



# Statement of Work

## Exhibit A to Master Professional Services Agreement

This Statement of Work is entered into in connection with the Master Professional Services Agreement ("Agreement") by and between SADA Systems Inc. ("SADA") and **Hidalgo County, Texas** ("Customer") effective as of the last date of execution by either signatory herein ("Effective Date"). The terms and conditions of the Agreement are incorporated herein by reference. Capitalized terms not defined in this Statement of Work will have the same meaning given to them in the Agreement. This Statement of Work describes certain Services and deliverables that will be provided by SADA to Customer pursuant to the terms and conditions of the Agreement.

**Customer:** Hidalgo County, Texas  
**Corporate Address (city, state, ZIP):** 100 North Closner Boulevard, Edinburg, Texas 78539  
**Entity:** County Government  
**State of Organization:** Texas

### Services Descriptions

The following are product and service descriptions for the items listed in the 'pricing' section. Only the items included in the pricing table will be considered within scope.

#### G Suite Core Product Activation

SADA will advise on and assist with the initial setup of the G Suite Admin Panel to the point that the settings & configurations are ready for any of the G Suite launches. Customer will be equipped to configure and maintain application policies and settings within G Suite in order to meet their unique business needs.

#### SADA Responsibilities and Deliverables

- Conduct up to two (2) ninety minute workshops with the Customer's designated IT Admin(s) to review activation of core G Suite products, knowledge walkthrough, and sharing of best practices for managing the G Suite Admin Panel
- Guidance in the configuration of email routing rules (including split delivery, if required).
- Advise on and finalize setup of spam settings and virus settings with IT Admin(s).
- Advise on best practices covering Browsers, Network, and Integration Concepts as they relate to G Suite core services.
- Advise on known best practices and watchpoints for disabling core G Suite applications.
- Advise on Multiple Domain Management best practices, if applicable.
  - This would include assistance with multiple domain configuration, verification completion, and review of applicable best practices and watchpoints
- Guidance on DNS records (MX, CNAME, and A record), including custom web address creation for end user ease of use
- Recommendations for the deployment of the G Suite training application.
- Showcase standard G Suite Admin Panel Roles and advise on custom roles needed.
- Provide best practice security recommendations for administration settings
- Manually provision and assign Admin accounts.

#### Customer Responsibilities

- Understanding company application and sharing policies, and if applicable, organization understanding of industry compliance standards

- Understanding necessary admin roles needed to manage the environment from an admin and helpdesk levels.
- Configuring and enabling G Suite policies and settings within the Admin Panel to meet business and compliance standards prior to the launch cycle
- Gaining understanding of the G Suite console to the point of being able to take point post-deployment
- Gathering and providing any/all key applications that are intertwined within the legacy mail platform and/or will be required for G Suite (anything past advisement of paths to configure is out of scope)
- Communicating application policy updates to users
- Identifying network limitations and, if needed, updating configurations
- Configuring third party applications, such as provisioning, encryption, single sign on, MDM, etc, required for the roll-out of G Suite, unless otherwise noted in the SOW.

### Google Vault Basic Configuration

Google Vault allows your organization to manage data retention with a centralized, searchable archive so you can locate data quickly in the event of legal discovery. SADA will partner with Customer Admins and Legal Teams to ensure they are equipped with the Vault best practices, watchpoints, and knowledge in order to maintain and utilize Google Vault post deployment.

#### *SADA Systems' deliverables and responsibilities*

- Conduct up to one (1) ninety minute workshops on Vault Management to Customer Admins. These workshops can cover:
  - How to create default and custom retention rules for mail, drive, and groups
  - Understanding Vault Admin Privileges
  - How to create legal holds
  - How to search and export data
  - How to share Legal Matters
- Provision custom Vault Admin Roles with required privileges.
- Provision Vault Admin Role assignments to designated Vault admins

#### *Customer responsibilities*

- Provide privilege requirements for Vault Admin Roles
- Provide list of user emails needing Vault Admin Roles;
  - If multiple Vault Admin Roles exist, Specific Role should be designated.
  - If Vault Admin should only have access to a specific region, Region should be designated.
- Create all required Retention Rules and Legal Holds within Google Vault with assistance and guidance from SADA
- Provide written sign-off on Admin Roles and Assignments which SADA implemented and confirmation all Legal Holds have been created by Customer legal team. Sign-off and confirmation must be provided at least three weeks prior to Core IT Go Live or first Go Live.

### Provisioning & Lifecycle Management

#### Google Cloud Directory Sync (GCDS)

Google Cloud Directory Sync (GCDS) runs as a utility in Customer server environment to provide one-way synchronization of LDAP data to G Suite. LDAP will continue to be maintained as the source of truth for all items synchronized. GCDS supports sophisticated LDAP rules for custom mapping of users, groups, non-employee contacts, rich user profiles, aliases, and exceptions.

*What is the Agreed Upon Process*

- Configurations will be created against up to 1 Active Directory domain.
- SADA's process will be as follows:
  - GCDS tool will be installed and verified that it is able to connect to the customer's AD / LDAP server and G Suite environment
  - Up to two (2) 90 minute workshops to include:
    - LDAP Environment Discovery
    - GCDS Tool Workshop
  - Configure GCDS
  - Simulation
  - Implementation
  - One 60 minute Handoff Call

*SADA Systems' deliverables and responsibilities*

- Review customer's LDAP Directory structure
- Build configuration of GCDS to sync only necessary LDAP items.
- Provide a simulation to customer for approval prior to any production syncing.
- Configure a scheduled task to continue ongoing syncs, if desired.
- Provide final Configuration documentation

*Customer Responsibilities:*

- Customer will provide SADA with desired LDAP items to be synced
- Customer will review and approve configuration and simulation sync reports prior to implementation to production

Prior to first workshop, the tool should be installed and verified that it is able to connect to the customer's LDAP server and G Suite environment.

**Distribution List Provisioning**

While many customers use automated processes from Active Directory to manage user accounts and user profiles, distribution lists are typically managed by end users from the legacy mail system. This would require immense amount of time to ensure distribution lists are up to date in Active Directory and admins are taking away a functionality that end users may desire to keep.

SADA will configure in bulk all of Customer's currently active distribution lists as Google Groups - Email Lists.

*SADA Systems' deliverables and responsibilities*

- Provide Customer with up to three CSV templates : (1) Group Creation + Default Group Settings, (2) Group Members, (3) Group Managers/ Owners
- Provision Customer distribution lists as Google Groups in one (1) bulk upload.
- Perform a one time (1x) application of access rights and account settings based on the completed template provided by the customer.

*Customer Responsibilities*

- Provide SADA with CSVs completed with desired group details. At minimum, Customer is required to provide distribution list emails and member emails. Manager/owner emails and desired changes to default group settings must be provided if applicable.
- Customer must validate and sign off on settings and membership no later than 3 weeks prior to Global Go Live

\*SADA will leverage scripts utilizing Google APIs that will need to be enabled in order to create groups and apply settings in bulk. Once the project is complete, the customer may disable specific API access.

