

NetVisor Service Agreement

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1. Introduction

This service agreement is between NET FRIENDS, INC., a North Carolina corporation ("**Net Friends**"), and the entity you represent (the "**Customer**"). The Agreement takes effect when you click an "I Accept" button or check box presented with these terms; by so clicking, **you state that you have legal authority to bind that entity.**

The parties agree as follows:

2. Services

2.1 Standards

Net Friends shall use Commercially Reasonable Efforts to perform the services (the "**Services**") described in the attached statement of work (the "**SOW**"). Net Friends shall ensure that the Services will be performed (a) in a professional and efficient manner and (b) in accordance with applicable laws and regulations. The Customer shall facilitate Net Friends's performance of the Services and provide Net Friends with reasonable access to information – including, for example, inventory information, network architecture, IP addresses, and hardware or software specifications – necessary to perform the Services. The Customer and its employees shall use Commercially Reasonable Efforts to respond promptly to Net Friends questions; the Customer acknowledges that these responses may be necessary for Net Friends to perform the Services.

"Commercially Reasonable Efforts" means, with respect to a given obligation, the efforts that a prudent person desirous of achieving a result would use in similar circumstances to achieve that result in a reasonable period, considering any associated expenditure of resources (financial or other) and the expected benefit to this person. A person required to use Commercially Reasonable Efforts in connection with this agreement is not thereby required to make any material change to its business.

2.2 Subcontractor Services

Net Friends shall not subcontract performance of the Services without the Customer's written approval. To invoice Services performed by a subcontractor under different terms than those described in the SOW – including, for example, different hourly rates, exclusions, or SLA terms – Net Friends must notify the Customer of those terms in writing, and receive written authorization from the Customer, before the subcontractor performs those Services. The Customer shall pay any fees so authorized according to the terms of the SOW. If the Customer rescinds or modifies its authorization for a subcontractor to provide Services, Net Friends will not be required to provide those Services by alternate means.

3. Payment

3.1 Billing and Payment Terms

The Customer shall pay Net Friends the rates and fees specified in the SOW. If the Customer has not fully paid any invoice within 30 calendar days after the date of that invoice, Net Friends may exercise one or more of the following options:

- a. Discounted rates, if any, extended to the Customer in the SOW shall be void, and the “standard rate” specified in the SOW shall be the effective rate for the Customer on all future invoices;
- b. The unpaid amount due shall accrue interest at the rate of 1.5% per month, with the first interest applied at 60 calendar days after the date of the invoice; and
- c. If required to effect collection of payment, Net Friends’s reasonable collection costs, including collection agency fees, reasonable attorneys’ fees and court costs, shall be reimbursed by the Customer.

3.2 Disputed Invoices

To dispute an invoice, or any portion of an invoice, the Customer must notify Net Friends in writing, within 30 days of receipt of that invoice, and include documentation supporting the Customer’s dispute. The undisputed portions of any invoice will remain payable by the due date specified on that invoice. Net Friends and the Customer shall use Commercially Reasonable Efforts to resolve the dispute in good faith and as expeditiously as reasonably possible. Upon resolution of a dispute, the Customer shall make the agreed-upon payment within 10 days.

3.3 Charges

All fees and charges for the Services are exclusive of any sales or use taxes and other federal, state, municipal, or other governmental taxes or levies applicable to the sale or use of Services hereunder (“**Taxes**”) now in force or enacted in the future, all of which the Customer shall pay in full. Unless otherwise described in an applicable Statement of Work, billing and payment terms for Services will be as described in this agreement.

3.4 Assessment of Use

For Services that are billed at a set rate per user, account, quantity of data, or other specified unit, Net Friends shall, using any reasonable method, assess the number of units in use by the Customer once per billing cycle, which will be monthly unless otherwise specified in the SOW. Upon the Customer’s reasonable request, Net Friends shall provide the Customer with a summary of the method currently in use.

4. Term and Termination

4.1 Term

The term of this agreement will continue until the last day of a consecutive twelve-month period during which there is no SOW in effect hereunder.

4.2 Termination

- a. This Agreement, and any SOW, may be terminated by either party at any time if the party wishing to terminate the Agreement provides written notice to the other party at least 30 days in advance of the date on which the party wishes to terminate the Agreement.
- b. If a party materially breaches any terms or conditions of this agreement or any SOW, the non-breaching party may terminate this agreement and/or any SOWs upon 30 days’ written notice to the breaching party specifying the material breach, unless within that 30-day period all material breaches identified therein have been remedied.
- c. Either party may terminate this agreement immediately upon the occurrence of an Insolvency Event for the other party. For purposes of this agreement, “**Insolvency Event**” means:

- i. a party (a) commences a voluntary proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or (b) consents to this relief or to the appointment of or taking possession by this official in an involuntary case or other proceeding commenced against it, or (c) makes a general assignment for the benefit of creditors, or (d) fails generally to pay its debts as they become due, or (e) takes any action to authorize any of the foregoing;
 - ii. an involuntary case or other proceeding is commenced against a party or any of its subsidiaries seeking (a) liquidation, reorganization or other relief with respect to it or its debts under bankruptcy, insolvency or other similar law or (b) the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and this involuntary case or other proceeding remains undismissed and unstayed for 60 days; OR
 - iii. an order for relief is entered against a party or any of its subsidiaries under federal bankruptcy law.
- d. The termination of this agreement automatically terminates all Statements of Work unless the parties agree otherwise in writing.
- e. Upon the termination of any SOW (including in connection with a termination of this agreement), the Customer shall immediately pay to Net Friends all proper termination fees described in the applicable SOW, unless that SOW, or this agreement, is terminated by the Customer under Sections 4.2(b) or 4.2(c) or by Net Friends under Section 4.2(a).

5. Other Agreements and Licenses

5.1 Employee Agreements

The Customer acknowledges that Net Friends employees have signed agreements that prohibit the employee from:

- a. Disclosing certain proprietary or confidential information without authorization and
- b. Associating (whether as an employee, consultant, independent contractor, officer, manager, advisor, partner, volunteer, or director) directly with a Customer, for which the employee has performed services on behalf of Net Friends during the last six months of the employee's employment, for the purpose of performing similar services for the Customer.

