INNOVATIVE INTERFACES INCORPORATED SUBSCRIPTION LICENSE AGREEMENT

This Subscription License Agreement ("License Agreement") is entered into by and between Innovative Interfaces Incorporated, a California corporation ("Innovative"), and the party identified as Client below ("Client"), as of the "Effective Date" also set forth below.

Client	Camas Public Library				
Address	625 NE 4th Ave				
	Camas WA 98607-2109				
Client Technical	Name: Connie Urquhart				
Contact:	Phone: (360) 834-4692 x4701				
Effective Date	May 29, 2018				
Customer No.	CU7721				

1. Definitions.

"GTCs" means the Innovative Interfaces Incorporated Subscription License Agreement General Terms and Conditions in Exhibit B.

"Support Terms" means the Innovative Interfaces Incorporated Maintenance and Support Terms and Conditions, as may be amended from time to time by Innovative, a copy of which can be found https://www.dropbox.com/s/rve1a70k5a4028x/innovative%20interfaces%20inc.%20--%20online%20support%20terms%20%2801-24-17%29.doc?dl=0).

"Hosting Terms" means the Innovative Interfaces Incorporated Hosting Terms and Conditions, as may be amended from time to time by Innovative, a copy of which can be found here (https://www.dropbox.com/s/1ns6x8e9j73cvry/Innovative%20Interfaces%20Inc.%20-%20Online%20Hosting%20Terms%20%2805-01-17%29.doc?dl=0).

2. **General**. Innovative and Client agree that this License Agreement is a binding agreement between the parties and is governed by the GTCs, Support Terms and, if the attached Pricing Exhibit indicates that Client has purchased hosting services, then the Hosting Terms, all of which are made a part hereof. This License Agreement, the GTCs, Support Terms, Hosting Terms, if applicable, and all other exhibits, schedules and terms and conditions referenced by or in this License Agreement, the GTCs, Support Terms or Hosting Terms together constitute the "Agreement." Client acknowledges and agrees that it has had the opportunity to review the Agreement, including without limitation, the GTCs, Support Terms and Hosting Terms, prior to the execution of this License Agreement. Innovative recommends that Client print a copy of each component of this Agreement for Client's records. Unless otherwise specified, capitalized terms in this License Agreement have the same meaning as those in the GTCs. This Agreement is governed by and interpreted in accordance with the internal substantive laws of the State of New York, without regard to any other laws that would require the application of the laws of another jurisdiction. Application of the U.N. Convention on Contracts for the International Sale of Goods is hereby excluded.

EXHIBITS TO LICENSE AGREEMENT

А	PRICING EXHIBIT
В	GENERAL TERMS AND CONDITIONS

In witness whereof, the parties have executed this Agreement by their duly authorized representatives as of the Effective Date.

Client	Innovative
Camas Public Library	Innovative Interfaces Incorporated
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:

Exhibit A

Pricing Exhibit

1. **Fees**. All Fees must be paid to Innovative within 30 days following receipt of the invoice. Innovative shall send the first two Software invoices in accordance with the following schedule, and then annually or as new Software is purchased.

Date	Fee
Effective Date	\$22,922.50
December 31, 2018	\$45,845.00

2. Term. Subject to the early termination provisions set forth in the GTCs, this Agreement will be effective for an initial term of the Effective Date through December 31, 2024 (the "Initial Term"). This Agreement will be automatically renewed for additional one (1) year terms (each, a "Renewal Term" and, together with the Initial Term, the "Term"), unless either party gives the other not less than ninety (90) days' prior written notice of its intent to terminate this Agreement effective as of the end of the then-current Term. Commencing upon Renewal Term and thereafter, Innovative will have the right to increase rates hereunder by a maximum percentage equivalent to the greater of 5% or the percentage increase in the Consumer Price Index (CPI-U) over the previous year.

[APPROVED SOFTWARE LICENSE QUOTE FOLLOWS THIS PAGE]



