



Agreement No: HID001

SERVICES AGREEMENT

This Services Agreement ("Agreement") is entered into as of _____, 2016 ("Effective Date") between Drone Dynamics, LLC ("Drone Dynamics"), and _____ ("Client") (herein the "Parties") for various sUAS and/or ROV services to be provided by Drone Dynamics to Client pursuant to that certain agreement entitled "Drone Dynamics, LLC Standard Terms and Conditions" entered into by and between the Parties having an effective date of _____, 2016 ("Terms and Conditions Agreement").

In consideration of the mutual promises contained in this Agreement, the Parties agree as follows:

1. **Services.** Drone Dynamics will provide sUAS and/or ROV services (herein so called) in accordance with the Statement of Work in the form attached hereto. Services will comply with the provisions of the Terms and Conditions Agreement referenced above.
2. **Term.** The term of this Agreement shall commence on the Effective Date set forth above and shall continue on a month-to-month basis, terminable by Drone Dynamics or Client with a 30-day written notice.
3. **Compensation.** Compensation shall be as set forth on the Statement of Work attached hereto.

DRONE DYNAMICS, LLC

By: _____

Its: _____

"CLIENT"

By: _____

Its: _____



Drone Dynamics & The County of Hidalgo The Complete Professional Services UAV Robotics Program

Consultation (Legal, Regulatory, Public Relations)

See Schedule A

The Drone Dynamics legal team provides a turnkey legal, regulatory and public relations information for clients. From the first training session through the launch of your organization's UAV robotics program, all necessary FAA, state and local permitting as well as a proactive public relations campaign are established on the client's behalf.

Consultation (Best Practices)

See Schedule A

Drone Dynamics will assign a designated Implementation Manager to oversee governance across all domains of the engagement. Performance is reported during Quarterly Business Reviews (QBRs). Customer success, compliance, and investment protection is realized via ongoing proactive consultation that provides periodic updates to new laws/regulations, industry trends and as new technology hardware and software emerges providing new capability.

Ongoing Best Practices consultation ensures that all equipment, and operating procedures are updated based on recommended maintenance schedules and audits.

Drone Operator's Training Program and Certification.

See Schedule B

The Drone Dynamics, drone operator's training program and certification is a comprehensive, FAA compliant, mission specific training program tailored to the needs of Hidalgo County. The complete suite of Drone Dynamics courses consists of four modules spanning 112 hours of (basic, intermediate, and advanced) classroom, field training, written and hands-on drone operation proficiency tests. Upon completion, the options exist for continuing education, annual recertification and mission specific on-the-job training (OJT). Upon successful completion of the overall Drone Dynamics Training Program (Basic, Intermediate, and Advanced) each student will receive a certificate of completion.



With the approval of Drone Dynamics, qualified students may be eligible in year 2 to enroll in Drone Dynamics Instructor's training modules. Upon successful completion of the instructor's coursework, graduates may conduct authorized coursework to Hidalgo County personnel only. All Hidalgo County drone operators and instructors are required to complete annual recertification.

Ongoing Best Practices consultation ensures that all training materials, flight manuals are updated and compliant. All aspects of the Drone Dynamics Program are audited quarterly.

Drone Dynamics Public Safety Deployment Equipment Bundle.

See Schedule C

This is a complete small Unmanned Aircraft System (sUAS) to meet specific mission-type needs and requirements of Hidalgo County. Equipment trade-in/refresh will be considered upon annual contract renewal and determined by Drone Dynamics based upon consultation with client's flight operations teams and new mission requirements.

Total Cost Summary: Term 1 (years 1, 2) + Term 2 (years 3, 4, 5)

This agreement is designed to provide legal & regulatory compliance, investment protection, business continuity, and overall customer success throughout the entire 5 years of the program lifecycle. Drone Dynamics is the single professional services company equipped to provide such a comprehensive solution across all major departments of Hidalgo County.