## Authentication

### G Suite Password Sync (GSPS)

G Suite Password Sync (GSPS) automatically keeps users' G Suite passwords in sync with their Active Directory passwords. Whenever a user's Active Directory password is changed, GSPS pushes the change to G Suite immediately. GSPS is a one-way sync from AD to G Suite, and will not update passwords in AD if they are reset in G Suite.

#### *What is the Agreed Upon Process*

- Installation and Configuration
- Scheduled Reboot of all servers
- Communication to users for Password Change

While best practice is to ensure passwords are syncing prior to Core IT phase, GSPS should be implemented in production at latest three(3) weeks prior to Early Adopters Go Live.

#### *SADA Systems' deliverables and responsibilities*

- Configure GSPS for up to 2 Directory Controllers (DC's) while customer shadows.
- Provide training on implementation for additional DC's not included in scope.
- Ensure Customer's password policy meets G Suite's minimum complexity requirements
- Ensure G Suite Password complexity is configured to meet Customer's password policy, so long as policy exceeds the G Suite minimum requirement.

#### *Customer responsibilities*

- Provide remote access to all DC's which SADA is installing GSPS on.
- Schedule and reboot DC's after GSPS has been installed by SADA.
- Provide documentation on password complexity policies.

Note: The GSPS tool is provided by Google and implemented by SADA. Active Directory 2003 and higher are supported.

## Data Migration

### SADA Premium Migration

SADA Systems will deploy and configure data migration tool(s) on the Customer's server that will be used to transfer data to G Suite. The transfer will use available outgoing bandwidth from the location where the existing data/servers are located.

#### *What is the Agreed Upon Process*

- Up to 1,700 users will be migrated from Zimbra
- Migration will be for Mail, Calendar, Contact, Tasks, data within a users account (What Migrates)
- Migrations will be against up to 1 single source domain.
- Migrations will be against up to 1 single mail server.
- Migrations will be conducted in up to 3 "Go Live Phases"
  - A Go Live Phase is a defined list of users to be migrated or mail flow changes to essentially 'activate' that set of users in G Suite.
  - Weekend Support from any SADA team member will be limited to 4 hours per Go Live Phase
- SADA's process will be as follows:
  - Discovery
  - Setup/Validation
  - Test Migrations
  - Go Live Phase
    - Will repeat up to 3 times according with the number of phases agreed upon
  - Stabilizations

- Will repeat up to 3 times according with the number of phases agreed upon

Discovery	Setup/Validate	Test Migrations	Go live *	Stabilization*
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\*repeats up to 3 times according to the number of phases

*SADA Systems' deliverables and responsibilities:*

- Collect the needed materials and insights into the Source System during the Discovery phase.
- Deploy and configure data migration tool(s) on the Customer's server that will be used to transfer data to G Suite.
- Conduct test migrations according to SADA's lead engineer's findings during discovery.
- Run Go Live Migrations by preparing, starting, and monitoring migration machines during the process.
  - If SADA's lead engineer determines older mail is to run prior to launch, this will only be done in 1 bulk run. If more users are requested to be added, they will need to be part of the bulk migration run during Stabilization (see below)
- Stabilize Go Live migrations by investigating any reported 'missing' data that was part of the planned migration.
  - SADA will run 1 single bulk migration of any 'missed' users during the stabilization and will not conduct more than 1 round per Go Live Phase

*Customer Responsibilities:*

- Customer is responsible for providing migration machines with the specifications listed below, unless otherwise mentioned
- Customer is responsible for enabling forwarding on all user accounts that will be migrated to their destination G Suite account, unless otherwise mentioned.
- Based on the discovery phase, SADA will define a Migration Strategy that will fit best for the customer. Customer is responsible for approving the Migration Strategy prior to moving out of Discovery phase.
- Customer is responsible for populating and managing any user list requested by the Project team, according to the format defined by the SADA team. Failure to deliver accurate lists in a timeline manner will impact schedule and will jeopardize the project success.
- If migrating inactive users, customer is responsible for enabling these users in the source in order to migrate data.

Migration from Archive or local storage (such as PST, OST Archives) is not in scope.

**Migration Machine Specifications:**

64 bit Operating system: Windows 7/Windows 8/Windows 10/Windows Server 2008 R2/2012/2016 (Clean build recommended)

NET Framework 3.5 (for SQL Server Express) and 4.5

Recommended system specification::

- 3GHz 8 Core Processor or better
- 200+GB Disk space
- 16+GB Memory

Number of Machines recommended. 3\*

\*Based on the discovery phase this recommendation can increase.

**\*\*Special Note - SADA does not directly support these services listed below)**

**Google Analytics**

Per [email from Analytics support](#), the Google recommended approach is to use [the Analytics management API](#). This

approach will require the partner or Customer to write code using the API to export the data relationships prior to migration and re-create them for the migrated users after the migration.

At least two scripts will be needed: an export script and an import script. The export script saves the data relationships prior to migration to some intermediate data store (local files or cloud). The import script reads the intermediate data store and re-creates the data relationships for the re-created users after the migration

### **Google DoubleClick (specifically DoubleClick for Publishers (DFP))**

Per [email from DoubleClick support](#), the Google recommended approach is to have support fix the GAIA IDs after the merge. Specifically:

1. Coordinate with DoubleClick support through a ticket before the merge to minimize the time when users will not have access to DoubleClick data.
2. Delete the users, delete the domain, and wait for the domain to be purged.
3. Re-create the domain and users and migrate the G Suite data as described in the G Suite to G Suite migration documentation.
4. Provide DoubleClick support with the list of users to fix.

### **Calendar Resources Migration**

SADA will deploy and configure the migration tool which will be used to transfer the contents of calendar resources to G Suite. The transfer will use available outgoing bandwidth from the location where the existing data/servers are located. G Suite calendar resources support migration of appointments only.

#### **What is the Agreed Upon Process**

- Up to 20 calendar resources will be migrated from Zimbra
- Migrations will be for events/appointments within a calendar resource
- Migrations will be against up to 1 single source domain.
- Migrations will be against up to 1 single mail server.
- Migrations will be conducted in up to 1 "Go Live Phase"
  - A Go Live Phase is a defined list of users to be migrated or mail flow changes to essentially 'activate' that set of users in G Suite.
- SADA's process will be as follows:
  - Discovery
  - Setup/Validation
  - Global Go Live Phase
  - Stabilization

#### **SADA Systems' deliverables and responsibilities**

- Conduct Discovery with customer by collecting the needed materials and insights into the Source System
- Deploy and configure data migration tool(s) on the Customer's server that will be used to transfer data to G Suite.
- Create 1 batch run of new calendar resources in Google based upon an agreed upon list from the customer.
- Run 1 Go Live Migration by preparing, starting, and monitoring migration machines during the process.
  - Calendar Resource Migration is set to occur at Global Go Live
  - Before Global Go Live, users are expected to continue working in Source platform for these. Issues created due to incorrect bookings must be resolved by end users
- Stabilize Go Live migrations by investigating any reported 'missing' data that was part of the planned migration.

- SADA will run 1 single bulk migration of any 'missed' calendar resource bookings during the stabilization. These must be part of the planned migration that were missed.

