



GUARDIAN RFID SYSTEM AGREEMENT

THIS GUARDIAN RFID SYSTEM AGREEMENT (the "Agreement") is entered into as of _____, 2018 ("Effective Date") by and between Codex Corporation d/b/a GUARDIAN RFID, a Minnesota corporation ("GUARDIAN RFID"), having its principal place of business at 6900 Wedgwood Rd. N, Suite 440, Maple Grove, MN 55311 and Baldwin County, Alabama, by and through the Baldwin County Commission, a political subdivision of the State of Alabama, on behalf of the Baldwin County Sheriff's Office ("Customer"), having its correction facility at 200 Hand Ave., Bay Minette, AL 36507.

WHEREAS, GUARDIAN RFID provides a system comprised of software, hardware, support services and a web-based software as a service platform to deliver a wide range of inmate management, monitoring and tracking solutions (the "GUARDIAN RFID System"), and the Customer desires to implement the GUARDIAN RFID System by licensing the software, purchasing the hardware and support services, and obtaining rights to use the web-based software as a service platform.

NOW THEREFORE, the parties agree as follows:

1. DEFINITIONS

- (a) "Acceptance Criteria" has the meaning provided in Section 9(c)(i).
- (b) "Additional Components" means any components, such as hardware or software, that are not specifically provided under the terms of this Agreement, including, but not limited to, networking equipment, workstations, servers for third party systems, mobile workstations or laptops, and the Customer's Third-Party Software.
- (c) "Agreement" has the meaning provided in the recitals.
- (d) "Authorized Customer Personnel" means employees, partners, members, owners, agents or affiliates of the Customer (including any third party to whom the Customer has outsourced all or part of its operations) who need to use the GUARDIAN RFID System in the performance of their duties or collaboration with the Customer, who have agreed to abide by the terms of this Agreement and who have agreed in writing to be bound by the terms of the Confidentiality provisions of this Agreement in Section 15, either by means of an agreement directly with GUARDIAN RFID or pursuant to an agreement with the Customer which restricts the use of the Confidential or Proprietary Information received as an employee, partner, member, owner or affiliate of the Customer. In no case will the term "Authorized Customer Personnel" include any competitor of GUARDIAN RFID.
- (e) "Authorized GUARDIAN RFID Personnel" means officers, employees, partners, members, owners, agents or affiliates of GUARDIAN RFID who provide services to the Customer under the terms of this Agreement.
- (f) "Confidential or Proprietary Information" means any information or data disclosed by either GUARDIAN RFID or the Customer to the other party and any of the following which relate directly or indirectly to the Disclosing Party's products, services or business:
 - (i) technology, ideas, concepts, drawings, designs, inventions, discoveries, improvements, patents, patent applications, specifications, trade secrets, prototypes, processes, notes, memoranda and reports,



- (ii) visual representations concerning the Disclosing Party's past, present or future research, technology, know-how, and concepts, or
- (iii) computer programs, software code, written documentation, products, information concerning vendors, members, customers, prospective customers, employees and prospective employees, market research, sales and marketing plans, distribution arrangements, financial statements, financial information, financing strategies and opportunities and business plans.

In addition, the term "Confidential or Proprietary Information" shall include any information disclosed pursuant to any confidentiality or nondisclosure agreement entered into by the parties in contemplation of entering into the business relationship evidenced by this Agreement.

- (g) "Complete End User Training" has the meaning provided in Section 7(b).
- (h) "Correction Notice" has the meaning provided in Section 9(c)(ii).
- (i) "Correction Testing Period" has the meaning provided in Section 9(c)(iii).
- (j) "Customer" has the meaning provided in the recitals.
- (k) "Customer Indemnified Parties" has the meaning provided in Section 17.
- (l) "Customer Information" means all Confidential or Proprietary Information disclosed by the Customer to GUARDIAN RFID under this Agreement.
- (m) "Customer Project Manager" means the person authorized by the Customer to serve as the primary point of contact for project management with GUARDIAN RFID as specified in Section 14(b).
- (n) "Customer's Third-Party Software" means any software supplied by the Customer that is purchased or licensed from any source external to GUARDIAN RFID, including, but not limited to, operating systems, Internet browsers, plug-ins, content-viewing applications, software frameworks for downloaded content, and productivity software.
- (o) "Disclosing Party" means a party to this Agreement that discloses its Confidential or Proprietary Information to the other party to this Agreement.
- (p) "Documentation" means all documentation and other materials (including manuals, instructions, training materials, specifications, advertising brochures, promotional materials, flow charts, logic diagrams and other support materials) relating to the operation and functionality of the GUARDIAN RFID Software and GUARDIAN RFID OnDemand.
- (q) "Effective Date" has the meaning provided in the recitals.
- (r) "Extended Term" has the meaning provided in Section 18(a).
- (s) "Go-Live" or "Goes-Live" means the use of the GUARDIAN RFID System as a live, non-test-bed system, which can be exhibited by events such as the completion of the first real-world log entry (e.g., cell check, offender movement, etc.) or a similar event or inmate activity dealing with real-world use.
- (t) "Go-Live Date" means the latest to occur of (i) the date of the Installation Notice, or (ii) if any, the date of the last Subsequent Installation Notice. For clarity, the official Go-Live Date will be



identified in the first invoice sent by GUARDIAN RFID to the Customer after the GUARDIAN RFID System Goes-Live.

- (u) "Go-Live Support" means the training referred to under Section 7(c).
- (v) "GUARDIAN RFID" has the meaning provided in the recitals.
- (w) "GUARDIAN RFID Information" means Confidential or Proprietary Information disclosed by GUARDIAN RFID to the Customer under this Agreement, including, but not limited to, all Documentation.
- (x) "GUARDIAN RFID OnDemand" means the web-based software as a service platform provided by GUARDIAN RFID to the Customer that is used by the Customer to access the server database that hosts the information collected by the GUARDIAN RFID System, and is identified as "Platform" under the "Product Family" column of the quote provided in Addendum A.
- (y) "GUARDIAN RFID Personnel" means any officers, employees, partners, members, owners, agents or affiliates of GUARDIAN RFID.
- (z) "GUARDIAN RFID Project Manager" means the person authorized by GUARDIAN RFID to serve as the primary point of contact for project management with the Customer as specified in Section 6(a).
- (aa) "GUARDIAN RFID Software" means the computer programs in object code form and any Updates, enhancements, modifications, revisions, additions, replacements or conversions thereof owned by GUARDIAN RFID and either identified as "Software" under the "Product Family" column of the quote provided in Addendum A, installed to enable use of GUARDIAN RFID OnDemand, or subsequently licensed to the Customer. GUARDIAN RFID Software specifically excludes any Third-Party Software and the Customer's Third-Party Software.
- (bb) "GUARDIAN RFID Software Materials" means the GUARDIAN RFID Software, the media containing the GUARDIAN RFID Software and the Documentation.
- (cc) "GUARDIAN RFID System" has the meaning provided in the recitals, and includes the GUARDIAN RFID Software licensed, the GUARDIAN RFID OnDemand platform licensed for access and use, Hardware sold, Third Party Software used, and services provided by GUARDIAN RFID to the Customer under this Agreement.
- (dd) "Hardware" means all hardware, equipment and other tangible items supplied to the Customer by GUARDIAN RFID under this Agreement, including those items identified as "Hardware" under the "Product Family" column of the quote provided in Addendum A.
- (ee) "Initial Term Fee" means the sum of the fee amounts listed in Addendum B for (i) Contract Execution, (ii) Access to GUARDIAN RFID OnDemand prior to the Go-Live Date, (iii) Delivery of Hardware and (iv) Go-Live Date.
- (ff) "Inmate Data" has the meaning provided in Section 11(d).
- (gg) "Installation Notice" has the meaning provided in Section 9(c)(i).
- (hh) "Kick-Off Meeting" has the meaning provided in Section 6(b).
- (ii) "ODBC" means Open Database Connectivity.