Innovative Interfaces, Inc. 5850 Shellmound Way Emeryville CA 94608

625 NE 4th Ave Camas WA 98607-2109 United States

Pricing Exhibit

Page 1 of 2

Date 5/28/2018 Quote # EST-INC7302

Payment Terms Overall Contract Term (Months) **Contract Start Date**

Contract End Date

Sales Rep Carrie Pearson Site Code **Expires** 8/26/2018

Net 30

60

Bill To

Camas Public Library

Ship To

Camas Public Library 625 NE 4th Ave Camas WA 98607-2109 United States

Currency

US Dollar

Polaris is an integrated library system solution to manage physical and digital resources and library patron accounts. Combines library operational workflows with open architecture and APIs for integration with external systems. Cloud hosted solution with web interface. Supports staff tasks and patron access services. Public Success Bundle includes Core Bundle functionality and adds: econtent Integration, Carousel, Outreach, up to 10 SIP2 Licenses, Community Profiles, Staff-Facing eCommerce, Integration with 3rd Party Vendors & RESTful APIs. Staff User License - Term 18							S Dollai
Polaris is an integrated library system solution to manage physical and digital resources and library patron accounts. Combines library operational workflows with open architecture and APIs for integration with external systems. Cloud hosted solution with web interface. Supports staff tasks and patron access services, Public Success Bundle Includes Core Bundle functionality and adds: eContent Integration, Carousel, Outreach, up to 10 SIP2 Licenses, Community Profiles, Staff-Facing eCommerce, Integration with 3rd Party Vendors & RESTful APIs. Staff User License - Term	Item	Item Category	Qty	Description	Options	Unit Price	Amount
Licenses Sofwtare that aloows the end user to access all of the Poalris functionality based on the permissions that are set in System Administation. This includes Circulation, Patron Services, Cataloging, Acquisitions, Serials, Utilities and System Administational License for additional Staff User License. A separate staff user license is required for each concurrent connection made from a staff client to the Polaris ILS server, including from Polaris Web Application (aka Leap). Polaris Multi-Tenant Hosting - US/APAC			1	Polaris is an integrated library system solution to manage physical and digital resources and library patron accounts. Combines library operational workflows with open architecture and APIs for integration with external systems. Cloud hosted solution with web interface. Supports staff tasks and patron access services. Public Success Bundle includes Core Bundle functionality and adds: eContent Integration, Carousel, Outreach, up to 10 SIP2 Licenses, Community Profiles, Staff-Facing eCommerce, Integration with 3rd Party Vendors &			21,271.91
Multi-Tenant Hosting - US/APAC Polaris Multi-tenant hosting which includes Terminal services, PAC services, Reporting services, Screwdriver services. Polaris Syndetics Unbound Polaris Chillifresh Subscription Production Only or One Test/Training Environment Only. Polaris Multi-tenant hosting which includes Terminal services, PAC services, PAC services, Screwdriver services. 3,049.9992 3,08 Chillifresh Option: 7,200.00 7,20	-	License - Term	18	sofwtare that aloows the end user to access all of the Poalris functionality based on the permissions that are set in System Administation. This includes Circulation, Patron Services, Cataloging, Acquisitions, Serials, Utilities and System Admin. Additional License for additional Staff User License. A separate staff user license is required for each concurrent connection made from a staff client to the Polaris ILS server, including from		283.62546965	5,105.26
Unbound Polaris Chilifresh License - Term 1 ChiliPAC Subscription (ChiliPAC plus Chilifresh Option: 7,200.00 7	Multi-Tenant Hosting -	License - Term	1	Production Only or One Test/Training Environment Only. Polaris Multi-tenant hosting which includes Terminal services, PAC services, Reporting services,		9,217.82868	9,217.83
Subscription Reviews) Option:	Polaris Syndetics Unbound	License - Term	1	Polaris Syndetics Unbound		3,049.9992	3,050.00
		License - Term	1		Option:	7,200.00	7,200.00



Pricing Exhibit

Page 2 of 2

Date Quote # 5/28/2018 EST-INC7302

Innovative Interfaces, Inc. 5850 Shellmound Way Emeryville CA 94608

Item	Item Category	Qty	Description	Options	Unit Price	Amount

Total Fees US\$45,845.00

Exhibit B Innovative Interfaces Incorporated Subscription License Agreement General Terms and Conditions

The parties agree that their contractual relationship with respect to the Software will be governed by the terms and conditions of (1) this Subscription License Agreement General Terms and Conditions ("GTCs"), (2) the applicable Innovative Interfaces Incorporated Subscription License Agreement(s) (each, a "License Agreement"), (3) the Innovative Interfaces Incorporated Maintenance and Support Terms ("Support Terms"), (4) the Innovative Interfaces Incorporated Hosting Terms ("Hosting Terms"), if applicable, and (5) all other applicable exhibits, schedules and terms and conditions referenced by or in the GTCs, License Agreement(s), Support Terms and Hosting Terms. Each License Agreement, together with the terms and conditions of this GTC, Support Terms and Hosting Terms and all applicable exhibits or schedules incorporated by reference or referenced therein will constitute and be construed as a separate agreement. Unless otherwise specified, capitalized terms in these GTCs have the same meaning as those in the License Agreement.