Net Friends acknowledges that these agreements do not apply to public solicitations of employment made through general advertising media in the ordinary course of business.

5.2 End User Agreements

The Customer shall permit Net Friends employees to accept end user license agreements, as well as other terms and conditions, on behalf of the Customer when this acceptance is reasonably required to perform the Services (these agreements and terms, "**Third-Party Agreements**"). Upon Net Friends accepting a Third-Party Agreement on behalf of the Customer, the Customer will be deemed to have reviewed and approved that Third-Party Agreement. Net Friends will not be liable for this acceptance.

6. Confidential Information

6.1 Definition

As used herein, “**Confidential Information**” means all information furnished by, or on behalf of, the disclosing party to the receiving party and that the disclosing party designates as confidential, or which would reasonably be considered confidential from its nature or from the circumstances surrounding its disclosure, including without limitation regulatory, commercial, financial, administrative and technological information, and any information concerning this agreement (other than of a general nature), but does not include information which:

- a. is known to the receiving party before receipt from the other party without obligations of confidentiality, as substantiated by written records;
- b. is disclosed to the receiving party in good faith by a third party that is not under a confidentiality obligation to the disclosing party;
- c. is already public when the disclosing party discloses it to the receiving party or becomes public (other than because of a breach of this agreement by the receiving party) after the disclosing party discloses it to the receiving party; or
- d. can be substantiated, based on written records, to have been developed by or for the receiving party independently of the information provided by the disclosing party.

6.2 Obligations

All Confidential Information furnished by a party to the other in connection with this agreement shall remain the property of, and be deemed proprietary to, the disclosing party. All Confidential Information of each party shall be used by the other party strictly for the purposes contemplated in this agreement, and the receiving party shall limit access to, and use of, the disclosing party’s Confidential Information to those of the receiving party’s employees and agents that require such access and use in connection with this agreement and who are bound by confidentiality obligations no less restrictive than those herein.

Each party shall hold all Confidential Information of the other party in confidence for, and on behalf of, the other party and treat the Confidential Information of the other party as it does its own valuable and sensitive information of a similar nature and with a reasonable degree of care. Each party shall prevent the other party’s Confidential Information in its possession or control from being misappropriated, or wrongfully communicated, by any employee, consultant, or other person under the obliged party’s control. In the event of any disclosure or loss of, or inability to account for, any Confidential Information of the disclosing party, the receiving party shall notify the disclosing party promptly upon becoming aware thereof.

6.3 Compelled Disclosure

If the receiving party is required by a court or government authority to disclose the other party’s Confidential Information, the receiving party shall (a) provide the disclosing party with prompt notice, including the circumstances of that requirement, so that the disclosing party may seek an appropriate protective order, and (b) reasonably cooperate in an action by the disclosing party to obtain an appropriate protective order.

6.4 Process on Termination

Upon termination of this agreement, the receiving party shall promptly return or, at the direction of the disclosing party, destroy the disclosing party’s Confidential Information (including, for example, all documents or media containing any of the foregoing and all copies, extracts, or embodiments thereof), with the following exceptions:

- a. The receiving party may retain, with reasonable measures taken to assure confidentiality, one copy of any Confidential Information that the receiving party may require: to perform any obligations or exercise any rights under this agreement that may survive such expiration or termination; for archival purposes; in connection with any filing, application, or request for regulatory approval or the maintenance of any regulatory approval or as otherwise required by law;
- b. The receiving party may retain additional copies of, or any computer records or files containing, the Confidential Information of the disclosing party that have been created solely by the receiving party's automated electronic archiving and back-up procedures, to the extent created and retained in a manner consistent with the receiving party's secure archiving and back-up procedures wherein the information is always encrypted, but not for any other use or purpose.

6.5 Injunctive Relief

The parties acknowledge that disclosure or distribution of Confidential Information of the other party, or the use of Confidential Information of the other party contrary to the terms of this agreement, may cause irreparable harm for which damages at law may not be an adequate remedy. The disclosing party may seek specific enforcement of the provisions of this agreement prohibiting disclosure or distribution of Confidential Information or use contrary to the provisions hereof, in addition to other remedies available at law or in equity without any requirement to post bond.

7. Information Security

Net Friends shall use Commercially Reasonable Efforts to maintain the following security controls:

- a. Maintain a formal information security program, with a named individual responsible for its overall execution; it must include documented security plans, policies, and procedures designed to protect the confidentiality, integrity, and availability of its information assets.
- b. Maintain staffing and technical resources at an appropriate level to ensure the information security program's plans, policies, procedures, ongoing operations, monitoring, and continuous improvement.
- c. Periodically conduct a security risk assessment to identify threats and vulnerabilities that may affect the systems that are used to deliver services, then implement remediation plans based on the prioritization of the associated risks.
- d. Maintain formal documented instructions for reporting security breaches, including protocols to inform the Customer's Information Security Office (or an equivalent Customer officer) in writing with a detailed description of any security incidents, actions taken and an action plan to prevent future incidents.
- e. Assess and manage security risks associated with vendors and subcontractors, incorporating security requirements into contracts with vendors and subcontractors as appropriate.
- f. Ensure continuing employee awareness of and education on security policies, standards, and procedures.
- g. Prevent access to information and resources unless authorized.
- h. Perform scheduled external and internal penetration testing to identify potential security risks that may be exploited by an attacker to gain unauthorized access to Net Friends's systems and networks.
- i. Complete a third-party audit demonstrating satisfactory compliance with the security controls defined in this agreement; the audit should conform to the American Institute of Certified Public Auditors (AICPA) SOC 2 Type II or equivalent standard.
- j. On an annual basis, have a qualified third-party assessor conduct follow-up SOC 2 Type II or equivalent audits to verify that its security controls remain effective.

8. Warranties

8.1 Customer Warranties

The Customer states that the following facts are accurate:

- a. The Customer has the legal right and authority to place and use Customer equipment,
- b. The Customer is duly organized and has the authority to enter this agreement and to perform its obligations hereunder, and
- c. The Customer's and the Customer's end users' use of the Services does not violate applicable laws or regulations or infringe the rights of any third parties.