*Customer Responsibilities*

- Customer is responsible for populating and managing any list requested by the Project team, according to the format defined by the SADA team. Failure to deliver accurate lists in a timeline manner will impact schedule and will jeopardize the project success.
  - Customer will need to create a file that maps calendar resource email to the email address in G Suite
  - Customer will need to create a file that maps user emails to email address associated to calendar resource in G Suite for permissions.
- Customer is responsible for reviewing and confirming the Default Calendar Resource settings prior to the Global Launch.

**Adoption Consulting and Training**

SADA recognizes the critical role training, change management, and overall user adoption plays in a successful project rollout. Our Enterprise Consultants will work closely with each client to tailor a comprehensive plan in order to drive user adoption. This plan will include the following:

- Change and Transformation Plan:  
SADA will work with Hidalgo County to create a comprehensive Change and Transformation Plan for the purpose of having a roadmap to guide all rollout initiatives, activities, communications, etc. This document includes a calendar of events/activities (such as those determined from the G Suite Ambassadors Program, Adoption Marketing Strategy, Adoption Labs, etc.) as well as who will execute (Executive Sponsor, IT, Managers, etc.) and via which vehicle (newsletters, lunch and learn, information booth, etc).
- Customized Communication Templates:  
SADA will work with Hidalgo County to understand the fundamental value of having a communication plan. We will work with Hidalgo County to customize SADA's standard communication templates that can be sent out to their users providing the critical 'who, what, when, where, and why' so that users are knowledgeable about when the change will be occurring and how they need to proceed. These communications will also be built into the Change and Transformation Plan.
- Adoption Consulting:  
SADA will offer coaching throughout the entire project to help drive successful adoption. This coaching will vary based on the needs of Hidalgo County, however, it may include any of the following.
  - Weekly status meetings
  - Follow up items
  - Change management consulting
- Custom G Suite Learning and Resource Center:  
SADA will provide an initial G Suite Learning & Resource Center which utilizes Google Sites technology and can serve as the central repository of information for your end users. Essential training information, tips and tricks, and relevant project information are provided to support the weeks surrounding a G Suite transition. Users will have access to information in a variety of formats including documentation and short training videos.
- Training:  
SADA recommends the following training:
  - 10 remote webinars
  - 2 days (consecutive) onsite training (one trip per Go Live)

*End user Training:* These sessions may be used towards the services that SADA is deploying and generally include Gmail, Calendar, Docs or other aspects of G Suite as determined by the Client and/or SADA Trainer. SADA will consult with the client to develop a virtual and on site training strategy that meets both budget and logistical needs. Targeted sessions are available for Executive/Administrative Assistants who will have delegated access to a mailbox and/or calendar. *VIP White Glove:* Allocated training time may be used to provide white glove support to VIPs and/or their Assistants. This may be 1:1 support or group support. Training sessions are tailored to their unique workflows and needs.

*Train-the-Trainer:* SADA offers Train the Trainer courses in the form of on site or online webinar-style training sessions, or a combination of both. SADA trainers work with staff to learn the material, and may also offer an outline of the content that can help in preparing the new trainers for their role.

- Training Considerations:

*Webinars:*

- All webinars have a minimum of five (5) participants and a maximum of 100 participants.
- All webinar sessions shall be conducted between the hours of 6:00AM and 7:00PM PT (Pacific Time), Monday through Friday (with the exception of national holidays).
- Webinars are up to 90 minutes, however 60 minute sessions are considered best practice.
- SADA may record webinars and provide upon request. SADA training is intellectual property and should remain limited to Hidalgo County staff only (with no public sharing on services like YouTube).

*Onsite Training Sessions:*

Onsite training is scheduled for up to eight (8) hours per day during normal business hours of the location where the training occurs. Training will not exceed more than eight (8) hours in a single day, nor will it exceed 5 days in a week.

- Training schedules will be constructed to allow 15 minutes between sessions and a minimum 60 minute lunch break.
- All client travel expenses will be billed to Hidalgo County (see SADA Employee Travel Considerations section)
- Recommended onsite training strategy is 3 sessions (up to 90 minutes each) and one "open office" session (up to 105 minutes) for Q&A for all staff.
- SADA will provide a single resource for onsite training. Hidalgo County may request an additional resource, but it will be at SADA's discretion based on availability and will be subject to additional cost.
- Training will be done between 8AM - 5PM local time.

*Additional Change Management Considerations*

- All training must be scheduled three (3) weeks prior to 'Go Live(s)', and completed within four (4) weeks of final 'Go Live' date.
- Any modifications or cancellations to training sessions (i.e. rescheduling date, or time of training session) must be finalized ten (10) business days prior to the originally scheduled session when travel is required. If travel is not associated with the scheduled session, modifications or cancellations may be made up to five (5) business days prior to the originally scheduled session. Any changes made within this timeframe will incur the below additional fees:
  - Fifty percent of the value of the training session(s) as defined in the pricing table, or \$1,000 per onsite training day per resource + \$300 per webinar, whichever value is higher.



- Costs of changed/ canceled travel including but not limited to hotel fees, airline fees, etc.
- Additionally, if no participants log into the webinar after fifteen (15) minutes of the scheduled start time the session will be billed toward the project.
- All sessions are conducted in English only.
- All SADA's deliverables will be in the English language. Hidalgo County is responsible to secure translation services, and responsible for the accuracy of all translated items. SADA cannot vet the accuracy of any translated material from the English language to any other language.

*SADA Employee Travel Considerations*

\*Required For All Onsite SADA Systems Provided Resources

Any travel expenses that arise from this project will be billed according to Customer Travel Policy.

**Project Management**

SADA's assigned Project Manager, along with customer assigned Project Manager, will be overall responsible for leading the contracted scope of work to completion. Based on established roles and responsibilities, the project management activities will include defining and managing the following core deliverables and activities:

- Project Kickoff
- Project governance
- Project management processes
- Scope validation and management
- Management of baselined and progressive project schedule
- Status reporting
- Ongoing management of Decisions, Risks, Issues, and Change Requests
- Budget Management

In addition, SADA's Project Management team will serve as coach and advisors for best practices throughout the project life cycle for inscope work.

**Pricing and Payment Terms**

The following charges apply to the Services to be performed under this Statement of Work, all prices listed are US Dollars. Anything not specified in the following pricing table is not within scope, including the following: (a) the acquisition and implementation of necessary hardware or software required to complete this project, (b) deployment or support of desktop software, (c) direct end-user assistance of any type, (d) installation or configuration of an internal SMTP relay, (e) migration of PST data, centrally archived data, or encrypted mail, and (f) the removal, uninstallation, retirement, or decommissioning of any elements within the existing messaging platform.

