**A. Definitions.** The following terms are defined as follows.

- "Already Performed Service(s)" is defined as Service(s) that have been provided to Customer by UIS.
- "Annual" is defined as term of the Agreement between UIS and Customer, where Customer agrees to contract with UIS to provide IT services for auto-renewing twelve (12) month periods from the Effective Date for reduced flat rate and/or hourly fees, as more fully defined on the Cover Page, above, and in paragraph B, below.
- "Backup Services" is defined as a pre-set list of IT maintenance and support services performed by UIS for Customer arising out of the
  maintenance, repair, replacement and/or support of Customers' backup hardware, including support for IT issues arising from software loaded
  on Customer's backup hardware. Backup Services specifically excludes storage, changing or recovery of lost data from Customer's backup
  hardware. For a full list of services provided under Backup Services, please request the list from your UIS account manager.
- "Business Hours" are defined as the hours of 8:00 AM (Pacific Time) to 6:00 PM (Pacific Time), Monday through Friday, excluding weekends and Holidays.
- "Cover Page" is defined as the first page of this Agreement.
- "Customer's Desktop Hardware" is defined as Customer's desktops, laptops, personal digital assistants (PDA)s, and "smart" phones.
- "Customer's Network Equipment" is defined as Customer's server(s), router(s), switch(es), firewall(s), server rack(s), access point(s), network repeater(s), and backup power device(s).
- "Customer's primary office" shall be defined as the office address placed in section 1 of the Cover Page, except in the case where UIS has been hired to provide Service(s) to another branch office. In said event, the Customer's branch office will be Customer's primary office for the purpose of interpreting section C.7 below.
- "Desktop Support Consultant" is an engineer who specializes in Help Desk Support.
- "Effective Date" is defined as the date that Customer and UIS agree for UIS to begin providing IT services, which is defined in the first paragraph of this Agreement.
- "Emergency" is defined as an IT service request where Customer requests UIS to respond within four (4) hours during Business Hours on the same day as the request.
- "Fees" are the fees outlined in the Cover Page and this Agreement as payment for the Services. Fees shall expressly not include the costs and/or purchase of materials and/or any form of hardware, software or other service that is for the benefit of Customer.
- "Flat Rate Fee" is defined as fees for Service(s) provided by UIS for a fixed monthly sum.
- "Help Desk Support" is defined as a pre-set list of IT maintenance and support services performed by UIS for Customer arising from the maintenance, repair, replacement and/or support of Customer's Desktop Hardware, including support for IT issues arising from firmware and/or software loaded on Customer's Desktop Hardware. This support may be provided through remote, telephone, onsite, and emergency support. For a full list of services provided under Help Desk Support, please request the list from your UIS account manager.
- "Holiday" is defined as New Years Day, Memorial Day, Labor Day, Thanksgiving, Day After Thanksgiving, Christmas Eve, Christmas Day, New Years Eve and such other Federal Holiday that UIS may choose to observe, at its sole discretion.
- "Initial Term" is defined as the first twelve (12) month term for an Annual Agreement or the first month for a Month-to-Month Agreement from the Effective Date.
- "Invoice Date" is the date printed on UIS' Invoices following the words "Invoice Date" at the top of the invoice page.
- "IT Manager" is an engineer that provides account management and IT consulting services for UIS Customers.
- "Project Manager" is an engineer who has experience managing IT projects.
- "Renewal Period" is the period during which an Annual Agreement or a Month-to-Month Agreement has auto-renewed.
- "Services" is the IT support selected by Customer on the Cover Page.
- "Software" is defined as any application loaded onto Customer's Desktop Hardware or Customer's Network Equipment that is authorized to have been placed on said hardware and/or equipment by Customer.
- "Term" is defined as the length of this Agreement executed by Customer and UIS for the selected Services, which shall auto-renew for successive terms, unless Customer provides notice pursuant to section B below.
- **B. Auto-Renewal.** Upon expiration of the Initial Term of this Agreement, this Agreement shall automatically renew for either a successive twelve (12) month period or an additional month, depending on Customer's selection on the Cover Page. To prevent an Annual Term from autorenewing, Customer must provide written notice of non-renewal by U.S. Mail and Facsimile on Customer's official letterhead at least sixty (60) days prior to the anniversary of the Effective Date. In the event of any termination of this Agreement due to non-renewal by Customer, UIS has sole and absolute discretion to reinstate the terms and conditions of this Agreement upon payment of a reinstatement fee and all past due fees. While in a Renewal Period, Customer may not terminate unless specifically provided for in section G, below.
- **C. Fees & Expenses.** Fees for IT services shall be charged pursuant to Customer's selection(s) on the Cover Page. Regardless of the Term selected on the Cover Page, Customer shall be responsible for paying any and all Flat Fees and/or hourly fees agreed. For all Services, the amount of time billed for labor services provided by UIS will be tracked and rounded up to the nearest 15-minute increment.