8.2 Company Warranties

Net Friends states that the following facts are accurate:

- a. Net Friends has the legal right and authority to provide the Services, and
- b. Net Friends is duly organized and has the authority to enter this agreement and to perform its obligations hereunder.

8.3 No Other Warranties

The Customer acknowledges that there are risks inherent in Internet connectivity, and use of the Services, that could result in the loss of Customer privacy, confidential information, data, and property. The Customer acknowledges that Net Friends does not and cannot control the flow of information to or from Net Friends's network, the Customer's network, and other parts of the internet. Net Friends is not required to provide security or protection for the Customer's privacy, confidential information, or data except as specifically stated in this agreement or as otherwise required by law.

Except as otherwise described in this agreement, the Customer's use of the Services is at its own risk. **Net Friends does not make, and hereby disclaims, any express or implied warranties, including: warranties of merchantability, fitness for a purpose, non-infringement and title, and any warranties arising from a course of dealing, usage, or trade practice.** Net Friends does not warrant that the Services will be uninterrupted, error-free, or completely secure. The Customer is solely responsible for the suitability of the Services chosen.

Neither party shall make any representations or warranties on the other party's behalf. Net Friends makes no warranty concerning compatibility of software or equipment or any results to be achieved therefrom. Net Friends is not liable to the Customer for any unauthorized access or use, corruption, deletion, destruction, or loss of any data or applications, except to the extent resulting from Net Friends's breach of this agreement or the negligence or intentional misconduct of Net Friends or its employees. Net Friends is not responsible for any defects or damages to equipment, facilities, or services resulting from (i) the Customer's, the Customer's agents', or the Customer's employees' mishandling, abuse, misuse, or accident, or (ii) a Force Majeure Event.

9. Damages

9.1 Direct and Consequential Damages

Except for the parties' indemnification obligations under Section 12, neither party will be liable to the other party, or any third party, for:

- a. any damages related to, or because of, this agreement in an amount exceeding the total amount payable to Net Friends under the SOW giving rise to the claim; or
- b. any special, punitive, indirect, incidental, or consequential damages (including, for example, lost profits, lost revenue or loss of use) arising out of this agreement, whether based on contract, tort or any other legal theory, and irrespective of whether a party has been advised of the possibility of any such loss or damage.

9.2 Risk of Loss

Title, and risk of loss, for Customer equipment will pass to the Customer at the time of delivery to the Customer, for Customer-installed products, or upon completion of installation, for products installed by Net Friends. If Net Friends acquires any hardware, software or other equipment or devices on behalf of the Customer, and the original manufacturers' or licensors' warranties are not transferrable to Customer in full, Net Friends shall directly pass all benefits to the Customer of any warranty received by Net Friends from the manufacturer.

10. Insurance Coverage

Net Friends agrees to obtain and maintain, at its expense, all relevant insurance required by state and federal law. The following coverages will be maintained for the duration of this agreement:

- Commercial General Liability: in the amount of \$1,000,000 per occurrence, with a general aggregate limit of at least \$2,000,000;
- Excess Liability Coverage: in the amount of at least \$1,000,000;
- "Cyber" insurance: in the amount of at least \$2,000,000 in aggregate insurance and \$2,000,000 for each claim;
- Errors and Omissions insurance: in the amount of at least \$2,000,000;
- The equivalent of ISO special form property insurance covering contractor/subcontractor personal property located on Net Friends's property, providing protection to the extent of 100% of the replacement cost of such property, less a commercially reasonable deductible, not to exceed \$10,000.00;
- Statutory workers' compensation insurance and employer's liability insurance with minimum limits of at least \$1 million / \$1 million / \$1 million (accident limit/policy limit/employee limit);
- Auto liability insurance which insures against bodily injury and property damage claims arising out of the ownership, maintenance or use of "any auto," a minimum of \$1,000,000 combined single limit.

Net Friends hereby names the Customer as an "Additional Insured" on its General Liability and its Errors & Omissions policies, on a primary basis to include work in process and completed work, for the duration of all SOWs under this agreement.

11. Severability

The parties acknowledge that, if a dispute between the parties arises out of this agreement, or the subject matter of this agreement, they would want the court to interpret this agreement as follows:

- a. With respect to any provision that it holds to be unenforceable, by modifying that provision to the minimum extent necessary to make it enforceable or, if that modification is not permitted by law, by disregarding that provision;

- b. if an unenforceable provision is modified or disregarded in accordance with this Section, by holding that the rest of this agreement will remain in effect as written;
- c. by holding that any unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable; and
- d. if modifying or disregarding the unenforceable provision would result in failure of an essential purpose of this agreement, by holding the entire Agreement unenforceable.

12. Indemnification

(a) With respect to any Proceeding brought by someone other than Net Friends or someone other than one or more Customer Indemnitees against one or more Customer Indemnitees and that arises out of this agreement or a SOW under this agreement (each, a “**Nonparty Claim**”), Net Friends shall indemnify those Customer Indemnitees against all Indemnifiable Losses arising out of that Proceeding, except to the extent that the Customer negligently or intentionally caused those Indemnifiable Losses.

(b) To be entitled to indemnification under Section 12(a), a Customer Indemnitee subject to any Nonparty Claim must promptly (no later than ten days after the Customer Indemnitee first knew of that Nonparty Claim) notify Net Friends of that Nonparty Claim and deliver to Net Friends a copy of all legal pleadings with respect to the Nonparty Claim. If the Customer Indemnitee fails to promptly notify Net Friends of a Nonparty Claim, Net Friends will be relieved of its indemnification obligations with respect to that Nonparty Claim to the extent that Net Friends was prejudiced by that failure, and Net Friends will not be required to reimburse the Customer Indemnitee for any Litigation Expenses the Customer Indemnitee incurred during the period in which the Customer Indemnitee failed to notify Net Friends.

(c) To assume the defense of a Nonparty Claim, Net Friends must notify the Customer Indemnitee that it is doing so. Promptly thereafter, Net Friends shall retain to represent it in the Nonparty Claim independent legal counsel that is reasonably acceptable to the Customer Indemnitee.