**Pricing Table**

Service Description	Price	Quantity	Amount
Core Product Activation - Standard	\$3,000.00	1	\$3,000.00
Vault Basic Configuration	\$995.00	1	\$995.00
Provisioning:	\$3,490.00	1	\$3,490.00
- GCDS - Google Cloud Directory Sync			
- Distribution List Provisioning			

GSPS - G Suite Password Sync	\$1,995.00	1	\$1,995.00
Data Migration - Premium	\$27,782.00	1	\$27,782.00
Calendar Resources Migration	\$1,995.00	1	\$1,995.00
Adoption Consulting and Training	\$19,235.00	1	\$19,235.00
Project Management	\$11,698.00	1	\$11,698.00

	Deployment Services Subtotal	\$70,190.00
	Google Deployment Voucher Discount (up front)	(\$25,000.00)
	Google Deployment Voucher Discount (at 50% active usage)	(\$25,000.00)
	<b>Deployment Services Grand Total***</b>	<b>\$20,190.00</b>

\*\*\*All sales taxes which are properly payable in connection with this Agreement under the Applicable law shall be paid by Customer.

### Payment Schedule

Payment	Invoice Date	Amount
50% of Services	Agreement Signature Date	\$10,095.00
50% of Services	Deployment Project Completion Date	\$10,095.00
	<b>Total Cost</b>	<b>\$20,190.00</b>

### Invoices and Payment:

SADA will invoice Customer for all amounts due under any executed Ordering Document or Statements of Work in accordance with the schedule set forth in such executed Statement of Work. Each invoice submitted to Customer pursuant to this Agreement will be due and payable by Customer in accordance to the Texas Prompt Payment Act. Payment is accepted by check or ACH/EFT in U.S. Dollars.

#### **Bank Information**

#### **Automated Clearing House (ACH) or Electronic Funds Transfer (EFT)**

Wells Fargo Bank  
 Swift Code: WFBUS6  
 464 California St. San Francisco, CA 94104  
 Routing Number: 121042882  
 Bank Account Name: SADA Systems, Inc.  
 Bank Account Number: 7757670067

#### **Remittance Address:**

SADA Systems, Inc  
 5250 Lankershim Blvd., Suite 620  
 North Hollywood, CA 91601  
 ATTN: Accounting  
 accounting@sadasystems.com

## Customer Information & Project Scope

### Billing Contact Information

Full Name	Daniel Silguero
Phone	956.205.7003
Email Address	<a href="mailto:daniel.silguero@co.hidalgo.tx.us">daniel.silguero@co.hidalgo.tx.us</a>

### Technical Administrator Contact Information

Full Name	Daniel Silguero
Phone	956.205.7003
Email Address	<a href="mailto:daniel.silguero@co.hidalgo.tx.us">daniel.silguero@co.hidalgo.tx.us</a>
Off Domain Email Address	<a href="mailto:dsilguero83@gmail.com">dsilguero83@gmail.com</a>

### Project Scope (items outside of these scoping variables are not included in this SOW)

Source Data Platform	Cloud Hosted Zimbra
Number of Secondary or Sub Domains	0
Max Number of Accounts for Data Migration	1700
Total Data Migration Size Not to Exceed (GB)	2048

### Migration Type(s) - (Items marked YES are included within the Project Scope)

	YES	NO
Mail	X	
Calendar	X	
Contacts	X	
Public Folders		X
Files		X
Sites		X
Google Drive		X
Shared Mailboxes		X
Google Groups		X

#### Delivery of Services by SADA:

1. Customer acknowledges that SADA will provide development and deployment services not to exceed the Term for this SOW, 120 days starting from the project kickoff date. If SADA receives no communication from Customer for a 30 day period, SADA will close the project and bill for services rendered.
2. Any contingent Deployment Voucher Discount shown in the Pricing section of this document will be paid to SADA by Google in the form of a credit if Customer attains 50% usage on G Suite, as determined by the G Suite Admin Control Panel report covering any 30-day period during the first year of Customer's G Suite service. If Customer does not meet this 50% usage threshold within first year of service, an amount equal to this Deployment Voucher Discount will be invoiced to Customer

at the conclusion of such 12-month period and Customer will be responsible for paying SADA such amount in accordance with the terms of the Customer Agreement.

3. Customer will provide a single resource who can make decisions to ensure progress can be made on the project without interruptions or delays.
4. Customer acknowledges that project work by SADA cannot begin until all necessary 'deliverables' including hardware, software, and remote access credentials have been provided and verified as working. A detailed list will be provided by SADA upon approval of this SOW.
5. Customer will provide adequate facilities and resources for services rendered by SADA's employees while they are on-site for work authorized by the Customer.
6. Customer agrees to provide direct and unattended VPN network access to complete deployment of tools & services.
7. Customer agrees to the terms and conditions of the Master Professional Services Agreement, of which this SOW is a part.

**Hours and Availability**

General project delivery will be from 8 am - 6 pm Pacific, Monday - Friday, excluding national holidays. All SADA support will be provided remotely unless specifically stated as 'on-site.'

**Customer confirms the accuracy of the data and accept the terms and conditions in this section, "Customer Information & Project Scope".**

IN WITNESS WHEREOF, this Statement of Work has been executed by the Parties through their duly authorized officers as of the date set forth above.

Signatures

SADA Systems, Inc.

*Annie Safoian*  
\_\_\_\_\_

Title: Annie Safoian, Co-Founder

Date: December 14, 2018

CUSTOMER

*Ramon Garcia*  
\_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

*Arturo Guajardo, Jr.*  
\_\_\_\_\_  
Arturo Guajardo, Jr., County Clerk



Approved as to form:  
Hidalgo County DA's Office  
By: *[Signature]*, ADA

# SADA Systems, Inc.

## MASTER PROFESSIONAL SERVICES AGREEMENT

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This **MASTER PROFESSIONAL SERVICES AGREEMENT** (“Agreement”), is made and entered into as of **Date** on the applicable Statement of Work (the “Effective Date”), by and between SADA Systems, Inc., a corporation organized under the laws of the state of California, with offices at 5250 Lankershim Blvd., Suite 620, North Hollywood, CA 91601 (“SADA”), and **Hidalgo County, Texas, a County Government** organized under the laws of the **State of Texas** with offices at **100 North Closner Boulevard, Edinburg, Texas 78539** (“Customer”). SADA and Customer may be referred to in this Agreement individually as a “Party” and collectively as the “Parties.”

### 1. BACKGROUND, OBJECTIVES, CONSTRUCTION AND INTERPRETATION

**1.1 Background and Objectives.** This Agreement will serve as a framework under which SADA will provide certain information technology services (the “Services”), as described in the Statement of Work, attached hereto and incorporated herein, and as further requested by Customer from time to time during the term of this Agreement and agreed upon in an executed Statement of Work (as defined in Section 2.2).

#### 1.2 Definitions.

(A) Capitalized terms used in this Agreement have the meaning assigned to them in the applicable Section. Terms, acronyms and phrases that are used in the information technology industry or other pertinent business context should be interpreted in accordance with their generally understood meaning in such industries or business context.

(B) The word “include” and its derivatives (such as “including” and “includes”) mean “include without limitation.”

#### 1.3 References and Interpretation.

(A) Headings, captions and titles used in this Agreement are included for convenience only and in no way define the scope or content of this Agreement or are to be used in the construction or interpretation of this Agreement. Any reference to a particular article or section number or exhibit is a reference to that specified article, section or exhibit of this Agreement, except to the extent that the cross reference expressly refers to another document.