1. Software License.

- a. Subject to the terms and conditions of this Agreement, including without limitation Client's payment of all of the Fees (defined below) due hereunder, Innovative hereby grants to Client a limited, nonexclusive, non-sublicensable, nontransferable license to use the components of its software applications, modules, and other products that are listed in the Pricing Exhibit to the License Agreement (collectively, the "Software"). The license granted in the preceding sentence will be for the duration of the term of this Agreement and will automatically expire upon the termination or expiration of this Agreement or as otherwise specified in this Agreement.
- b. Client and, where applicable, its Authorized Users (defined below) may use the Software (including any Client Configurations) (i) only for the management of the library and for servicing its patrons (including permitting Authorized Users to search library catalogues), and not on an outsourced basis, as a service bureau, for resale, or similarly on behalf of or for the direct or indirect benefit of third parties, and (ii) only in accordance with the other terms of this Agreement. Client will be responsible for its Authorized Users' compliance with the terms hereof. Without limiting the foregoing, Client agrees that it and its Authorized Users will: (i) comply with all applicable laws regarding the transmission of data, including, without limitation, any applicable export control and data protection laws; and (ii) not use the Software for illegal purposes.
- c. Subject to Section 11 (Client Configurations), other than Innovative, no one is permitted to copy, modify, reverse engineer, decompile, or disassemble the Software, create derivative works thereof, or separate the Software into its component files. All rights to the Software that are granted to Client in this Agreement are limited to the object code versions of the Software and in no event will Client be deemed to have any right, title or interest in the source code of the Software.
- d. The Software may be used by the base number of Client's worldwide employees, third-party auditors, agents and contractors ("Authorized Users") set forth in the Pricing Exhibit to the License Agreement for such Software and such additional Authorized Users as may be hereafter identified to Innovative by Client for which Client pays the additional Fees referred to in Section 4(a) of this Agreement. Each Authorized User license is allocable to a single full-time user of the Software and may be transferred to another user only on a full-time basis. Authorized User license(s) may not be shared on a part time or concurrent user basis.
- e. The license granted to Client pursuant to this Agreement will include, at no additional cost, a license to use all new scheduled major releases, service pack releases, and hot fixes of the Software offered generally by Innovative to its clients during the term of this Agreement (collectively, "New Releases"). "New Releases" do not include new or additional modules, applications or other software now or hereafter offered by Innovative, each of which require a separate license and payment of additional license fees. The term "Software" will be deemed to include New Releases. Additional fees at Innovative's then-prevailing professional service rates will apply for implementation of New Releases.
- f. Innovative offers support for the Software in accordance with the Support Terms, the terms of which are incorporated by reference herein.

- g. The license granted hereunder grants Client the right to use a single production instance (copy) of the Software and up to two (2) additional instances (copies) of the Software for non-production use at no additional charge. All copies of the Software are subject to the terms of this Agreement. Non-production use includes training, development, testing, quality assurance, staging or preproduction provided that the copies of the Software are not used in a production environment or as a backup to production. Except to the extent expressly set forth in a License Agreement, this license grant does not provide Client with any rights to hosting services.
- 2. **Acceptance**. Following the execution of the Agreement by the parties, Innovative will deliver the Software, in its preconfigured, out-of-the box format, to Client (i) via the Internet, if Client has purchased hosting services from Innovative pursuant to the Hosting Terms or (ii) by making it available to Client to download via an FTP site, if Client has not purchased hosting services from Innovative pursuant to the Hosting Terms. Client will be deemed to have accepted the Software upon initial delivery.

Ownership.

