



Engineering Service Agreement

This agreement is entered into as of the last date signed by the parties (the "Effective Date") between EM Engineering Solutions LLC, [whose principal place of residence is at / a United States corporation with its principal place of business at 52377 Aspen Dr, South Lyon, MI, United States, 48178] ("EM ") and [Internal Testing] Test Data Solutions, [whose principal place of residence is at / a United States corporation with its principal place of business at 52377 Aspen Dr, South Lyon, MI, United States, 48178] ("TDS").

(The capitalized terms used in this agreement, in addition to those above, are defined in the separate document "Terms of Service" section "DEFINITIONS".)

1 Start of Engineering Services

1.1 EM's Pre-Agreement Signing Duty

Before both parties sign this agreement, EM must communicate with TDS addressing the details, deadlines, deliverables, and budget for this agreement, and will provide a quotation for the performance of professional engineering services related to the deliverables of this agreement, Defined further in section "DELIVERABLES".

1.2 TDS's Pre-Agreement Signing Duty

TDS agrees and acknowledges that EM, to the best of its ability, has provided the quotation for the performance of professional engineering services in good faith, using current, proven, and approved design methods for all mechanical and electrical engineering, and/or other analyses, referenced in EM's terms of service, section "NATURE OF ENGINEERING SERVICES", Subsection "DESIGN METHODS", located on EM's website at: <https://emengineeringsolutions.com/terms-of-service>. TDS acknowledges that the quotation provided by EM is an estimate for the performance of professional engineering services and is subject to variance by no more than +/- 20%. In the case that the final bill differs from the agreed variance range of the quotation, EM must send a notice in writing to TDS detailing the reasons for the difference from the quotation variance range before the final invoice is sent to TDS. TDS and EM must come to an agreement on the readjustment of the budget as a result of this difference.

1.3 Due Upon Signing

TDS agrees that upon signing this agreement, TDS will pay the agreed upon down payment percentage of 10%, with a minimum of 10%, and a maximum of \$5000, of the quotation's listed total cost (provided by EM). EM will apply this down payment as a credit towards TDS's total bill.

2 Terms of Service



2.1 Terms Of Service Applied To This Agreement

The sole terms of service for professional engineering services to which TDS, with principal places of business in United States, agrees, are defined in EM's terms of service located on their website at: <https://emengineeringsolutions.com/terms-of-service>, are hereby applied to this agreement. Any changes to said document, reflected in section "AMENDMENTS" of said document are automatically applied to this agreement, without needing signed confirmation from both parties. By signing this agreement, TDS has been given a reasonable opportunity for no less than twenty-one [21] days to read EM's terms of service fully and agrees to all its terms.

2.2 Amendments

Any other writings pertaining to, but not limited to: requests for proposals, confirmations, purchase orders, or other documents, shall not form a part of the agreement between TDS and EM unless the additional terms are set forth and are in writing signed by EM and TDS in which EM and TDS expressly agree to additional or modified terms and conditions defined in "AMENDMENTS" in this agreement.

3 Services

3.1 Deliverables

EM shall provide TDS with the professional engineering services and products described in the Statements of Work (the deliverables).

3.2 Service Types

EM will to the best of its ability implement design, development, and analysis methods from the engineering disciplines of mechanical & electrical engineering to perform professional engineering services to develop and manufacture the deliverables. All applicable services are located in EM's website's "Solutions" section, listed at <https://emengineeringsolutions.com/solutions>.

3.3 Extended Servicing

EM's methods of professional engineering services are not limited to those defined in this agreement. If TDS requires a specific service not offered by EM, TDS must submit a proposal in writing for EM to perform said professional engineering services. TDS acknowledges the risks involved with the performance of professional engineering services untested by EM, defined in EM's terms of services, see section "TERMS OF SERVICE". TDS and EM must come to an



agreement on the hourly rate for the performance of said professional engineering service, signed by both parties, thereby, submitting the proposal.

4 Changes to Services

4.1 Notice of Necessary Changes

TDS shall promptly notify EM in writing of any change to the deliverables TDS reasonably determines is necessary.

4.2 Contents of Notice

TDS shall include in its notice to EM

1. the particular elements of the deliverables it seeks to change,
2. the reason for the requested change, and
3. the impact, if any, that the requested change will have on
 - i. the [price] [amount],
 - ii. time for [performance / delivery], or
 - iii. any other terms or conditions of this agreement.

4.3 Changes Made in Writing

Any changes to the deliverables must be in writing and signed by each party.

5 Design Standards

EM will perform professional engineering services under the standards for each engineering discipline defined in EM's terms of service, see section "TERMS OF SERVICE".

6 Deliverables

6.1 Standards for Deliverables

All deliverables will be completed per the standards of statements of work defined in EM's terms of service, subsection "STATEMENT OF WORK STANDARDS". EM will perform professional engineering services to complete the following deliverables under current, proven, and approved design methods for all mechanical & electrical engineering, and/or other analyses. Design standards are defined in section "DESIGN STANDARDS".

