

MASTER SERVICES AGREEMENT

Each Statement of Work (SOW) and/or quotation issued by NexGen IT Solutions LLC ("NexGen IT Solutions") is an offer to sell Products and/or Services (herein defined) to purchaser ("Customer") and includes, is governed by, and Customer agrees to be bound by, this Master Services Agreement. NexGen IT Solutions' SOW and/or quotation and this Master Services Agreement shall be deemed accepted by Customer upon NexGen IT Solutions' receipt of a purchase order or a signed SOW. Acceptance of NexGen IT Solutions' SOW and/or quotation and this Master Services Agreement is expressly limited to the terms contained in the SOW and/or quotation and this Master Services Agreement. NexGen IT Solutions rejects any terms and conditions contained in Customer's forms that are additional to or different from those set forth in NexGen IT Solutions' SOW and/or quotation or in this Master Services Agreement.

Customer and NexGen IT Solutions are sometimes referred to individually in this Agreement as a "Party" and collectively as the "Parties."

1. DEFINITIONS

As used in this Agreement:

- "Agreement" means this Master Services Agreement and all Statements of Work, schedules, and attachments attached hereto or otherwise made a part of this Agreement.
- **"Change Order"** means a document detailing any changes to a SOW signed by both Parties authorizing a change in the scope of the Services.
- "Confidential Information" means any information furnished by Discloser to
 Recipient during the term of this Agreement, including, without limitation, pricing,
 methods, processes, financial data, lists, statistics, software, systems or
 equipment, programs, research, development, strategic plans, operating data, or
 related information of each of the parties and/or its or their customers and
 suppliers, concerning past, present, or future business activities of said entities.
 This Agreement is the Confidential Information of NexGen IT Solutions. All other
 Confidential Information must be clearly designated as "Confidential." Information

provided orally will be considered confidential only if a written memorandum of such information clearly designated as marked "Confidential" is delivered to Recipient within thirty (30) days of the Disclosure. As to any Confidential Information, "Discloser" means the Party disclosing the Confidential Information and the "Recipient" means the Party receiving the Confidential Information.

- "Content" means information, software, Customer Data, and other data including, without limitation, HTML files, scripts, programs, recordings, sound, music, graphics, and images that Customer or any of its Users create, install, upload, or transfer in or through the Hosting Environment.
- "Customer Components" means the hardware, software, other products, and other Content including, without limitation, those specified in a SOW as being provided by Customer.
- "Customer Data" means all data and information about Customer's business(es), customers, employees, operations, facilities, products, markets, assets, or finances that NexGen IT Solutions obtains, creates, generates, collects, or processes in connection with its performance of Services and is stored in any Hosting Environment.
- "Disclosure" means the release, publication, or dissemination of Confidential Information by a Party and excludes the release, publication, or dissemination of Confidential Information by a third party.
- "Hosting Environment" means NexGen IT Solutions' application hosting
 environment for the delivery of Services, consisting of, but not limited to, network,
 storage and server devices, software programs, applications network management
 devices, and other items specified in any Statement of Work.
- "Required Consents" means any consents, licenses, or approvals required to give NexGen IT Solutions, or any person or entity acting for NexGen IT Solutions under this Agreement, the right or license to access, use, and/or modify in electronic form and in other forms, including, without limitation, derivative works, the Customer Components and Content, without infringing the ownership or intellectual property rights of the providers, NexGen IT Solutions, or owners of such Customer Components and Content.
- "Services" means the information technology services to be delivered by NexGen IT Solutions under this Agreement as specified in any Statement of Work and does not include Third Party Services.

- "Statement of Work" or "SOW" shall have the meaning ascribed to it in Section 2.1.
- "Third Party Services" means the information technology services to be delivered by a third party under this Agreement as specified in any Statement of Work.
- "User" means any entity or individual that receives or uses the Services, or the results or products of the Services, through Customer.

Any capitalized term which is defined in this Agreement shall have the same meaning when used in any Statement of Work, unless the language or context requires otherwise. SOW-specific definitions, if any, shall be included in the applicable SOW, and shall apply only with respect to such SOW.

2. GENERAL

- 2.1. Agreement Structure. This Agreement contains general contractual terms for all information technology services to be provided by NexGen IT Solutions. The specific information technology services that NexGen IT Solutions will provide, applicable pricing and payment terms, service level agreement, if any, and other transaction-specific provisions will be agreed upon through statements of work to this Agreement (each a "Statement of Work" or "SOW"). Each SOW shall be signed by both Parties and will be deemed to incorporate all the provisions of this Agreement by reference. Each SOW will be a separate agreement between NexGen IT Solutions and Customer.
- **2.2. Order of Precedence.** In the event of any inconsistencies between the terms of this Agreement and the terms of any Statement of Work, the terms of this Agreement shall control. The Parties may specify in the applicable SOW that a particular provision of the SOW is to supersede a provision of this Agreement, in which case the superseding SOW provisions shall be applicable only to such SOW and shall be effective for such SOW only if such provision expressly references the applicable Section of this Agreement that is to be modified and clearly states that such provision supersedes the conflicting or inconsistent provision in this Agreement.

3. SERVICES AND PRODUCTS

- **3.1. Scope of Services.** Subject to the terms and conditions in this Agreement and the applicable SOW, NexGen IT Solutions will use commercially reasonable efforts to perform the Services described in the applicable Statements of Work.
- **3.2. Product Sales.** The resale of Products (herein defined) is governed by the terms and conditions in Addendum A.

- **3.3. Designated Contact Persons.** Each Party shall designate an individual who will be a primary point of contact for that Party and will have the authority to act and make decisions for that Party in all aspects of the Services, including Change Orders. Customer shall make available all technical matter, data, information, operating supplies, and computer system(s), as reasonably required by NexGen IT Solutions. Either Party may change its designated contact person by written notice to the other Party.
- **3.4. Changes.** In the event Customer wishes to add additional programs, applications or data sources, systems servers, network devices of any kind (access points, firewalls, routers, switches, et al), requests an expansion in the scope of the Services, or increases the network load in the Hosting Environment managed by NexGen IT Solutions under this Agreement, then Customer shall present its request for such alterations of its network to NexGen IT Solutions for scoping. No alterations will be permitted under this Agreement without a signed Change Order.