Program Component Description	DD Total Costs	Notes:	
Term 1 (year 1):			
Consultation (Legal, Regulatory, Public Relations) (year 1)	\$ 15,000	Schedule A	
Consultation (Best Practices) (year 1)	\$ 13,600	Schedule A	
Drone Operator's Training Program and Certification. (year 1)	\$ 38,456	Schedule B	
Drone Dynamics Public Safety Deployment Equipment Bundle. (year 1)	\$ 42,248	Schedule C	
Total Term 1 (year 1)	\$109,304		
Term 1 (year 2)			
"Train the trainer" Instructor (year 2)	\$ 30,000	Schedule B	
Consultation (Best Practices) (year 2)	\$ 48,000	Schedule A	
Drone Dynamics Advanced Public Safety Deployment Equipment Bundle. (year 2)	\$ 110,400	Schedule C	
Total Term 1 (year 2)	\$188,400		
Term 2 (years 3, 4, 5):			
Consultation (Best Practices) (year 3)	\$ 48,000	Schedule A	* Optional _____
Consultation (Best Practices) (year 4)	\$ 48,000	Schedule A	* Optional _____
Consultation (Best Practices) (year 5)	\$ 48,000	Schedule A	* Optional _____

See schedules A, B, C for detailed deliverables, costs, and exclusions.

* Note: Initials next to optional components indicate continuation of ongoing support, maint., and legal/regulatory compliance, Consultation (Best Practices), beyond years 1 & 2.



Automatic Renewal.

Comprehensive Consultation, Training, Equipment, Support & Maintenance, as defined by Schedules A, B, C, are provided by Drone Dynamics during Term 1 (yrs 1 & 2). Drone Dynamics Consultation (Best Practices) (year 2), as defined by Schedule A, will be renewed automatically and in effect through Term 2 unless notice not to renew is provided not more than 120 days and not less than 60 days prior to the end of the 2nd year anniversary. All parameters for Term 1 are applicable, except as noted. Upon non-renewal continued follow-on training, support, recertification, maintenance and equipment refresh will need to be re-quoted. Equipment trade-in/refresh will be considered upon annual contract renewal and determined by Drone Dynamics based upon consultation with client's flight operations teams and new mission requirements.

Travel & Expenses

- All travel conducted by Drone Dynamics personnel to be pre-approved by Hidalgo County.
- Travel time is accounted for within the Consultation (Legal, Regulatory, PR), and Consultation (Best-Practices) bundles. See Schedule A.
- Shipping on equipment billed as pass-through.

Payment Schedule Summary

- 30% initial services payment for
 - 1) Legal, Regulatory, and PR. 2) Drone Operator's Training Program.
 - No work to commence until receipt of initial services payment.
 - Training Equipment to be shipped and invoiced at start of contract.
- 35% payment invoiced and due 30 days at start of contract
- 35% final payment due within 60 days from start of contract or at delivery of Deployment Equipment, whichever comes first.
- Consultation (Best Practices) (Term 1 & 2) to be invoiced quarterly:
- A monthly statement of hours consumed will be provided by Drone Dynamics Implementation Manager with a minimum of 4 hrs/mo (year 1), 10 hrs/mo (years 2, 3, 4, 5) required to maintain business continuity, and flight team proficiency. Unused Consultation (Best Practices) hours can be "rolled over" and credited towards the next month and subsequent terms. Unused hours remaining in Q4 may be applied to the purchase of additional Drone Dynamics equipment, Drone Dynamics "train-the-trainer" per student fee, or additional Drone Dynamics support/maintenance.
- **NO CANCELLATIONS OR REFUNDS ON PAID FUNDS**



Schedule A

Consultation (Legal, Regulatory, Public Relations) is a turnkey component available at \$15,000.00 @ discounted rate of \$200/hour, capped at 75 hrs/yr. Additional consultation is billable at \$250/hr.

Consultation (Best Practices) is bundled as follows:

- year 1: offered at \$13,600 @ discounted rate, capped at 50 hrs/yr. Additional consultation is billable at \$250/hr. A total of 6 bi-monthly onsite visits included. Standard deliverables are prioritized over all other optional add-ons.
- Years 2, 3, 4, 5 offered annually at \$48,000 @ discounted rate, capped at 200 hrs/yr. A total of 12 monthly onsite visits included. Additional consultation is billable at \$250/hr. Standard deliverables are prioritized over all other optional add-ons.