(B) If there is a conflict or inconsistency between the terms of this Agreement and any executed Statement of Work, the terms of this Agreement will prevail except to the extent that the executed Statement of Work specifically and expressly states an intent to supersede specific terms of this Agreement with applicability only to that executed Statement of Work. Notwithstanding the preceding sentence, no executed Statement of Work will be effective to: (1) expand, eliminate or restrict the scope of any indemnity obligation set forth in Article 10; (2) change any limitation of liability set forth in Article 11; or (3) settle or resolve any dispute between the Parties.

### 2. SCOPE OF SERVICES

**2.1 Provision of Services.** SADA will perform the Services identified in the Statement of Work and those Services identified in additional Statements of Work entered into and executed by each of the Parties. Absent an executed Statement of Work, this Agreement does not, in and of itself, represent a commitment by either Party to provide any minimum amount of charges or services.

**2.2 Statements of Work.** From time to time during the term of this Agreement, Customer may ask SADA to perform services that are not described in an executed Statement of Work or this Agreement. Following any such request, SADA will prepare and deliver a statement of work substantially in the form of Statement of Work. Each Statement of Work will contain:

- (A) a description of the work SADA expects to perform in connection with such project, including a description of any deliverables;
- (B) a prospective schedule for commencing and completing such work; and
- (C) SADA's prospective charges for such work.

If a proposed Statement of Work is mutually acceptable to the Parties, the Parties will execute such Statement of Work. Each executed Statement of Work will be a separate agreement and, except for any provisions of this Agreement that are specifically excluded or modified in such executed Statement of Work (subject to Section 1.3(B)), each executed Statement of Work will incorporate and be subject to all the terms and conditions of this Agreement.

**2.3 Modification of an Executed Statement of Work.** Either Party may request modifications to an executed Statement of Work by submitting a written change order request to the other Party (each, a "Change Order"). If acceptable to both Parties, the Change Order will be executed by the Parties and will become part of the applicable executed Statement of Work. SADA will not be bound by the terms of any Change Order until it is executed by SADA.

**2.4 Cooperation.** Customer understands that SADA's performance is dependent on Customer's timely and effective cooperation, and that the quality of the Services are dependent on Customer providing timely and accurate information to SADA and access to the required Customer resources in accordance with the objectives of the applicable executed Statement of Work. Accordingly, any delay or nonperformance by SADA will be excused if and to the extent that such delay or nonperformance results from Customer's failure to perform its responsibilities so long as SADA uses commercially reasonable efforts to perform notwithstanding Customer's failure (it being agreed that SADA will have no obligation to incur additional charges in connection with such efforts unless Customer agrees in writing to reimburse SADA for such expenditures).

### 3. TERM, TERMINATION AND SUSPENSION OF SERVICES

**3.1 Term.** The term of this Agreement will begin on the Effective Date and will continue in effect until the later of (A) **three (3)** years after the Effective Date, and (B) the expiration or earlier termination of the last remaining executed Statement of Work, unless extended or terminated earlier in accordance with the terms of this Agreement. The Parties may agree to extend the term by written agreement to that effect.

**3.2 Termination for Cause.** If a Party commits: (A) a material breach of this Agreement that is capable of being cured within 30 days after notice of breach from the non-breaching Party, but is not cured within such period, or (B) a material breach of this Agreement that is not subject to cure with due diligence within 30 days of written notice thereof, then the non-breaching Party may, by giving written notice to the breaching Party, terminate this Agreement or the applicable executed Statement of Work, as of a date specified in the notice of termination.

**3.3 Termination for Non-Payment.** If undisputed invoices (as agreed by both Parties) under this Agreement totaling at least two months' charges are at any time outstanding and unpaid for 45 days, and Customer fails to make such payment within 30 days of receiving written notice from SADA of its failure to make such payment, SADA may, by giving written notice to Customer, terminate this Agreement and any executed Statement of Work as of the date specified in the notice of termination. For the avoidance of doubt, if Customer fails to pay any undisputed charges for hosting services provided by SADA, SADA may, by giving written notice to Customer, terminate such hosting services.

**3.4 Right to Suspend Services for Financial Instability.** If SADA has reasonable grounds for questioning Customer's ability to pay for the Services in a timely fashion, SADA may demand written assurances of Customer's ability to meet its payment obligations under this Agreement, the adequacy of which will be determined by SADA in its reasonable discretion. Unless Customer provides assurances in a reasonable time and manner acceptable to SADA, then in addition to any other rights and remedies available under this Agreement, SADA may partially or totally suspend its performance of Services (including hosting services, if applicable) under this Agreement and any executed Statement of Work, without

liability to Customer. Customer will make every effort to appropriate sufficient funds to meet the obligations of this Agreement. The Parties intend this provision to be a continuing right to terminate the Agreement at the expiration of each budget period of Customer pursuant to Texas Law.

**3.5 Termination for Convenience.** Customer may terminate this Agreement or any executed Statement of Work for convenience and without cause at any time by giving SADA at least 10 business days' prior written notice designating the termination date.

**3.6 Consequences of Termination.** If this Agreement or any executed Statement of Work is terminated in accordance with the terms of this Article, SADA will be entitled to receive payment for all Services performed prior to termination in accordance with the terms of this Agreement or the applicable executed Statement of Work, including the cost of any third party licenses procured for Customer that cannot be canceled. Termination of an executed Statement of Work will not affect any other executed Statements of Work then in effect. Termination of this Agreement will result in immediate termination of all executed Statements of Work then in effect.

## 4. SADA PERSONNEL

### 4.1 Oversight and Responsibility.

(A) SADA will assign an adequate number of SADA personnel to perform the Services. SADA personnel will be properly trained and fully qualified for the Services they are to perform.

(B) SADA may utilize subcontractors and SADA affiliates to perform the Services, and elements of the Services may be performed from locations outside the United States.

(C) SADA will be responsible for the appropriate oversight and supervision of all SADA employees and any subcontractors who perform Services hereunder, each considered "SADA personnel" for purposes of this Agreement. SADA will remain responsible for any Services performed by subcontractors to the same extent as if SADA performed such Services itself.

**4.2 Non--Solicitation.** From the effective date of the applicable executed Statement of Work until 24 months after completion of its obligations under such executed Statement of Work, a Party will not directly or indirectly solicit or seek to procure (other than by general advertising), without the prior written consent of the other Party, the employment of: (A) in the case of Customer, SADA's employees engaged in the provision of the Services under such executed Statement of Work; and (B) in the case of SADA, any Customer employees engaged in activities related to the Services, unless, in either case, such employee has resigned from working for or been terminated by the applicable Party.