- (jj) "Pre-Training Meeting" has the meaning provided in Section 7(a).
- (kk) "Receiving Party" means the party to this Agreement that receives Confidential or Proprietary Information from the other party to this Agreement.
- (ll) "Receiving Party Personnel" means any employees, partners, members, owners or affiliates of the Receiving Party.
- (mm) "Refresher Training" has the meaning provided in Section 7(d).
- (nn) "Renewal Fee" means the fee amount listed in Addendum B attributable to renewing the Agreement for an Extended Term.
- (oo) "Subsequent Installation Notice" has the meaning provided in Section 9(c)(iii).
- (pp) "System Administrator" means any person authorized by the Customer to serve as the primary point of contact for systems administration between the Customer and GUARDIAN RFID as specified in Section 14(c).
- (qq) "Term" means the period beginning on the Effective Date and ending on the earliest to occur of (i) the expiration of the Initial Term plus any Extended Term pursuant to Sections 18(a) and 18(b), or (ii) a termination of this Agreement pursuant to Sections 18(b), 18(c) or 18(d).
- (rr) "Testing Period" has the meaning provided in Section 9(c)(i).
- (ss) "Third Party Software" means any software to be supplied by GUARDIAN RFID under this Agreement that is purchased or licensed from any source external to GUARDIAN RFID for use with or integration into the GUARDIAN RFID System. Third Party Software specifically does not include the Customer's Third-Party Software.
- (tt) "Update" means any revision, enhancement, update, correction, security device, limiting device or other modification of the GUARDIAN RFID Software (other than an Upgrade) that GUARDIAN RFID releases or provides after the Effective Date. Such term specifically excludes Upgrades.
- (uu) "Upgrade" means any commercially released version of the GUARDIAN RFID Software that GUARDIAN RFID releases after the Effective Date which adds new or changed functionalities or features to the GUARDIAN RFID Software or allows the GUARDIAN RFID Software to be compatible with another operating system, and new or enhanced products, modules, components or applications offered by GUARDIAN RFID subsequent to the Effective Date that have a functionality similar to the GUARDIAN RFID Software.

2. LICENSE OF GUARDIAN RFID SOFTWARE MATERIALS

- (a) License Grant. GUARDIAN RFID hereby grants to the Customer a limited, non-exclusive, terminable, non-transferable license to the GUARDIAN RFID Software Materials, including any Updates provided pursuant to Section 8(a), allowing the Customer and its Authorized Customer Personnel to use solely for the Customer's own business purposes as part of the GUARDIAN RFID System during the Term of this Agreement, in the license amounts set forth in the "Quantity" column of the quote provided in Addendum A. The type of license granted—agency or per device—is described in the "Product" column of the quote provided in Addendum A. Agency licenses grant access to an unlimited number of Authorized Customer Personnel. Per device licenses grant one license per corresponding device purchased. The license granted does not grant the Customer the right to use the GUARDIAN RFID Software Materials except as set forth



in this Agreement and does not grant to the Customer any ownership, title or interest in the GUARDIAN RFID Software Materials, other than as specifically set forth in this Agreement.

- (b) Copies. The Customer may reproduce as many copies of the Documentation as the Customer reasonably deems appropriate to support its use of the GUARDIAN RFID System. The Customer must reproduce all confidentiality, proprietary, copyright and similar notices and disclaimers on any copies made pursuant to this Section.
- (c) Restrictions on Usage. The Customer will not decompile, or create by reverse engineering or otherwise, the source codes from the object code for the GUARDIAN RFID Software provided under this Agreement, adapt the GUARDIAN RFID Software in any way or use it to create a derivative work. GUARDIAN RFID will not be responsible in any way for performance of the GUARDIAN RFID Software if the GUARDIAN RFID has been modified, except as modified by GUARDIAN RFID.

3. SALE OF HARDWARE

- (a) General. Subject to the terms of this Agreement, GUARDIAN RFID will sell, assign, convey, transfer and deliver to the Customer, and the Customer will purchase, receive and accept from GUARDIAN RFID, all right, title and interest in and to the Hardware.
- (b) Consumables. From time to time, additional Hardware consumables (e.g., wristbands, RFID wall readers, mobile device readers, etc.) may need to be purchased by the Customer in order to continue using the GUARDIAN RFID System. The purchases of some Hardware consumables (e.g., mobile device readers, etc.) may require the purchase of additional licenses for GUARDIAN RFID Software and Third Party Software. In the event of additional purchases of Hardware consumables and any corresponding licenses, the Customer shall acquire such additional Hardware and licenses directly from GUARDIAN RFID, and GUARDIAN RFID will invoice the Customer for amounts due for such additional Hardware consumables and corresponding licenses. The Customer will be responsible for paying amounts related to the purchases of additional Hardware consumables and corresponding licenses in accordance with the provisions of Section 10 of this Agreement. Such additional purchases may also cause an increase in the Renewal Fees provided in Addendum B. In such case, GUARDIAN RFID will provide the Customer with an updated Addendum B at the time of such additional purchases, which will automatically amend and replace Addendum B.

4. USE OF THIRD PARTY SOFTWARE

- (a) Third Party Software. Subject to the terms of this Agreement, GUARDIAN RFID will install or otherwise allow the Customer to use the Third-Party Software as part of the GUARDIAN RFID System. The Customer's use of the Third-Party Software is subject to any terms and conditions set forth by the owner of the Third-Party Software.
- (b) Restrictions on Usage. The Customer will not decompile, or create by reverse engineering or otherwise, the source codes from the object code for any Third-Party Software provided under this Agreement, adapt the Third-Party Software in any way or use it to create a derivative work.