4. FEES AND PAYMENT TERMS

- **4.1. Charges.** Customer shall pay to NexGen IT Solutions all recurring base monthly charges and non-recurring additional charges, for services, hardware, or software not covered by the base rate at the rates and charges set forth on the applicable SOW or Customer quotation. The base monthly charge shall be billed prospectively on the 1st day of the month on which the services are to be provided. Additional charges for services, hardware, or software, shall be billed on the last day of the month in which the charges are incurred or become billable.
- **4.2. Reimbursable Expenses.** Except as may otherwise be stated in the applicable SOW, Customer agrees to reimburse NexGen IT Solutions all reasonable and customary out-of-pocket expenses, including, but not limited to, airfare, rental car, mileage, tolls, meals, and lodging expenses, incurred by NexGen IT Solutions in connection with the performance of services. NexGen IT Solutions may charge a flat rate for these expenses. Travel time will be billed at the on-site billable rate each way. Reimbursable expenses shall be invoiced monthly. Upon request by Customer, NexGen IT Solutions shall provide copies of documentation for such expenses.
- **4.3. Invoices.** All invoices shall be due and payable within thirty (30) days after the invoice date. Customer agrees to pay a late payment charge at the rate of five percent (5%) per month, or at the maximum late payment charge permitted by applicable law, whichever is less, on any unpaid amount for each calendar month (or portion thereof) that any payment is thirty (30) days past due. NexGen IT Solutions may apply any payment received to any

delinquent amount outstanding. Customer shall reimburse NexGen IT Solutions for all costs, including attorneys' fees, incurred collecting sums due under this Agreement.

4.4. Taxes. The amounts payable under this Agreement are exclusive of all sales, use, value-added, withholding, and other taxes and duties. Customer shall pay all taxes levied and duties assessed by

any authority based upon this Agreement, excluding any taxes based upon NexGen IT Solutions' income. This provision shall not apply to any taxes for which the Customer is exempt and for which Customer has furnished NexGen IT Solutions with a valid tax exemption certificate authorized by the appropriate taxing authority.

5. INFORMATION SECURITY

- **5.1. Security Measures.** NexGen IT Solutions will maintain commercially reasonable security measures that are designed to (a) ensure the security of the Customer Data stored by NexGen IT Solutions in the Hosting Environment; (b) protect against any anticipated threats or hazards to the security or integrity of the Customer Data stored by NexGen IT Solutions in the Hosting Environment; and (c) protect against any unauthorized access to or use of the Customer Data as stored by NexGen IT Solutions in the Hosting Environment.
- **5.2. Notification and Prevention Obligations.** Upon becoming aware, NexGen IT Solutions shall promptly notify Customer of any actual security breach in its Hosting Environment that may result in the unauthorized access to or disclosure of unencrypted Customer Data. This notification will state in reasonable detail the Customer Data at risk. NexGen IT Solutions agrees to take all actions reasonably necessary under the circumstances to immediately prevent the continued unauthorized access of such information. NexGen IT Solutions further agrees that in the event of a breach of confidentiality or security, it will work in good faith and cooperate with Customer to address the breach. NexGen IT Solutions shall not be responsible or liable for any security breach caused by the Customer.
- **5.3. Audits by Customer.** Customer shall have the right to review NexGen IT Solutions' security measures prior to the commencement of the Services and thereafter on an annual basis during the term of this Agreement. Such annual review may include an onsite audit, conducted by qualified personnel, of NexGen IT Solutions' data centers to inspect the Hosting Environment to verify NexGen IT Solutions' compliance with this Agreement. The dates of any onsite audit shall be mutually agreed upon by the Parties. The customer shall be responsible for the entire cost of any onsite audit. NexGen IT Solutions may charge Customer on a time-and-materials basis at the then-current standard time and materials rate for Customer audits and requests for information based on the length and detail of the

audit/information requested. No such audit may include activities that might result in "downtime" or unavailability for the Hosting Environment. Any "downtime" or unavailability because of any audit by Customer shall not count as downtime for purposes of any SOW and shall not be a breach of this Agreement or any SOW by NexGen IT Solutions.

6. OTHER CUSTOMER RESPONSIBILITIES

- 6.1. Acceptable Use. The customer is responsible for all acts and omissions of its Users in connection with receipt or use of the Services. Customer agrees, and will ensure its Users agree, to act responsibly and not use the NexGen IT Solutions Services for any illegal or unauthorized purpose including, but not limited to, hacking, phishing, spamming, identity theft, financial fraud, e-mail spoofing, virus distribution, network attacks, pirating software, harassment, using copyrighted text, sharing illegal software, and unauthorized use of images. NexGen IT Solutions has the right to investigate potential violations of this Section. If NexGen IT Solutions determines that a breach has occurred, then NexGen IT Solutions may, in its sole discretion: (a) restrict Customer's and Users' access to the Services; (b) remove or require removal of any offending Content; (c) terminate this Agreement for cause; and/or (d) exercise other rights and remedies, at law or in equity. Except in an emergency or as may otherwise be required by law, before undertaking the actions in this Section, NexGen IT Solutions will attempt to notify Customer by any reasonably practical means under the circumstances, such as, without limitation, by telephone or e-mail. Customer will promptly notify NexGen IT Solutions of any event or circumstance related to this Agreement, Customer's or any User's use of the Services, or Content of which Customer becomes aware, that could lead to a claim or demand against NexGen IT Solutions, and Customer will provide all relevant information relating to such event or circumstance to NexGen IT Solutions at NexGen IT Solutions' request. NexGen IT Solutions agrees to always allow Customer complete and unrestricted access to Customer's software applications, devices, equipment, hardware, and all Services-related license files so that Customer can audit its users' compliance with the terms of this Agreement.
- **6.2. Content.** Customer is solely responsible for: (a) all Content including, without limitation, its selection, creation, design, licensing, installation, accuracy, maintenance, testing, backup, and support; (b) all copyright, patent and trademark clearances in all applicable jurisdictions and usage agreements for any and all Content; (c) the selection of controls on the access and use of Content; and (d) the selection, management, and use of any public and private keys and digital certificates it may use with the Services. Customer agrees not to access the Hosting Environment by any means other than through the interface that is provided by NexGen IT Solutions for use in accessing the Hosting Environment.