- All Intellectual Property Rights (defined below) in the Software and also including, without limitation, all improvements, enhancements, modifications, Client-specific upgrades, or updates to the Software, developed by either party, solely or jointly (collectively, "Innovative Products"), will remain the exclusive, sole and absolute property of Innovative or the third parties from whom Innovative has obtained the right to use the Innovative Products. Intellectual property created by Innovative pursuant to this Agreement, or any other party at the request or direction of Innovative, will be owned by Innovative. "Intellectual Property Rights" means any and all intellectual property rights existing from time to time under any law or regulation, including without limitation, patent law, copyright law, semiconductor chip protection law, moral rights law, trade secret law, trademark law, unfair competition law, publicity rights law, or privacy rights law, and any and all other proprietary rights, and any and all applications, renewals, extensions and restorations of any of the foregoing, now or hereafter in force and effect worldwide. Client hereby assigns to Innovative all right, title and interest in any feedback and suggestions it provides to Innovative regarding the Software or other products commercialized by Innovative now or in the future. This Agreement does not convey to the Client any interest in or to the Innovative Products or any associated Intellectual Property Rights, but only a limited right to use the Software to the extent set forth in this Agreement, which right is terminable in accordance with the terms of this Agreement and is otherwise subject to the limitations, restrictions, and requirements contained herein. If Client configures or otherwise modifies the Software using an API licensed hereunder, Client will also have a license to use such configurations or modifications as part of the Software on the terms set forth in Section 1. Rights not expressly granted to the Client are hereby expressly reserved by Innovative.
- b. For purpose of this Agreement, as between Innovative and Client, any Intellectual Property Rights in the Innovative Products to the extent owned by any third party will be and remain the exclusive property of such third party. The Software may include third-party software and products, which are described in the documentation and/or Specifications made available to Client by Innovative, and any third-party pass-through terms relating to such third-party software and products are identified therein (or by other mode of disclosure).
- c. Except as expressly stated herein, Client will exclusively have and retain all right, title and interest, including all associated Intellectual Property Rights, in and to data that Client enters into the Software or disclosed by Client to Innovative in its performance hereunder ("Client Data"), and, as between Client and Innovative, such Client Data will remain the sole property of Client. Client hereby grants to Innovative a license to use Client Data (i) to process the Client Data pursuant to Client's business requirements, (ii) for maintenance and support of the Software, (iii) to collect and use aggregate, non-identifying and anonymized data, and (iv) for research and development purposes. Client acknowledges and agrees that it will have no rights in any products or services created or sold by Innovative or its affiliates that use any of the Client Data in the manner set forth in (iii) or (iv) of the preceding sentence. To the extent that applicable law requires any permissions or authorizations to have been obtained prior to submission of Client Data to Innovative (including without limitation from individuals to whom the data pertains), Client warrants and covenants that it (and its Authorized Users, as applicable) will have first obtained the same permissions or authorizations prior to transmitting such data to Innovative. Client will defend, indemnify and hold harmless Innovative in the event of any third-party claim arising from a breach of the aforesaid warranty and covenant.

4. Fees; Expenses; Payment Terms.

a. In consideration of receiving a limited license to use the Software, Client will pay the fees set forth in the Pricing Exhibit to the License Agreement (the "Fees") on the terms set forth therein. Initial invoicing under this Agreement will occur when the Software is made available to Client; subsequent renewal invoices will be sent to

Client prior to the date such payment is due. Invoices for any Renewal Terms may be provided to Client up to 90 days prior to the effective date of such Renewal Term. Client will notify Innovative in writing if Client hereafter requires additional Authorized Users or additional Software modules, and will pay the fees for such additional Authorized Users or additional Software modules in accordance with the terms set forth on the invoice for such fees. The Software may, from time to time, electronically transmit to Innovative reports verifying the type and number of Authorized Users, and Innovative may utilize license keys or other reasonable controls to enforce Authorized User license limitations. Client will cooperate with Innovative in all such efforts.

- b. All Fees are exclusive of all taxes and similar fees now in force or enacted in the future or imposed on the delivery and license of the Software, all of which Client will be responsible for and will pay in full, other than taxes based on Innovative's net income. Client will provide Innovative its state issued Direct Pay Exemption Certificate (or equivalent certificate), if applicable, upon execution of this Agreement. In the event an applicable taxing authority, as a result of an audit or otherwise, assesses additional taxes for goods or services sold under this Agreement at any time, Client and not Innovative will be solely responsible for payment of such additional taxes and all costs associated with such assessment, including without limitation, interest, penalties and attorney's fees. Additionally, should Client be required under any applicable law or regulation, domestic or foreign, to withhold or deduct any portion of the payments due to Innovative hereunder, then the sum due to Innovative will be increased by the amount necessary to yield to Innovative an amount equal to the sum Innovative would have received had no withholdings or deductions been made.
- c. Where this Agreement establishes a due date for a payment and/or a recurring method for payment, payment will be due and payable on such due date and/or according to the method specified. Other fees or expenses charged pursuant to this Agreement will be paid at the amounts set forth in the invoice within 30 (thirty) days of the date of the invoice. All amounts stated herein and all Fees determined hereunder are in U.S. Dollars, unless otherwise required by applicable law.
- d. Any invoices not paid when due will accrue interest at the rate of 1% per month or the maximum rate permitted by law, whichever is greater.

5. **Limited Warranty**.