5. GUARDIAN RFID ONDEMAND

- (a) Grant of Access. GUARDIAN RFID hereby grants to the Customer a limited, non-exclusive, terminable, non-transferable license to access and use GUARDIAN RFID OnDemand solely for the Customer's own business purposes as part of the GUARDIAN RFID System during the Term of this Agreement. The license granted does not grant the Customer the right to use GUARDIAN RFID OnDemand except as set forth in this Agreement and does not grant to the Customer any ownership, title or interest in GUARDIAN RFID OnDemand, other than as specifically set forth in this Agreement. GUARDIAN RFID OnDemand will interact with the Customer's existing jail management system to automatically share inmate demographic and housing assignment data. The Customer is being granted access to GUARDIAN RFID OnDemand for an unlimited number of Authorized Customer Personnel. The System Administrator will be responsible for providing and removing access to GUARDIAN RFID OnDemand for Authorized Customer Personnel.
- (b) Restrictions on Usage.
- (i) GUARDIAN RFID reserves the right, in its sole discretion, to limit the Customer's and any Authorized Customer Personnel's use of GUARDIAN RFID OnDemand in the event that GUARDIAN RFID determines that the Customer's or any Authorized Customer Personnel's use is inconsistent with this Agreement.
- (ii) The Customer and any Authorized Customer Personnel may not use GUARDIAN RFID OnDemand for any purpose that is unlawful or that is prohibited by the terms of this Agreement. The Customer and any Authorized Customer Personnel may not attempt to gain unauthorized access to any part of GUARDIAN RFID OnDemand, other accounts, computer systems or networks connected to any part of GUARDIAN RFID OnDemand through hacking, password mining or any other means, or obtain or attempt to obtain any materials or information through any means not intentionally made available through GUARDIAN RFID OnDemand.
- (iii) The Customer will not (A) copy, reproduce, alter, modify, transmit, perform, create derivative works of, publish, sub-license, distribute, or circulate GUARDIAN RFID OnDemand; (B) disassemble, decompile, or reverse engineer the software used to provide GUARDIAN RFID OnDemand, or copy or catalog any materials or information made available through GUARDIAN RFID OnDemand other than as permitted under this Agreement; or (C) take any actions, whether intentional or unintentional, that may circumvent, disable, damage or impair GUARDIAN RFID OnDemand's control or security systems, or allow or assist a third party to do so.
- (iv) The Customer will not, and will not allow any party other than GUARDIAN RFID to, perform "write" operations directly to or on the GUARDIAN RFID OnDemand server or database, such as by using an ODBC driver, without the express written consent of GUARDIAN RFID.

6. PROJECT MANAGEMENT

- (a) GUARDIAN RFID Project Manager. The GUARDIAN RFID project manager is Frank Montemorano ("GUARDIAN RFID Project Manager"). The GUARDIAN RFID Project Manager works with the Customer as the single point of contact for implementation of the GUARDIAN RFID System.
- (b) GUARDIAN RFID System Configuration. After the Effective Date, the Authorized GUARDIAN RFID Personnel, under the direction of the GUARDIAN RFID Project Manager, will meet with Authorized Customer Personnel chosen by the Customer via online meeting in order to understand the Customer's operational needs and business rules (the "Kick-Off Meeting").



Authorized GUARDIAN RFID Personnel will observe the Customer's daily operations and use that information to identify how the GUARDIAN RFID System would best be configured to match and enhance the Customer's workflows. The Authorized GUARDIAN RFID Personnel will inform each System Administrator on configuration options, including user-definable tools, establishing and removing users, and setting user privileges. In the event that the Customer desires that the Kick-Off Meeting be conducted at the Customer's premises, the parties will negotiate in good faith to mutually agree upon a price.

- (c) Implementation and Status Meetings. The GUARDIAN RFID Project Manager will develop and manage the implementation schedule and coordinate with the Customer Project Manager to keep the implementation of the GUARDIAN RFID System on track and on schedule. The GUARDIAN RFID Project Manager will conduct status meetings, as needed or as requested by the Customer, to provide the Customer with status reports.

7. TRAINING

- (a) Pre-Training Meeting. A pre-training Meeting will be completed prior to the Complete End-User Training and Go-Live Support (the "Pre-Training Meeting"). The Pre-Training Meeting attendees should include the Customer Project Manager, each Systems Administrator, any Authorized Customer Personnel chosen by the Customer, the GUARDIAN RFID Project Manager and Authorized GUARDIAN RFID Personnel. Attendees of the Pre-Training Meeting will review the Customer's use of the GUARDIAN RFID System and discuss all policy and procedure considerations. Additionally, Authorized GUARDIAN RFID Personnel will review frequently asked questions about the GUARDIAN RFID System. Information gathered during the Pre-Training Meeting will be used to customize the Complete End-User Training. The Authorized GUARDIAN RFID Personnel will include certified training instructors who will be available to answer questions asked by the Customer relating to the GUARDIAN RFID System.
- (b) Complete End-User Training. Authorized GUARDIAN RFID Personnel who are certified training instructors will conduct an instructional class that will have a duration of approximately four (4) hours and should be attended by each of the Authorized Customer Personnel (the "Complete End-User Training"). The Complete End-User Training will focus on building proficiency and confidence using the GUARDIAN RFID System, including using the GUARDIAN RFID Software and GUARDIAN RFID OnDemand, logging a wide range of inmate activities, and assembling RFID wristbands.
- (c) Go-Live Support. Appropriate Authorized GUARDIAN RFID Personnel will be on the Customer's premises for the date the GUARDIAN RFID System is being installed to assist Authorized Customer Personnel with questions that arise and reinforce skills covered during the Complete End-User Training.
- (d) Refresher Training. At the Customer's request, GUARDIAN RFID Technologies will provide follow-up training after the Go-Live Date to introduce additional Authorized Customer Personnel to GUARDIAN RFID or refresh existing Authorized Customer Personnel on best practices in using the GUARDIAN RFID System (the "Refresher Training"). Any Refresher Training will be coordinated via online meetings. The fees under this Agreement do not contemplate Refresher Training at the Customer's premises. In the event that the Customer desires that the Refresher Training be conducted at the Customer's premises, the parties will negotiate in good faith to mutually agree upon a price.

8. MAINTENANCE AND SUPPORT

- (a) GUARDIAN RFID Software Updates. GUARDIAN RFID will make available to the Customer all Updates. Those Updates will be provided at no additional charge to the Customer, remain the



property of GUARDIAN RFID, and will be licensed to the Customer as part of the GUARDIAN RFID Software under this Agreement. Updates will be provided on an as-available basis and, subject to Section 14(h), will be installed remotely by GUARDIAN RFID at a time chosen by GUARDIAN RFID, provided that GUARDIAN RFID has communicated that time via email or telephone call to an appropriate contact at the Customer at least 24 hours prior to such Update installation date. The obligation of GUARDIAN RFID to provide Updates pursuant to this Section shall not extend to Upgrades, which the Customer may purchase by executing an amendment to this Agreement pursuant to Section 21(b).

- (b) GUARDIAN RFID OnDemand Hosting Maintenance. GUARDIAN RFID will maintain the servers necessary to host GUARDIAN RFID OnDemand, allow the GUARDIAN RFID Software to interact with GUARDIAN RFID OnDemand, and store data under this Agreement.
- (c) Telephone and Email Support. GUARDIAN RFID will provide telephone and email support, available Monday-Friday during the hours of 8 a.m. to 5 p.m. Central time, excluding federal holidays, for the GUARDIAN RFID Software licensed under this Agreement and GUARDIAN RFID OnDemand and will maintain a support center database to track any reported issues. For weekends and federal holidays, GUARDIAN RFID will provide a contact number in the event of an emergency. Provided that Updates to the GUARDIAN RFID Software have been made available to the Customer, no support will be provided for any earlier version of GUARDIAN RFID Software if more than thirty (30) days have elapsed since GUARDIAN RFID provided the Customer with an end of life notice for that earlier version of the GUARDIAN RFID Software. In addition, the technical support for GUARDIAN RFID OnDemand does not include support for the Customer's jail management system unrelated to GUARDIAN RFID OnDemand, such as any of the Customer's Third-Party Software. The telephone and email support provided under this Section does not include custom programming services or training.
- (d) Maintenance and Support Availability. GUARDIAN RFID will provide the maintenance and support described in this Section 8 until this Agreement expires or is terminated.