- **6.3. Required Consents.** Customer shall obtain and keep in effect all Required Consents necessary for NexGen IT Solutions to perform all its obligations as set forth in this Agreement. Upon request, Customer will provide to NexGen IT Solutions evidence of any Required Consent. NexGen IT Solutions will be relieved of its obligations to the extent that they are affected by Customer's failure to promptly obtain and provide to NexGen IT Solutions any Required Consents. NexGen IT Solutions will adhere to reasonable terms and conditions pertaining to Content as notified in writing to NexGen IT Solutions. NexGen IT Solutions agrees not to remove or alter any copyright or other proprietary notice on or in any Content without Customer's consent.
- **6.4. Software.** Customer authorizes NexGen IT Solutions to determine whether or not software specified in any SOW is currently in place, operational, and maintained and supported at the level required for NexGen IT Solutions to perform the Services required under this Agreement. Customer grants NexGen IT Solutions, at no charge, the right to use any Customer-owned or developed application software systems required by NexGen IT Solutions to provide the Services specified in any SOW to Customer.
- **6.5. Capacity Planning.** Customer is solely responsible for determining whether the services, Hosting Environment, and related Content meet Customer's capacity, performance, or scalability needs. Customer is responsible for planning for and requesting changes to the Hosting Environment and services, including any additional capacity required to support anticipated peaks in demand that may significantly increase website hits, transaction volumes, or otherwise increase system resource utilization.
- **6.6. Customer Components.** Customer is solely responsible for the selection, operation, and maintenance of all Customer Components.
- **6.7. Security.** Customer and its Users shall use reasonable security precautions in connection with its use of the Services, i.e., maintain up-to-date virus scanning and operating system security patches and hardware and software firewall protection, and company-wide multifactor authentication. In addition, Customer shall not take any action or install any software that may preclude or impair NexGen IT Solutions' ability to access or administer its network or provide the Services.
- **6.8. Encryption.** Customer shall encrypt at the application level Confidential Information, Customer Data, and all data that is considered sensitive data or that must be treated as confidential under state or federal law or under Customer's contractual obligations to others. This includes, but is not limited to, Social Security Numbers, financial account numbers, driver's license numbers, state identification numbers, Protected Health Information (as that term is defined in Title II, Subtitle F of the Health Insurance Portability

and Accountability Act, as amended (HIPAA) and regulations promulgated there under) and Nonpublic Personal Information (as that term is defined in Financial Services Modernization Act of 1999 (Gramm-Leach-Bliley) and regulations promulgated there under).

7. CONFIDENTIAL INFORMATION

- **7.1. Restrictions on Use; Non-Disclosure.** Recipient agrees that it will use the same care and discretion to avoid Disclosure of any Confidential Information as it uses with its own similar information that it does not wish to disclose, publish, or disseminate (but in no event less than a reasonable degree of care). Except as otherwise expressly permitted in writing by an authorized representative of Discloser, Recipient agrees that it will not: (a) use the Confidential Information of Discloser for any purpose other than the purpose for which Discloser disclosed the information; or (b) disclose or reveal Confidential Information of Discloser to any person or entity other than its employees, directors, officers, agents and consultants who (i) have a need to know to further the purpose of this Agreement; and (ii) are subject to legally binding obligations of confidentiality no less restrictive than those contained in this Agreement.
- **7.2. Exceptions.** The obligations set forth in Section 7.1 shall not apply to Confidential Information that: (a) before the time of its Disclosure was already in the lawful possession of the Recipient; or (b) at the time of its Disclosure to Recipient is available to the general public or after Disclosure to Recipient by Discloser becomes available to the general public through no wrongful act of the Recipient; or (c) Recipient demonstrates to have been lawfully and independently developed by Recipient without the use of or reliance upon any Confidential Information of the Discloser and without any breach of this Agreement.
- **7.3. Disclosures Required by Law.** If Recipient becomes legally compelled (by deposition, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, then Recipient shall notify Discloser of the requirement promptly in writing so that Discloser may seek a protective order or other appropriate remedy. If a protective order or other remedy is not obtained, or if Discloser waives in writing compliance with the terms hereof, then Recipient shall furnish only that portion of the information which Recipient is advised by written opinion of counsel is legally required and to exercise reasonable efforts to obtain confidential treatment of such information.
- **7.4. Disposal of Confidential Information.** Upon termination of this Agreement or upon Discloser's request at any time, Recipient agrees to promptly return to Discloser all copies of Confidential Information. If return is impossible as to any portion of the Confidential Information, then Recipient shall certify to Discloser promptly that all such Confidential

Information of Discloser, including all copies thereof, has been totally and permanently destroyed. NexGen IT Solutions will return to the Customer, all Customer Data in its possession at the date of termination in its then-existing format and on its Customer-supplied media, however, NexGen IT Solutions may keep a copy in accordance with its record retention policy. Any conversion of format or media performed by NexGen IT Solutions in order to discharge its obligations under this Section shall be at Customer's expense.

- **7.5. Remedies.** The Parties acknowledge and agree that a breach of this Agreement by either Party will cause continuing and irreparable injury to the other's business as a direct result of any such violation, for which the remedies at law will be inadequate, and that Discloser shall therefore be entitled, in the event of any actual or threatened violation of this Agreement by Recipient, and in addition to any other remedies available to it, to seek to obtain a temporary restraining order and to injunctive relief against the other Party to prevent any violations thereof, and to any other appropriate equitable relief.
- **7.6. Duration.** The obligations set forth in this Section 7 shall apply during the term of this Agreement and for a period of one (1) year thereafter.