Consulting Bundle	Bundle cost	Consultation Definition
Consultation (Legal, Regulatory, Public Relations, and Best Practices) Bundle (year 1)	\$15,000	<ul style="list-style-type: none"> • FAA section 333 & COA application. • Initial and ongoing Policy writing and support. • COA, N number updates if applicable. • Updates on relevant new laws, regulations. • Capped at 75 hours/yr, additional billed @ \$250/hr.
Consultation (Best Practices) Bundle (year 1)	\$13,600	<p>Standard:</p> <ul style="list-style-type: none"> • Onsite Quarterly Business Reviews (QBRs) reviewing contract performance, client goals and objectives. • Approved business travel. • Mission-type definition • Industry best practices and technology trends • Proactive flight control, mission planning software upgrade recommendations. Software to be provided by drone equipment vendor. • Quarterly flight training material, flight manuals audits, and updates. • Drone operator & instructor certification and recertification. • Camera and payload operational recommendations. <p>Capped at 50 hours/yr, additional billed @\$250/hr.</p>

Consultation (Best Practices) Bundle (years 2, 3, 4, 5)	\$48,000	Standard: <ul style="list-style-type: none"> • Onsite Quarterly Business Reviews (QBRs) reviewing contract performance, client goals and objectives. • Approved business travel. • Mission-type definition • Industry best practices and technology trends • Proactive flight control, mission planning software upgrade recommendations. Software to be provided by drone equipment vendor. • Quarterly flight training material, flight manuals audits, and updates. • Drone operator & instructor certification and recertification. • Camera and payload operational recommendations. Capped at 200 hours/yr, additional billed @\$250/hr.
Optional consultation:		Concept, architecture, high-level design consultation for video feed, livestreaming, data storage, mapping & 3D modeling applications.

- Drone Dynamics will assign a designated Implementation Manager to oversee governance across all domains of the engagement. Performance is reported during Quarterly Business Reviews (QBRs). Customer success, compliance, and investment protection is realized via ongoing proactive consultation that provides periodic updates to new laws/regulations, industry trends and as new technology hardware and software emerges providing new capability.
- Ongoing Best Practices consultation ensures that all equipment, and operating procedures are updated based on recommended maintenance schedules and audits.
- Term 1 Consultation (Legal, regulatory, and PR) deliverables are available as updates bundled in Term 2 Consultation (Best Practices).



Schedule B

A) Drone Operator’s Training Program and Certification.

Includes 112 hours of (basic, intermediate, advanced) classroom, field-based training, written & hands-on proficiency tests. 6 full Drone Dynamics Training Program DJI Phantom 3Pro bundle kits. Also includes 75 hours of FAA instructor-led training. Includes annual support & maintenance.

Quantity	Item Description	DD Cost per Unit	DD Cost Total
6	Quadcopter (Phantom 3 Advanced)	\$ 613	\$ 3,678
6	Quadcopter Hard Transport Cases	\$ 152	\$ 912
18	Quadcopter LiPo Batteries	\$ 96	\$ 1,728
8	Spare props 2 pr	\$ 8	\$ 64
4	LiPo Batteries	\$ 45	\$ 180
4	LiPo Battery Meters	\$ 159	\$ 636
1	Portable Wind Meter	\$ 10	\$ 10
1	Weather Station Tripod	\$ 85	\$ 85
1	Weather Station Case	\$ 100	\$ 100
2	Platform Repair Kits	\$ 250	\$ 500
2	Repair Cases	\$ 35	\$ 70
	Equipment Total:		\$ 7,963
	Taxes : (to be assessed on invoice)		
	Annual Support & Maintenance		\$ 1,593
1	Comprehensive FAA compliant Drone Pilot/Operator Training (up to 30 students)		\$ 28,900
	Training Total (year 1)		\$ 38,456
4	“Train-the-Trainer” Instructor (year 2)	\$ 7,500	\$ 30,000

Training Equipment:

- Any equipment not listed above is excluded from this schedule.



- Annual Support & Maintenance covers full replacement (during Term 1) (vehicle, controller, sensor), including next business day shipping.
 - (Qty 2) Phantom 3 Advanced
 - Equipment repair rates billed @ \$175/hr + parts.
- Equipment tune-up based on standard Drone Dynamics flight hours maintenance schedule. Loaner equipment available to minimize downtime.
- Equipment trade-in/refresh will be considered upon annual contract renewal and determined by Drone Dynamics based upon consultation with client's flight operations teams and new mission requirements.
- Shipping on equipment billed as pass-through.

Training:

- Group rate based on a minimum of 6 students, maximum of 30. A total of 15 students to advance and complete Intermediate level, and 15 students to complete Advanced.
- Incremental groups of 6 students can be added for \$14,000/group, plus travel expense.
- Individual student rates are \$3,500/person, plus travel expense.
- Onsite or Austin-based training options available.
- During year 2 authorized Hidalgo-County instructors are permitted to conduct training using Drone Dynamics Training program content, process, and materials exclusively to additional Hidalgo County-only students at an incremental charge of \$750 per student. A total of 4 onsite visits included.
- Training program content, process, and materials represent Drone Dynamics intellectual property.

B) Training Program

Upon successful completion of the overall Drone Dynamics Training Program each student will receive a certificate for Drone Pilot's (Basic, Intermediate, and Advanced) sUAS Pilot Safety Course. As well, Hidalgo County will receive a drone student evaluation & proficiency report from Drone Dynamics certified instructors.

Drone Dynamics Basic Pilot Safety Training Program:

Week One: Two days (16hrs) Multi-rotor and Fixed wing Simulator-based Training

Week Two: One day (8hrs) Programming and Basic Pilot Safety Training Course with issuance of 6 Quadcopters (Phantom 3 Advanced) complete kits to students.



Training Objectives:

- Student will be familiar with basic platform safety.
- Student will be familiar with all laws restricting the flights of sUAS.
- Student will be familiar with No Fly Zones.
- Student will be familiar with FAA regulations pertaining to sUAS deployment. Student will be familiar with setting up their UAV platform, updating firmware, and understand the sUAS software interface.
- Student will be familiar with indoor/outdoor take-off and landing procedures.
- Student will be familiar with Drone Pilot Basic, Intermediate, and Advanced Training Courses and Certifications.
- Student will be familiar with all laws restricting the flights of sUAS.
- Student will be familiar with FAA regulations pertaining to sUAS deployment.
- Student will have a basic knowledge of the different types of applications for sUAS.
- Student will have a basic knowledge of the dangers with maintaining and piloting sUAS.
- Student will have a basic knowledge of sUAS components, functions, and basic maintenance requirements.
- Student will be proficient in performing a sUAS flight check and platform inspection.
- Student will be proficient in documenting sUAS maintenance, flights, and changes in payload.
- Student will be familiar with Flight Team roles and responsibilities.
- Student will be introduced to sUAS online and hands-on flying communities and insurance options.
- Student will show proficiency in basic orientation flying before a completion certificate can be awarded for the Drone Dynamics Basic Pilot Safety Course.

Week Three: One day (8hrs) hands-on Fixed-wing and Multi-rotor Orientation Flight Training.

Week Four: One day (8hrs) hands-on Fixed-wing and Multi-rotor Flight Training and Test-out.

Total Training Duration: 5 days (40hrs) over four weeks

Drone Dynamics Intermediate sUAS Flight Team Safety Training Program

Week One: One day (8hrs) Intermediate Flight Team Safety Training Course

Training Objectives:

- Student will hold a certificate for the Drone Dynamics Basic sUAS Pilot Safety Course.
- Student will be familiar with flight team roles and responsibilities.
- Student will be familiar with up to date FAA regulations pertaining to sUAS deployment.
- Student will be proficient in performing a sUAS flight check and platform inspection.
- Student will show proficiency in emergency procedures, manual flight, and flight operations in First Person View (FPV).
- Student will show proficiency in emergency procedures before a completion certificate can be awarded for the Drone Dynamics Intermediate sUAS Pilot Safety Course.