- 1. Payment. Customer must pay UIS Invoices within fifteen (15) calendar days from the "Invoice Date." Customer's payment may be made to UIS by business check, ACH or by Credit Card (Visa, MasterCard or American Express only). UIS may, at its sole discretion, suspend and/or cancel any and all Services to Customer, if Customer fails to pay a UIS Invoice and/or said overages.
- 2. Past Due UIS Invoices & Late Fee. All UIS Invoices to Customer not paid within fifteen (15) calendar days, UIS may charge a late fee of one and a half percent (1.50%) on the unpaid balance of each UIS Invoice that is past due by thirty (30) calendar days, or the maximum allowed by law, whichever is greater.
  - 3. Resolution of Disputes for UIS Services Already Performed.
- a. Process and Contractual Limitations for Disputing Already Performed Service(s). For the purpose of resolving Service(s) dispute(s) fairly, while information and memories are still relatively fresh, any and all disputes, regarding Already Performed Services must be sent in writing to UIS by email to accounting@uistechpartners.com, specifying the details, date, and time of the complained of Already Performed Service(s) within fourteen (14) calendar days of the disputed Already Performed Service(s). If Customer is not able to determine the exact date of the disputed Already Performed Service(s), then written notice must be sent no later than within fourteen (14) calendar days from the Invoice Date on the UIS Invoice charging for said disputed Already Performed Service(s). Failure to provide written notice, according to the time limits provided herein, for any or all disputes regarding Already Performed Service(s) shall constitute a legal waiver of said disputed Already Performed Service(s) by Customer.
- b. No Right to Withhold Payment of Entire UIS Invoice with Disputed Service(s). Customer must pay all undisputed portions of UIS Invoice(s) within fifteen (15) calendar days from the Invoice Date. A Customer who has received Service(s) under a Flat Rate Fee shall have no special right to withhold payment of the entire Flat Rate Fee portion of the UIS Invoice and must notify UIS to resolve the disputed Already Performed Service(s) within the time frame set forth in C.3.a above, and the dispute shall be resolved, if possible, according to the rules set forth below in section C.3.c.
- c. Settlement of Disputed UIS Service(s). All disputes as to Already Performed Services shall be settled in good faith, after investigation of the facts, where the parties mutually agree, if possible, to a setoff from the UIS Invoice charging the disputed Service(s). If Customer receives Service(s) under a Flat Rate Fee, a setoff for disputed Already Performed Service(s) shall be calculated by taking the reasonable number of hours involved in the disputed Services, multiplied by One Hundred Thirty-Five dollars per hour (\$135.00/hr). Any setoff to a UIS Invoice, agreed to by UIS, shall not be considered an admission or failure by UIS to provide appropriate Service(s) and shall be considered a compromise. As such, said settled disputed Already Performed Service(s) cannot be used by Customer as grounds for termination of the Agreement under section G, below.
- 4. Purchase of Equipment for Customer & Return Policy. All unexpected purchases of materials required to provide Services for Customer, which are greater than five hundred dollars (\$500) must be approved by Customer prior to purchase by UIS. UIS may, at its sole discretion, advance the cost of equipment necessary to perform Service(s) for Customer or request Customer to advance part or all of the costs. If UIS advances any of said costs, UIS shall invoice Customer for the cost of said equipment, and Customer shall repay UIS for such advance(s). Due to restrictions from UIS vendors, any materials and/or equipment purchased by UIS on behalf of Customer that Customer desires said materials and/or equipment be returned, Customer must make such request in writing by e-mail and facsimile transmission to UIS within ten (10) calendar days of UIS' purchase of said material and/or equipment desired for return, or Customer understands and agrees that it may not receive a refund for materials and/or equipment desired for return, and may be forced to keep said materials and/or equipment. UIS shall make a good faith effort to return said material and/or equipment and credit Customer the refunded amounts, minus UIS' administrative fee of ten percent (10%) of the refunded amount, unless the return was due to a clerical error by UIS.
- 5. Administrative Fee & Reimbursement of Expenses. If Customer accepts UIS recommendations with regard to purchase of materials and said materials are purchased through UIS' vendors, Customer shall pay UIS an administrative fee of ten percent (10%) over and above the cost of purchase, taxes and shipping charges of said materials. Customer shall pay for all UIS expenses reasonably incurred in furtherance of its performance hereunder. UIS may request an initial deposit prior to purchase of equipment and material that shall be applied to said purchase equipment and materials.
- **6. Rate Changes.** Under Annual Term agreements, increases in Flat Rate Fees or hourly fees for Services must be noticed to Customer by written e-mail and facsimile transmission by UIS at least seventy-five (75) days prior to the yearly anniversary of the Effective Date. Under Month-to-Month Term agreements, UIS must provide notice to Customer of any increases to hourly fees at least thirty (30) days prior to the start of charging said increased to hourly fees. UIS may raise hourly fees for As Needed Term agreements with a minimum of five (5) business days notice prior to the start of charging said increased fees.
- 7. Travel Charges. For travel to Customer locations or designated destinations for the benefit of Customer that are within 100 miles of a UIS office that is closest to Customer's primary office, UIS shall charge a minimum of two (2) hours for services rendered under the appropriate hourly fee. For travel to Customer locations or designated destinations for the benefit of Customer that is greater than fifty (50) miles from Customer's primary office UIS shall charge a minimum of four (4) hours at the appropriate hourly fee in addition to any related travel expenses including, but not limited to, reasonable airfare, car rentals, hotels, and vehicle mileage. UIS personnel travel time will be charged at the rate equal to one hundred percent (100%) of the applicable hourly rate for that person.
- **8. Hosting Overages.** The per user cost for Cloud Services on the Cover Page is averaged across all users based on, memory, storage and CPU cycles. Overages would only apply if the Customer exceeds the per user average. Should overage occur they will be billed as follows.