8. OWNERSHIP RIGHTS

- **8.1. Services.** NexGen IT Solutions retains all right, title, and interest in the Services and in all improvements, enhancements, modifications, or derivative works thereof including, without limitation, all rights to patent, copyright, trade secret, and trademark. The Services contain proprietary and confidential information that is protected by applicable intellectual property and other laws, and Customer agrees not to disclose such information to any third party without NexGen IT Solutions' prior permission.
- **8.2. Content.** NexGen IT Solutions acknowledges and agrees that all Content, including copyrights, trademarks, database rights, and other intellectual property contained in such Content are owned or licensed by Customer. Customer grants NexGen IT Solutions a license to store, record, transmit, and display the Content solely to perform NexGen IT Solutions' obligations under this Agreement.

9. REPRESENTATIONS AND WARRANTIES

9.1. By Each Party. Each Party represents and warrants to the other Party that: (a) it has full power and authority to enter into this Agreement; (b) it is in compliance, and will continue to comply during the term of this Agreement, with all laws and regulations governing its possession and use of Customer Data and its provision or use of the Services; and (c) it has the requisite corporate power and authority to execute, deliver, and perform its obligations under this Agreement.

- **9.2. By Customer.** Customer represents and warrants to NexGen IT Solutions that: (a) it owns, or is a licensee of, having the right to sublicense, the Content and that Customer has the right to grant NexGen IT Solutions the rights that Customer purports to grant in this Agreement; (b) NexGen IT Solutions' possession or use of the Content or Customer Data does not and will not infringe on, violate, or misappropriate any patent, trademark, or copyright, or misappropriate any trade secret or other proprietary right of any third party; and (c) it will not use, nor will it allow any third parties under its control to use, the Services for high-risk activities, such as the operation of nuclear facilities, air traffic control, or life support systems, where the use or failure of the Services could lead to death, personal injury, or environmental damage.
- **9.3. By NexGen IT Solutions.** NexGen IT Solutions represents and warrants to Customer that:
- 9.3.1. Industry Standards. The Services shall be performed in a good, workmanlike, professional, and conscientious manner by experienced and qualified employees of NexGen IT Solutions according to the generally accepted standards of the industry to which the Services pertain. For Services containing a deliverable, such Services will be deemed accepted by Customer if not rejected in a reasonably detailed writing within five (5) days of submission to Customer, or as otherwise identified in the applicable Statement of Work. In the event the Services provided by NexGen IT Solutions are not in conformance with this warranty, Customer must provide written notice to NexGen IT Solutions within five (5) days after the performance of the Services and such notice will specify in reasonable detail the nature of the breach. Upon confirmation of the breach, NexGen IT Solutions will use commercially reasonable efforts to take the steps necessary to correct the deficiency at no charge to Customer. This is Customer's sole and exclusive remedy for breach of this warranty.
- 9.3.2. Service Levels. The Services will meet the technical standards of performance or service levels, if any, set forth in the applicable SOW. Customer's sole and exclusive remedy for any failure to meet the applicable technical standards of performance or service levels shall be as specified in the applicable SOW. Customer is not authorized to make, and Customer shall not make, any representations or warranties on behalf of NexGen IT Solutions to any third party. Customer shall be solely responsible and liable for any representations or warranties that Customer makes to any third party regarding NexGen IT Solutions, the Hosted Environment, the Services, or any other aspect of this Agreement. NexGen IT Solutions makes no representations or warranties with regard to the Third Party Services and passes through to Customer the terms and conditions for the services delivered by a third party.

9.4. Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION, NEITHER PARTY MAKES ANY OTHER REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, AND ANY WARRANTIES ARISING FROM THE USAGE OF TRADE OR COURSE OF PERFORMANCE. NO EMPLOYEE, AGENT, OR REPRESENTATIVE OF NEXGEN IT SOLUTIONS IS AUTHORIZED TO MAKE ANY ADDITIONAL OR OTHER REPRESENTATIONS OR WARRANTIES ON BEHALF OF NEXGEN IT SOLUTIONS. CUSTOMER IS NOT RELYING ON ANY OTHER REPRESENTATIONS OR WARRANTIES. IN ADDITION, CUSTOMER UNDERSTANDS AND ACKNOWLEDGES THAT THE INTERNET IS NOT A SECURE MEDIUM, MAY BE INHERENTLY UNRELIABLE AND SUBJECT TO INTERRUPTION OR DISRUPTION, AND MAY BE SUBJECT TO INADVERTENT OR DELIBERATE BREACHES OF SECURITY, FOR WHICH NEXGEN IT SOLUTIONS CANNOT BE HELD LIABLE.

10. INDEMNIFICATION

- 10.1. Indemnification by NexGen IT Solutions. Subject to the terms and conditions in this Agreement, NexGen IT Solutions will, at its cost, (i) defend Customer and its officers, directors, shareholders, employees, agents, successors, and assigns (collectively the "Customer Indemnified Parties") from and against any claim, suit, action, or proceeding (threatened or otherwise) (each a "Claim") made or brought by a third party against Customer Indemnified Parties to the extent based upon (a) any breach by NexGen IT Solutions of any of its representations and warranties under Section 9.1; (b) real property damage or personal injury, including death, solely and directly caused by NexGen IT Solutions' employees or contractors in the course of performance under this Agreement; (c) any breach by NexGen IT Solutions of Section 7 but only with respect to the Disclosure of Confidential Information and to the extent the Disclosure is the result of actions predominantly attributable to NexGen IT Solutions; (d) any uncured breach by NexGen IT Solutions of its obligations under Section 5; and (e) any allegation that Customer's receipt of the Services under this Agreement infringes any of such third party's copyrights, or any such third party's patents issued in the United States as of the Effective Date, or misappropriates any of such third party's trade secrets (each an "IP Claim"); and (ii) NexGen IT Solutions shall pay any final award of damages (or settlement amount approved by NexGen IT Solutions in writing and) paid to the third party that brought any such Claim.
- **10.2. Indemnification by Customer.** Customer will indemnify, defend and hold harmless NexGen IT Solutions and its officers, directors, shareholders, employees, agents, successors, and assigns from any and all liabilities, damages, costs, and expenses, including reasonable attorney's fees and expenses, arising out of any claim, suit or