- a. Innovative warrants, solely for the benefit of Client, that:
 - i. It has the corporate power and authority to enter into this Agreement and to grant Client the license to the Software hereunder; and
 - ii. The Software will conform in all material respects to the applicable technical documentation for the Software provided to Client by Innovative and expressly identified by Innovative as the specifications for the Software (collectively, the "Specifications").
- EXCEPT FOR (i) THE WARRANTIES EXPRESSLY STATED ABOVE IN THIS SECTION AND (ii) ANY WARRANTY, REPRESENTATION OR CONDITION TO THE EXTENT THE SAME CANNOT BE EXCLUDED OR LIMITED UNDER APPLICABLE LAW, INNOVATIVE AND ITS LICENSORS, AFFILIATES, AGENTS, SUBCONTRACTORS AND SUPPLIERS MAKE NO REPRESENTATIONS OR WARRANTIES, AND EXPRESSLY DISCLAIM AND EXCLUDE ANY AND ALL WARRANTIES, REPRESENTATIONS AND CONDITIONS, WHETHER EXPRESS OR IMPLIED, WHETHER ARISING BY OR UNDER STATUTE, COMMON LAW, CUSTOM, USAGE, COURSE OF PERFORMANCE OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT. WITHOUT LIMITING THE FOREGOING, INNOVATIVE AND ITS LICENSORS, AFFILIATES, AGENTS, SUBCONTRACTORS AND SUPPLIERS DO NOT WARRANT, AND EXPRESSLY DISCLAIM ANY REPRESENTATION OR WARRANTY, THAT THE SOFTWARE OR OTHER DELIVERABLES PROVIDED BY OR ON BEHALF OF INNOVATIVE WILL SATISFY CLIENT'S REQUIREMENTS OR THAT THEIR USE OR OPERATION WILL BE ERROR OR DEFECT-FREE OR UNINTERRUPTED OR AVAILABLE ON THE INTERNET, OR THAT ALL PRODUCT DEFECTS WILL BE CORRECTED. EXCEPT FOR THE EXPRESS WARRANTIES IN SECTION 5(a), THE SOFTWARE, INCLUDING ALL CONTENT, IS PROVIDED "AS IS," WITH ALL FAULTS AND WITHOUT ANY GUARANTEES REGARDING QUALITY, PERFORMANCE, SUITABILITY, TIMELINESS, SECURITY, DURABILITY, INTEGRABILITY OR ACCURACY, AND CLIENT ACCEPTS THE ENTIRE RISK OF AND RESPONSIBILITY FOR SELECTION, USE, QUALITY, PERFORMANCE, SUITABILITY AND RESULTS OF USE THEREOF, INCLUDING ALL CONTENT GENERATED THROUGH USE THEREOF.

- c. As the exclusive remedy of Client for a breach of the limited warranties set forth in Section 5, for any error or other defect for which Innovative is solely responsible, Innovative will, at its option, either (i) correct or repair the Software, or (ii) accept termination of this Agreement and refund the unused balance of any prepaid Fees for the Software, prorated for the period commencing on the date the error or defect was reported by Client to Innovative and continuing throughout the balance of the period to which such Fees apply. None of the above warranties or remedies in this Section 5 will apply with respect to any Software that has been damaged or modified by any party other than Innovative, or used in a manner for which the Software is not designed or intended.
- 6. **LIMITATIONS ON LIABILITY**. IN NO EVENT WILL INNOVATIVE BE LIABLE FOR LOST PROFITS OR OTHER INCIDENTAL OR CONSEQUENTIAL, INDIRECT, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES UNDER ANY CIRCUMSTANCES WHATSOEVER, EVEN IF INNOVATIVE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR IF THEY WERE OTHERWISE FORESEEABLE. INNOVATIVE'S TOTAL LIABILITY FOR TORT, CONTRACT AND OTHER DAMAGES WILL NOT EXCEED THE TOTAL AMOUNT OF ALL FEES PAID TO INNOVATIVE BY CLIENT UNDER THIS AGREEMENT IN THE TWELVE-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE UPON WHICH A CLAIM IS FIRST ASSERTED AGAINST INNOVATIVE. INNOVATIVE WILL NOT BE LIABLE FOR ANY CLAIM OR DEMAND AGAINST CLIENT BY ANY THIRD PARTY EXCEPT FOR THE INDEMNIFICATION SET FORTH IN SECTION 7. THESE LIMITATIONS OF LIABILITY WILL APPLY TO ALL CLAIMS AGAINST INNOVATIVE IN THE AGGREGATE (NOT PER INCIDENT) AND TOGETHER WITH THE DISCLAIMER OF WARRANTIES ABOVE WILL SURVIVE FAILURE OF ANY EXCLUSIVE REMEDIES PROVIDED IN THIS AGREEMENT.