RESOURCE	Per User Allotment per month	Additional Monthly Cost for Overages
CPU	1GHZ per user	\$15 per 1 GHZ
STORAGE	100 GB per user	\$.50 per 1 GB
MEMORY	2.75 GB per user	\$30 per 1 GB
BANDWIDTH	50 GB per user	\$.01 per 1 GB

**D. Projects.** For additional services that are outside the scope of Services (hereinafter "Project Services"), UIS must agree with Customer in writing to perform said Project Services on UIS' Project Agreement form, which shall be subject to these Terms & Conditions of this Agreement. The fully-executed Project Agreement form shall supersede any conflicting terms between this Agreement and the Project Agreement form. Projects may be subject to different hourly rates than those set forth in this Agreement. If different rates are required, the rates will be discussed and agreed to by both parties prior to execution of the Project Agreement form.

# E. UIS Responsibilities.

- **1. Services.** UIS shall be responsible for providing IT Services as set forth on the Cover Page.
- 2. Issue Tickets. UIS shall be responsible for reviewing its ticketing system for Issues Tickets submitted by Customer. Unless an Initial Ticket is created in UIS' issue ticketing system by Customer (including submission of an emergency ticket through UIS' phone system by calling 408.414.5000), UIS shall not be responsible for responding and resolving requested Service(s).
- 3. Professionalism; Timeliness; Supervision. UIS agrees to exercise the highest degree of professionalism, and to utilize its expertise and creative talents in providing Service(s). In providing Service(s), UIS agrees to utilize its own equipment, tools and other materials at its own expense, except for materials, components or other new purchases, which shall be owned by Customer. As appropriate, Customer will make its facilities, equipment, software and staff available to UIS in a timely manner when necessary. UIS shall have the right to determine the method, details, and means of performing Service(s) for Customer. Customer shall be entitled to exercise general power of supervision and control over the results of work performed by UIS to ensure that satisfactory performance, including the right to inspect, the right to make suggestions, recommendations and propose modifications to the work. None of said Customer's suggestions, recommendations and/or proposed modifications shall be performed by UIS unless agreed to by UIS and Customer in writing.
- 4. Hosting services maintenance ("Scheduled Maintenance"). If Customer selected Cloud Services as part of its Services, UIS's regularly scheduled maintenance may occur on Saturday nights, from 10PM until 10AM on Sunday mornings, USA Central time. UIS shall attempt to notify and coordinate with Customers a minimum of 4 days in advance and no less than twenty-four (24) hours in advance of all non-emergency maintenance. UIS shall advise Customer of the expected duration of the maintenance window and the impact of the work to be performed. No further notice of maintenance windows may be provided to Customer. UIS shall not provide any applicable credits for work stoppage or service outages necessary to provide scheduled maintenance. UIS makes commercially reasonable efforts to schedule maintenance no more than once a month at times most convenient for the majority of those customers affected. UIS may schedule maintenance as often as is deemed necessary to maintain system reliability and integrity, at UIS's sole discretion.
- 5. UIS Assignment. UIS may assign part or all of Service(s) and/or Projects for Customer to an outside contractor at its discretion. UIS will be responsible for the conduct of its contractor(s), and Customer should make any concerns or comments regarding the work product of said contractor(s) to UIS, so that UIS may address said concerns or comments with its contractor(s).
- **F. Customer Responsibilities.** Customer shall be responsible for:
- **1. UIS Issue Ticket System.** Customer must utilize, authorize, review, prioritize and transmit support tickets on UIS' ticketing system for tasks to be performed by UIS.
- 2. Non-Hostile Work Environment. Customer shall provide UIS personnel a non-hostile work environment, which includes, but is not limited to an environment free from harassment, discrimination (by race, gender, national origin, religion, creed or sexual orientation), and abusive/unprofessional language or aggressive behavior (including yelling, screaming or use of curse words).
- 3. Indemnification for Change/Alteration & Change of Backup Drives/Tapes. This Agreement is expressly contingent upon an understanding by Customer that UIS can only guarantee stability of Customer's network and system, if UIS is able to control the changes and/or alterations to Customer's technology and prevent all potential hardware or software conflicts, hostile third party software and/or any other change or alteration that could lead to a failure. If Customer fails to implement UIS' recommendations for security and enforce said security recommendations with its staff and/or contractors, or changes and/or alters (or permits change or alteration by a third party) to any of its technology serviced or maintained by UIS without first notifying UIS and allowing UIS to test if the change and/or alteration may affect the stability of Customer's technology, Customer hereby assumes the risk and expense of any such alteration and for any and all UIS fees necessary to repair said change(s) or alteration(s). Further, even if Backup Support Services are included in the Services, if Customer's network requires that hard drives and/or tapes must be changed and the removed drive or tape be stored offsite and replaced by another drive and/or tape, Customer hereby assumes the risk and expense for any and all damages resulting from failing to trade out backup devices or store removed backup drive(s) and/or tape(s) offsite, unless otherwise contracted for by the parties in a separate agreement signed by both parties.