proceeding (threatened or otherwise) made or brought by a third party against NexGen IT Solutions or its officers, directors, shareholders, employees, agents, successors and assigns based upon (a) any breach by Customer of any of its representations and warranties under Section 9; (b) real property damage or personal injury, including death, directly caused by Customer; (c) any breach by Customer of Section 7 but only with respect to the Disclosure of Confidential Information and to the extent the Disclosure is the result of actions predominantly attributable to Customer; (d) any breach by Customer of its obligations under Section 6.1, Section 6.3, or Section 6.8; (e) any breach by Customer of Section 13.2; and (f) any claim that NexGen IT Solutions' possession, storage, or transmission of the Content or possession or use of the Customer Components, infringes on, violates, or misappropriates any patent, copyright, trademark, service mark, trade secret, or other intellectual property or proprietary rights of such third party.

10.3. Procedure. A Party (or other person) having a right to defense and indemnification under this Agreement ("Indemnified Party") that desires such indemnification shall tender to the Party having an obligation to defend and indemnify under this Agreement ("Indemnifying Party") sole control of the defense and settlement of the Claim for which indemnity is sought, provided that the Indemnified Party shall notify the Indemnifying Party promptly in writing of each Claim and the Indemnified Party shall give the Indemnifying Party information and assistance to defend and settle the Claim. The Indemnified Party, at its own expense, shall have the right to employ its own counsel and to participate in any manner in the defense against any claim for which indemnification is sought under this Section 10. The Indemnified Party shall cooperate in all reasonable respects with the Indemnifying Party and its attorneys in the investigation, trial and defense of any Claim. In no event shall either Party make any settlement of a Claim, including without limitation, any settlement that involves a remedy relating to admission of liability by, injunctive relief against, or other affirmative obligations by the Indemnified Party without the other Party's prior written consent, which consent will not be unreasonably withheld, delayed, or conditioned.

10.4. Mitigation for IP Claims. At any time after notice of an IP Claim, or if NexGen IT Solutions believes there is a basis for an IP Claim, NexGen IT Solutions has the right, at NexGen IT Solutions' sole option and expense, to either (a) procure the right for Customer to continue receiving the Services as provided in this Agreement, or (b) replace or modify the applicable Service with a service that has substantially similar functionality and that NexGen IT Solutions believes would not be subject to the IP Claim. If NexGen IT Solutions deems (a) or (b) not feasible or not commercially reasonable, NexGen IT Solutions has the right to terminate the applicable SOW. In the event of any such termination, NexGen IT Solutions will refund to Customer the unused portion of any amounts paid by Customer for

the affected Service. In addition, upon any such termination, Customer shall cease the use of the applicable Service.

10.5. Limitations as to IP Claims. Notwithstanding anything to the contrary, NexGen IT Solutions shall have no obligations or liability under Section 10.1 (Indemnification by NexGen IT Solutions) if the IP Claim is based upon, arises out of, or is related to, in whole or in part, or if any of the following apply: (a) the combination of the applicable Service with any product, software, solution, or service not entirely developed and provided by NexGen IT Solutions, (b) use of the applicable Service outside the scope of the licenses or rights set forth in this Agreement or in violation of any law or any restriction or limitation set forth in this Agreement, (c) Customer's failure to comply with NexGen IT Solutions' direction to cease any activity that in NexGen IT Solutions' reasonable judgment may result in an IP Claim, (d) any allegation by a third party that does not specifically reference a NexGen IT Solutions Service, or that does not reference a feature of function of a NexGen IT Solutions Service, or (e) any IP Claim for which Customer does not promptly tender control of the defense thereof to NexGen IT Solutions.

10.6. Sole Remedy. THE TERMS IN THIS SECTION 10 (INDEMNIFICATION) SHALL BE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND NEXGEN IT SOLUTIONS' SOLE AND EXCLUSIVE LIABILITY AND OBLIGATION WITH RESPECT TO THIRD-PARTY CLAIMS OF INFRINGEMENT OR MISAPPROPRIATION OF THIRD-PARTY INTELLECTUAL PROPERTY RIGHTS. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 10 (INDEMNIFICATION), NEXGEN IT SOLUTIONS SHALL NOT HAVE ANY OBLIGATION TO DEFEND OR INDEMNIFY CUSTOMER FOR THIRD-PARTY CLAIMS.

11. LIMITATION OF LIABILITY

11.1. Limit on Types of Damages Recoverable. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY WILL (AND NEXGEN IT SOLUTIONS' SUPPLIERS AND LICENSORS WILL NOT) BE LIABLE TO THE OTHER PARTY OR ANY OTHER THIRD PARTY CLAIMING THROUGH A PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT, EXEMPLARY, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOST REVENUES, LOSS OF GOODWILL, LOST OR DAMAGED DATA, INVESTMENTS MADE, AND LOSS OF BUSINESS OPPORTUNITY OR INTERRUPTION) THAT THE OTHER PARTY MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT, ANY SOW, OR THE SERVICES, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY (INCLUDING, WITHOUT LIMITATION, BREACH OF CONTRACT, TORT, STRICT LIABILITY, AND NEGLIGENCE), EVEN IF (A) SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, (B) DIRECT DAMAGES DO NOT SATISFY A REMEDY, OR