9. DELIVERY AND ACCEPTANCE

- (a) Delivery of Software to the Customer. GUARDIAN RFID will deliver the GUARDIAN RFID Software Materials to the Customer, either physically or electronically, and install them for the Customer at a mutually agreeable time in the project timeline. In addition, GUARDIAN RFID will install any Third-Party Software on the Hardware for use as part of the GUARDIAN RFID System at a mutually agreeable time in the project timeline.
- (b) Delivery of Hardware to the Customer. GUARDIAN RFID will ship the Hardware to the Customer's location at a mutually agreeable time in the project timeline. Any Hardware shipped will be via commercial carrier chosen by GUARDIAN RFID FOB destination, with the price included in the "Total Price" column of the quote provided in Addendum A.
- (c) GUARDIAN RFID System Acceptance.
 - (i) After GUARDIAN RFID provides notice to the Customer that the GUARDIAN RFID System has been successfully installed (the "Installation Notice"), the Customer will have thirty (30) days to test the GUARDIAN RFID System (the "Testing Period") to determine whether the GUARDIAN RFID Software operates in accordance with the Documentation, that GUARDIAN RFID OnDemand is accessible and that all Hardware has been delivered (the "Acceptance Criteria").
 - (ii) If, in the Customer's reasonable determination, the GUARDIAN RFID System does not satisfy the Acceptance Criteria, the Customer will give notice to GUARDIAN RFID prior to the



end of the Testing Period specifying with reasonable particularity the reason the GUARDIAN RFID System does not satisfy the Acceptance Criteria (a "Correction Notice").

- (iii) GUARDIAN RFID will use reasonable efforts to correct any items specified in a Correction Notice and will provide notice to the Customer when the Correction Notice has been addressed in a way that satisfies the Acceptance Criteria (a "Subsequent Installation Notice"). The Customer will have ten (10) days to test the GUARDIAN RFID System to determine whether it meets the Acceptance Criteria (a "Correction Testing Period"). If, in the Customer's reasonable determination, the GUARDIAN RFID System still does not satisfy the Acceptance Criteria, the Customer will provide another Correction Notice to GUARDIAN RFID prior to the end of the Correction Testing Period. GUARDIAN RFID will continue to use reasonable efforts to correct any items specified in any Correction Notice and send Subsequent Installation Notices to the Customer until the GUARDIAN RFID System meets the Acceptance Criteria, which will be deemed to occur when a Correction Testing Period expires without receipt of a Correction Notice from the Customer. If, in the Customer's reasonable determination, the GUARDIAN RFID System does not satisfy the Acceptance Criteria within sixty (60) days of the first Correction Notice, then the Customer may, with notice to GUARDIAN RFID, deem the first Correction Notice to be a notice of non-conformity which cannot be corrected for purposes of Section 13(a)(ii).

10. FEES AND PAYMENT TERMS

- (a) Fees. The Customer will pay GUARDIAN RFID the fees in the amounts specified in Addendum B.
- (b) Payment Terms. GUARDIAN RFID will invoice the Customer for amounts due under this Agreement after the occurrence of the applicable events specified in Addendum B. The Customer will pay any invoice received from GUARDIAN RFID within thirty (30) days after the date of that invoice. If the Customer fails to pay an amount due within thirty (30) days after the applicable invoice date, the Customer will pay late charges of one and one-half percent (1.5%) or the highest amount allowed by law, whichever is lower, per month on such balance, together with all of GUARDIAN RFID's expenses, collection costs and reasonable attorneys' fees incurred in collecting amounts due under this Agreement.
- (c) Taxes. Unless the Customer and/or the transaction is exempt from the following taxes as a governmental entity, the Customer will pay or reimburse GUARDIAN RFID for sales and use taxes, where applicable, and any other governmental charges levied, imposed or assessed on the use of the GUARDIAN RFID System or on this Agreement, excluding, however, ordinary personal property taxes assessed against or payable by GUARDIAN RFID, taxes based upon GUARDIAN RFID's net income, and GUARDIAN RFID's corporate franchise taxes. GUARDIAN RFID will furnish to the Customer invoices showing separately itemized amounts due under this Section.

11. INTELLECTUAL PROPERTY RIGHTS

- (a) GUARDIAN RFID Intellectual Property.
 - (i) Except for the rights expressly granted to the Customer under this Agreement, GUARDIAN RFID will retain all right, title and interest in and to the GUARDIAN RFID Software Materials and GUARDIAN RFID OnDemand, including all worldwide technology and intellectual property and proprietary rights.
 - (ii) With the exception of the Hardware purchased pursuant to this Agreement, GUARDIAN RFID retains title to any other deliverables under this Agreement, including, but not limited to, all



copies and audiovisual aspects of the deliverables and all rights to patents, copyrights, trademarks, trade secrets and other intellectual property rights in the deliverables.

- (iii) Any and all trademarks and trade names which GUARDIAN RFID uses in connection with this Agreement are and shall remain the exclusive property of GUARDIAN RFID. Nothing in this Agreement will be deemed to give the Customer any right, title or interest in any trademark or trade name of GUARDIAN RFID.
 - (iv) GUARDIAN RFID expressly reserves any rights not expressly granted to the Customer by this Agreement.
 - (v) The Customer shall not remove, efface or obscure any confidentiality, proprietary, copyright or similar notices or disclaimers from any GUARDIAN RFID Software Materials, GUARDIAN RFID OnDemand or any materials provided under this Agreement.
- (b) GUARDIAN RFID Information. GUARDIAN RFID retains ownership of all GUARDIAN RFID Information.
- (c) Customer Information. The Customer retains ownership of all Customer Information.
- (d) Inmate Data. The Customer owns any inmate management, monitoring and tracking data collected as part of the GUARDIAN RFID System ("Inmate Data"). Prior to the expiration or termination of this Agreement, the Customer may access the Inmate Data by either running a report on GUARDIAN RFID OnDemand and exporting the Inmate Data, or requesting that GUARDIAN RFID run a report and send the Customer the Inmate Data. Unless otherwise directed by the Customer, GUARDIAN RFID will maintain a copy of the Inmate Data for up to one (1) year after expiration or termination of this Agreement. Upon request of the Customer made within one (1) year after the expiration or termination of this Agreement, GUARDIAN RFID will run a report and send the Customer the Inmate Data in spreadsheet form.

12. REPRESENTATIONS OF GUARDIAN RFID

- (a) No Infringement. GUARDIAN RFID represents to the Customer that:
- (i) GUARDIAN RFID owns or otherwise has the rights in the GUARDIAN RFID Software Materials and has the full legal right to license the GUARDIAN RFID Software Materials in accordance with this Agreement; and
 - (ii) GUARDIAN RFID has no actual knowledge that the GUARDIAN RFID Software Materials infringe or misappropriate any patent, trademark, copyright or any trade secret or proprietary right of any person or entity.
- (b) Condition of Hardware. GUARDIAN RFID represents to the Customer that, at the time of delivery, the Hardware will be new and unused and that the Customer will acquire good and clear title to the Hardware, free and clear of all liens and encumbrances.