- **4. Service Value.** Customer agrees that by signing up for Services, Customer receives material value, equating to no less than the full Service's entire purchase price, from setup of, access to, availability of and reservation of the Services from UIS, regardless of Customer's actual use of any of the Services.
- 5. Acceptable/Fair Use & Monitoring. UIS has set no fixed upper limit on the amount of Services it provides including, but not limited to, emails, bandwidth, telephone or online support requests Customer may make annually depending on the Services selected on the Cover Page. The Services and pricing are based on expected reasonable use of the average customer (collectively referred to as "Acceptable Use"). UIS reserves the right to monitor and record the nature and amount of Service requested by each customer. Should UIS conclude at its sole discretion that Customer is requiring Service in amounts greater than reasonably expected, or if UIS believes that Customer is using the Service for resale, sending unsolicited email (spam) or viruses, or other fraudulent uses, or has used profanity or otherwise abused a UIS team member, partner, affiliate or another UIS customer, or has allowed any non-customer to use Customer's account to receive support services, or has published an incorrect SPF record, UIS may immediately terminate this Agreement. Should UIS decide to terminate this Agreement for the reasons set forth above, UIS will notify Customer by email or telephone. Within three (3) days of receiving the termination notice, Customer may set forth reasons why termination is not warranted. UIS will consider Customer's objections and thereafter render its decision. Any decision not to terminate Customer's account does not preclude UIS from terminating Customer's account at a later date should there be another violation of this Acceptable Use policy or for other reasons set forth in this Agreement.
- G. Termination. Each party may terminate this Agreement upon thirty (30) days prior written notice under the following conditions.
  - 1. Termination of Services.
- a. Managed Services Termination. If Customer selected Managed Services on the Cover Page, and Customer terminates for any reason other than under section G.2.a, Customer hereby stipulates and agrees that damage to UIS is not reasonably ascertainable, and is sufficiently difficult to calculate that Customer agrees to pay a termination fee (otherwise referred to in law and equity as *liquidated damages*). For an annual agreement for Managed Services, Customer shall pay UIS a termination fee equal to all Flat Rate Fees owing each month to the next anniversary date of the Effective Date. Customer further stipulates and agrees that the sum total of early termination fees owing for each month to the next anniversary is a reasonable liquidated damages amount, since it is likely that that UIS would have been paid additional hourly fees for additional maintenance and support and/or Projects Agreements with Customer during the normal course of this Agreement. Therefore, Customer agrees that setting the liquidated damages amount as described herein is reasonable, compared to attempting to estimate fees UIS could likely earn, if Customer had not terminated the Annual Term Agreement. (The "next anniversary date of the Effective Date" shall be defined as the anniversary of the Effective Date immediately following the notice of Termination.) Any and all termination fees discussed in this section G.1.a are due and payable within seven (7) calendar days of Customer's notice of termination, or UIS' acceptance of Customer's termination.
- **b. Cloud Services Termination.** If Customer selected Cloud Services on the Cover Page, and if Customer terminates or does not renew this Agreement for any reason before the number of months indicated under the One-Time Setup Fee listed on the Term Sheet (the "Setup Period"), Customer hereby stipulates and agrees to pay a fee ("Early Termination Fee"). The Early Termination Fee is the One-Time Setup Fee divided by the total number months in the Setup Period and multiplied by the remaining number of months until expiration of the Setup Period at the time of termination.
- 2. Termination for Breach, Insolvency or Transfer. Either party may terminate this Agreement immediately upon thirty (30) days prior written notice if:
- (a) the other party has breached any of its obligations, which is material to the essential purpose of this Agreement, provided that notice of the breach is provided in writing on the letterhead of the party noticing the breach to the breaching by Facsimile Transmission and U.S. Mail, and the other breaching party failed to remedy the breach within five business (5) days of receipt of said written notice (this includes Customer's failure to pay UIS Invoices, pursuant to section C, above); and/or
- (b) a party commits any of the following acts: (i) insolvency, whereby the other ceases or threatens to cease to carry on business; (ii) executes any assignment for the benefit of creditors; (iii) suffers the appointment of a receiver, administrative receiver or administrator of the whole or a substantial part of the party's assets or undertakings; (iv) whereby an order is made or notice issued calling a meeting of the party's stockholders to consider the passing of a resolution for, or a resolution is passed for, the winding up of the other's business, other than for the purpose of amalgamation or reconstruction; or (v) if any distress or execution is levied on the effects of the other's business or any judgment remains unsatisfied for a period of 21 days.
- 3. UIS' Rights Upon Termination. Immediately upon an event of non-renewal in section B, above, and/or any termination under this section G: (1) UIS may immediately repossess any property, which it owns or for which Customer has not fully paid for (herein after "UIS property"), forthwith, without notice, and for that purpose Customer and Customers' successors and assigns, hereby, grant UIS permission to freely enter upon the Customer's premises, and shall waive, indemnify and forever hold harmless UIS from any and all action for collection of damages and other injuries (including legal fees and court costs associated with criminal charges) resulting from or arising out of UIS' entry onto Customer's premises to exercise UIS' rights stated herein; (2) the Customer shall ensure that any successor(s), assignee(s), receiver(s), administrator(s) or liquidator(s) appointed is made aware of UIS' ownership in any and all UIS property in the possession of Customer; and (3) the Customer shall pay the balance of charges due under this Agreement to the earliest date on which the Agreement could lawfully be terminated.