- (C) A LIMITED REMEDY SET FORTH IN THIS AGREEMENT OR ANY SOW FAILS OF ITS ESSENTIAL PURPOSE.
- 11.2. Limit on the Amount of Damages Recoverable. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEXGEN IT SOLUTIONS' TOTAL CUMULATIVE LIABILITY UNDER OR RELATING TO THIS AGREEMENT AND THE SERVICES, REGARDLESS OF THE NATURE OF THE OBLIGATION, FORM OF ACTION OR THEORY OF LIABILITY (INCLUDING, WITHOUT LIMITATION, CONTRACT, TORT, STRICT LIABILITY, AND NEGLIGENCE), SHALL BE LIMITED IN ALL CASES TO AN AMOUNT WHICH SHALL NOT EXCEED, IN THE AGGREGATE, FEES PAID BY CUSTOMER TO NEXGEN IT SOLUTIONS DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE FIRST EVENT GIVING RISE TO LIABILITY FOR THE SERVICES THAT ARE THE BASIS OF THE PARTICULAR CLAIM AND UNDER THE APPLICABLE SOW.
- **11.3. Non-Managed Systems.** NexGen IT Solutions shall not be liable for any damages caused by services, systems, software, or other components that neither it nor its employees, agents, or subcontractors furnish or manage pursuant to this Agreement.
- **11.4. Applicability.** The terms in this Section 11 shall apply to the maximum extent permitted by applicable law. If applicable law precludes a party from excluding liability for certain types of damages for certain acts or omissions or capping its liability for certain acts or omissions, then the terms in this Section 11 shall apply to not limit liability for such acts and omissions, but will apply for all other acts and omissions.
- 11.5. Allocation of Risk. EACH PARTY ACKNOWLEDGES THAT THE FOREGOING DAMAGES EXCLUSIONS AND LIMITATIONS OF LIABILITY SET FORTH IN THIS SECTION 11 REFLECTS THE ALLOCATION OF RISK SET FORTH IN THIS AGREEMENT AND ACKNOWLEDGES THAT THE OTHER PARTY WOULD NOT HAVE ENTERED INTO THIS AGREEMENT ABSENT SUCH EXCLUSIONS AND LIMITATIONS OF LIABILITY OR THAT THE PRICES PAID BY CUSTOMER FOR THE SERVICES WOULD HAVE BEEN HIGHER.

12. TERM AND TERMINATION

12.1. Term

- **12.1.1. This Agreement.** This Agreement shall commence on the Effective Date and remain in effect until terminated by either party as provided in this Section 12.
- **12.1.2. Statement of Work.** The term of each SOW shall be as specified in that Statement of Work.
- **12.2. Termination for Convenience.** Either Party may terminate this Agreement for convenience at any time upon written notice to the other Party. If there are any pending Statements of Work, termination shall be effective upon the expiration or termination of the

last Statement of Work. If there are no pending Statements of Work, termination shall be effective upon receipt of the written notice.

- **12.3. Termination for Breach.** Either Party may terminate this Agreement or any individual SOW in accordance with subsection 12.3.1 (in certain circumstances where an opportunity to cure must be provided) or subsection 12.3.2 (in certain circumstances where an opportunity to cure is not available):
- **12.3.1. Cure.** If the other Party breaches any material provision of this Agreement or any SOW and fails to cure such breach within thirty (30) days of receipt of notice of such breach from the non-breaching Party ("Cure Period"). The notice from the non-breaching Party shall specify the basis on which the Agreement or SOW is being terminated, including a description of the breach and how the breach can be cured within the Cure Period. If the breaching Party fails to cure the breach within the Cure Period, then termination shall be effective on the thirty-first (31st) day following receipt of such notice by the breaching Party.
- **12.3.2. No Opportunity to Cure.** If: (a) the other Party breaches any representation or warranty in this Agreement, subject to the limitation set forth in Section 9.3.2; (b) any representation or warranty is inaccurate, incomplete, false, or misleading in any material aspect; or (c) the breach is of a type or nature that is not capable of being cured within such time period (such as, by way of example and not limitation, an obligation relating to Confidential Information). The notice from the non-breaching Party shall specify the basis on which the Agreement or SOW is being terminated, including a description of any breach. Termination shall be effective immediately upon receipt of such notice by the breaching Party.
- **12.4. Termination for Financial Insecurity.** Either Party may terminate this Agreement and all SOWs upon written notice if the other Party ceases conducting business in the normal course, admits its insolvency, makes an assignment for the benefit of creditors, or becomes the subject of any judicial or administrative proceedings in bankruptcy, receivership, or reorganization. Termination shall be effective upon receipt of the written notice.
- **12.5. Final Payment.** Within thirty (30) days after any termination of this Agreement or individual SOW, NexGen IT Solutions will submit to Customer a final itemized invoice for all fees and expense due and owing by Customer. Customer shall pay the invoice in accordance with Section 4.3.
- **12.6. Effects of Termination.** Upon termination of this Agreement or an individual SOW and payment by Customer of the final invoice described in Section 12.5, NexGen IT Solutions will, to the extent applicable:

(a) Exercise reasonable efforts and cooperation to effect an orderly and efficient transition of Services to any successor provider identified by Customer; (b) Disclose to Customer all relevant information regarding the equipment, software, and third-party vendor services required to perform the Services; (c) Make reasonable efforts to effect a transfer or assignment of relevant licenses or agreement(s) for software or any third-party services utilized exclusively to provide the Services to Customer; (d) At Customer's option, either provide Customer with a full backup of the Customer Data (including the encryption keys necessary to decrypt such media if such media is encrypted) or destroy such full backup; and (e) Expire all backup catalog references to Customer Data.

Any additional transition services requested by Customer shall be provided by NexGen IT Solutions on a time and material basis.

12.7. Survival. Those provisions that by their nature should survive termination of this Agreement, will survive termination. Without limiting the generality of the foregoing statement, Sections 8 (Ownership Rights); 9 (Representations and Warranties); 10 (Indemnification); and 11 (Limitation of Liability) shall survive any termination of this Agreement.