## 5. PROPRIETARY RIGHTS

**5.1 Customer IP.** As between Customer and SADA, all right, title and interest in and to Customer IP (as defined below) will remain the exclusive property of Customer. To the extent necessary to provide the Services, Customer hereby grants SADA, solely to provide the Services, a non-exclusive, non-transferable, fully paid-up and royalty-free, limited right to access and use the Customer IP; provided that the rights granted to SADA hereunder will automatically expire effective upon the date that SADA ceases, for any reason, to provide the applicable Services. For purposes of this Agreement, "Customer IP" will mean (A) software and tools, (B) processes, procedures and methodologies, (C) formulas, templates and formats, and (D) documents and other written materials, whether proprietary to Customer or licensed to Customer from third parties (other than SADA), that are provided to SADA by Customer in order for SADA to provide the Services and fulfill its obligations under this Agreement.

### 5.2 SADA IP.

(A) As between SADA and Customer, all right, title and interest in and to SADA IP (as defined below) will remain the exclusive property of SADA. Except to the extent that the Parties enter into separate license agreements with respect to any software or other products to be provided by SADA (in which case such products will be governed by the terms of those license agreements), to the extent

necessary to receive or use the Services or use any deliverable, SADA hereby grants to Customer a perpetual, non-exclusive, worldwide, fully paid-up and royalty-free license to access and use (and to allow third parties to access and use solely for the benefit of Customer) the SADA IP, for no additional consideration. Notwithstanding the foregoing, in the event that a Statement of Work provides for services and deliverables to be provided to Customer on a trial or pilot basis, Customer's license to access and use any SADA IP necessary to receive or use the services or deliverables provided as part of such trial or pilot will not be perpetual, but will be limited to the period of such trial or pilot phase, as set forth in the applicable Statement of Work.

**(B)** Nothing in this Section will be construed to grant Customer any right to separate SADA IP from the deliverable into which it is incorporated and Customer will not (and will not knowingly allow any third party to) adapt, modify, translate, reverse engineer, decompile, disassemble or attempt to decode or disassemble any source code or underlying ideas or algorithms of any SADA IP or part thereof. Customer will not sell, rent, lease, sublease, license, lend, market or commercially exploit such SADA IP or use SADA IP for the benefit of any affiliate, organization or other third party not contemplated by the applicable executed Statement of Work, or assign or transfer any rights with respect to SADA IP granted under this Agreement.

**(C)** For purposes of this Agreement, "SADA IP" will mean (A) software, code, and tools, (B) processes, procedures and methodologies, (C) formulas, templates and formats, and (D) documents and other written materials, whether proprietary to SADA or licensed to SADA from third parties (other than Customer or its affiliates) that are used to provide the Services, together, in each case, with any modifications or enhancements thereto and derivative works based thereon. Customer acknowledges and agrees that with respect to any SADA IP licensed to SADA from third parties, any rights granted to Customer hereunder or under any executed Statement of Work, will be subject to all restrictions set forth in the applicable third party agreements.

### 5.3 Reserved.

**5.4 Residual Knowledge.** Nothing in this Agreement will restrict a Party from using Services-related ideas, concepts, know-how, methodologies, processes, technologies, algorithms or techniques that are general in nature and retained in the unaided mental impressions of the Party's personnel, which either Party, individually or jointly, develops or discloses under this Agreement; provided that, in doing so, each Party does not breach its obligations under [Article 7](#) or infringe the intellectual property rights of the other Party or third parties who have licensed or provided materials to the other Party. Except for the license rights set forth in this Article, neither this Agreement nor any executed Statement of Work grants any license to either Party under any patents or copyrights of the other Party. The Parties acknowledge that SADA has the right to: (A) provide consulting or other services of any kind or nature to any person or entity as SADA, in its sole discretion, deems appropriate, and (B) use any works of authorship or other intellectual property included in the deliverables to develop for itself, or for others, materials or processes similar to those contemplated or produced under this Agreement.

## 6. CHARGES AND INVOICES

**6.1 General.** Subject to the provisions of this Agreement, Customer will pay SADA the amounts set forth in each executed Statement of Work (including any Change Orders thereto).

**6.2 Reimbursement of Expenses.** Customer agrees to reimburse SADA for costs and expenses incurred in connection with SADA's performance of the Services, including computer, telephone, copy and delivery charges, material fees and reasonable travel expenses (including air travel, ground transportation, lodging, meals and incidentals); provided Customer has approved such expenses (which approval may be evidenced in an executed Statement of Work). SADA will provide Customer with receipts or other documentation substantiating all such reimbursable costs and expenses.

**6.3 Invoices and Payment.** SADA will invoice Customer for all amounts due under an executed Statements of Work in accordance with the schedule set forth in such executed Statement of Work. Each invoice submitted to Customer pursuant to this Agreement will be due and payable by Customer in accordance to the Texas Prompt Payment Act.



**6.4 Taxes.** All amounts payable under this Agreement and any executed Statement of Work are exclusive of taxes, unless otherwise stated in such Statement of Work. Accordingly, SADA will add an amount equal to any and all applicable taxes and duties, however designated, that relate to or arise out of SADA's provision of the Services (other than taxes based upon SADA's net income), which amounts will be separately itemized on all invoices provided to Customer, unless Customer provides SADA with a valid tax exemption certificate authorized by the appropriate taxing authority. If Customer is required by law to withhold any taxes from its payments to SADA, Customer must provide SADA with an official tax receipt or other appropriate documentation to support such payments. If Customer does not pay any taxes invoiced by SADA for which Customer is responsible, SADA may make such payments on Customer's behalf and Customer agrees to reimburse SADA for such payments.

**6.5 Reserved.**

## **7. CONFIDENTIALITY**

**7.1 Disclosure of Confidential Information.** The Parties agree that in the course of SADA's performance of the Services, each Party may access, receive or exchange information that is confidential in nature. For purposes of this agreement "Confidential Information" will include all information, in any form, furnished or made available, directly or indirectly, by one Party ("Disclosing Party") to the other Party ("Recipient") that is marked confidential, restricted, or is otherwise designated as confidential. Confidential Information will also include information that, by virtue of the nature of the information or the circumstances surrounding disclosure, a reasonable party would understand to be proprietary to Disclosing Party or confidential, including without limitation: (A) any personally identifiable information or financial information of any individual; (B) information concerning the operations, affairs and business of a Party, a Party's financial affairs, or a Party's relations with its clients and employees; (C) in the case of Customer, Customer IP; and (D) in the case of SADA, SADA IP.

**7.2 Exclusions.** Confidential Information does not include, and this Article does not apply to, information that (A) is or subsequently becomes published or available to the public through no fault of Recipient, (B) is received by Recipient from a third party without a duty of confidentiality; (C) is independently developed by Recipient without reference to Disclosing Party's Confidential Information, or (D) was in Recipient's possession or was known to Recipient before it was disclosed to Recipient by Disclosing Party.

**7.3 Restrictions on Disclosure and Use.** The Parties agree:

(A) Neither Party will make any use of the other Party's Confidential Information or any copies thereof, for any purpose other than those contemplated by this Agreement.

(B) Neither Party will reveal, disclose or provide access to the other Party's Confidential Information to any third party without the prior consent of such Party, provided that both Parties may share Confidential Information with their responsible employees who have a need to know such Confidential Information to perform their duties. Customer understands that all materials provided to Customer by SADA are provided solely for Customer's internal use. Notwithstanding anything to the contrary in this paragraph, SADA may disclose Confidential Information to properly authorized entities as and to the extent necessary for performance of the Services, so long as in each such case, the receiving entity first agrees to the obligations described in this Article.