7. Indemnification.

- a. If a third party files a legal action in a court of competent jurisdiction against Client claiming the Software, as delivered to Client by Innovative, directly infringes such third party's U.S. copyright or U.S. patent, Innovative will defend Client against such legal action, provided that Client promptly notifies Innovative in writing of the legal action and fully cooperates with Innovative in the defense of such legal action. Innovative will also indemnify Client from all damages and out-of-pocket costs (including reasonable attorneys' fees) finally awarded by a court of competent jurisdiction in connection with any such legal action, or agreed to by Innovative in a settlement. Innovative will control all aspects of the defense and conduct the defense and any settlement negotiations in any such third-party legal action. This indemnification is limited to the Software in the form delivered to Client and does not cover claims arising from (x) modifications thereto not made by Innovative, or, even if by Innovative, at the request of Client; (y) use of the Software in combination with other software or items not provided by Innovative, or (z) third party modifications (including addition of source code) to the Software.
- b. As the exclusive remedy of Client under the limited indemnity set forth in Section 7.a, if the use of the Software by Client is enjoined, Innovative will, at its sole option: (i) obtain for Client the right to continue to use the Software, (ii) modify the Software to remove the cause of the legal action, (iii) replace the Software at no additional charge to Client with a substantially similar, non-infringing product, which will then be subject to the provisions of this Agreement, or (iv) terminate this Agreement and refund to Client that portion of the Fees allocable to the infringing component of the Software, prorated for the period Client's use of the Software is enjoined. None of the above warranties or remedies will apply with respect to any element of the Software that has been modified by any party other than Innovative, or used in a manner for which the Software is not designed or intended. This Section states Innovative's entire liability and Client's exclusive remedies for infringement of intellectual property rights of any kind.

8. Confidentiality.

a. Client acknowledges that all documentation, audit reports, technical information, software, Specifications and other information pertaining to the Software, and/or Innovative's business interests or activities, product pricing, financial information, methods of operation or customers that are disclosed by any party to Client in the course of performing this Agreement are the confidential and proprietary information of Innovative. Innovative acknowledges that Client Data and other proprietary Client materials are the confidential information of Client. The information and materials described in the preceding sentences is referred to herein as "Confidential Information." Notwithstanding the foregoing, the term "Confidential Information" does not include information pertaining to a party if (i) such information is generally known to the public through no improper action or inaction by the other party, (ii) was, through no improper action or inaction by the other party prior to the

Effective Date, or (iii) rightly disclosed to the other party by a third party if such disclosure does not violate the terms of any confidentiality agreement or other restriction by which such third party may be bound.

- b. Unless otherwise required by the Client according to the Public Records laws of the State of Washington, all Confidential Information will be held in confidence and may not be copied, used or disclosed other than as set forth in this Agreement. Each party must take all reasonable efforts to protect the confidentiality of and prevent the unauthorized use of any such Confidential Information by any third party within such party's control. Each party may disclose Confidential Information (i) to the receiving party's employees and contractors required to have access to such Confidential Information for the purposes of performing this Agreement or using the Software, provided each party hereto notifies its employees and contractors accessing such Confidential Information of the confidentiality obligations in this Section 8; or (ii) if such disclosure is in response to a valid order of any statute, court or other governmental body ("Order"), in which event, the disclosing party must use reasonable efforts to provide the other party with prior notice of such Order, to the extent legally permitted to do so.
- c. Recognizing any improper use or disclosure of any Confidential Information by either party may cause the party whose Confidential Information is improperly used or disclosed irreparable damage for which other remedies may be inadequate, a party whose Confidential Information is improperly used or disclosed will have the right to petition for injunctive or other equitable relief from a court of competent jurisdiction as appropriate to prevent any unauthorized use or disclosure of such Confidential Information.
- d. If the parties have previously executed a nondisclosure agreement ("NDA"), any Confidential Information exchanged pursuant to such NDA will remain confidential, and will as of the date of the execution of this Agreement be deemed Confidential Information within the meaning of this Agreement and also be governed by the terms hereof.