13. MISCELLANEOUS

- **13.1. Force Majeure.** Neither Party shall be liable to the other Party for any delay or failure to perform, which delay, or failure is due to causes or circumstances beyond its control and without its fault or negligence, including acts of civil or military authority, national emergencies, labor strikes, fire, flood or catastrophe, acts of God, insurrection, war, riots or failure of transportation or a general and/or city-wide power failure. Each Party shall use reasonable efforts to mitigate the extent of the excusable delay or failure and their adverse consequences, provided, however, that should any such delay or failure continue for more than thirty (30) days, the Agreement may be terminated without liability by the non-delaying Party.
- **13.2. Export Compliance.** Customer agrees to comply with all export and re-export control laws and regulations as may be applicable to any transaction hereunder, including, without limitation, the Export Administration Regulations promulgated by the United States Department of Commerce, the International Traffic in Arms Regulations promulgated by the United States Department of State, and any of the regulations promulgated by the Office of Foreign Assets Control of the United States Department of the Treasury. Customer shall be solely responsible for such compliance with respect to Customer Data and the Content that it provides to NexGen IT Solutions.

- **13.3. Waiver.** The failure of either Party to insist, in any one or more instances, upon the performance of any of the terms, covenants, or conditions of this Agreement or to exercise any right hereunder, shall not be construed as a waiver or relinquishment of the future performance of any rights and the obligations of the Party with respect to such future performance and shall continue in full force and effect.
- **13.4. Agreement Binding on Successors.** This Agreement shall inure to the benefit of and be binding upon the successors and permitted assignees of the respective Parties.
- **13.5. Governing Law and Jurisdiction.** The validity, construction, and interpretation of this Agreement and the rights and duties of the Parties hereto shall be governed by and construed in accordance with the laws of the State of Michigan, excluding its conflict of laws principles. Any legal action or proceeding arising under this Agreement will be brought either in the federal court in the Eastern District of Michigan or state courts located in Washtenaw County, Michigan, and the parties hereby irrevocably consent to the personal jurisdiction and venue therein.
- 13.6. Relationship of Parties. The Parties hereto are independent contractors, and this Agreement shall not create or imply an agency relationship between the Parties. Pursuant to and during the term of this Agreement, NexGen IT Solutions may, from time to time, request that the Customer execute such instruments and documents appointing NexGen IT Solutions an agent of the Customer for a specific limited purpose. An officer of Customer shall, in a timely manner, execute and deliver to NexGen IT Solutions or the third party requiring the same, such instruments designating NexGen IT Solutions as Customer's agent to the extent required by NexGen IT Solutions to manage and perform the Services provided by it under this Agreement.
- **13.7. Subcontractors.** NexGen IT Solutions may engage subcontractors to perform services under any SOW. Except as provided herein, NexGen IT Solutions shall be fully responsible for the acts of all subcontractors to the same extent it is responsible for the acts of its own employees.
- **13.8. Severability.** If any of the provisions of this Agreement are declared or held by a court of competent jurisdiction invalid, illegal, or unenforceable, the unaffected portions of this Agreement shall be unimpaired and remain in full force and effect. In the event of such a ruling, the Parties shall negotiate in good faith a substitute for the provision declared invalid, illegal, or unenforceable.
- **13.9. Notices.** Any notices or other communications required or permitted to be given or delivered under this Agreement shall be in writing and shall be sufficiently given if hand delivered or sent by first-class certified or overnight delivery mail, postage prepaid to each

Party's last-known address. A Party may change its address for notices by sending a change of address notice using this notice procedure.

- **13.10. Errors.** Neither Party shall be held accountable nor incur any additional costs due to discrepancies, errors, omissions in documentation, or other information supplied by the other Party.
- **13.11. Captions.** The descriptive headings of the Sections and subsections of this Agreement are for convenience only, do not constitute a part of this Agreement, and do not affect this Agreement's construction or interpretation.
- **13.12. Amendments.** No waiver of any right or remedy and no amendment, change, or modification of the terms of this Agreement shall be binding on a Party unless it is in writing and is signed by the Party to be charged.
- **13.13. Counterparts.** This Agreement may be executed in two or more counterparts, each of which will be considered an original but all of which together will constitute one agreement.
- **13.14. Publicity.** Nothing contained in this Agreement shall be interpreted to permit NexGen IT Solutions or Customer to publicize its business relationship with the other Party or the nature of the Services performed for Customer without the other Party's prior written consent.
- **13.15. No Solicitation of Employees.** Each Party agrees that during the term of this Agreement, and for a period of one year after the termination or expiration of this Agreement, it will not solicit or hire, without the other Party's prior written consent, any person employed then by the other Party or employed by that party within the twelvemonth period before the solicitation or hiring if such person became known to the soliciting Party through the relationship established pursuant to this Agreement. This prohibition will not apply to job opportunities posted on recruiting websites or in other publications in which one Party seeks to find candidates for open positions (absent direct solicitation and/or recruitment).
- **13.16. No Third-Party Beneficiaries.** Except as provided in Section 10 (Indemnification), this Agreement does not and is not intended to confer any enforceable rights or remedies upon any person or party other than the Parties.
- **13.17. Entire Agreement.** This Agreement, including all SOWs and all schedules, attachments and/or other documents attached hereto or incorporated by reference constitutes the final agreement between the Parties. It is the complete and exclusive expression of the Parties' agreement on the matters contained in this Agreement. All prior

and contemporaneous negotiations and agreements between the Parties on the matters contained in this Agreement are expressly superseded by this Agreement. The provisions of this Agreement may not be explained, supplemented, or qualified through evidence of trade usage or a prior course of dealings. In entering into this Agreement, neither Party has relied upon any statement, representation, warranty, or agreement of the other Party except for those expressly contained in this Agreement. There are no conditions precedent to the effectiveness of this Agreement, other than those expressly stated in this Agreement.

ADDENDUM A: TERMS SPECIFIC TO PRODUCT SALES ONLY

This Addendum A: Terms Specific to Product Sales Only ("Addendum A") applies to any order for software, hardware, or Services Sold by Part Number ("Products") made by Customer, for its own internal use and not for resale, pursuant to a quotation issued by NexGen IT Solutions ("Quotation"). As used in this Addendum A, the term "Services Sold by Part Number" refers to services, which although ordered from NexGen IT Solutions, are procured from and supplied by a third party (i.e., NexGen IT Solutions does not directly perform or control the work) and are therefore considered Product. Any such orders shall be subject to the terms and conditions of Addendum A.

