is not extended in accordance with other provisions of this Agreement, then CONTRACTOR shall be paid all amounts due CONTRACTOR hereunder with respect to all periods through the date of termination, including CONTRACTOR's basic fees under Section 6A with respect to animal licenses or renewals that are in process at the time of termination.

B. Termination.

The parties may at any time, for any reason, with or without cause, terminate this Agreement, or any portion hereof, by serving upon the other party at least thirty (30) days prior written notice. Upon receipt of said notice by CONTRACTOR, the CONTRACTOR shall immediately cease all work under this Agreement, unless the notice provides otherwise. Upon such termination by the CITY, CONTRACTOR shall be entitled to payment for all amounts due CONTRACTOR hereunder with respect to all periods through the date of termination. Upon termination of the Agreement pursuant to this Section by CITY, the CONTRACTOR will submit an invoice to the City no later than thirty (30) days from the date of termination.

17. UNFORESEEN CIRCUMSTANCES

CONTRACTOR shall not be responsible for any delay or omission in the performance of any of CONTRACTOR's obligations under this Agreement to the extent caused by natural disaster, power outages, war, civil disturbance, labor dispute or other cause beyond CONTRACTOR's reasonable control. To the extent CONTRACTOR is able to do so, CONTRACTOR shall provide notice to CITY of any event described in this Section within ten (10) business days after the occurrence of such event.

18. RECORDS/AUDIT

CONTRACTOR shall maintain in electronic form or on a database material books, records, and documents directly related to the performance of the Services (collectively, "Records") during the term of this Agreement and for a period of three years thereafter. CONTRACTOR shall further maintain any Records that were either received or originally generated by CONTRACTOR in paper form for a period of three years after the date(s) that the respective Records were originally received or generated or until the termination, by expiration or otherwise, of this Agreement, whichever occurs first. Any paper Records in existence at the expiration of any such three-year period or at the termination of this Agreement shall either be shipped to CITY or destroyed, at CITY's option and at CITY's expense in either case. During the term of this Agreement and for a period of three years thereafter, CITY shall have the right to inspect and audit, at CITY's expense, and upon reasonable advance notice to CONTRACTOR, the Records that CONTRACTOR is obligated to maintain hereunder as of the time of any such inspection or audit. Notwithstanding the foregoing, any Records maintained by CONTRACTOR during the term of this Agreement that relate to any litigation, appeal, or related settlement arising under or in relation to this Agreement shall be preserved until a final disposition has been made of such litigation. However, CONTRACTOR shall not have any liability for disposing of paper Records in accordance with this Agreement prior to the time that CONTRACTOR obtained actual knowledge of the existence of the litigation.

19. NOTICES

Any notice, statement, or demand required or permitted to be given hereunder by either party to the other shall be in writing and shall be given personally or by courier, by overnight delivery service, by certified mail, return receipt requested, postage prepaid, or by confirmed (either machine or personal) facsimile transmission, addressed to the recipient as follows:

Notices to CITY shall be addressed as follows:

Name: _____

4455 126th Street
Hawthorne, CA 90250
Phone: 310-349-2927
Fax: _____

Notices to CONTRACTOR shall be addressed as follows:

Chris Richey, President
PetData, Inc.

P.O. Box 141929 (if mailed)
Irving, Texas 75014-1929

8585 N Stemmons Fwy, Ste 1100N (if delivered)
Dallas, Texas 75247

214-821-3106 (facsimile)

Any such notice shall be effective (a) if delivered personally or by courier, when received, (b) if sent by overnight courier, when received, (c) if mailed, on the second business day after being mailed as described above, and (d) if sent by confirmed (either personal or machine) written telecommunication, when dispatched. Any party may change any of its contact information for notices upon not less than ten (10) days' prior notice to the other party in accordance with this Section. The provisions of this Section shall not govern the means of submission of invoices by CONTRACTOR to CITY under this Agreement.