- 4. **Assignment In Lieu of Termination.** To the full extent of the law and to assist with the continuity of Service to Customer, any and all contracts, payments and agreements without limitation between Customer and UIS may be assigned by UIS in its sole discretion to a third party ("Assignment"). Assignment(s) made pursuant to this Section G(4) shall not be considered a termination unless otherwise stated by UIS in a signed writing. Further, any Assignment(s) and assigned contracts thereto shall be enforceable by UIS as well as its successors and assigns and Customer shall indemnify and defend UIS in the event of any issues arising out of or related to Assignment.
- **H. Business Relationship Defined**. UIS shall be an independent contractor to Customer, and nothing herein shall be deemed to cause this Agreement to create an agency, partnership, joint venture or employer-employee relationship between the parties. As an independent contractor, UIS shall pay and report all federal and state income tax withholding, Social Security taxes, and unemployment insurance applicable to UIS. UIS shall bear sole responsibility for any health or disability insurance, retirement benefits, or other pension benefits, if any, to which UIS may be entitled. UIS shall not be entitled to participate in health or disability insurance, retirement benefits, or other welfare or pension benefits to which employees of Customer may be entitled.
- **I. Insurance.** Each party shall maintain adequate insurance protection covering its respective activities hereunder, including coverage for statutory workers' compensation, comprehensive general liability for bodily injury and property damage and adequate coverage for vehicles.
- J. Proprietary and Confidential Information.
- 1. Proprietary Information. Each party agrees during the term of this Agreement and thereafter for a period of three (3) years that each party will take all steps reasonably necessary to hold the other's Proprietary Information in trust and confidence, will not use the other's Proprietary Information in any manner or for any purpose not expressly set forth in this Agreement, and will not disclose any such Proprietary Information to any third party without first obtaining the owning party's express written consent, which shall be granted on a case-by-case basis, unless legally required to provide Proprietary Information as part of a legal or quasi-legal proceeding or ordered by a court of competent jurisdiction. Prior to disclosure, the party who is being compelled to divulge the other party's Proprietary Information, must contact the party who owns the Proprietary Information that is being required to be disclosed, and inform that party of the situation, with adequate time, for the party owner of the Proprietary Information to be disclosed to oppose any such disclosure. By way of illustration, but without limitation, "Proprietary Information" includes (a) trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques (hereinafter collectively referred to as "Inventions"); and (b) information regarding plans for research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customer identities; and (c) information regarding the skills and compensation of each party's employees. Notwithstanding the other provisions of this Agreement, nothing received by UIS will be considered to be Customer Proprietary Information if (1) it has been published or is otherwise readily available to the public other than by a breach of this Agreement: (2) it has been rightfully received by UIS from a third party without confidential limitations: (3) it has been independently developed for UIS by personnel or agents having no access to the Customer Proprietary Information; or (4) it was known to UIS prior to its first receipt from Customer.
- 2. Privacy. UIS will treat any and all information it acquires in order to access Customer computer systems and network, including but not limited to passwords, IP addresses, and access codes, as confidential information ("Confidential Information"). UIS shall not disclose any such Confidential Information to any third parties, except as may be necessary to assist UIS in providing the technology services to Customer, in anti-fraud detection and payment processing, in response to a subpoena, in response to suspected abuse or other unlawful use, or for the purpose of backups, virus scans or spam filtering. Any Confidential Information shall be returned to the Customer immediately upon request. UIS will not access Customer's hosted email, contacts, calendars, or documents except for trouble-shooting purposes, in response to a subpoena issued by a court, in response to suspected abuse or other unlawful use, or for purposes of backups, virus scans or spam filtering.