(C) Recipient will take security precautions at least as great as the precautions Recipient takes to protect its own confidential information, and at any rate will take commercially reasonable security precautions to ensure that no one, other than a person authorized pursuant to this Section, gains access to Disclosing Party's Confidential Information without Disclosing Party's prior written consent. In the event that Recipient becomes aware of any unauthorized use or disclosure of Disclosing Party's Confidential Information, Recipient will immediately give notice to Disclosing Party and will assist Disclosing Party in remedying such unauthorized use or disclosure.

(D) Recipient is permitted to disclose Confidential Information as required by law, regulation or subpoena, provided that Recipient will, to the extent permitted by law: (i) give Disclosing Party prompt notice of any such requirement, which notice must be sufficient to permit Disclosing Party to seek

relief to prevent such disclosure, (ii) cooperate with Disclosing Party to secure confidential treatment of the Confidential Information, and (iii) disclose only that portion of Disclosing Party's Confidential Information is and will remain the exclusive property of Disclosing Party. Each Party agrees that it will have no proprietary interest in the other Party's Confidential Information and that nothing contained in this Agreement will be construed to grant either Party any rights, by license or otherwise, to any of the other Party's Confidential Information disclosed pursuant to this Agreement. (F) The obligations set forth in this Section will apply to Confidential Information provided, furnished or otherwise disclosed by Disclosing Party to Recipient, whether prior to or following the Effective Date.

**7.4 Controlling Provisions.** For purposes of this Agreement, each executed Statement of Work, and the Services contemplated by this Agreement and such executed Statements of Work, the provisions of this Article will have precedence over and supersede any confidentiality or non-disclosure agreement executed by the Parties prior to the Effective Date.

## 8. REPRESENTATIONS, WARRANTIES AND COVENANTS

**8.1 Authorization.** Each Party represents and warrants to the other that: (A) it has the requisite corporate power and authority to enter into this Agreement and to carry out the transactions contemplated by this Agreement; and (B) the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly authorized by the requisite corporate action on the part of such Party.

**8.2 Performance of Services.** SADA represents, warrants and covenants to Customer that the Services will be performed by qualified personnel with promptness and diligence in a workmanlike manner, consistent with applicable industry standards.

**8.3 Viruses and Disabling Code.** SADA will use commercially reasonable efforts to prevent the coding or introduction of viruses, disabling code or similar items into the Customer systems by SADA or its agents; and SADA will, in the event a virus, disabling code or similar item is found to have been introduced into the software Deliverables or Customer systems by SADA or its agents, at no additional charge, assist Customer in reducing the effects of the virus, disabling code or similar item.

**8.4 Disclaimer.** OTHER THAN AS PROVIDED IN THIS AGREEMENT, NEITHER PARTY PROVIDES ANY EXPRESS WARRANTIES OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR OTHERWISE. IN ADDITION, SADA MAKES NO EXPRESS OR IMPLIED WARRANTIES RELATING TO THIRD PARTY PRODUCTS OR SERVICES.

**8.5 Limited Warranty.** In the event that any implied warranties, guarantees or conditions implied by local law cannot be waived, then any such implied warranties are limited in duration to 90 days from delivery of the applicable Service or deliverable.

## 9. INSURANCE

During the term of this Agreement, SADA will keep in force the following insurance coverage with insurers having an A.M. Best rating of A-, VIII or better:

- Workmen's Compensation as required by statute and Employer's Liability with \$1,000,000 per accident, \$1,000,000 disease policy limit, and \$1,000,000 disease per employee.
- General Liability with \$1,000,000 per occurrence and \$2,000,000 aggregate.
- Professional Liability/Errors & Omissions with \$2,000,000 per occurrence and \$2,000,000 aggregate, including information security coverage with \$1,000,000 per occurrence/aggregate.
- Employment Practices Liability with \$1,000,000 per occurrence/aggregate.
- Excess Liability or Umbrella Liability with \$6,000,000 per occurrence and \$6,000,000 aggregate.

## 10. INDEMNIFICATION

**10.1 By SADA.** SADA agrees to indemnify, defend, and hold Customer harmless from and against all losses, liabilities, damages, and related costs (including settlement costs and reasonable attorneys' fees) (collectively, "Losses") arising out of a third party claim that the Services, SADA IP or any deliverables infringe or misappropriate any patent, copyright, trade secret or trademark of a third party. Notwithstanding the foregoing, in no event will SADA have any obligations or liability under this Section arising from: (A) use of any Service or deliverable in a modified form or in combination with materials not furnished or approved by SADA, (B) use by Customer or its agents of any Service or deliverable in a manner not reasonably consistent with the applicable specifications, requirements or instructions for such item, or (C) any content, information or data provided by Customer or other third parties.

**10.2 By Customer.** To the extent permitted under the Constitution and laws of the State of Texas, Customer will indemnify, defend and hold SADA harmless from and against all Losses arising out of (A) a third party claim that Customer IP or other materials provided to SADA by Customer misappropriate any patent, copyright, trade secret or trademark of a third party; (B) any deficiency (including penalties and interest) relating to taxes that are the responsibility of Customer; or (C) a third party claim arising out of or relating to SADA's use of any Customer content, provided that such use complies with the terms of this Agreement.

**10.3 Infringement.** If the Services or any deliverable or item used by SADA to provide the Services or any deliverable becomes, or in SADA's reasonable opinion is likely to become, the subject of an infringement or misappropriation claim or proceeding, SADA will, at its expense: (A) secure the right to continue using the Services, deliverable or item; (B) replace or modify the Services, deliverable or item to make it non-infringing, provided that any such replacement or modification will not degrade the performance or quality of the affected component of the Services or deliverable; or (C) if SADA cannot accomplish either of the foregoing using commercially reasonable efforts, and only in such event, SADA will discontinue providing the Services or remove the deliverable or item and the charges will be equitably adjusted to reflect such removal.

**10.4 General.** The Party seeking indemnification (the "Indemnitee") will promptly notify the other Party of the claim and cooperate with the indemnifying Party in defending the claim. The indemnifying Party will have full control and authority over the defense, provided that: (A) any settlement requiring the Indemnitee to admit liability or pay any money will require the Indemnitee's prior written consent, such consent not to be unreasonably withheld or delayed; and (B) the Indemnitee may join in the defense of a claim with its own counsel at its own expense. **THE INDEMNITIES PROVIDED IN THIS ARTICLE ARE THE ONLY REMEDY UNDER THIS AGREEMENT FOR VIOLATION OF A THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS.**

## 11. LIABILITY

### 11.1 Limitation of Liability.

**(A)** IN NO EVENT WILL EITHER PARTY BE HELD LIABLE UNDER THIS AGREEMENT FOR SPECIAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF DATA, BUSINESS INTERRUPTION OR LOST PROFITS), WHETHER IN AN ACTION OF CONTRACT, NEGLIGENCE, OR OTHERWISE, EVEN IF SUCH PARTY IS AWARE OF OR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES IN ADVANCE AND EVEN IF DIRECT DAMAGES DO NOT SATISFY A REMEDY.