1. Product Returns and Warranty Assistance.

- (a) Customer acknowledges that NexGen IT Solutions is reselling all Products purchased by Customer and that Products are manufactured and/or delivered by a third party.
- (b) To the extent available, NexGen IT Solutions shall pass through to the Customer the manufacturer's warranties for each Product and agrees to facilitate the manufacturer's return policies. In no event will NexGen IT Solutions provide return or warranty coverage beyond that provided by the manufacturer. Products that are accepted for return are subject to the manufacturer's applicable restocking fee(s).
- (c) Customer acknowledges that the terms and conditions governing the use of Products shall be solely between Customer and the manufacturer of such Products.
- **2. Product Use and Product Warranty Disclaimer.** Customer will not use the Products for use in life support, life-sustaining, nuclear or other applications in which failure of such Products could reasonably be expected to result in personal injury, loss of life, or catastrophic property damage. Customer agrees that NexGen IT Solutions is not liable for any claim or damage arising from such use.

NEXGEN IT SOLUTIONS MAKES NO WARRANTIES OF ANY KIND WITH REGARD TO THE PRODUCTS. NEXGEN IT SOLUTIONS DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, AS TO THE PRODUCTS, INCLUDING, WITHOUT

LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT.

- **3. Shipment and Risk of Loss for Product Sales.** All shipments of Products to Customer will be FOB point of shipment. Insurance coverage, freight charges, transportation costs, and all other expenses applicable to shipment to Customer's identified point of delivery will be the responsibility of Customer. The risk of loss will pass to Customer upon delivery of the Products to the common carrier (regardless of who pays such common carrier) or Customer's representative at the point of shipment.
- **4. Product Security Interest.** Customer grants NexGen IT Solutions a security interest in the Products detailed in each Quotation, as security for payment in full. Customer authorizes NexGen IT Solutions to file and/or record any documents it deems necessary to perfect this security interest.
- **5. Permitting Compliance for Product Sales.** Customer will obtain all licenses, permits, and approvals required by any governmental agency, foreign or domestic, having jurisdiction over the transaction.
- **6. Price and Payment.** The prices set forth in any Quotation are exclusive of all taxes, duties, licenses, and tariffs, payment of which shall be the Customer's obligation. Prices quoted are firm for fifteen (15) days unless otherwise specified in the Quotation. Payment is due upon placement of an order. In the event Customer chooses to finance its purchase using a third party, Customer remains liable for payment to NexGen IT Solutions until NexGen IT Solutions receives complete payment from such third party. All payments will be made in US currency. Customer will pay interest in the amount of one and one-half percent (1.5%) per month, or the maximum allowed by law whichever is lower, on any outstanding balance owed.
- 7. Export. Customer agrees to comply with all export and re-export control laws and regulations as may be applicable to any transaction hereunder, including, without limitation, the Export Administration Regulations promulgated by the United States Department of Commerce, the International Traffic in Arms Regulations promulgated by the United States Department of State, and any of the regulations promulgated by the Office of Foreign Assets Control of the United States Department of the Treasury. Customer covenants that it will not, either directly or indirectly, sell, (re)export (including, without limitation, any deemed (re)export as defined by applicable law), transfer, divert, or otherwise dispose of any Product, or related software or technology, to: (i) any country or region of a country (or nationals thereof) subject to antiterrorism controls, or a U.S. embargo, (ii) any destination prohibited (without a valid export license or other

authorization) by the laws or regulations of the United States, or (iii) any person, entity, vessel, or aircraft identified on the Consolidated Screening List, a downloadable file of which is accessible at http://export.gov/ecr/eg_main_023148.asp (or utilize any such person, entity, vessel, or aircraft in connection with the activities listed above), without obtaining prior authorization from the competent government authorities, as required by the above-mentioned laws and regulations. Customer certifies, represents, and warrants that no Product shall be used for any military or defense purpose, including, without limitation, being used to design, develop, engineer, manufacture, produce, assemble, test, repair, maintain, modify, operate, demilitarize, destroy, process, or use military or defense articles. Notwithstanding any sale of Products by NexGen IT Solutions, the Customer acknowledges that it is not relying on NexGen IT Solutions for any advice or counseling on export control requirements. Customer agrees to indemnify, to the fullest extent permitted by law, NexGen IT Solutions from and against any fines, penalties, and reasonable attorney fees that may arise because of Customer's breach of this Section.

- **8. Cancellation.** The purchase of Products may be canceled by Customer only upon written approval of NexGen IT Solutions and upon terms that indemnify NexGen IT Solutions against all losses related to such cancellation.
- 9. Limitation of Liability. NO MONETARY RECOVERY IS AVAILABLE FROM NEXGEN IT SOLUTIONS FOR WARRANTY CLAIMS. IN ADDITION, IN NO EVENT WILL NEXGEN IT SOLUTIONS' LIABILITY TO CUSTOMER EXCEED THE PURCHASE PRICE PAID FOR THE PRODUCT THAT IS THE BASIS FOR THE PARTICULAR CLAIM. NEXGEN IT SOLUTIONS WILL NOT, IN ANY EVENT, BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL, EXEMPLARY, OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOST REVENUES, LOST OR DAMAGED DATA, AND LOSS OF BUSINESS OPPORTUNITY), HOWEVER CAUSED, ARISING OUT OF THE USE OF OR INABILITY TO USE THE PRODUCT, OR IN ANY WAY CONNECTED TO THIS ADDENDUM A, EVEN IF NEXGEN IT SOLUTIONS HAS BEEN ADVISED OF SUCH DAMAGES AND EVEN IF DIRECT DAMAGES DO NOT SATISFY A REMEDY. THE FOREGOING LIMITATION OF LIABILITY WILL APPLY WHETHER ANY CLAIM IS BASED UPON PRINCIPLES OF CONTRACT, WARRANTY, NEGLIGENCE, INFRINGEMENT OR OTHER TORT, BREACH OF ANY STATUTORY DUTY, PRINCIPLES OF INDEMNITY, CONTRIBUTION, OR OTHERWISE.