13. WARRANTIES

- (a) GUARDIAN RFID Software.
- (i) GUARDIAN RFID warrants that, during the Term of this Agreement, the GUARDIAN RFID Software will operate in accordance with and otherwise conform to the Documentation, provided that (A) no party other than Authorized GUARDIAN RFID Personnel has altered any



portion of the GUARDIAN RFID Software, (B) the GUARDIAN RFID Software is operated on the Hardware and (C) the Customer has met its obligations under Section 14.

- (ii) In the event of a claim by the Customer under this GUARDIAN RFID Software warranty, which claim should be made by notice to GUARDIAN RFID specifying with reasonable particularity the claimed non-conformity, GUARDIAN RFID will use reasonable efforts to correct the non-conformity. If within sixty (60) days after receipt of the notice of non-conformity from the Customer, GUARDIAN RFID shall not have either corrected the non-conformity or, in the case of a non-conformity which cannot be corrected in sixty (60) days, begun in good faith to correct the non-conformity, then the Customer's sole remedy under this warranty is to terminate the Agreement in accordance with the provisions of Section 18(d)18(d)(i), in which case the notice of non-conformity sent by the Customer pursuant to this Section will be deemed to be the notice required by Section 18(d)(i). If the non-conformity which cannot be corrected occurs prior to the time the GUARDIAN RFID System meets the Acceptance Criteria pursuant to Section 9(c) and the Customer terminates the Agreement pursuant to Section 18(d)(i), then the Customer will receive from GUARDIAN RFID a refund of all fees paid under the Agreement, in which case the Customer must return to GUARDIAN RFID the GUARDIAN RFID Software Materials licenses, Hardware, licenses to use and access GUARDIAN RFID OnDemand and other products purchased from GUARDIAN RFID.
- (b) Hardware. All Hardware warranties provided by the manufacturer will be passed through to the Customer. GUARDIAN RFID will be solely responsible for processing and managing of all Hardware warranty claims during the Term of this Agreement.
- (c) DISCLAIMER OF OTHER WARRANTIES. EXCEPT FOR THE WARRANTIES SET FORTH IN THIS SECTION, GUARDIAN RFID DISCLAIMS ANY AND ALL OTHER WARRANTIES OF ANY NATURE WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, PARTICULARLY INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN ADDITION, GUARDIAN RFID DOES NOT GUARANTEE THAT THE GUARDIAN RFID SYSTEM WILL BE ACCESSIBLE ERROR-FREE OR UNINTERRUPTED. THE CUSTOMER ACKNOWLEDGES THAT GUARDIAN RFID DOES NOT CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET, AND THAT ACCESS TO THE GUARDIAN RFID SYSTEM MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH COMMUNICATIONS FACILITIES. GUARDIAN RFID IS NOT RESPONSIBLE FOR ANY DELAYS, DELIVERY FAILURES OR OTHER DAMAGE RESULTING FROM SUCH PROBLEMS.

14. CUSTOMER OBLIGATIONS

- (a) Access to Premises and Authorized Customer Personnel. The Customer will provide GUARDIAN RFID with reasonable and timely access to the Customer's premises and Authorized Customer Personnel necessary for GUARDIAN RFID to perform its obligations under this Agreement.
- (b) Customer Project Manager. The Customer will name one primary customer project manager, who will be the main point of contact for GUARDIAN RFID with respect to project management ("Customer Project Manager"). The Customer Project Manager will be responsible for managing and coordinating the Customer's resources to complete assigned project tasks and activities. The Customer Project Manager will also be responsible for designating persons responsible for specific roles as needed, such as System Administrator, and ensuring that tasks assigned to these individuals are completed. The Customer Project Manager will also be responsible for sign-offs of various project documents and will have the authority to speak for the Customer from a project perspective.



- (c) System Administrator. The Customer will name one or more system administrators to serve as a primary point(s) of contact between the Customer and GUARDIAN RFID with respect to system administration (each, a "System Administrator"). At least one System Administrator must be available at all times. The Customer will ensure that the System Administrators possess the appropriate technology and public safety knowledge and skills to perform this role sufficiently.
- (d) Hardware Installation. The Customer will be responsible for installing and maintaining all hardware not specified under this Agreement to be installed or maintained by GUARDIAN RFID.
- (e) Customer's Third-Party Software. The Customer will be responsible for installing, maintaining and updating all of the Customer's Third-Party Software.
- (f) Facility Preparation. The Customer will be responsible for performing any actions not specifically delegated to GUARDIAN RFID under this Agreement that are required to prepare the facility for installation of the GUARDIAN RFID System, including, but not limited to, providing appropriate uninterrupted power, air conditioning, sufficient space, electrical drops, network and physical security, network equipment, network drops, and other similar items.
- (g) System Configuration. The Customer will make appropriate subject matter experts available to perform GUARDIAN RFID System configuration tasks as assigned.
- (h) System Updates. The Customer will work in good faith to allow GUARDIAN RFID to timely install Updates as requested by GUARDIAN RFID.
- (i) Other Server Maintenance. Other than as provided in Section 8(b), the Customer is responsible for all general maintenance of the Customer's servers, including data backups, operating system updates, virus protection, database software updates, and other general performance of the Customer's servers.
- (j) Warranty Requests. The Customer will submit all Hardware warranty claims to GUARDIAN RFID for processing and managing, and promptly respond to any requests from GUARDIAN RFID for information or cooperation related to those warranty claims.
- (k) Additional Components. If the Customer desires Additional Components for use with the GUARDIAN RFID System, the Customer will be solely responsible for obtaining and supporting such Additional Components. The Customer expressly agrees that GUARDIAN RFID will have no responsibility under this Agreement for obtaining or supporting those Additional Components.
- (l) Third Party Costs. The Customer will be solely responsible for any third-party costs related to the implementation of the GUARDIAN RFID System. The Customer expressly agrees that GUARDIAN RFID will have no responsibility under this Agreement for any third-party costs related to the implementation of the GUARDIAN RFID System, including, but not limited to, any third-party costs associated with the implementation of any Additional Components or any of the Customer's Third-Party Software.

15. CONFIDENTIALITY

- (a) Use and Handling of Confidential or Proprietary Information. The Receiving Party shall keep the Confidential or Proprietary Information confidential, shall use such information solely for performing its obligations under this Agreement, and shall not disclose to any persons or entities any of the Confidential or Proprietary Information without the prior written consent of the applicable Disclosing Party. The Receiving Party shall make the Confidential or Proprietary Information available only to Receiving Party Personnel who have a demonstrable need for such information, provided that the Receiving Party has informed all such Receiving Party Personnel of



the Receiving Party's obligations under this Agreement and such Receiving Party Personnel have agreed in writing to be bound by the terms of this Agreement, either by means of an agreement directly with the Disclosing Party or pursuant to an agreement with the Receiving Party which restricts the use of the Confidential or Proprietary Information received as Receiving Party Personnel. In accepting any Confidential or Proprietary Information disclosed to the Receiving Party under this Agreement, the Receiving Party agrees to preserve the confidentiality of such information with at least the same degree of care as that taken by the Receiving Party to preserve and protect its own Confidential or Proprietary Information, in no case less than a reasonable degree of care. The Receiving Party agrees to maintain adequate safeguards and procedures to prevent the theft, loss or dissemination of any of the Confidential or Proprietary Information, and, in the event of any such theft, loss or dissemination, shall notify the Disclosing Party immediately.