  K. Third Party Information. UIS understands that Customer has received and will in the future receive from third parties confidential, proprietary, attorney-client privileged, doctor-patient privileged, therapist-patient privileged, and/or other privileged information ("Third Party Information") subject to a duty on Customer's part to maintain the confidentiality of such information and use it only for certain limited purposes.
- Information") subject to a duty on Customer's part to maintain the confidentiality of such information and use it only for certain limited purposes. UIS agrees to hold Third Party Information in confidence and not to disclose to anyone (other than Customer personnel who need to know such information in connection with their work for Customer) or to use, except in connection with UIS' work for Customer, Third Party Information unless expressly authorized in writing by an officer of Customer, or if legally required to provide such information as part of a legal or quasilegal proceeding or ordered by a court (prior to disclosure, UIS shall contact Customer to inform them of the situation, so Customer may oppose any such disclosure).
- L. LIMITATION ON DAMAGES. UIS SHALL NOT BE LIABLE TO CUSTOMER FOR ANY AMOUNT EXCEEDING THE TOTAL PORTION OF THE CONTRACT PRICE FOR SERVICES ACTUALLY PAID BY THE CLIENT WITHIN THE TERM, (AS DEFINED IN SECTION A ABOVE) THAT THE DAMAGES AROSE. IN NO EVENT SHALL UIS BE LIABLE, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), LAW, EQUITY OR OTHERWISE, FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFIT OR BUSINESS INTERRUPTION EVEN IF UIS IS NOTIFIED IN ADVANCE OF SUCH POSSIBILITY) ARISING OUT OF OR PERTAINING TO THE SUBJECT MATTER OF THIS AGREEMENT.
- M. ALTERNATIVE DISPUTE RESOLUTION AND ARBITRATION. ALL DISPUTES IN CONNECTION WITH THIS AGREEMENT SHALL BE BROUGHT TO THE OTHER PARTY'S ATTENTION NO MORE THAN 90 DAYS FOLLOWING THE DETECTION OF AN ALLEGED CAUSE FOR DISPUTE. FAILING AN AMICABLE SETTLEMENT, ANY CONTROVERSY, CLAIM, OR DISPUTE ARISING UNDER OR RELATING TO