6.2 Deliverables of This Agreement

The following are the deliverables to be completed in this agreement per its statement of work:

- Example Deliverable
- Example Deliverable



6.3 Severability

Either party may terminate any individual deliverable without affecting the remaining agreement or any other deliverables.

7 Schedule & Scope of Work

7.1 Work Days

EM is to perform professional engineering services needed to create deliverables defined in this agreement starting from the agreed upon start date and ending on deliverable execution, on all business days on the hours outlined on EM's website at <https://emengineeringsolutions.com/>, excluding all US federally recognized holidays. EM must notify and communicate with TDS if EM experiences any conflicts of work for any standard Work Day.

7.2 Scope of Work

EM must adhere to the scope of work document outlined by TDS in accordance to EM's terms of service, subsection "SCOPE OF WORK".

8 Ownership of Intellectual Property

TDS reserves the right to all property, physical and intellectual, created only during the performance of professional engineering services while developing the deliverables of this agreement. EM withholds all property developed under this agreement until TDS has paid all bills, invoices, fines, and dues arising from the performance of professional engineering services in this agreement. TDS's failure to pay all outstanding bills, invoices, fines, and dues will result in TDS forfeiting all property gained during this agreement. EM will then declare this agreement to be in default and assume full ownership of all property, see section "DEFAULT". Once all bills, invoices, fines, and dues are paid, transference of ownership of property will occur. Transfer of ownership is referenced in EM's term of service, section "TRANSFERENCE OF OWNERSHIP", subsection "CERTIFICATE OF TRANSFERENCE OF OWNERSHIP".

9 Budget

TDS must provide EM in a clear, concisely written document, the budget that is expected to be adhered to in the agreed upon contract duration period. TDS's budget must adhere to the guides outlined in EM's terms of service: subsection "BUDGET". In return, EM must follow TDS's provided budget and deadlines for professional engineering services that are to be completed for the deliverables defined in said document. EM must adhere to all budgets provided by TDS. If EM



believes it cannot reasonably stay within budgets provided by TDS, EM must send a proposal to TDS, amending said budget set by TDS to properly achieve the quality and standards needed to produce the deliverables outlined in any agreement.

10 Compensation

All prices are deemed as net, as such, TDS shall pay EM's list price for the performance of each professional engineering service, in freely available United States Dollars (USD), as listed on EM's website at <https://emengineeringsolutions.com/solutions>.

11 Payment of Compensation

EM shall invoice TDS bi-weekly [one [1] Billing Period] for the duration of the performance of professional engineering services. Both EM and TDS agree that the sole terms for invoicing and payment of compensation are set in EM's terms of service, subsection "PAYMENT OF COMPENSATION".

12 Acceptance and Rejection

12.1 Inspection Period

TDS will have 14 Business Days after it receives each deliverable to inspect and test the deliverable to ensure it meets the acceptance criteria outlined in the applicable Statement of Work (the "Inspection Period").

12.2 Acceptance

If in TDS's opinion the deliverable meets the acceptance criteria, TDS shall accept the deliverable and notify EM that it is accepting the deliverable.

12.3 Deemed Acceptance

TDS will be deemed to have accepted the deliverable if

1. TDS fails to notify EM on or before the expiration of the Inspection Period, or
2. if during the Inspection Period, TDS uses or attempts to use the deliverable beyond what is necessary for inspection and testing and in a way a reasonable person would consider consistent with TDS having accepted the deliverable from EM.

12.4 Rejection

If in TDS's opinion, the deliverable fails in a material way to meet the acceptance criteria, TDS may reject the deliverable by delivering to EM a written list detailing each failure to satisfy the acceptance criteria.



12.5 Opportunity to Cure

If TDS rejects the deliverable, EM will have 3 opportunities to promptly cure each failure in the deliverable and re-deliver the deliverable to TDS to re-inspect and test.

12.6 Continued Failure to Cure

If in TDS's opinion, EM's corrections fail to satisfy the acceptance criteria 3 times, TDS may either

1. terminate this agreement, or
2. adjust the acceptance criteria for that deliverable, and
3. require EM to pay the Adjustment Fee.

12.7 Adjustment Fee

"Adjustment Fee" means 10% of deliverable value with a maximum of \$1500.

12.8 Liquidated Damages Statement

TDS acknowledges that

1. the actual damages likely to result from the late delivery of a deliverable, due to EM's failure to comply with the Acceptance Criteria, are difficult to estimate when entering this agreement and would be difficult for TDS to prove,
2. and TDS agrees that EM's payment of the Adjustment Fees serves to compensate TDS for EM's failure to timely deliver a deliverable that complies with its acceptance criteria, not to serve as punishment for any such breach by EM.

13 Delivery

13.1 Interpretation

Professional engineering services delivery dates shall be interpreted as estimated, and in no event shall such dates be construed as falling within the meaning of "time is of the essence" unless otherwise stated in a statement or work for a specific deliverable. In such a case, EM will follow its terms of service to complete the deliverable in the assigned work period, working with TDS to amend deadlines should it see them unfit for the service provided, see section "TERMS OF SERVICE".

13.2 Liabilities

EM shall not be held liable to TDS for any costs or damages due to nonperformance under this Agreement, further defined in EM's terms of service, subsection "LIABILITIES".