- (b) Exceptions to Confidential Treatment. The Receiving Party shall not be obligated to maintain any information in confidence or refrain from use if:
- (i) the information was lawfully in the Receiving Party's possession or was known to it prior to its disclosure from the Disclosing Party as evidenced by written records;
 - (ii) the information is, at the time of disclosure, or thereafter becomes public knowledge without the fault of the Receiving Party (provided, however, that the act of copyrighting, patenting or otherwise publishing or aiding in publication by the Disclosing Party shall not cause or be construed as causing the copyrighted materials or patented technologies to be in the public domain);
 - (iii) the information is or becomes rightfully available on an unrestricted basis to the Receiving Party from a source other than the Disclosing Party which did not acquire the same under an obligation of confidentiality to the Disclosing Party;
 - (iv) the information becomes available on an unrestricted basis to a third party from the Disclosing Party or from someone acting under its control;
 - (v) disclosure is required by subpoena or pursuant to a demand by any governmental authority;
or
 - (vi) disclosure is required by open records laws, such as the federal Freedom of Information Act or similar state "sunshine" laws.

Before relying on the exceptions of this Section 15(b), and disclosing any Confidential or Proprietary Information, the Receiving Party shall notify the Disclosing Party in writing of its intent to do so, and give the Disclosing Party a period of fifteen (15) days to object or otherwise take action to protect its rights and interest in such information, provided that if the exception being relied upon is Section 15(b)(vi), then such fifteen (15) day period will be extended to be the maximum amount of time allowed pursuant to the applicable open records law or other applicable law, rule or regulation pursuant to which the Customer is seeking to disclose such information.

- (c) Return of Materials. Upon request from the Disclosing Party, the Receiving Party shall immediately return to the Disclosing Party all copies of Confidential or Proprietary Information received under this Agreement; and all copies of notes, reports, or other documents or materials that reflects such Confidential or Proprietary Information provided, however, that if the Disclosing Party requests, the Receiving Party shall immediately destroy all Confidential or Proprietary Information and certify such destruction to the Disclosing Party.
- (d) Confidentiality Remedies. The Receiving Party acknowledges that any breach of the provisions of this Section 15 could result in immediate and irreparable injury to the Disclosing Party for which



an award of money damages would be inadequate. The Receiving Party agrees, therefore, that the Disclosing Party shall have the right to seek equitable relief including an injunction to specifically enforce the terms of this Section 15, and to obtain any other legal or equitable remedies that may be available to it. In the event of any breach by the Receiving Party of this Section 15, the Receiving Party agrees to pay reasonable costs and legal fees incurred by the Disclosing Party in pursuit of any of its rights under this Section 15, in addition to any damages sustained by the Disclosing Party by reason of such breach, provided that the Disclosing Party prevails in the suit, action or proceeding in which such costs and fees were incurred.

- (e) Legally Required Public Disclosure by Customer. Notwithstanding anything in this Section 15 or the rest of the Agreement to the contrary, GUARDIAN RFID and Customer acknowledge and agree that Customer is a governmental entity, and shall be entitled to publicly disclose any and all information that the Customer is required to disclose in order to comply with all applicable laws, rules and regulations of the State of Alabama.

16. LIMITATION OF LIABILITY

IN NO EVENT WILL GUARDIAN RFID'S LIABILITY TO THE CUSTOMER FOR DAMAGES UNDER THIS AGREEMENT, INCLUDING GUARDIAN RFID'S INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT, EXCEED THE AMOUNT OF FEES PAID BY THE CUSTOMER UNDER THIS AGREEMENT. NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THEIR RESPECTIVE OBLIGATIONS UNDER THIS AGREEMENT.

17. INDEMNIFICATION

GUARDIAN RFID will defend, indemnify, and hold harmless the Customer and the Authorized Customer Personnel (the "Customer Indemnified Parties"), from and against all costs, charges and expenses (including attorneys' fees) arising from any third party claim, action, suit, or proceeding against any Customer Indemnified Party that is based on any claim that the GUARDIAN RFID Software infringes a patent, copyright or other proprietary right or violates a trade secret.

18. TERM AND TERMINATION

- (a) Term. The initial term of this Agreement shall begin on the Effective Date and extend to the first anniversary of the Go-Live Date (the "Initial Term"). After the Initial Term, subject to Section 18(b), this Agreement will be automatically renewed for up to three (3) additional one-year (1-year) periods (each such period, an "Extended Term").
- (b) Termination for Convenience. This Agreement may be terminated for convenience by either party by providing notice sixty (60) days prior to the end of the Initial Term or the end of any Extended Term, as applicable. Such termination will be effective as of the end of such Initial Term or Extended Term, as applicable. This Agreement may be terminated for convenience by the Customer during the Initial Term upon sixty (60) days' notice to GUARDIAN RFID. Termination for convenience by the Customer during the Initial Term will cause any remaining portions of the Initial Term Fee that have not already been paid by Customer to be accelerated and become immediately due and payable by Customer to GUARDIAN RFID, regardless of whether the events specified in Addendum B have occurred.
- (c) Termination by GUARDIAN RFID for Cause.
 - (i) GUARDIAN RFID may terminate this Agreement immediately and discontinue any of its obligations under this Agreement by notice to the Customer if:



- (A) the Customer ceases to actively conduct its business, files a voluntary petition for bankruptcy or has filed against it an involuntary petition for bankruptcy, makes a general assignment for the benefit of its creditors, or applies for the appointment of a receiver or trustee for substantially all of its property or assets or permits the appointment of any such receiver or trustee;
 - (B) the Customer attempts, without the consent of GUARDIAN RFID, to assign its rights and obligations under this Agreement, in whole or in part, whether by merger, consolidation, assignment, sale of stock, operation of law or otherwise; or
 - (C) the Customer fails to comply with the terms of the license of GUARDIAN RFID Software Materials provided in Section 2, the terms of the license to access and use GUARDIAN RFID OnDemand provided in Section 5, the provisions regarding GUARDIAN RFID's intellectual property rights in Section 11(a) and 11(b), or the Confidentiality provisions of Section 15.
- (ii) GUARDIAN RFID may terminate this Agreement upon thirty (30) days' notice to the Customer if the Customer breaches its obligation to pay any fee or otherwise materially breaches any provision of this Agreement not otherwise specified in Section 18(c)(i) and fails to cure such breach within such notice period.
- (d) Termination by the Customer for Cause.
- (i) The Customer may terminate this Agreement upon sixty (60) days' notice to GUARDIAN RFID if GUARDIAN RFID materially breaches any provision of this Agreement and fails to cure such breach within such notice period, provided, however, that if such breach cannot be cured within sixty (60) days and GUARDIAN RFID has begun in good faith to cure such breach, then GUARDIAN RFID shall have an additional period of sixty (60) days to cure such breach. This provision shall apply in the event that GUARDIAN RFID is unable to correct a non-conformity pursuant to Section 13(a)(ii) of this Agreement.
 - (ii) The Customer expects that all GUARDIAN RFID Software, GUARDIAN RFID OnDemand and Inmate Data be available 24 hours a day with the exception of no more than a 4 hour down time once per month for system maintenance and no more than an 8 hour down time once per month in the event of a system failure related to GUARDIAN RFID servers (the "Availability Expectation"), provided that GUARDIAN RFID will not be held to the Availability Expectation for network failures within the Baldwin County Sheriff's Correction Center or where the Availability Expectation cannot be met by GUARDIAN RFID due to the Customer's failure to meet its obligations under this Agreement. The Customer expects that the GUARDIAN RFID Spartan Android Mobile Devices will function properly with no more than seventeen percent (17%) of the devices being out of service due to Hardware, GUARDIAN RFID Software or Third-Party Software failures not caused by employees, partners, members, owners, agents or affiliates of the Customer (including any third party to whom the Customer has outsourced all or part of its operations), with a replacement or repair timeframe of 3 to 5 business days from the date the Customer notifies GUARDIAN RFID of the failure (the "Device Expectation"). The Customer may consider it a material breach of this Agreement if the GUARDIAN RFID System fails either the Availability Expectation or the Device Expectation and, in such event, may terminate the Agreement pursuant to Section 18(d)(i).
- (e) Post-Termination Rights and Obligations.
- (i) Upon expiration or termination of this Agreement, the grant of the license of the GUARDIAN RFID Software Materials, the grant of access to GUARDIAN RFID OnDemand and all other