THIS AGREEMENT (OTHER THAN THOSE SET FORTH HEREIN), INCLUDING THE EXISTENCE, VALIDITY, INTERPRETATION, PERFORMANCE, TERMINATION OR BREACH THEREOF, SHALL FINALLY BE SETTLED BY BINDING ARBITRATION IN ACCORDANCE WITH THE ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION ("AAA"), EXCEPT WITH REGARD TO THE ADMISSIBILITY OF EVIDENCE, WHICH SHALL BE SUPERCEDED BY THE CALIFORNIA EVIDENCÉ CODE AND RELEVANT CALIFORNIA CASE LAW INTERPRETING THE CURRENT STATUS OF THE ADMISSIBILITY OF EVIDENCE. PRE-ARBITRATION DISCOVERY SHALL BE LIMITED AS FOLLOWS: EACH PARTY SHALL BE ENTITLED TO ONE SET OF FORM AND SEVENTY INDIVIDUAL NON-COMPOUND WRITTEN INTERROGATORIES AND SWORN RESPONSES BY THE OTHER PARTY, TWO SETS OF REQUESTS FOR ADMISSIONS, TWO DOCUMENT PRODUCTION REQUESTS OF NO MORE THAN 10 CATEGORIES EACH WITH SWORN RESPONSES. AND DEPOSITIONS OF TWO EMPLOYEES OF THE OTHER PARTY, AND TWO OTHER MATERIAL WITNESSES, NOT INCLUDING EXPERT WITNESSES. THE PARTIES MAY NOTICE A DEPOSITION FOR EACH EXPERT WITNESS TO BE PRESENTED AT ARBITRATION BY A PARTY. ALL WRITTEN DISCOVERY MUST BE RESPONDED TO BY THE RECEIVING PARTY AT LEAST FOURTEEN (14) CALENDAR DAYS AFTER PROOF OF MAILING OR DELIVERY OF WRITTEN DISCOVERY, PARTY AND WITNESS DEPOSITIONS REQUESTS MUST BE SCHEDULED WITHIN FOURTEEN (14) CALENDAR DAYS FROM THE DATE OF PROOF OF MAILING OF DEPOSITION NOTICES. THE ARBITRATOR SHALL HAVE THE POWER TO FINALLY DECIDE ALL OBJECTIONS TO WRITTEN DISCOVERY OR IN DEPOSITIONS IN ACCORDANCE WITH CURRENT CALIFORNIA LAW, AND COMPEL RESPONSES WITHIN FORTY-EIGHT (48) HOURS. FINAL WITNESS LISTS MUST BE PROVIDED TO THE OTHER PARTY AT LEAST SEVENTY-FIVE (75) CALENDAR DAYS PRIOR TO THE ARBITRATION DATE. REBUTTAL WITNESS LISTS, IF ANY, MUST BE PRESENTED TO THE OTHER PARTY AT LEAST TWENTY-ONE (21) CALENDAR DAYS PRIOR TO THE ARBITRATION DATE. ANY DECLARATIONS TO BE SUBMITTED IN LIEU OF IN-PERSON TESTIMONY AT ARBITRATION MUST BE PROVIDED TO THE OTHER PARTY AT LEAST FOURTEEN (14) CALENDAR DAYS PRIOR TO THE ARBITRATION DATE. ALL DISCOVERY MUST BE COMPLETED BY EACH PARTY AT LEAST FOURTEEN (14) CALENDAR DAYS PRIOR TO THE ARBITRATION. THE ARBITRATOR SHALL HAVE THE POWER TO COMPEL RESPONSE TO ANY DISCOVERY FROM EITHER PARTY TO ENSURE FULL & FAIR DISCOVERY AND TO ENSURE THAT THE ARBITRATION PROCEEDS ON SCHEDULE. INCLUDING FINING THE PARTY NOT IN COMPLIANCE WITH DISCOVERY REQUESTS ONE HUNDRED (\$100.00) PER DAY FOR LATE RESPONSES OR FAILURE TO SCHEDULE A PARTY DEPOSITION, IF THE ARBITRATOR BELIEVES SAID DELAYS WERE DONE WITH THE INTENTION TO UNFAIRLY HIDE MATERIAL EVIDENCE. THE ARBITRATOR SHALL NOT ALLOW ANY SURPRISE EVIDENCE, WITHOUT ALLOWING THE PARTY NEGATIVELY EFFECTED, A RECESS OF TWENTY-FOUR (24) HOURS TO RESPOND TO SURPRISE EVIDENCE. THE ARBITRATOR MAY SUPPRESS SURPRISE EVIDENCE IF ITS LACKS SUBSTANTIAL AND MATERIAL PROBATIVE VALUE. THE LANGUAGE OF THE ARBITRATION SHALL BE ENGLISH. THE ARBITRATOR WILL NOT HAVE THE AUTHORITY TO AWARD PUNITIVE DAMAGES TO EITHER PARTY. THE ARBITRATOR MAY ONLY BASE HIS OR HER DECISION ON PROPERLY ADMISSIBLE EVIDENCE AND CURRENT CALIFORNIA LAW. IN THE EVENT OF ARBITRATION OR OTHER DISPUTE RESOLUTION, INCLUDING ANY ATTEMPT TO SEEK RELIEF IN A COURT OR TRIBUNAL, THE PREVAILING PARTY IN SUCH PROCEEDING SHALL BE ENTITLED TO RECEIVE ITS REASONABLE ATTORNEYS FEES, EXPERT WITNESS FEES AND OUT-OF-POCKET COSTS INCURRED IN CONNECTION WITH SUCH PROCEEDING, IN ADDITION TO ANY OTHER RELIEF IT MAY BE AWARDED. THIS AGREEMENT WILL BE ENFORCEABLE, AND ANY ARBITRATION AWARD WILL BE BINDING AND FINAL, AND JUDGMENT THEREON MAY BE ENTERED IN ANY COURT OF COMPETENT JURISDICTION. THE ARBITRATION WILL BE HELD IN SAN JOSE, CALIFORNIA, USA. IF THE AMOUNT IN CONTROVERSY IS OR IS LIMITED BY A PARTY TO AN AMOUNT WITHIN THE JURISDICTIONAL LIMIT OF THE SMALL CLAIMS COURT OF SANTA CLARA COUNTY, EACH PARTY MAY SEEK RESOLUTION IN SMALL CLAIMS COURT IN THE COUNTY OF SANTA CLARA, CALIFORNIA.