**(B)** EXCEPT AS PROVIDED IN SECTION 11.2, NEITHER PARTY MAY BE HELD LIABLE UNDER THIS AGREEMENT FOR MORE THAN THE AGGREGATE AMOUNT ACTUALLY PAID TO SADA BY CUSTOMER UNDER THE APPLICABLE STATEMENT(S) OF WORK GIVING RISE TO SUCH LOSS.

**(C)** No action, regardless of form, arising out of the transactions under this Agreement, may be brought by either Party more than one year after the Loss occurred, except that an action for non-payment may be brought within one year of the date of last payment to the extent permitted under the law.

**11.2 Exceptions to Limitation of Liability.** The limitations set forth in Section 11.1(B) will not apply to: (A) damages occasioned by a Party's breach of its obligations with respect to the other Party's intellectual property rights, (B) Losses that are the subject of indemnification obligations under this Agreement, or (C) Losses determined to be the direct result of a Party's gross negligence or intentional or willful misconduct.

## 12. FORCE MAJEURE

No Party will be liable for any default or delay in the performance of its obligations under this Agreement if and to the extent such default or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God, riots, civil disorders, acts of terrorism, or any other similar cause beyond the reasonable control of such Party (each such event, a "Force Majeure Event"). Any Party so delayed in its performance will promptly notify the Party to whom performance is due by telephone (to be confirmed in writing within five days of the inception of such delay) and describe at a reasonable level of detail the circumstances causing such delay.

## 13. DISPUTE RESOLUTION AND GOVERNING LAW

Any and all claims, disputes or controversies arising out of or relating to this Agreement, including disputes relating to the interpretation of any provision of this Agreement or any Party's performance or breach hereunder, will be resolved through alternative dispute resolution (mediation). All negotiations pursuant to this Article will be confidential and will be treated as compromise and settlement negotiations for purposes of the applicable rules of evidence to the extent permitted under the law.

### 13.1 Reserved.

**13.2 Equitable Relief.** Notwithstanding the foregoing, if a Party determines, in good faith, that a breach or threatened breach of the terms of this Agreement by the other Party would result in irreparable harm, such that a temporary restraining order or other form of injunctive relief is the only appropriate and adequate remedy, such party may proceed directly to court and may obtain such relief without bond (if permitted by law). The Parties further acknowledge and agree that either Party may proceed directly to court if the other Party breaches or threatens to breach its obligations under Article 5 or Article 7. If a court of competent jurisdiction should find that a Party has breached or threatened to breach its obligations under either such Article, both Parties agree that, without any additional findings of irreparable injury or other conditions to injunctive relief, the breaching Party will not oppose the entry of an appropriate order compelling performance by the breaching Party and restraining such Party from any further breaches or threatened breaches.

**13.3 Governing Law; Jurisdiction and Venue.** Any contract awarded or agreement entered into shall be governed and interpreted pursuant to the laws of the State of Customer, without regard to conflict of law principles. Such contract shall govern the construction, interpretation and performance of any such contract or agreement. Further, any and all legal proceedings or litigation arising out of or in conjunction with any such contract or agreement reached, shall have venue lie in the County of Customer, and any such legal proceeding shall be brought in the County of Customer. The Parties agree to the jurisdiction of the County of Customer courts.

**13.4 No Limitation on Rights.** Each Party agrees that the provisions contained in this Article do not limit either Party's right to terminate this Agreement as provided in Article 3.

## 14. GENERAL PROVISIONS

**14.1 Notices.** All notices, requests, consents, approvals, acknowledgements and waivers under this Agreement (other than routine operational communications) will be in writing and will be deemed duly given when (A) delivered personally, (B) one day after being given to an overnight courier with a reliable system for tracking delivery (charges prepaid), (C) when sent by confirmed facsimile or electronic mail with a copy sent by another means specified in this Section, or (D) six days after the day of mailing, when mailed by United States mail, registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

If to Customer:	<b>As listed in Statement of Work</b>
If to SADA:	SADA Systems, Inc. 5250 Lankershim Blvd., Suite 620 North Hollywood, CA 91601 Attention: Annie Safoian Email: <a href="mailto:annie.safoian@sadasystems.com">annie.safoian@sadasystems.com</a> Fax: (818) 766--0090 Phone: (818) 766--2400

A Party may change its address, facsimile number or designee for notification purposes by giving the other Party written notice of the new address, facsimile number or designee and the date upon which it will become effective.

**14.2 Binding Nature and Assignment.** This Agreement will be binding on the parties and their respective successors and assigns. Either party may assign this Agreement in connection with a merger, change of control, consolidation, or sale or other disposition of all or substantially all of its assets. Any other assignment will be null and void, except with the other party's prior written consent.

**14.3 Relationship of the Parties.** SADA, in furnishing the Services, is acting as an independent contractor. SADA is not an agent of Customer and has no authority to represent Customer as to any matters, except as expressly authorized in this Agreement.

**14.4 Client List.** Customer agrees that SADA may refer to Customer and use Customer's name in client lists and other promotional materials.

**14.5 Waiver of Default.** No delay or omission by either Party to exercise any right or power under this Agreement will be construed to be a waiver thereof. A waiver by either Party of any breach or covenant will not be construed to be a waiver of any succeeding breach thereof or of any other covenant.

**14.6 Third Party Beneficiaries and Use of Work.** Neither Party intends this Agreement to benefit, or create any right or cause of action in or on behalf of, any person or entity other than the Parties. Customer understands and agrees that Services performed by SADA under this Agreement are intended only for the parties specified in the applicable executed Statement of Work and may be misleading if used in another context or for another party and agrees not to use any deliverables or documents produced under this Agreement for any purpose other than the intended purpose without SADA's prior written consent.

**14.7 Survival.** The provisions of Section 4.2, Article 5, Section 6.4, Article 7, Section 8.4, Article 10, Article 11, Article 13 and this Article (as amended), as well as any other provision of this Agreement that contemplates performance or observance subsequent to termination or expiration of this Agreement will survive expiration or termination of this Agreement and continue in full force and effect for the period set forth therein.

**14.8 Severability.** If any provision of this Agreement is found to be illegal or otherwise unenforceable in any respect, that provision will be deemed to be restated to reflect as nearly as possible the original intent of the Parties in accordance with applicable law. The remainder of this Agreement will remain in full force and effect.

**14.9 Entire Agreement; Amendment and Waiver.** This Agreement and each of the executed Statements of Work hereto, including any exhibits referred to herein or therein, each of which is incorporated herein for all purposes, constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to the subject matter contained in this Agreement. No change, waiver or discharge hereof will be valid unless made in writing and signed by an authorized representative of the Party against which such change, waiver of discharge is sought to be enforced.

**14.10 Counterparts.** This Agreement may be executed in any number of counterparts, all of which taken together will constitute one single agreement between the Parties.