rights granted to the Customer under this Agreement will immediately terminate and revert to GUARDIAN RFID and the Customer must discontinue all use of the GUARDIAN RFID Software Materials and GUARDIAN RFID OnDemand.

- (ii) The following shall survive the expiration or termination of this Agreement:
 - (A) The provisions of Sections 11 (“Intellectual Property Rights”), 15 (“Confidentiality”), 16 (“Limitation of Liability”) and 17 (“Indemnification”);
 - (B) The provisions of Section 10 (“Fees and Payment Terms”), with respect to fees incurred prior to the expiration or termination of the Agreement and with respect to fees accelerated in connection with such expiration or termination;
 - (C) The Customer’s obligation to pay any fees incurred prior to the expiration or termination of the Agreement or accelerated in connection with such expiration or termination; and
 - (D) In the case of a non-conformity that GUARDIAN RFID is unable to correct pursuant to Section 13(a)(ii): (1) GUARDIAN RFID’s obligation to provide a refund to the customer, and (2) the Customer’s obligation to return to GUARDIAN RFID the GUARDIAN RFID Software Materials licenses, Hardware, licenses to use and access GUARDIAN RFID OnDemand and other products purchased from GUARDIAN RFID.

19. INSURANCE

- (a) Types of Insurance. GUARDIAN RFID will maintain in full force and effect insurance of the following kinds and amounts, and meeting the other requirements set forth in this Section.
 - (i) Commercial General Liability Insurance. Occurrence based commercial general liability insurance or equivalent form with a limit of not less than \$1,000,000 for each occurrence plus an umbrella policy of not less than \$4,000,000, for a total of \$5,000,000 for each occurrence. If such insurance contains a general aggregate limit it will apply separately to this Agreement or be no less than two times the occurrence limit.
 - (ii) Occurrence Based Products and Completed Operations Liability Insurance. Products and completed operation liability insurance with a limit not less than \$2,000,000 for each occurrence/\$2,000,000 general aggregate.
 - (iii) Business Automobile Liability Insurance. Business automobile liability insurance or equivalent form with a limit of not less than \$1,000,000 for each accident. Such insurance will include coverage for owned, hired and non-owned vehicles.
 - (iv) Workers’ Compensation Insurance. Workers’ compensation insurance or equivalent form with limits not less than:
 - (A) Bodily Injury by Accident: \$1,000,000 Each Accident
 - (B) Bodily Injury by Disease: \$1,000,000 Each Employee
 - (C) Bodily Injury by Disease: \$1,000,000 Policy Limit
- (b) Certificates of Insurances. At the Customer’s request, GUARDIAN RFID will provide properly executed Certificates of Insurance which will clearly evidence all insurance required in this



Agreement and which provide that such insurance may not be canceled, except on thirty (30) days prior written notice to the Customer.

20. INDEPENDENT CONTRACTOR RELATIONSHIP

It is expressly understood by the Customer and GUARDIAN RFID that GUARDIAN RFID and any Authorized GUARDIAN RFID Personnel will not be construed to be, and are not, employees of the Customer. GUARDIAN RFID will provide services to the Customer as an independent contractor with control over the time, means and methods for fulfilling its obligations under this Agreement. GUARDIAN RFID further acknowledges that neither it nor any of the Authorized GUARDIAN RFID Personnel is entitled to benefits from the Customer such as holiday time, vacation time, sick leave, retirement benefits, health benefits, or other benefits usually associated with employment with the Customer.

21. MISCELLANEOUS

- (a) Entire Agreement. This Agreement, including its Addenda and documents or other information specifically referenced in this Agreement, constitutes the entire expression of the parties' agreement on the matters contained in this Agreement. All prior and contemporaneous negotiations and agreements between the parties on the matters contained in this Agreement are expressly merged into and superseded by this Agreement.
- (b) Amendments. The parties may not amend this Agreement except in a writing that each party signs. The terms of such amendment will apply as of the effective date of the amendment, unless the amendment specifies otherwise.
- (c) Change Orders. Any change orders and out-of-scope work must be agreed to by executing an amendment to this Agreement pursuant to Section 21(b).
- (d) Waiver. No provision of this Agreement will be waived except pursuant to a writing executed by the party against which the waiver is sought. No waiver will be applicable other than in the specific instance in which it is given. No failure to exercise, partial exercise of, or delay in exercising any right or remedy or failure to require the satisfaction of any condition under this Agreement will operate as a waiver or estoppel of any right, remedy or condition.
- (e) Assignment. This Agreement will be binding upon, and the benefits and obligations provided for in this Agreement will inure to, the parties and their respective owners, shareholders, members, heirs, legal representatives, successors and assigns. The Customer may not assign, without the prior written consent of GUARDIAN RFID, which consent will not be unreasonably withheld, the Customer's rights and obligations under this Agreement, in whole or in part, whether by merger, consolidation, assignment, sale of stock, operation of law or otherwise, and any attempt to do so will be deemed a material breach of this Agreement.
- (f) Notice. Except as otherwise provided in this Agreement, each party giving any notice required under this Agreement will do so in writing and will use one of the following methods of delivery:
 - (i) Delivered personally, with the notice effective upon delivery;
 - (ii) U.S.-recognized overnight courier, with the notice effective at the time delivery is shown in the courier's records; or
 - (iii) Postage prepaid by U.S. registered or certified mail, return receipt requested, with the notice effective upon receipt or upon the date that delivery is attempted and refused.



All notices shall be addressed to the parties at the addresses set forth in the recitals of this Agreement, except that either party may designate another notice address in a notice given under this Section.