(d) A Customer Indemnitee is entitled to participate in the defense of a Nonparty Claim. A Customer Indemnitee may defend a Nonparty Claim with counsel of its own choosing and without Net Friends participating if (1) Net Friends notifies the Customer Indemnitee that it does not wish to defend the Nonparty Claim, (2) by midnight at the end of the tenth day after the Customer Indemnitee notifies Net Friends of the Nonparty Claim Net Friends fails to notify the Customer Indemnitee that it wishes to defend the Nonparty Claim, or (3) representation of Net Friends and the Customer Indemnitee by the same counsel would, in the opinion of that counsel, constitute a conflict of interest.

(e) Net Friends shall pay any Litigation Expenses that a Customer Indemnitee incurs in connection with defense of the Nonparty Claim before Net Friends assumes the defense of that Nonparty Claim, except with respect to any period during which the Customer Indemnitee fails to timely notify Net Friends of that Nonparty Claim. Net Friends will not be liable for any Litigation Expenses that a Customer Indemnitee incurs in connection with defense of a Nonparty Claim after Net Friends assumes the defense of that Nonparty Claim, other than Litigation Expenses that the Customer Indemnitee incurs in employing counsel in accordance with section 12(d), which Litigation Expenses Net Friends shall pay promptly as they are incurred.

(f) After Net Friends assumes the defense of a Nonparty Claim, Net Friends may contest, pay, or settle the Nonparty Claim without the consent of the Customer Indemnitee only if that settlement (1) does not entail any admission on the part of the Customer Indemnitee that it violated any law or infringed the rights of any person, (2) has no effect on any other claim against the Customer Indemnitee, (3) provides as the claimant’s sole relief monetary damages that are paid

in full by Net Friends, and (4) requires that the claimant release the Customer Indemnitee from all liability alleged in the Nonparty Claim.

(g) In this agreement, the following definitions apply:

“Customer Indemnitee” means the Customer, any affiliate of the Customer, each Representative of any of the foregoing, and each of the heirs, executors, successors, and assignees of any of the foregoing.

“Indemnifiable Losses” means the aggregate of Losses and Litigation Expenses.

“Litigation Expense” means any reasonable out-of-pocket expense incurred in defending a Proceeding or in any related investigation or negotiation, including court filing fees, court costs, arbitration fees, witness fees, and attorneys’ and other professionals’ fees and disbursements.

“Losses” means any amount awarded in, or paid in settlement of, any Proceeding, including any interest but excluding any Litigation Expenses.

“Proceeding” means any judicial, administrative, or arbitration action, suit, claim, investigation, or proceeding.

“Representative” means, with respect to an entity, any of that entity’s directors, officers, employees, agents, consultants, advisors, and other representatives.

13. Force Majeure

“Force Majeure Event” means, with respect to a party, any event or circumstance, and any consequences of that event or circumstance, beyond the reasonable control of such party, including flood, earthquake, hurricane, tornado, act of God, fire, terrorism, war, riot, epidemic, or a Change of Law. **“Change of Law”** means the coming into effect after the date of this agreement of applicable law or any applicable judgment of a relevant court of law that changes the interpretation of the applicable law and affects Net Friends’s performance under this agreement in a material way.

If a Force Majeure Event prevents a party from complying with one or more obligations under this agreement (other than payment obligations), that inability to comply will not constitute breach. If a Force Majeure Event occurs, the noncomplying party shall promptly notify the other party of the occurrence of that Force Majeure Event and shall be excused from non-performance hereunder for as long as the Force Majeure Event continues.

14. Revision and Reassignment

This agreement constitutes the entire understanding between the parties as to the subject matter of this agreement and supersedes all other agreements, whether written or oral, between the parties. No waiver of satisfaction of a condition or nonperformance of an obligation under this agreement will be effective unless it is in writing and signed by the party granting the waiver. No "click-through," "shrink-wrap," "browse-wrap" or similar terms that have not been specifically negotiated by the parties, whether before, on, or after the date of this agreement, will be effective to add to or modify the terms of this agreement, regardless of any party's or its representative's "acceptance" of those terms by electronic means.

An amendment to this agreement will not be effective unless it is in writing and signed by both parties. To assign this agreement, a party must receive the prior written consent of the other party, which shall not be unreasonably withheld, delayed, or conditioned, except that each party may, upon notice to the other party, assign this agreement to

any entity resulting from any corporate reorganization or from the transfer of substantially all of its assets or capital stock.

15. Construction and exclusive venue

North Carolina law, without giving effect to its principles of conflicts of law, governs this agreement. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this agreement. Any dispute arising out of this agreement shall be litigated in the North Carolina Superior Court District covering Durham County, unless there is federal subject matter jurisdiction, in which case the venue for litigation shall be the U.S. District Court for the Middle District of North Carolina. The parties waive any claim that any proceeding brought in accordance with this agreement has been brought in an inconvenient forum or that the venue of that proceeding is improper.

16. Publicity

To make any public announcement or press release regarding this agreement, or any activities performed hereunder, a party must receive the prior written consent of the other party.

17. Notices

A valid notice or other communication under this agreement will be effective when received by the party to which it is addressed. It will be deemed to have been received when the party to which the email is addressed acknowledges having received that email, with an automatic "read receipt" not constituting acknowledgment of an email; and if the party to which it is addressed rejects or otherwise refuses to accept it, or if it cannot be delivered because of a change in address for which no notice was given, then upon that rejection, refusal, or inability to deliver. If a notice or other communication addressed to a party is received after 5:30 p.m. on a business day, or on a day that is not a business day, then the notice will be deemed received at 8:30 a.m. on the next business day. Unless otherwise clear, a stated time of day refers to exactly the stated time, as measured by a commonly-accepted standard timekeeper, in the state of North Carolina, adjusted for Daylight Savings Time per law.

To be valid, a notice or other communication to a party under this agreement must be in writing and delivered by email using the information specified below for that party, or any other information specified by that party in a valid notice.

To Net Friends: notice@netfriends.com

To the Customer: (the address designated by the Customer on the attached order form)

Exhibit A-1 – Statement of Work – NetVisor for Small Offices

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1.1 Scope of Work

The term of this Statement of Work (the "**SOW**") is 1 year, beginning on a date to be mutually agreed by the parties (this date, the "**Deployment Date**"). Either party may terminate this SOW, without penalty, before the Deployment Date has been set. This SOW will terminate at 30 days after the Customer's acceptance of the agreement unless, before that time, the parties have agreed on the Deployment Date. If the SOW terminates before the Deployment Date, the Customer will not be liable for any payments, and Net Friends shall refund any payments or deposits already paid.