9. Term; Termination.

- a. The term of the Agreement is set forth in the License Agreement.
- b. If either party hereto fails to perform or comply with any material term or condition of this Agreement, specifically including Client's failure to pay any Fees (such party being the "Breaching Party"), and such failure continues unremedied for 30 (thirty) days after receipt of written notice, the other party may terminate this Agreement. Notwithstanding the foregoing, if the Breaching Party has in good faith commenced to remedy such failure and such remedy cannot reasonably be completed within such 30-day period, then the Breaching Party will have an additional 30 (thirty) days to complete such remedy, after which period the other party may terminate this Agreement if such failure continues unremedied.
- c. Client may terminate this Agreement at any time during the Initial Term effective as of the date of the next annual anniversary of the Effective Date if Client's budget (funding) is eliminated and Client provides written evidence to Innovative of the elimination of Client's budget (funding), such evidence to be in the form and substance reasonably requested by Innovative.
- Except for a termination by Client pursuant to Section 9.b., and unless as otherwise set forth in this Agreement, upon any termination of this Agreement, all prepaid Fees will be nonrefundable and Client will be responsible for all Fees and expenses for the Software provided prior to and as of the date of termination. Any termination of this Agreement will not waive or otherwise adversely affect any other rights or remedies the terminating party may have under the terms of this Agreement. Upon termination of this Agreement, the rights and duties of the parties will terminate, other than the obligation of the Client to pay Fees and costs in accordance herewith, and the obligations of the parties pursuant to Section 1.c. (Software License), Section 3 (Ownership), Section 4 (Fees; Expenses; Payment Terms), Section 6 (Limitations on Liability), Section 7 (Indemnification), Section 8 (Confidentiality), Sections 9.d. and 9.e. (Termination), Section 11 (Client Configurations) and Section 13 (General). Within 30 (thirty) days of receipt of a written request following a termination of this Agreement, each party must return or destroy all Confidential Information of the other party, as requested in writing by the other party. Notwithstanding the foregoing, a party will not be obligated to destroy data containing Confidential Information of the other party when it would be commercially impracticable for the receiving party to do so (for example, when Confidential Information is contained in e-mail stored on backup tapes or other archival media), but for so long as such receiving party is in possession of such Confidential Information of the other party, the terms of Section 8 (Confidentiality) hereof will continue to restrict the receiving party's use or disclosure of such Confidential

Information. Neither party will be liable to the other for any termination or expiration of this Agreement in accordance with its terms.

- e. Following termination of this Agreement, Innovative has no duty whatsoever to deliver to Client any parts of its programming, data model, or any other information regarding which Innovative claims a proprietary or Intellectual Property Right. To the extent that Innovative is requested to perform any services for Client in connection with the termination of this Agreement (including without limitation providing Client with a copy of Client Data in a commercially-standard format to be agreed upon by the Parties), such service will be performed pursuant to a written statement of work under a separate professional services agreement and paid for by Client, applying Innovative's then-current rates for daily/hourly work, as the case may be.
- 10. **Third Party Software**. The Software may contain third-party and/or "open source" code provided under third-party license agreements. The terms and conditions of such third-party license agreements will apply to such source code in lieu of these terms, where applicable, and Client is responsible for compliance therewith. A listing of certain third-party and/or open source code contained in the Software, the respective license terms applicable to such code, and certain related notices are included in the documentation and/or Specifications made available to Client by Innovative. Except as required for the authorized use of the Software as contemplated herein, Client may not use any name or trademark of any supplier of third party or open source code without such party's prior written authorization.
- 11. Client Configurations. Client will be permitted to use one or more application programming interfaces (APIs) made available by Innovative to configure the Software hereunder in accordance with the Specifications (such configurations or other modifications, "Client Configurations"). Client will not use any other API to modify or configure the Software. No API may be used to create any Client Configuration that, in whole or in part, mimics any material functionality of any software or service developed or marketed by Innovative or that would reasonably be deemed competitive to any software or service developed or marketed by Innovative if the Client Configuration were to be released to the public market. Innovative disclaims all representations and warranties, express or implied, regarding Client Configurations and assumes no liability whatsoever with respect to Client Configurations. Client agrees to indemnify and hold harmless Innovative from all damages and out-of-pocket costs (including reasonable attorney fees) for any third-party action based on a claim that any Client Configuration infringes a copyright or a patent, or constitutes an unlawful disclosure, use or misappropriation of another party's trade secrets.
- 12. **Back-Up Activities**. Except to the extent that Client purchases Innovative's hosting service or back-up services, Client has the sole responsibility for the maintenance and protection of all data input into the Software, including, without limitation, the making, storing and security of back-up and archive copies of such data and the Software (collectively "Back-Up Activities"), and Client acknowledges Innovative will not perform any Back-Up Activities for or on behalf of Client.