#### N. Reserved.

- O. Customer Access Cards & Keys. UIS understands that holding Customer's access cards and/or keys is important to provide after-hours services. However, due to restrictions from our insurance, if Customer provides access card(s) or key(s), Customer hereby agrees to indemnify and hold harmless UIS from any and all damages, losses, and/or theft regarding or related to said loss of access card(s) or key(s).
- P. Recruiting Limits. Except as provided herein, during the term of this Agreement and for a period of one (1) year thereafter, Customer shall not knowingly solicit, entice, or persuade any employee(s) or contractor(s) of UIS, who have provided substantial Service(s) to Customer's account to terminate their employment with UIS. Notwithstanding the foregoing, if Customer hires, employs or otherwise enters a contract with to provide Service(s) to a current or former UIS employee or contractor that has provided substantial Service(s) to Customer under this Agreement, during the Term of this Agreement and for a period of one (1) year after termination of this Agreement, due to the significant difficulties in ascertaining and calculating the costs of recruiting and training a replacement UIS employee or contractor, which Customer hereby stipulates as to the difficulty to ascertain and calculate said costs, Customer agrees to pay UIS a recruiting and training fee in the liquidated damages amount Fifty Thousand Dollars (\$50,000.00 US), which is due and payable upon the first day said former UIS employee or contractor provides Service(s) to Customer. Customer hereby further stipulates that said liquidated damages amount is a reasonable fee to pay UIS for finding, recruiting, testing, managing and training said UIS employee or contractor that has provided substantial Service(s) to Customer under this Agreement.

#### Q. Miscellaneous.

1. Entire Agreement. This Agreement and all amendments, attachments and exhibits thereto, constitutes the entire agreement of the parties hereto and supersedes all prior representations, proposals, discussions, and communications, whether oral or in writing, as of the

Effective Date above. This Agreement may be modified only in writing and shall be enforceable in accordance with its terms when signed by both parties.

- 2. Force Majeure. UIS shall not be liable to Customer for any failure or delay caused by events beyond UIS' control, including, but not limited to, Customer's failure to furnish necessary information or materials; sabotage, failure, or delays in transportation or communication (including traffic accidents); failures or substitutions of equipment; labor disputes; accidents; shortages of labor, fuel, raw materials or equipment; technical failures by third party(ies); war; natural disasters; unnatural disasters (e.g. man-made disasters); or acts of God.
- **3. Choice of Law**. This Agreement shall be governed and construed in all respects in accordance with the laws of the State of California as they apply to a contract entered into and performed in California, and specifically in the County of Santa Clara.
- **4. Notices**. All notices required or permitted hereunder shall be in writing addressed to the respective parties as set forth below the signature lines, unless another address shall have been designated by a party. All notices, not otherwise specifically provided for above, must be transmitted through at least one of the following methods: (1) personally delivered with signed receipt, (2) delivered by registered or certified mail with postage prepaid, (3) facsimile transmission with confirming e-mail sent, or (4) by commercial overnight courier with tracking number and signature required upon receipt.
- **5. Negotiated Agreement**. This Agreement was a product of negotiation between the parties, who had access to legal representation if they so desired, so no party will have been deemed to have solely drafted this Agreement for the purposes of interpretation.
- **6. Section Headings**. The Section headings used in this Agreement are for convenience of reference only and will not limit or extend the meaning of any provision of this Agreement.
- **7. Enforceability**. If any provision of this Agreement is held to be invalid or unenforceable by any court or administrative body of competent jurisdiction, the remaining provisions will continue in full force without being impaired or invalidated in any way. The parties agree to replace any invalid provision with a valid provision that most closely approximates the intent and economic effect of the invalid provision.
- **8. Waiver**. No failure by either party to exercise, nor any delay by any party in exercising any right, power, privilege, or remedy hereunder, shall impair that right or constitute a waiver of it, subject to applicable limitations periods under applicable law.
- **9. Attorneys Fees.** If any dispute arises between the parties with respect to the matters covered by this Agreement, which leads to a proceeding to resolve such dispute, the prevailing party in such proceeding shall be entitled to receive its reasonable attorney's fees, expert witness fees and out-of-pocket costs incurred in connection with such proceeding, in addition to any other relief it may be awarded.
- **10. Assignment**. This Agreement may not be assigned by Customer without UIS' prior written consent, which it consent may be denied at UIS' sole discretion, and any such attempted assignment shall be void and of no effect.
  - 11. Modifications. Modifications to this Agreement must be agreed to in writing and signed by both parties.
  - 12. Survival of Terms. The following sections shall survive termination of this Agreement: sections A. C. F. G. J. K. L. M. P and Q.
- **13. Counterparts**. This Agreement may be signed in counterparts, where all parts combined shall be considered one fully executed agreement.

[END OF TERMS & CONDITIONS]