Provision of service is contingent on:

- a signed Master Service Agreement,
- any other binding agreements between Net Friends and the Customer,
- the Customer's cooperation in Net Friends' Commercially Reasonable Efforts to provide service, and
- any service exclusions defined below.

1.2 Access

To facilitate delivery of the services described in Section 9 of this SOW (these services, the "**Services**"), the Customer shall permit Net Friends and its agents full access to the Customer's information technology and related licenses (this technology, including, for example, devices, servers, endpoints, cloud-based services, software applications, public key certificates, and warranties, whether purchased outright, leased, or subscribed to, "**Technology Platforms**"). The Customer shall permit Net Friends to install and manage software necessary for delivery of the Services on Customer-owned computers (this software, the "**Service Software**").

The Customer shall use Commercially Reasonable Efforts to:

- Enable Net Friends to deploy, configure, access, remove, and otherwise manage Service Software on all Customer-owned devices and computers;
- Provision dedicated administrative credentials for Net Friends on all Customer-owned Technology Platforms, and permit the use of those credentials by Net Friends for any valid purpose related to delivery of the Services; and
- Decommission or replace any Technology Platforms for which the Customer is unwilling or unable to provide items (a) and (b) above, except that the parties may agree in writing to exclude a particular Technology Platform from coverage under this SOW, either permanently or until the access problem is resolved.

2. Fees

The Customer shall pay Net Friends a monthly per-User fee, described in the attached order form, for the Services. Net Friends shall invoice the Services in advance (at the beginning of each calendar month of service) via emailed invoice, with payment accepted only by credit card or ACH. The Customer shall pay Net Friends \$149 per hour, billed monthly in arrears in tenths of an hour, for all work that is excluded from coverage under Section 9.10 of this SOW. The Customer shall provide Net Friends with credit card or bank draft records for the purpose of paying applicable fees. If, at any time, Net Friends is unable to charge the full amount payable, the Customer shall provide Net Friends new, working payment information promptly upon request.

3. Users

"User" means any person who:

- a. is an owner, employee, contract worker, or authorized volunteer of the Customer;
- b. accesses any Customer servers, endpoints, or cloud-based software platforms that are under Net Friends' management; AND
- c. has not been excluded from NetVisor coverage, in writing, by either the Customer or Net Friends.

The parties acknowledge that the number and identity of Users under this SOW will fluctuate throughout the term. User counts, for usage assessment purposes, shall be performed by Net Friends in accordance with the Master Service Agreement. If a workstation is assigned to a person who is not a User, or if a workstation is not assigned to any person, Net Friends will not install Service Software on it and may remove any Service Software previously installed.

The Customer may request the registration of a "synthetic" User, such as "Student Intern 1" or "Front Desk," which will be counted as a User for billing purposes, and assign a workstation to this User. Individuals using this workstation will be eligible to receive support coverage under this SOW, except that Net Friends may require support requests involving these individuals to designate a non-synthetic User as the contact for the request. Individuals whose primary workstation is counted as a synthetic User will be excluded from the User count by default, except that these individuals may be added or removed as a User by mutual agreement of the parties to facilitate provision of the Services.

4. Procurement

The Customer hereby designates Net Friends as its Microsoft Cloud Solution Provider and hereby accepts the terms of the [Microsoft Cloud Agreement](#). Net Friends shall manage all Customer licenses for products and services in the following Microsoft product families: Azure, 365, and Dynamics 365. The Customer shall maintain the designation of Net Friends as its Partner of Record and as a Delegated Admin for the Microsoft product families listed above.

The Customer shall use Net Friends as its exclusive provider of procurement services for all Technology Platforms that are material to the Customer's business. Except as set forth in the subsequent paragraphs, the Customer shall not, itself or through a third party, procure a Technology Platform, or any portion thereof, or manage Microsoft licenses as described above. The Customer shall submit procurement requests to Net Friends using the methods designated in the Service Level Agreement described in Section 8. Net Friends shall use Commercially Reasonable Efforts to respond to procurement requests submitted in this fashion within the response windows described in Section 8.

Net Friends shall waive its rights as exclusive provider of procurement for any Technology Platform that:

- a. Net Friends is unable to purchase through a distributor with whom Net Friends has a purchasing agreement;
- b. Is a dedicated component of a business process that is specific to the Customer's line of business (this platform, a "**Line-of-Business Platform**"); or
- c. Is a dedicated component of, or license related to, the Customer's public website.

Net Friends shall price all quoted line items, except those describing labor, leasing, or other services originating with Net Friends, at or below MSRP and shall source items from reputable distributors. If (a) Net Friends is unable to obtain an item at or below MSRP within 30 days following the receipt of a procurement request, or if (b) Net Friends and the

Customer mutually agree that Net Friends would be unable to deliver an item before a Customer employee would experience unreasonable impairment of job duties for which the item is required, then Net Friends shall waive its rights as exclusive provider of procurement for that item within that order only.

If Net Friends does not procure a particular Technology Platform, and if Net Friends has not waived its rights to exclusively procure that Technology Platform, as described above, then that Technology Platform shall be excluded from coverage under this SOW. "Excluded from coverage" means:

- a. Net Friends is not required to install or configure any Service Software for the Technology Platform;
- b. Net Friends is not required to join the Technology Platform to any Net Friends-managed domains or other centralized management systems; and
- c. the Customer shall pay an hourly rate of \$189/hr for any support requests related to the Technology Platform.

Net Friends may extend coverage under this SOW to Technology Platforms that have been excluded from coverage, subject to any conditions of its choosing, including, for example, completion of an onboarding project and demonstration of adequate vendor support.

5. Location of Work

Net Friends shall perform the Services at a facility owned or leased by Net Friends, unless the nature of a task requires that it be performed at a Customer site or another location. Net Friends shall not perform work at any location more than 50 miles away from an office of Net Friends or of an authorized subcontractor, or under conditions deemed by Net Friends to be hazardous, unsafe, or unhealthful.