20. CONTRACTOR'S SYSTEM

CITY acknowledges that CONTRACTOR has developed and coordinated proprietary means and methods of performing the Services and related know-how, skills, and property (collectively, the "System"). The System includes, among other items, an interactive website, databases, software, and related items. The System is special and unique to CONTRACTOR and has been developed by CONTRACTOR at great cost and expense to CONTRACTOR. CITY acknowledges that CITY is not acquiring any rights in or to the System, and that the System is and will remain the sole and exclusive property of CONTRACTOR. CITY further acknowledges and agrees that any information that CITY obtains related to the use, formulation or operation of the System that is not generally known is CONFIDENTIAL, may only be used by CITY for the limited purposes described in this Agreement, and may not be disclosed to any third parties except as may be required under applicable law or with CONTRACTOR's prior, express written consent in CONTRACTOR's sole discretion. Upon the termination of this Agreement, any information and materials, in whatever media or format, related to the System that CITY has in its possession will be returned to CONTRACTOR or destroyed at CONTRACTOR's option. CITY agrees that it will not attempt to discover, duplicate, or replicate the System in any manner.

21. MISCELLANEOUS

A. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the state in which CITY is located.

B. Relationship of Parties.

The relationship of CITY and CONTRACTOR is that of independent contractors. Nothing in this Agreement is intended to create a partnership or joint venture between the parties, to establish a fiduciary relationship between the parties, or to render either party liable or responsible for any debts, liabilities or other obligations of the other party.

C. Entire Agreement.

This Agreement, including any exhibits hereto, embodies the complete agreement of the parties hereto, and supersedes

all oral or written previous or contemporary agreements or understandings between the parties relating to any of the matters herein. This Agreement may not be amended or otherwise modified except in a writing executed by both parties. The expiration or other termination of this Agreement shall not extinguish any right or remedy existing at the time of termination.

D. Severability.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

E. Assignment; Binding Effect.

Neither party may assign this Agreement without the prior written consent of the other party. Notwithstanding the foregoing, the transfer of CONTRACTOR's interest in this Agreement to an affiliate of CONTRACTOR or in connection with a merger, consolidation, sale of substantially all of CONTRACTOR's assets, or business combination involving CONTRACTOR shall not be deemed to be an assignment in violation of this Section, provided that such transferee shall be subject to all of the terms and conditions of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and, where permitted, assigns.

F. General.

All references in this Agreement to sections and other subdivisions refer to corresponding sections and other subdivisions of this Agreement unless the context indicates otherwise. Titles appearing at the beginning of any such sections or subdivisions are for convenience only and shall not constitute part of such sections or subdivisions and shall be disregarded in construing the language contained in such sections or subdivisions. These words "this Agreement", "this instrument", "herein", "hereof", "hereby", "hereunder" and words of similar import refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. Words in the singular form shall be construed to include the plural and vice versa, unless the context otherwise requires. Words in any gender (including the neutral gender) shall include any other gender, unless the context otherwise requires. Examples shall not be construed to limit, expressly or by implication, the matter they illustrate. The word "includes" and its derivatives shall mean "includes, but is not limited to" and corresponding derivative expressions. The term "or" includes "and/or." All exhibits attached to this Agreement are incorporated herein by reference. No consideration shall be given to the fact or presumption that one party had a greater or lesser hand in drafting this Agreement. All references herein to "\$", "dollars", or other sums of money shall refer to U.S. Dollars. References in this Agreement to "business days" shall refer to days other than Saturdays, Sundays, or other days on which CITY offices are closed. Any references in this Agreement to "days" other than business days shall refer to calendar days. Time is of the essence of this Agreement. No delay or forbearance in asserting any right or enforcing any obligation under this Agreement shall constitute a waiver of such right or obligation.

G. Authorization.

Each of the parties represents and warrants to the other that this Agreement has been duly authorized by all necessary corporate or governmental action on the part of the representing party and that this Agreement is fully binding on such party.

H. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. It shall not be necessary for each party to sign each counterpart, and separate signature pages may be attached to any counterpart in order to make a complete counterpart. For purposes of the execution of this Agreement or any amendment hereto or modification hereof, a signature transmitted by facsimile, computer file or other electronic means shall be fully binding as an original signature.

[Signature page follows]

EXECUTED by CITY and by CONTRACTOR on the respective dates set forth below to be effective as of the Execution Date.

CITY:

CITY OF HAWTHORNE

By: _____

Printed Name: _____

Title: _____

Date of Execution: _____

CONTRACTOR:

PETDATA, INC.

By: Christopher A. Richey

Printed Name: Christopher A. Richey

Title: President

Date of Execution: 10/9/24