13. General.

- a. <u>No Waiver</u>. The failure of either party to enforce any rights granted hereunder or to take action against the other party in the event of any breach hereunder will not be deemed a waiver by that party as to subsequent enforcement of rights or subsequent actions in the event of future breaches.
- b. <u>Independent Contractor</u>. Client acknowledges that Innovative is at all times an independent contractor and that Client's relationship with Innovative is not one of principal and agent nor employer and employee. No Innovative personnel will be entitled to participate in any compensation or benefits plan of Client.
- c. <u>Force Majeure</u>. Neither party will be liable or responsible for any delay or failure in performance if such delay or failure is caused in whole or in part by fire, flood, explosion, power outage, war, strike, embargo, government regulation, civil or military authority, hurricanes, severe wind, rain, other acts of God, acts or omissions of carriers, third-party local exchange and long distance carriers, utilities, Internet service providers, transmitters, vandals, or hackers, or any other similar causes that may be beyond its control (a "Force Majeure Event").
- d. <u>Notice</u>. Any notice or communication required to be given by either party must be in writing and made by hand delivery, express delivery service, overnight courier, electronic mail, or fax, to the party receiving such communication. Unless otherwise instructed in writing, such notice will be sent to the parties at the addresses set forth on the first page of the License Agreement. All communications pursuant to this Section will be deemed

delivered as follows: (a) upon receipt, if delivered personally or by a recognized express delivery or courier service; or (b) when electronically confirmed, if delivered by facsimile.

- e. <u>Invalidity</u>. Any provision of this Agreement which is invalid, illegal, or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions hereof in such jurisdiction or rendering that or any other provision of this Agreement invalid, illegal, or unenforceable in any other jurisdiction.
- f. <u>Counterparts</u>. This Agreement may be executed by the parties in separate counterparts by original, .pdf (or similar format for scanned copies of documents) or facsimile signature, each of which when so executed and delivered will be deemed an original, but all such counterparts will together constitute but one and the same instrument.
- g. <u>Publicity</u>. Except as provided in this Section, neither party will make any press release, public statement or other disclosure regarding the terms of this Agreement without the prior written consent of the other party, which consent will not be unreasonably withheld. Notwithstanding the foregoing, Innovative will have the right to issue public statements pertaining to the existence of the business relationship between Innovative and Client, including the right to limited use of Client's name, logo and other reasonable non-confidential information in press releases, web pages, advertisements, and other marketing materials.
- h. <u>Assignment</u>. Neither party has the power to assign, license, or sub-license any of its rights or obligations hereunder without the prior written consent of the other party, which will not be unreasonably withheld. Any assignment, license, or sub-license attempted without such consent will be void. Notwithstanding the foregoing, a party may assign this Agreement without the other party's consent (i) as part of a corporate reorganization, consolidation, merger, or sale of substantially all of its assets or capital stock; or (ii) to an Affiliate of such party provided that any such assignment will not release the assigning party from its obligations under this Agreement.
- i. <u>Waiver of Jury Trial; Governing Language</u>. EACH PARTY HEREBY WAIVES ITS RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTE OR LEGAL PROCEEDING ARISING OUT OF THIS AGREEMENT OR THE SUBJECT MATTER HEREOF. This Agreement and all proceedings hereunder will be conducted in the English language; any translation of this Agreement into another language will be for convenience only but will not modify the meaning hereof. Only a written instrument duly executed by both parties may modify this Agreement.
- j. <u>Entire Agreement</u>. This Agreement contains the entire understanding of the parties, and supersedes all prior agreements and understandings relating to the subject matter hereof, provided that nothing herein will diminish or affect any separate services agreement or statement(s) of work issued thereunder. The parties represent that they are sophisticated commercial entities, have had the opportunity to consult with their own counsel, and have included in this Agreement all terms material to the parties' rights and obligations with respect to the subject matter hereof and intend this document to be the final expression of their contractual intent. The parties further represent and acknowledge that communications exchanged between the parties during contract negotiation (including, without limitation, requests for proposal ("RFPs") and Innovative's responses to such RFPs; questionnaires and responses to same, quotes) do not constitute a part of this Agreement. Purchase orders, work orders or other such documents submitted by Client will be for Client's internal administrative purposes only and the terms and conditions contained in any such purchase order, work order or other such document will have no force or effect and will not amend or modify this Agreement. In the event of any inconsistencies or conflicts among the GTCs, a License Agreement or any other exhibits or schedules referenced by these GTCs, the following order of priority will control:

 1. License Agreement, 2. GTCs and 3. any other terms, agreements, exhibits or schedules included in, or referenced by the Agreement.