6. Onboarding Project

Net Friends shall deliver a "NetVisor Onboarding" service package designed to enhance Net Friends's ability to manage Customer networks and users. This package shall include the following services:

1. Phone call and welcome email from Onboarding Lead
2. Compilation (with Customer assistance) of a full list of users, contact info, and roles
3. Joint communications with critical Customer vendors to authorize Net Friends as an approved caller for vendor support
4. On-site visit for:
 - a. Gathering critical data on Customer Technology Platforms
 - b. Deploying Service Software
 - c. Inspecting IT infrastructure
 - d. Uploading of Customer information into Net Friends support database
 - e. Verification of full deployment of Service Software
 - f. Sharing of notable findings with Customer stakeholders
 - g. Scheduling of renewal reminders and Maintenance Windows for Customer Technology Platforms

Net Friends's obligation to deliver the Onboarding package is subject to the condition that the Customer provide sufficient cooperation, and access to Technology Platforms, to permit Net Friends to complete the Onboarding Project within 30 days after the Deployment Date. If the Customer does not provide this cooperation and access within this 30-day time frame, Net Friends may terminate the SOW without penalty or refund, effective upon the elapse of those 30 days.

6.1 Onboarding Project Exclusions

The Customer acknowledges:

- a. that the NetVisor Onboarding package does not include remediation of problems with Customer infrastructure identified before, during, or after the project;
- b. that Onboarding team members are not equipped to perform general troubleshooting while on-site; and
- c. that support requests received by the Onboarding team will be forwarded to the Net Friends Support Center for resolution according to the Service Level Agreement.

7. Termination

The Customer may provide notice of termination to Net Friends at any time by following the process defined in the Notices section of the Master Service Agreement. For a notice of termination of NetVisor services to be valid, the notice must state:

- a. that the Customer wishes to terminate NetVisor services, and
- b. that the Customer either desires to terminate service at 30 days, or at 90 days, after the date of the next invoice.

7.1 Transition Services

During the 30 days before the termination of this SOW, Net Friends shall use Commercially Reasonable Efforts to fulfill Customer requests to transfer one or more of the following to locations and/or agents designated by the Customer:

- a. Customer data made available to or created by Net Friends during this SOW;
- b. Documentation of Customer systems created by Net Friends, excluding information deemed proprietary; and
- c. Customer devices in Net Friends's custody.

Net Friends's obligation to fulfill these requests is subject to the following conditions:

- a. that the Customer submit the requests, and Net Friends handle the requests, according to the terms of the Net Friends SLA;
- b. that the Customer have paid the undisputed portions of all previously-due invoices under this SOW,
- c. that the Customer have paid in full any fees due for early termination under Section 7.2, and
- d. that Net Friends not be terminating the SOW under Section 4.2(b) of the Master Services Agreement.

7.2 Early Termination Fees

If the Customer terminates NetVisor services before the term of this agreement expires, the Customer shall pay Net Friends the following fees:

If the customer desires to terminate service at 30 days after the date of the next invoice, then the Customer shall pay Net Friends an amount equal to 50% of the combined total amount on any unissued invoices for NetVisor services through the date specified as the end of the service period, using the Customer's last known pricing for services.

If the customer desires to terminate service at 90 days after the date of the next invoice, then the Customer shall pay Net Friends an amount equal to 25% of the combined total amount on any unissued invoices for NetVisor services through the date specified as the end of the service period, using the Customer's last known pricing for services.

8. Service Level Agreement

Net Friends, Inc., strives to provide service that meets or surpasses its customers' expectations. The purpose of the Service Level Agreement (SLA) is to describe and limit the conditions under which Net Friends is prepared to meet high standards of service.

8.1 Methods

Net Friends shall perform the subset of Services described in Section 9.1, Support Services, of this Statement of Work in accordance with the standards described in this Section 8. Net Friends shall use Commercially Reasonable Efforts to:

- a. provide support and consultation services for Technology Platforms material to the Customer's business,
- b. deploy or configure Service Software that notifies centralized event management platforms when certain events occur on Technology Platforms, and
- c. assess and respond to these notifications according to standard operating procedures described in this Section 8.

Net Friends shall provide the Services remotely, using Service Software and standard communication tools such as email and telephone, unless Net Friends determines that on-site resolution is required. Users within 50 miles of a Net Friends facility will be contacted by Net Friends, within the response windows described in this Section 8, to schedule an on-site visit. To receive on-site resolution services, Users located 50 miles or more from a Net Friends facility must ship the relevant device or computer to the main Net Friends office; this shipment will be at the Customer's risk.

8.2 Remedies

The Customer's sole and exclusive remedies for Net Friends's failure to meet any standard described in this Section 8 are to request:

- a. That service efforts be halted,
- b. That ticket details be changed or updated,
- c. That time spent on a particular request be limited to a specific budget of hours,
- d. That Net Friends provide a progress report on any unresolved support requests, and/or
- e. That Net Friends perform an analysis of SLA performance metrics for Customer tickets over a reasonable time period.

If the Customer requests an analysis as described in (e) above and substantial deficiencies are identified, Net Friends shall provide the Customer with a written performance improvement plan within 30 days.

8.3 Authorization

The Customer acknowledges that Net Friends will respond promptly to all requests made by individuals whom Net Friends personnel reasonably believe, based on information available at the time of the request, to be authorized by the Customer to initiate that particular request. The Customer shall conduct regular training of its personnel regarding its policies for support requests, and shall provide Net Friends with timely information regarding changes to those policies. Net Friends may, without breaching its obligations under this agreement, place a request on hold to verify:

- a. that the requesting person is authorized to make the request;
- b. that the request is legal (for example, that software is properly licensed for its requested use);
- c. that the Customer is fully informed of the possible consequences of the request, including any potential security risks; and
- d. under which statement of work, or other billing arrangement, the request falls.

8.4 Notice of Disruption to Services

Net Friends may use reasonable methods of communication, including phone, text, and mass email distribution lists, to alert the Customer to security or business continuity disruptions, scheduled Maintenance Windows, SLA modifications, and other events affecting delivery of Services. The Customer shall notify Net Friends of changes of address, phone numbers, or personnel shifts that could affect the Customer's ability to receive alerts. Net Friends is not liable for any disruption or failure of the Customer's business activities resulting, in whole or in part, from an event regarding which Net Friends has used Commercially Reasonable Efforts to provide the Customer with advance notification.

8.5 Service Level Agreement

Net Friends shall process support requests according to the provisions and standards appearing at the URL <https://www.netfriends.com/info/service-level-agreement> (these provisions and standards, the "SLA"). Net Friends may modify the SLA after providing notification to the Customer under Section 8.4. To reject any modification of the SLA without penalty or early termination fee, the Customer must (a) terminate the SOW, effective at 30 days after the date of the next invoice, and (b) submit notice of this termination to Net Friends within 72 hours of the time at which the notification of the SLA modification was sent by Net Friends.

9. NetVisor Service Suite

The NetVisor service suite consists solely of the services enumerated here; no service or work product will be deemed part of NetVisor unless it is explicitly described here.

9.1 Support Services

Net Friends shall provide technical support for valid Technology Platforms, except that software support shall be subject to the exclusions described in Section 9.10 and limited to (a) common productivity applications unrelated to the Customer's Line of Business and (b) Line-of-Business Platforms.

9.2 Office Productivity

Net Friends shall license, deploy, update, support, and manage a Microsoft cloud-based "software-as-a-service" plan for all Users as part of the Service Software. Net Friends may select plans at its discretion, except that all plans shall provide the following functions:

- a. Enrollment as a "tenant" in the Microsoft 365 platform or any platform designated as succeeding Microsoft 365;
- b. Desktop-based and cloud-based office productivity software meeting industry standards;
- c. Cloud-based file storage and file sharing platforms suitable for normal business data storage needs;
- d. Advanced email and malware security equivalent to Microsoft Defender and Exchange Online Protection
- e. Collaboration software, including, for example, text chat, teleconference, videoconference, and post-meeting video archival functions;

- f. Calendar and meeting coordination software; and
- g. Endpoint and mobile-device management function equivalent to Microsoft Intune.

9.3 Managed Backup

Net Friends shall provide a Managed Backup service, as follows:

- a. Net Friends shall support and manage backup and restoration of all customer data stored in the Microsoft 365 cloud platform;
- b. Net Friends shall license, deploy, update, support, and manage backup and restoration Service Software, including full restoration of volumes, for Customer servers running Windows Server 2012 or later and, upon request, for Customer endpoints running Windows 10 or later;
- c. Net Friends shall perform backups at least daily and retain backed up data for at least one year; and
- d. Net Friends shall encrypt backup data in transit and at rest.

Net Friends shall perform backups and restorations over the internet, except that the Customer may request that Net Friends provision an external backup hard drive for one supported server. If the Customer makes this request, Net Friends shall manage an additional backup task to back up that server's data to this external drive, up to a maximum of ~8TB of backed-up data. This drive will be owned by Net Friends and may be replaced at any time. The Customer agrees that Net Friends shall have full and uninterrupted use of its external backup drive, as well as any Service Software required for delivery of the Managed Backup service.

Net Friends's obligation to provide the Managed Backup service is subject to the limitations of the Customer's internet connection. Net Friends may suspend the Managed Backup service, in whole or in part, if the Customer's internet connectivity or actions related to the Service Software prevent adequate performance of the service; the Customer is not entitled to remedy or discount in the event of such a suspension.

If, due to factors beyond its control, Net Friends is not able to reliably back up a volume or directory in a way that maintains its data integrity, Net Friends may exclude that volume or directory from Managed Backup service. If Net Friends excludes a volume or directory from Managed Backup, that exclusion will be noted in backup reports and Net Friends will discuss the exclusion with the Customer during a subsequent Strategic Review.

9.4 Endpoint Provisioning

The Customer shall pay Net Friends the following flat fees for services related to the deployment of an endpoint for an individual, except that no fee will apply for deployment of an endpoint that has been leased from Net Friends.

9.4.1 New Endpoint Deployment: \$299 per endpoint

Scope:

- a. Deliver to work site
- b. Join to domain
- c. GPO-based setup
- d. Install management tools
- e. Install LOB apps

9.4.2 Endpoint Data Migration: \$100 per endpoint

Scope:

- a. Migrate user profile
- b. Migrate user data
- c. Install LOB apps
- d. Update host identification

The following items and deliverables are excluded from all flat-rate endpoint provisioning services:

- a. Endpoints not procured through Net Friends
- b. Backup of old data
- c. Manual customization tasks
- d. Upgrading, reinstalling, or re-imaging the operating system
- e. Removal, re-use, recycling, or refurbishment of the prior endpoint
- f. Data removal or wiping from the prior endpoint, including destruction of physical media
- g. Training

9.5 Maintenance Windows

Net Friends shall use Commercially Reasonable Efforts to enroll the Customer's Windows-based servers and endpoints, including leased endpoints, in a Maintenance Window. "Maintenance Window" means a scheduled period of several hours per month when software is updated and restarted by remote management. Net Friends shall offer the Customer more than one choice for Maintenance Window scheduling. The Customer may request at any time a current list of the software products for which Net Friends is providing automated software updates. Net Friends is not required to install software updates containing bug fixes or additional features, or any updates for which the Customer has not purchased a license. Net Friends is not required to install, as part of a Maintenance Window, any individual software update requested by the Customer. The Customer may request Net Friends to exclude one or more devices under management from Maintenance Window enrollment, but Net Friends is not required to fulfill this request.

Net Friends shall alert the Customer, in accordance with Section 8.4, at least 3 business days before each scheduled Maintenance Window. Maintenance Window notifications will follow a standard format and be sent from the maintenance@netfriends.com email account to a list of stakeholders approved by the Customer. To have a Maintenance Window cancelled or postponed, the Customer must notify Net Friends, by replying to the official MW notification email, at least one business day before the Maintenance Window is scheduled to begin. If notice is not received at least one business day in advance, Net Friends may not be able to adjust all scripted actions, and some disruption to system availability may occur.

9.5.1 MW Incidents

Net Friends shall perform tests to confirm that systems affected by a MW (a) are functioning normally when the MW commences and (b) have returned to normal function before the MW ends. If a system is not functioning normally when the MW commences, Net Friends may postpone some or all MW operations. If this occurs, Net Friends shall promptly notify the Customer in accordance with Section 8.4. If a system has not returned to normal function within the MW time frame, Net Friends will create a Critical or Important priority ticket describing the problem before the end of the MW. If business continuity is found to be disrupted after all tests were passed on all affected systems, Net Friends will (a) issue an Important priority ticket describing the problem, (b) initiate a Post Incident Review (PIR)

process to investigate root cause, and (c) share the report findings with Customer stakeholders within 5 business days of the incident.

9.6 Access Control

Net Friends will maintain user groups and group resource permission rights that restrict access to Customer Technology Platforms to only authorized personnel. Net Friends will establish protocols for “onboarding” new Users to ensure that these Users are rapidly provisioned with IT resources needed for their jobs. Net Friends will regularly review user accounts and group memberships within Customer Technology Platforms to ensure appropriate access is being granted.

9.7 Change Management

Net Friends will use Commercially Reasonable Efforts to follow Change Management protocols specified by the Customer, subject to exclusions described in Section 9.10. For example, if a Change Management policy requires a change to be implemented first in a test environment, the Customer must approve a separate statement of work covering testing.

9.8 Vendor Liaison

Net Friends will communicate on the Customer’s behalf with current or prospective vendors of IT products and services, to the extent approved by the Customer. Net Friends will provide consultation services to the Customer regarding IT product and service purchases, including vendor and product recommendations.

9.9 Strategic Review

Net Friends shall present a review of services provided since the last Strategic Review, as well as recommendations for actions to be taken by the Customer before the next scheduled Strategic Review. These reviews shall occur at least once per calendar year, or on another schedule as mutually agreed by the parties. Net Friends shall also, upon request, present a comprehensive review, of services provided during the last 6 months, to any new employee at the management level, including for example IT Director, IT Manager, Administrative Director, Operations Manager, Business Manager, Vice President, CxO, etc. Meetings described in this section shall be conducted via virtual meeting or in-person, at Net Friends’ discretion, and shall last no longer than 60 minutes per instance.

9.10 NetVisor Exclusions

The Customer acknowledges that internet-based threats are a severe global security problem. Net Friends makes no warranties or other guarantees that it will prevent harm to the Customer's business from internet-based attackers.

Net Friends is not required to perform any of the following services or actions under this SOW; to receive these services, the Customer must pay Net Friends the hourly rate described in Section 1.4 or a fixed price presented in a separate Statement of Work:

- a. Out-of-warranty repair or replacement of any part or device.
- b. Support for custom application software, custom databases, or any software for which the Customer is unable or unwilling to provide proof of purchase, an established license agreement, access to any relevant volume licensing centers, and access to vendor support through a valid vendor support agreement.
- c. Support of:

- i. a product or service for which the Customer does not have a current support agreement with the product vendor or developer;
 - ii. a product or service the Customer has implemented without providing Net Friends adequate notice and disclosure of its intended use;
 - iii. a product or service the Customer does not own, lease, or license;
 - iv. a product or service for which the Customer cannot or will not provide Net Friends with administrative credentials; or
 - v. a device that has reached End of Life, as defined in Section 9.11.
- d. Compilation or maintenance of any knowledge base, standard operating procedures, or protocols intended to substitute for support provided by a vendor.
- e. Repair or replacement of any Customer-owned or controlled product, electrical work, or repair of any other damage to the extent the foregoing results from operator error, accident, or vandalism, or from electrical or environmental problems, excessive heat or humidity, or maintenance provided by anyone other than Net Friends representatives.
- f. Support of or coordination with any entity or person other than the vendor of a Customer Technology Platform, the vendor of Service Software, or Users.
- g. Changes to the Customer's IT infrastructure, including
- i. physical relocation,
 - ii. installation of new components or operating systems,
 - iii. any upgrade or reconfiguration of applications or devices resulting in an altered feature set or interface,
 - iv. any upgrade or reconfiguration of applications or devices requiring special coordination with the vendor or deviating from the vendor's authorized procedure,
 - v. any software upgrade that cannot be performed remotely or from a central location, or
 - vi. testing a new component or the setup of a testing environment.
- h. Fulfilling support requests triggered by changes to the Customer's IT infrastructure, including changes to the configuration or availability of any Technology Platform, caused by any agent other than Net Friends, including natural disasters, accidents, climate control failures, fire, flood, the intentional or accidental actions of Customer employees, and non-parties.
- i. Requests for restoration or assessment of any data or software not protected by the Managed Backup service.
- j. Procurement of or search for foundational material related to data restoration or reconstruction, such as manufacturer recovery media for covered items, original software installation media, and licenses.
- k. Requests triggered by action or inaction of any third party which is not a Net Friends affiliate, licensor or subcontractor and is not otherwise within Net Friends' reasonable control, including the failure of any third party to provide a timely resolution of any problem with a device or service owned or managed by that third party.

If (i) Net Friends receives repeated similar service requests or alerts originating from or related to a Technology Platform or User, and if (ii) Net Friends provides notice to the Customer of these requests or alerts along with a reasonable proposal for resolving the requests or alerts permanently, and if (iii) these requests or alerts continue after 30 days following receipt of this notice by the Customer, then Net Friends may limit or exclude the Technology Platform or User from Services under this SOW.

9.11 End of Life

category	end of life date
UPS batteries	2 years from date of purchase (i.e., replace every 2 years)
Servers/Hosts	When vendor technical support agreement expires
Storage Arrays	3 years from date of purchase
Firewalls/Routers	When vendor technical support agreement expires
Wireless Access Points	When vendor technical support agreement expires
Workstations/Laptops	5 years from date of manufacture
Switches	6 years from date of manufacture
UPS (excluding batteries)	6 years from date of manufacture if battery coverage remains current, otherwise 2 years
All other devices	5 years from date of purchase

If the date of purchase for an item cannot be clearly established, the End of Life Date will be calculated from the date of manufacture derived from the product labeling or, if no date of manufacture can be clearly established, the earliest documented use of the item by the Customer.