- (g) Severability. If any provision of this Agreement is held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.
- (h) Remedies. Unless otherwise specified in this Agreement, the rights and remedies of both parties set forth in this Agreement are not exclusive and are in addition to any other rights and remedies available to it at law or in equity.
- (i) Construction. This Agreement will be constructed as if drafted by both parties and will not be strictly construed against either party as a result of drafting.
- (j) Headings. The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.
- (k) No Third-Party Beneficiaries. This Agreement does not and is not intended to confer any rights or remedies upon any person other than the parties to this Agreement.
- (l) Force Majeure. Any delay or failure of performance of either party to this Agreement will not constitute a breach of the Agreement or give rise to any claims for damages, if and to the extent that such delay or failure is caused by an occurrence beyond the reasonable control of the party affected, including acts of governmental authorities, acts of God, material shortages, wars, riots, rebellions, sabotage, fire, explosions, accidents, floods, strikes or lockouts of third parties, or electrical, internet, or telecommunication outage that is not caused by the obligated party. If one of the parties intends to invoke this provision, that party will promptly notify the other party of the cause of the delay or failure beyond its reasonable control and will use commercially reasonable efforts to mitigate the resulting delay or failure. This Section does not excuse either party's obligation to take reasonable steps to follow its normal disaster recovery procedures or the Customer's obligation to pay for the GUARDIAN RFID System under this Agreement.
- (m) Non-Discrimination. GUARDIAN RFID agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the Americans with Disabilities Act of 1990. GUARDIAN RFID agrees not to discriminate in its employment practices, and will render services under this Agreement without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disabilities, or because of an individual's sexual orientation. Any act of discrimination committed by GUARDIAN RFID, or failure to comply with these obligations when applicable shall be grounds for termination of this Agreement.
- (n) Export Control. GUARDIAN RFID agrees that if the U.S. export laws are or become applicable, it will not export any of the Customer's data and/or information received under this Agreement to any countries for which the United States government requires an export license or other supporting documentation at the time of export or transfer, unless GUARDIAN RFID has obtained prior written authorization from the appropriate authority responsible for such matters.
- (o) Governing Law. The laws of the State of Alabama, without regard to Alabama's choice-of-law principles, govern all matters arising out of or related to this Agreement.



By signing below, GUARDIAN RFID and the Customer each agrees to the terms and conditions of this Agreement and acknowledges the existence of consideration.

GUARDIAN RFID

CUSTOMER

A handwritten signature in black ink, appearing to read "B. Wilmeth", is written over a horizontal line.

By: _____
(signature of authorized representative)

Name: Brett Wilmeth
Title: Vice President
Date: _____

By: _____
(signature of authorized representative)

Name: _____
Title: _____
Date: _____



ADDENDUM A

QUOTE

See quote on following page.



Company Address 6900 Wedgwood Rd. N, Suite 440
Maple Grove, MN 55311
US

Created Date 1/3/2018
Expiration Date 4/3/2018

Quote Name Baldwin County (AL)_Level 4
Quote Number 00001045

Prepared By Ken Dalley Jr.
Phone (612) 208-6025
Email ken.dalley.jr@guardianrfid.com
Fax (877) 842-6339

Contact Title Purchasing Manager
Contact Name Shelby Middleton
Phone (251) 580-2506
Email shelby.middleton@baldwincountyal.gov

Bill To Name Baldwin County Sheriff's Office
Bill To 111 E 4th St.
Bay Minette, AL 36507

Ship To Name Baldwin County Sheriff's Office
Ship To 111 E 4th St.
Bay Minette, AL 36507

Product	Product Family	List Price	Sales Price	Quantity	Total Price
GUARDIAN RFID® Command Center™ - Level 4 License (500-999 Inmates) Agency License	Platform	\$15,995.00	\$11,995.00	1.00	\$11,995.00
GUARDIAN RFID® Compliance Monitor™ Agency License (Level 4)	Platform	\$4,995.00	\$2,995.00	1.00	\$2,995.00
GUARDIAN RFID® Mobile™ for Android Per Device License	Software	\$695.00	\$695.00	12.00	\$8,340.00
GUARDIAN RFID® Spartan™ - Rugged Android Mobile (3yr. Ext. Warranty Charge Only Cradle)	Hardware	\$2,295.00	\$2,095.00	12.00	\$25,140.00
GUARDIAN RFID® Hard Tag	Hardware	\$14.95	\$14.95	300.00	\$4,485.00
RFID Desktop Reader (USB)	Hardware	\$325.00	\$325.00	1.00	\$325.00
GUARDIAN RFID® ForceField™ Fixed Reader (Short-Range, PoE)	Hardware	\$625.00	\$390.00	3.00	\$1,170.00
GUARDIAN RFID® ForceField™ Protective Enclosure (All-Weather)	Hardware	\$95.00	\$40.00	3.00	\$120.00
LX400 Label Printer Package	Hardware	\$2,200.00	\$2,200.00	1.00	\$2,200.00
CLINCHER RFID WIDE Metal Fastener (Green)	Hardware	\$450.00	\$450.00	1.00	\$450.00
CLINCHER RFID WIDE Metal Fastener (White)	Hardware	\$450.00	\$450.00	2.00	\$900.00
CLINCHER RFID WIDE Metal Fastener (Red)	Hardware	\$450.00	\$450.00	1.00	\$450.00
(Professional Services) On-Site Training	Professional Service	\$1,495.00	\$995.00	4.00	\$3,980.00

Subtotal \$62,550.00
Discount 0.00%
Total Price \$62,550.00
Shipping and Handling \$120.00
Grand Total \$62,670.00



ADDENDUM B

FEE PAYMENT SCHEDULE

Invoices will be sent from GUARDIAN RFID to the Customer based on the occurrence of certain events, as follows:

Fee Type*	Event Occurrence	Amount
First 25% of Initial Term Fee	Contract Execution**	\$15,667.50
Second 25% of Initial Term Fee	Access to GUARDIAN RFID OnDemand prior to the Go-Live Date**	\$15,667.50
Third 25% of Initial Term Fee	Delivery of Hardware**	\$15,667.50
Final 25% of Initial Term Fee	Go-Live Date**	\$15,667.50
Extended Term 1 Renewal Fee***	First anniversary of the Go-Live Date (Unless Agreement is terminated prior to renewal pursuant to Section 18)	\$11,648.75
Extended Term 2 Renewal Fee***	Second anniversary of the Go-Live Date (Unless Agreement is terminated prior to renewal pursuant to Section 18)	\$11,648.75
Extended Term 3 Renewal Fee***	Third anniversary of the Go-Live Date (Unless Agreement is terminated prior to renewal pursuant to Section 18)	\$11,648.75

*These amounts do not include any taxes.

** In accordance with Section 18(b), termination for convenience by the Customer during the Initial Term will cause any remaining portions of the Initial Term Fee that have not already been paid by Customer to be accelerated and become immediately due and payable by Customer to GUARDIAN RFID, regardless of whether the events specified in this Addendum B have occurred.

*** Renewal Fees represent the costs for renewing licenses to use the GUARDIAN RFID System for any Extended Terms and will be increased if the Customer chooses to make additional purchases from GUARDIAN RFID of additional Hardware or licenses for GUARDIAN RFID Software, access and use of the GUARDIAN RFID OnDemand platform, or Third Party Software. In such case, GUARDIAN RFID will provide the Customer with an updated Addendum B at the time of such additional purchases, which will automatically amend and replace this Addendum B. In addition to increases due to those additional purchases, renewal fees may be increased by up to 3.5% annually, provided that GUARDIAN RFID provides notice to the Customer ninety (90) days prior to the end of the Initial Term or the end of any Extended Term, as applicable.