Week Two: One day (8hrs) Hands-On Emergency Procedures Flight Team Training

Week Three: One day (8hrs) Hands-On Manual Flight Team Training and FPV Flight Team Training

Week Four: One day (8hrs) Hands-On FPV Flight Team Challenge and Intermediate Course - Test Out



Total Training Hours: 4 days (32hrs) over four weeks.

Drone Dynamics Advanced sUAS Flight Team Training Program

Week one: One day (8hrs) Advanced Flight Team Safety Training Course

Training Objectives:

- Student will hold a certificate for Drone Pilot's Intermediate sUAS Pilot Safety Course.
- Student will have understanding of FAA 333 exemption and Certificate of Authorization (COA) process.
- Student will be introduced into advanced drone payloads and autonomous/equipment.
- Student will be introduction into sUAS support equipment.
- Student will show proficiency in mission planning.
- Student will show proficiency in site advance/assessment.
- Student will understand solar flares and monitoring weather conditions.
- Student will show proficiency in completing a aerial photography mission before a completion certificate can be awarded for the Drone Dynamics Advanced sUAS Pilot Safety Course.

Week Two: One day (8hrs) Advanced Aerial Vehicle Components and Support Equipment

Week Three: One day (8hrs) Hands On Operation of Mission Ready sUAS, Flight Team Assignments and operations.

Week Four: Two days (16hrs) Public Safety Flight Team Mission Scenarios and Final Test Out Flight Team Mission.

Total Training Hours: 5 days (40hrs) over four weeks.



Schedule C

Drone Dynamics Public Safety Deployment Equipment

Quantity	Item Description	DD Price per Unit	DD Price Total
	Public Safety Deployment Equipment (year 1):		
6	Inspire PRO w/ X5 camera kit *	\$ 3,920	\$ 23,520
36	TB48 5700mah battery	\$ 134	\$ 4,824
1	Batt Charger - commercial grade	\$ 399	\$ 399
6	GoProfessional Case (waterproof)	\$ 375	\$ 2,250
12	Spare QR props, 1 pr	\$ 6	\$ 72
4	64gb SanDisk Extreme	\$ 41	\$ 164
6	Tablet Apple Air2	\$ 663	\$ 3,978
	Equipment Total:	\$ 5,538	\$ 35,207
	Taxes: (to be assessed on invoice)		
	Annual Support & Maintenance (years 1, 2) (20%)		\$ 7,041
	Total (year 1)		\$ 42,248
	Public Safety Advanced Deployment Equip. (year 2):		
2	Fixed-wing system	\$25,000	\$ 50,000
4	DJI XT Thermal Flir 640-512 FLIR	\$10,500	\$ 42,000
	Annual Support & Maintenance (year 2) (20%)		\$ 18,400
	Total (year 2):		\$110,400
	Note *: kit includes: <ul style="list-style-type: none"> • 1 DJI Inspire Pro black, • 1 Zenmuse X5 camera + 3-axis gimbal, • 2 remote controllers, • 2 batteries, • 1 battery heater, 		



	<ul style="list-style-type: none"> • 1 tablet sunshade, • 1 quad charger, • 2pr spare props 		
	<p>Exclusions:</p> <ul style="list-style-type: none"> • Tethered drone • Livestreaming configuration • Cloud based storage, and cloud-based and desktop mapping 3D modeling infrastructure • Contract flight services. 		

- Annual Support & Maintenance covers full replacement (during the Term 1) (vehicle, controller, sensor), including next business day shipping.
 - (Qty 2) Inspire Pro, X5
 - Equipment repair rates billed @ \$175/hr + parts.
- Support and Maintenance for Advanced Deployment Equipment includes (Qty 1/unit) quarterly tune-up and (Qty 1/unit) repair. Does not cover full replacement.
- All equipment tune-up based on standard Drone Dynamics flight hours maintenance schedule. Loaner equipment available to minimize downtime.
- Equipment trade-in/refresh will be considered upon annual contract renewal and determined by Drone Dynamics based upon consultation with client’s flight operations teams and new mission requirements.
- Shipping on equipment billed as pass-through.