14 Default

In the event of a work stoppage called by or caused by TDS lasting more than five (5) working days, the contract may be declared by EM to be in default. In the event of a contract default, both parties shall negotiate in good faith to resume work as soon as possible. Work shall be resumed as soon as all issues are resolved, and an amended contract is put in place. It is understood that resumption is on a "time available basis", as other commitments may have been made in the interim. Further default terms are defined in EM's terms of service, subsection "DEFAULT".

15 Term

15.1 Initial Term

The initial term of this agreement begins on the Effective Date and will continue indefinitely until all deliverables are accepted, rendering the contract complete, unless terminated earlier (the "Initial Term").

15.2 Renewal Term by Notice

TDS may renew this agreement for successive renewal terms, unless terminated earlier, by giving EM notice of the intent to renew this agreement, at least 14 Business Days before the end of the Current Term.

15.3 Term Definition

"Term" means either the Initial Term or the then-current Renewal Term.

15.4 Trade Secrets

In connection with Confidential Information that constitutes a trade secret, the obligation of confidentiality will continue until that information is no longer a trade secret.

15.5 Other Confidential Information

In connection with all other Confidential Information, the obligations of this agreement will begin on the Effective Date and will continue indefinitely.

16 Intellectual Property



16.1 Each Party Retains Intellectual Property

Subject to paragraph "LICENSE TO EM" below, each party will retain exclusive interest in and ownership of its Intellectual Property developed before this agreement or outside the scope of this agreement.

16.2 License to EM

TDS hereby grants to EM a non-exclusive, non-transferable, non-sublicensable, world-wide, and royalty-free license to use TDS's pre-existing Intellectual Property solely for the purpose of providing the deliverables.

16.3 Developed Intellectual Property

If any Intellectual Property is developed under this agreement, whether by one party on its own or jointly-developed by both parties, the parties shall cooperate to execute a separate agreement regarding the ownership of and any licenses regarding that newly-developed Intellectual Property.

17 Confidential Information

17.1 For purposes of this agreement, "Confidential Information" includes:

1. any trade secret, know-how, invention, concept, software program, source code, object code, application, documentation, schematic, procedure, contract, information, knowledge, data, database, process, technique, design, drawing, program, formula or test data, work in progress, engineering, manufacturing, marketing, financial, sales, supplier, technical, scientific, customer, employee, investor, or business information, whether in oral, written, graphic, or electronic form;
2. any non-public business information, including personnel data, correspondence with any Governmental Authority, historical customer information and data, historical cost information such as budgets, operating expenses, and capital costs, and projected capital additions, operating cost information, and other business, and financial reports and forecasts;
3. any document, diagram, photograph, drawing, computer program, or other communication that is either conspicuously marked "confidential", or is known or reasonably should have been known by the Receiving Party to be confidential; and
4. any advice, information, exhibits, documentation, or any other information that the Receiving Party should reasonably expect would be protected by attorney-client privilege or work product doctrine or other applicable privileges.

18 Confidentiality Obligations

Both parties agree to obey the confidentiality obligations defined in EM's terms of service, subsection "CONFIDENTIALITY OBLIGATIONS".



19 Termination

Either party may terminate this agreement or any deliverable for any reason contingent on EM's terms of service, subsection "TERMINATION" on 3 Business Days' notice to the other party.

20 Counterparts

This agreement may be signed in any number of counterparts, each of which is an original and all of which taken together form one single document. Signatures delivered by email in PDF format or facsimile shall be effective.

21 Amendment

This agreement can be amended only by a writing signed by both parties.

22 Binding Effect

This agreement will benefit and bind the parties and their respective heirs, successors, and permitted assigns.

23 Severability

If any part of this agreement is declared unenforceable or invalid, the remainder will continue to be valid and enforceable.

24 Acknowledgement of Contract Terms

Before signing this agreement, TDS

1. has been given a reasonable opportunity for no less than twenty-one [21] days, to consider its terms,
2. has carefully read and fully understands all its terms,
3. has been advised by EM, and has been given ample opportunity, to consult with an attorney of his or her choosing regarding this agreement, and
4. knowingly and voluntarily agrees to all of the terms of this agreement, without any duress, coercion, or undue influence by EM, its representatives, or any other Person, and agrees to be legally bound by those terms.



Both parties signed this agreement on _____.

EM Engineering Solutions LLC

Signee Full Name: Christopher M. Hycki

Title: Owner / Sr. Electrical/Mechanical Design Engineer

Date:

Email: chrishycki@emengineeringolutions.com

Phone: +1 (248) 916-2598

Signature:

EM Engineering Solutions LLC Billing Contact Info

Full Name: Christopher M. Hycki

Email: chrishycki@emengineeringolutions.com

Phone: +1 (248) 916-2598

Billing Address: 52377 Aspen Dr, South Lyon, MI, United States, 48178

[Internal Testing] Test Data Solutions

Signee Full Name:

Title:

Date:

Email:

Phone:

Signature:

[Internal Testing] Test Data Solutions Billing Contact Info

Full Name:

Email:

Phone:

Billing Address: