Redondo Beach Police Department

SPIDR Engage Proposal for Renewal of Subscription

Created: 11/13/2018
Expires: 2/28/2019

Prepared for:
Redondo Beach Chief of Police Keith Kauffman

Prepared by:
SPIDR Tech Chief Revenue Officer Mandy Duffy

Executive Summary

The following proposal is for Redondo Beach Police Department to extend their current contract for the SPIDR Engage subscription currently deployed. This agreement includes pricing certainty for five (5) years, as well as a free redeployment to your new Mark43 RMS and CAD after you transition to those systems.

Pricing for Redondo Beach PD

SPIDR Engage pricing has two components: the annual subscription cost and the upfront deployment fee. The subscription cost includes all messages (text and email), all software, and all professional services.

Three-Year Agreement: CAD Autoresponder, Victim Notifications, and Surveys for Both

SPIDR Engage - 2019 Pricing		Price	Discount	Net
SPIDR Engage Platform Subscription	Subscription fee for SPIDR Engage for the Initial Term. Includes, CAD Autoresponder, Victim Notifications, Surveys, and People Database. (Invoiced upon Subscription Start Date)	$19,856	-	$19,856
Redeploy to Mark43 RMS & CAD	SPIDR Tech will redeploy to Mark43 RMS & CAD for no additional cost.	$5,000	-$5,000	FREE
Maintenance and Support	Maintenance and support fees for the annual Term	FREE		FREE
	Total:	$24,856	-$5,000	$19,856

SPIDR Engage - Renewal Years 2 through 5		Price	Discount	Net
SPIDR Engage Platform Subscription -	Subscription fee for SPIDR Engage for the Initial Term. Includes Victim Cases, CAD Autoresponder, Surveys and People Database. (annual fee, invoiced upon Subscription Start Date)	$19,856	-	$19,856
Maintenance and Support	Maintenance and support fees for the annual Term	FREE		FREE
	Total Paid Annually:		-	$19,856

SUBSCRIPTION AGREEMENT

This Agreement shall be known as the First Amendment to the Subscription Agreement. The terms agreed to between the parties SPIDR Tech and Redondo Beach Police Department on January 3, 2017, will apply to this agreement.
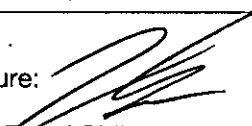
Except as modified herein, all other terms and conditions of the Subscription Agreement shall remain in full force and effect. The Subscription Agreement and this First Amendment shall constitute the entire agreement between the parties and supersede any previous oral agreement. In the event of any inconsistency between the terms of this First Amendment and the terms of the Agreement, the terms of this First Amendment shall govern.

For years two (2) through five (5), this First Amendment shall renew upon provision of an annual invoice by SPIDR Tech and subsequent payment by the City.

TERM:

Please note: All pricing and discounts described in this subscription agreement are contingent upon Customer's execution and return of this subscription agreement no later than 2/28/2019 (unless countersigned by SPIDR Tech).

By signing below, each party acknowledges that it has carefully read and fully understood this Agreement, and each agrees to be bound by the terms of the Agreement. The Agreement becomes effective upon the date of last signature (the "**Effective Date**"). The individuals signing this Agreement represent that they have the authority to bind the respective parties to the terms of this Agreement.

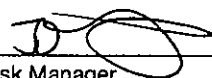| |
|---|
| **SPIDR Tech, Inc.**   Date signed: 3 / 1 / 19 |
| Signature: |
| Name: Rahul Sidhu   Title: CEO |

CITY OF REDONDO BEACH

BY: _____

William C. Brand, Mayor

ATTEST:

_____
City Clerk

APPROVED:

_____
Risk Manager

APPROVED TO AS FORM:

_____
City Attorney's Office

Redondo Beach Police Department

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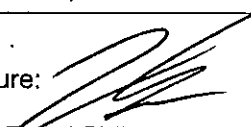
Except as modified herein, all other terms and conditions of the Subscription Agreement shall remain in full force and effect. The Subscription Agreement and this First Amendment shall constitute the entire agreement between the parties and supersede any previous oral agreement. In the event of any inconsistency between the terms of this First Amendment and the terms of the Agreement, the terms of this First Amendment shall govern.

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Please note: All pricing and discounts described in this subscription agreement are contingent upon Customer's execution and return of this subscription agreement no later than 2/28/2019 (unless countersigned by SPIDR Tech).

By signing below, each party acknowledges that it has carefully read and fully understood this Agreement, and each agrees to be bound by the terms of the Agreement. The Agreement becomes effective upon the date of last signature (the "**Effective Date**"). The individuals signing this Agreement represent that they have the authority to bind the respective parties to the terms of this Agreement.

SPIDR Tech, Inc.   Date signed: 3 / 1 / 19
Signature:
Name: Rahul Sidhu   Title: CEO

CITY OF REDONDO BEACH

BY:

William C. Brand, Mayor

ATTEST:

City Clerk

APPROVED:

Risk Manager

APPROVED TO AS FORM:

City Attorney's Office

FIRST AMENDMENT TO THE SUBSCRIPTION AGREEMENT

THIS FIRST AMENDMENT TO THE SUBSCRIPTION AGREEMENT ("First Amendment") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City" or "Customer") and SPIDR Tech, a Delaware Corporation ("SPIDR Tech").

WHEREAS, on January 3, 2017, the parties originally entered into the Subscription Agreement between the City and SPIDR Tech (the "Agreement"); and

WHEREAS, under the Timeline for Execution of the Agreement, the subscription (the "Subscription") period for SPIDR Tech is from February 1, 2017 to January 31, 2018; and

WHEREAS, under the Timeline for Execution of the Agreement, the training for the Subscription is from February 6, 2017 to February 6, 2018; and

WHEREAS, due to a delay by SPIDR Tech, the Subscription period was adjusted to a period of January 5, 2018 to January 4, 2019; and

WHEREAS, the parties desire to modify the training dates in accordance with the new Subscription period; and

WHEREAS, under the Timeline for Execution of the Agreement, project dates, including but not limited to, training and subscription dates, are subject to change.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree to make the following amendment to the Agreement:
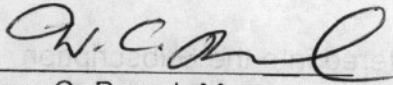
1. <u>Modification of Terms</u>. Under the Timeline for Execution of the Agreement, the subscription start and end dates have been amended to January 5, 2018 and January 4, 2019, respectively. The training dates shall be determined by a mutual understanding between the City and SPIDR Tech.

2. <u>No Other Amendments</u>. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 6th day of March, 2018.
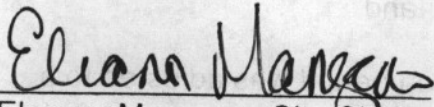
CITY OF REDONDO BEACH

SPIDR TECH
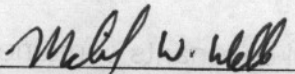
William C. Brand, Mayor

By:
Name: RAHUL SIDHU
Title: CEO

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Jill Buchholz, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

- 2 -

SUBSCRIPTION AGREEMENT

This Subscription Agreement (this "Agreement") is made as of January 3, 2017 (the "Effective Date"), by and between SPIDR Tech Inc., a Delaware corporation with offices at 1100 Manhattan Boulevard #203, Manhattan Beach, CA, 90266 ("SPIDR Tech"), and the City of Redondo Beach ("Customer"). SPIDR Tech and Customer may be referred to as a "Party" herein and together as the "Parties." The attached Quote (the "Quote") and the terms therein shall be deemed incorporated herein.

WHEREAS, SPIDR Tech's proprietary systems, applications and related APIs permit police departments to gather, review and analyze data in connection with law enforcement intelligence, officer productivity and related community engagement; and

WHEREAS, Customer desires to access and use SPIDR Tech's proprietary system, and SPIDR Tech desires to provide such access, in accordance with the terms and conditions herein.

NOW, THEREFORE, in consideration of the covenants set forth herein, SPIDR Tech and Customer hereby agree as follows:

1.   **Provision of the Service**.

    1.1   Provision Generally. SPIDR Tech will provide Customer with access to SPIDR Tech's proprietary service for the modules specified in the Quote (collectively the "Service") in accordance with the terms and conditions of this Agreement. In order to access and use the Service, Customer is responsible at its own expense for obtaining its own Internet access, and any hardware and software required therefor.

    1.2   Grant of Rights. Subject to the terms and conditions of this Agreement, SPIDR Tech hereby grants to Customer a limited, non-exclusive, non-transferable right to access and use the Service, solely for Customer's purposes during the Term. All rights not expressly granted to Customer are reserved by SPIDR Tech and its licensors. There are no implied rights.

    1.3   Restrictions. Customer shall not (and shall not allow any third party to): (a) use the Service for the benefit of any third party, or to develop or market any product, software or service that is functionally similar to or derivative of the Service, or for any other purpose not expressly permitted herein; (b) permit any third party or individual to access or use the Service; (c) sell, distribute, rent, lease, service bureau, post, link, disclose or provide access to the Service, directly or indirectly, to any third party; (d) alter, modify, debug, reverse engineer, decompile, disassemble, or otherwise attempt to derive or gain access to any software (including source code) associated with the Service; or (e) use any robot, spider, scraper or other automated means to access the Service, or engage in any scraping, data-mining, harvesting, screen-scraping, data aggregating or indexing of the Service. Customer shall keep all passwords and API Keys provided to it safe and secure, and shall be responsible for all use of the Service using passwords or API keys issued to Customer. Customer shall notify SPIDR Tech immediately of any

actual or suspected unauthorized use of its passwords or API keys for the Service. Without limiting any of its other rights or remedies, SPIDR Tech reserves the right to suspend access to the Service if SPIDR Tech reasonably believes that Customer has materially violated the restrictions and obligations in this Agreement (in which case, it shall provide Customer prompt written notice of such suspension).

1.4   Customer Cooperation. Customer shall: (a) reasonably cooperate with SPIDR Tech in all matters relating to the Service; (b) respond promptly to any SPIDR Tech request to provide information, approvals, authorizations or decisions that are reasonably necessary for SPIDR Tech to provide the Service in accordance with this Agreement; and (c) provide such Customer materials or information as SPIDR Tech may reasonably request to provide the Service and ensure that such materials or information are complete and accurate in all material respects.

2.   **SPIDR Tech Technology.** In connection with providing the Service, SPIDR Tech and its licensors shall operate and support the hosted environment used by SPIDR Tech to provide the Service, including the SPIDR Tech Technology, the server hardware, disk storage, firewall protection, server operating systems, management programs, web server programs, documentation and all other technology or information so used by SPIDR Tech. As used herein, "SPIDR Tech Technology" means all of SPIDR Tech's proprietary technology (including software, hardware, products, processes, algorithms, user interfaces, know-how, techniques, designs and other tangible or intangible technical material or information) made available to Customer by SPIDR Tech in providing the Service.

3.   **Downtime.** Subject to the terms and conditions of this Agreement, SPIDR Tech shall use commercially reasonable efforts to provide access to the Service for twenty-four (24) hours a day, seven (7) days a week throughout the term of this Agreement. Customer agrees that from time to time the Service may be inaccessible or inoperable for various reasons, including (i) equipment malfunctions; (ii) periodic maintenance procedures or repairs which SPIDR Tech may undertake from time to time; or (iii) causes beyond the control of SPIDR Tech or which are not reasonably foreseeable by SPIDR Tech, including interruption or failure of telecommunication or digital transmission links, hostile network attacks or network congestion or other failures, or failures or issues experienced by the Hosting Contractors independent of and not related to the Service or SPIDR Tech (collectively "Downtime"). SPIDR Tech shall use commercially reasonable efforts to provide twenty-four (24) hour advance notice to Customer in the event of any scheduled Downtime. SPIDR Tech shall have no obligation during performance of such operations to mirror Customer Data on any other server or to transfer Customer Data to any other server. SPIDR Tech shall use commercially reasonable efforts to minimize any disruption, inaccessibility and/or inoperability of the service in connection with Downtime, whether scheduled or not.

4.   **Ownership**. Customer acknowledges and agrees that as between SPIDR Tech and Customer, all right, title and interest in and to the Service (including the data, information, text, images, designs, sound, music, marks, logos, compilations (meaning

the collection, arrangement and assembly of information) and other content on or made available through the Service, other than Customer Data), the SPIDR Tech Technology and all improvements and derivatives of the foregoing (including all intellectual property and proprietary rights embodied therein or associated therewith) are and shall remain owned by SPIDR Tech or its licensors, and this Agreement in no way conveys any right, title or interest in the Service or the SPIDR Tech Technology other than a limited right to use the Service in accordance with the terms and conditions herein. No right or license is granted hereunder to Customer under any trademarks, service marks, trade names or logos. Customer shall not remove any SPIDR Tech trademark, service mark or logo, or any proprietary notices or labels (including any copyright or trademark notices) from the Service.

5. Fees; Payments; Taxes.

5.1 Fees. In consideration of the provision of the Service hereunder, Customer shall pay SPIDR Tech the fees as set forth and the scheduled laid out on the Quote.

5.2 Taxes. All amounts due hereunder are exclusive of all sales, use, excise, service, value added, or other taxes, duties and charges of any kind (whether foreign, federal, state, local or other) associated with this Agreement, the Service, or Customer's access to the Service. Customer shall be solely responsible for all such taxes, duties and charges (except for taxes imposed on SPIDR Tech's income), which may be invoiced by SPIDR Tech from time-to-time.

5.3 Payment Method. Customer shall make all payments hereunder, in US dollars, in the manner specified by SPIDR Tech, and without deduction of any charges, taxes or other amounts. Payments will be made within thirty days of Customer's receipt of SPIDR Tech's invoice.

6. Term; Termination.

6.1 Term. The term of this Agreement shall commence on the Effective Date and, unless earlier terminated as set forth herein, shall continue until terminated as provided hereunder. Either Party may terminate this Agreement by providing the other Party 30 days' advance written notice of its desire to terminate. The entire term before termination is collectively referred to as the "Term" herein.

6.2 Termination for Breach. Either Party may terminate this Agreement by written notice thereof to the other Party, if the other Party materially breaches this Agreement and does not cure such breach within 30 days after written notice thereof.

6.3 Effects of Termination; Survival. Upon any termination of this Agreement: (a) all rights granted to Customer hereunder shall terminate and SPIDR Tech shall no longer provide access to the Service to Customer, and (b) Customer shall cease using the Service. Any obligations that have accrued prior to termination shall survive termination of this Agreement. In addition, the following Sections, as well as any other provisions herein which by their nature should survive, shall survive termination of this Agreement: Sections 4 through 12.

7. Customer Data.

7.1 <u>Data Generally</u>. All data and information which the Customer inputs or provides to the Service (the "<u>Customer Data</u>") is stored in a private and secure fashion (as regulated by CJIS requirements), and will not be used by SPIDR Tech except as permitted herein. Customer hereby grants to SPIDR Tech a limited, non-exclusive, non-transferable, royalty-free right to use, reproduce, manipulate, display, transmit and distribute the Customer Data solely in connection with providing the Service to Customer, and improving and developing the Service. In addition, SPIDR Tech may analyze Customer Data, and data of other customers, to create aggregated or anonymized statistics or data that do not identify Customer or any individual, and SPIDR Tech may during and after the Term use and disclose such statistics or data in its discretion. Except as specified otherwise in this Agreement (including the Quote), Customer shall be solely responsible for providing, updating, uploading and maintaining all Customer Data. The content of Customer Data shall be Customer's sole responsibility. SPIDR Tech shall operate the Service in a manner that provides reasonable information security for Customer Data, using commercially reasonable data backup, security, and recovery protections (as regulated by CJIS requirements).

7.2 <u>Additional Customer Responsibilities</u>. Customer is solely responsible for all Customer Data. SPIDR Tech does not guarantee the accuracy, integrity or quality of Customer Data. Customer shall not: (a) upload or otherwise make available to SPIDR Tech any Customer Data that is unlawful or that violates the rights of any third parties; (b) upload or otherwise make available to SPIDR Tech any Customer Data that Customer does not have a right to transmit due to any law, rule, regulation or other obligation; (c) use, upload or otherwise transmit any Customer Data that infringes any intellectual property or other proprietary rights of any third party; (d) upload or otherwise make available to SPIDR Tech any material that contains software viruses or any other computer code, files or programs designed to interrupt, destroy, limit the functionality of any computer software or hardware or telecommunications equipment; (e) interfere with or disrupt the Service or servers or networks connected to the Service; (f) upload or otherwise make available to SPIDR Tech any Customer Data that constitutes protected health information subject to the Health Insurance Portability and Accountability Act or any regulation, rule or standards issued thereunder; or (g) violate any applicable law, rule or regulation, including those regarding the export of technical data.

8. Representations and Warranties; Disclaimer.

8.1 <u>General Representations and Warranties</u>. Each Party hereby represents and warrants to the other Party that: (a) it is a corporation, company or other entity (as applicable) duly organized, validly existing and in good standing in its jurisdiction of organization; (b) its execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary organizational action on its part; (c) the provisions set forth in this Agreement constitute legal, valid, and binding obligations of such Party enforceable against such Party in accordance with their terms, subject to

bankruptcy, insolvency and other laws affecting creditors' rights generally; and (d) its execution, delivery and performance of this Agreement do not and will not conflict with, result in a breach of, constitute a default under, or require the consent of any third party under, any agreement or other obligation to which such Party is subject.

8.2 SPIDR Tech Limited Warranty. SPIDR Tech warrants that it will provide the Service in a competent and workmanlike manner. SPIDR Tech does not warrant that it will be able to correct all reported defects or that use of the Service will be uninterrupted or error free. SPIDR Tech makes no warranty regarding features or services provided by any third parties. SPIDR Tech retains the right to modify its services and the SPIDR Tech Technology in its sole discretion; provided that doing so does not have a material adverse impact on the Service hereunder. Customer's sole remedy for SPIDR Tech's breach of the warranty in this paragraph shall be that SPIDR Tech shall remedy the applicable error, or if SPIDR Tech is unable to do so in a timely manner, refund to Customer actual damages up to a limit of the fees paid for the Service for the 12-month period immediately prior to when the breach of warranty occurred.

8.3 Disclaimer. EXCEPT FOR THE WARRANTIES SET FORTH IN SECTIONS 8.1-8.2 ABOVE, SPIDR TECH MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, AND HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, WITH RESPECT TO THE SERVICE (IN EACH CASE WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE), INCLUDING ANY WARRANTY (A) OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT, (B) THAT THE SERVICE WILL MEET CUSTOMER'S REQUIREMENTS, WILL ALWAYS BE AVAILABLE, ACCESSIBLE, UNINTERRUPTED, TIMELY, SECURE OR OPERATE WITHOUT ERROR, (C) AS TO THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE SERVICE, OR (D) AS TO THE ACCURACY OR RELIABILITY OF ANY INFORMATION OBTAINED FROM THE SERVICE.

9. **Limitations of Liability**.

9.1 Damages Cap. TO THE FULLEST EXTENT PERMISSIBLE BY LAW, SPIDR TECH'S TOTAL LIABILITY FOR ALL DAMAGES ARISING OUT OF OR RELATED TO THE SERVICE OR THIS AGREEMENT, SHALL NOT EXCEED THE TOTAL AMOUNT OF FEES PAID BY CUSTOMER TO SPIDR TECH UNDER THIS AGREEMENT DURING THE PRIOR 6 MONTHS. NOTWITHSTANDING THE FOREGOING, NOTHING PROVIDED HEREIN SHALL LIMIT SPIDR TECH'S LIABILITY IN THE EVENT ANY DAMAGE WAS CAUSED BY ITS NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

9.2 Disclaimer of Indirect Damages. EXCEPT FOR (A) CUSTOMER'S OBLIGATION TO PAY ALL AMOUNTS DUE HEREUNDER, (B) ITS INDEMNIFICATION OBLIGATIONS OR (C) ITS BREACH OF ANY INTELLECTUAL PROPERTY OR CONFIDENTIALITY OBLIGATIONS OR RESTRICTIONS HEREIN (INCLUDING ANY LIMITATIONS OR RESTRICTIONS ON USE OF THE SERVICE), IN NO EVENT SHALL

EITHER PARTY BE LIABLE FOR ANY CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES (INCLUDING LOSS OF DATA, PROFITS OR REVENUE) ARISING OUT OF OR RELATED TO THE SERVICE OR THIS AGREEMENT.

10. Indemnification.

10.1 <u>SPIDR Tech Indemnification</u>. SPIDR Tech shall defend, indemnify and hold harmless Customer and its officials, officers, employees, volunteers, and agents ("<u>Customer Indemnified Parties</u>") from and against any third party claims, actions, proceedings, demands, lawsuits, damages, liabilities and expenses (including reasonable attorneys' fees and court costs) (collectively, "<u>Claims</u>") to the extent based on any claim that the Service infringes, misappropriates or otherwise violates (collectively, "<u>Infringes</u>") any third party intellectual property or proprietary right (excluding patents).

10.2 <u>Customer Indemnification</u>. Customer will defend, indemnify and hold harmless SPIDR Tech and its directors, officers, employees, agents and providers ("<u>SPIDR Tech Indemnified Parties</u>") from and against any Claims to the extent based on any claim that the Customer Data Infringes any third party intellectual property or proprietary right (excluding patents).

10.3 <u>Indemnification Process</u>. As conditions of the indemnification obligations in Sections 10.1-10.2 above: (a) the applicable Customer Indemnified Party or SPIDR Tech Indemnified Party (the "<u>Indemnitee</u>") will provide the indemnifying Party (the "<u>Indemnitor</u>") with prompt written notice of any Claim for which indemnification is sought (provided that failure to so notify will not remove the Indemnitor's indemnification obligations except to the extent it is prejudiced thereby), (b) the Indemnitee will permit the Indemnitor to control the defense and settlement of such Claim, and (c) the Indemnitee will reasonably cooperate with the Indemnitor in connection with the Indemnitor's evaluation, defense and settlement of such Claim. In defending any Claim, the Indemnitor shall use counsel reasonably satisfactory to the other Party. The Indemnitor shall not settle or compromise any such Claim or consent to the entry of any judgment without the prior written consent of the other Party (not unreasonably withheld).

10.4 <u>Exclusions</u>. SPIDR Tech's obligations in Section 10.1 above shall not apply to any Claim to the extent arising from or relating to (a) Customer's misuse of the Service (including any use not strictly in accordance with the documentation therefor, SPIDR Tech's instructions, and this Agreement), (b) any modification, alteration or conversion of the Service not created or approved in writing by SPIDR Tech, (c) any combination of the Service with any computer, hardware, software or service not provided by SPIDR Tech, (d) SPIDR Tech's compliance with specifications or other requirements of Customer, or (e) any third party data or Customer Data. If the Service is or may be subject to a Claim of Infringement described in Section 10.1 above, SPIDR Tech may, at its cost and by mutual agreement with the Customer: (i) obtain the right for Customer to continue using the Service as contemplated herein; or (ii) replace or modify the Service so that it becomes non-Infringing without substantially compromising its principal functions; or (iii) to the extent the foregoing are not commercially reasonable, terminate this Agreement

and return to Customer any pre-paid fees for the Service associated with the then-remaining Term.

11. **Confidentiality**.

11.1 Definition. "Confidential Information" means information that is disclosed by either Party (the "Disclosing Party") to the other Party (the "Receiving Party") hereunder during the Term that is clearly labeled or identified as confidential or proprietary when disclosed, or that, under the circumstances, should reasonably be treated as confidential, except that "Confidential Information" shall not include any information that (a) is or becomes generally known to the public through no fault of, or breach of this Agreement by, the Receiving Party; (b) is rightfully in the Receiving Party's possession at the time of disclosure without an obligation of confidentiality; (c) is independently developed by the Receiving Party without use of the Disclosing Party's Confidential Information; or (d) is rightfully obtained by the Receiving Party from a third party without restriction on use or disclosure. In addition, (i) the terms and conditions of this Agreement shall be deemed to be Confidential Information of both Parties; and (ii) the Service and SPIDR Tech Technology shall be deemed Confidential Information of SPIDR Tech, regardless of whether or not they are labeled or identified, or would reasonably be considered confidential.

11.2 General Obligations. Each Party agrees that it will during the Term and thereafter (a) not disclose the other Party's Confidential Information to any third party (other than as permitted in the last sentence of this paragraph); (b) use the other Party's Confidential Information only to the extent reasonably necessary to perform its obligations or exercise its rights under this Agreement; (c) disclose the other Party's Confidential Information only to those of its employees and independent contractors who reasonably need to know such information for purposes of this Agreement and who are bound by confidentiality obligations offering substantially similar protection to those in this Section 11; and (d) protect all Confidential Information of the other Party from unauthorized use, access, or disclosure in the same manner as it protects its own confidential information of a similar nature, and in no event with less than reasonable care. Notwithstanding the above, this paragraph shall not prohibit: (i) a Party from disclosing Confidential Information of the other Party to the extent required by applicable law, rule or regulation, including but not limited to, the rules and regulations of the SEC, any national securities exchange, and California Public Records Act (California Government Code Section 6250 et. seq), and a court order or other government order ; provided that such Party provides the other Party prior written notice of such disclosure, to the extent practicable, and reasonably cooperates with efforts of the other Party to seek confidential treatment thereof, to the extent such cooperation is requested by the other Party; or (ii) a Party from disclosing the terms and conditions of this Agreement to its attorneys and financial advisors, or current or potential lenders, other sources of financing, investors or acquirors; provided that such third parties are bound by confidentiality obligations offering substantially similar protection to those in this Section 11 (provided further that such third

parties are only permitted to use such information for the purpose of advising, lending or providing financing to, or investing in or acquiring, such Party, as applicable).

11.3 <u>Return or Destruction</u>. Except as otherwise expressly provided in this Agreement, the Receiving Party will return to the Disclosing Party, or destroy or erase, the Disclosing Party's Confidential Information in tangible form, upon the termination of this Agreement; provided that (a) Receiving Party may retain a copy of Disclosing Party's Confidential Information solely for the purposes of tracking Receiving Party's rights and obligations hereunder with respect thereto, (b) Receiving Party may retain copies of Disclosing Party's Confidential Information solely to the extent required by law or by applicable professional standards which require such Party to retain copies of its working papers, and (c) Receiving Party may retain Disclosing Party's Confidential Information solely to the extent reasonably necessary for Receiving Party to exercise rights or perform obligations under this Agreement that survive such termination.

11.4 <u>Feedback</u>. Notwithstanding the above or anything to the contrary herein, to the extent that Customer at any time provides SPIDR Tech with any feedback or suggestions regarding the Service, including potential improvements or changes thereto (collectively, "<u>Feedback</u>"), the Feedback shall not be considered Confidential Information of Customer, and SPIDR Tech shall be free to use, disclose, and otherwise exploit in any manner, the Feedback for any purpose.

12. Miscellaneous.

12.1 <u>Compliance with Laws</u>. Each Party shall comply with all laws, rules, regulations and ordinances applicable to its activities hereunder.

12.2 <u>Hosting Providers</u>. Customer acknowledges that the Service is hosted by third party hosting providers (the "<u>Hosting Contractors</u>"). SPIDR Tech may change its Hosting Contractors; provided SPIDR Tech notifies Customer at least 30 days prior to the change, at which time, Customer, in its sole discretion, may terminate this Agreement and return to Customer any pre-paid fees for the Service associated with the then-remaining Term. Customer's use of the Service is subject to any applicable restrictions imposed by the Hosting Contractors. Customer acknowledges that the fees payable for the Service reflect the fact that SPIDR Tech is not responsible for the acts and omissions of the Hosting Contractors.

12.3 <u>Assignment</u>. Customer may not assign this Agreement, or assign any of its rights or delegate any of its obligations under this Agreement, without the prior written consent of SPIDR Tech. SPIDR Tech may freely assign this Agreement, or assign any of its rights or delegate any of its obligations under this Agreement. Any purported assignment or delegation in violation of this paragraph is null and void. This Agreement will bind and inure to the benefit of each Party's successor and permitted assigns.

12.4 <u>Entire Agreement; Amendment</u>. This Agreement (including the Quote attached hereto) contains the complete understanding and agreement of the Parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements or understandings, oral or written, with respect thereto. No pre-printed terms

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on any purchase order, invoice or similar document issued in relation to this Agreement shall have any effect on the Parties or this Agreement. This Agreement may be amended or modified only by an express written agreement signed by duly authorized representatives of both Parties.

12.5 <u>Notices</u>. Unless otherwise specifically provided herein, all notices required or permitted by this Agreement shall be in writing and may be delivered personally, or may be sent by facsimile, overnight delivery or certified mail, return receipt requested, to the addresses provided in the Quote.

12.6 <u>Force Majeure</u>. SPIDR Tech shall not be liable or responsible to Customer, nor be considered to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any provision of this Agreement to the extent such failure or delay is caused by or results from any act, circumstance or other cause beyond the reasonable control of SPIDR Tech, including acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either Party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable technology or components, telecommunication breakdown, or power outage.

12.7 <u>Publicity</u>. SPIDR Tech shall have the right to use Customer's name and logo on client lists published on SPIDR Tech's website and in marketing materials. SPIDR Tech may announce the relationship hereunder in a press release provided that SPIDR Tech obtains Customer's prior written approval of the wording of the release.

12.8 <u>Choice of Law</u>. This Agreement is and will be governed by and construed under the laws of California USA, without giving effect to any conflicts of laws provision thereof or of any other jurisdiction that would produce a contrary result. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles.

12.9 <u>Relationship of the Parties</u>. The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise or employment relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.

12.10 <u>Waiver</u>. No waiver by either Party of any of the provision of this Agreement is effective unless explicitly set forth in writing and signed by such Party. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

12.11 <u>Severability</u>. If any provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not

affect any other provision of this Agreement or invalidate or render unenforceable such provision in any other jurisdiction.

12.12 <u>Headings; Interpretation</u>. Headings are provided for convenience only and will not be used to interpret the substance of this Agreement. Unless the intent is expressly otherwise in specific instances, use of the words "include," "includes," or "including" in this Agreement shall not be limiting and "or" shall not be exclusive.

12.13 <u>Counterparts</u>. This Agreement may be executed in two counterparts (which may be delivered by .pdf or other facsimile format acceptable to the Parties), each of which shall be an original and both of which taken together shall form one agreement.

QUOTE FOR SPIDR ENGAGE DEPLOYMENT

Vendor:
SPIDR Tech
1100 Manhattan Ave, #203
Manhattan Beach, CA 90266

Customer:
City of Redondo Beach
401 Diamond St, Redondo Beach, CA 90277

OVERVIEW

SPIDR Tech is proud to support the City of Redondo Beach in becoming a data-driven organization focused on improving community relationships. This Quote outlines the objectives, process, pricing rationale, maintenance and support offering, financial breakdown, timeline and terms and conditions of a customer deployment of the SPIDR Engage Platform (the "**Product**") for City of Redondo Beach (the "**Customer**").

SCOPE OF SERVICES

SPIDR Tech shall perform the following duties.

1. Establish integration between the SPIDR Engage platform and Customer RMS/CAD.
2. Set up customer-facing side of SPIDR Engage platform.
3. Train all Trainers in the use of SPIDR Engage platform.
4. Perform updates, upgrades, troubleshooting and maintenance as necessary on SPIDR Engage platform.
5. Ensure that platform and integration maintain CJIS compliance for all vendor-side responsibilities.
6. Perform a discovery process of researching and understanding the generation of data in the field as it uniquely pertains to the customer.
7. Develop a technical plan for deployment based on the current customer technology stack and policies that pertain to it.
8. Implement deployment plan, integrating with the customer's RMS/CAD platform.
9. Test integration and platform to ensure functional future usage.
10. Import two years of historical data to create foundational structure for customer to build from.
11. Conduct on-site training for all customer-designated administrators for platform.
12. Provide customer with further training material for all customer-designated users of platform.
13. Provide all technical support and customer support as necessary.
14. Update platform as necessary.
15. Assist Customer in fulfilling the Customer's Police departmental goal: Use innovative technology to engage and communicate with their citizens.
16. Assist the Customer in fulfilling the Customer's Police departmental mission of "We Are the Community – Leading the Way in Law Enforcement."

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17. Assist Customer in increasing operational excellence and positive community engagement without creating a large administrative burden for their staff.

18. Ensure that the Customer's Police department is actively working with SPIDR Tech, including but not limited to, case studies, interviews and promotion of the Customer's Police department usage of the platform.

Compensation

TOTAL FINANCIAL BREAKDOWN		Total before Discount	Discount ($)	Net Total
SPIDR Engage Subscription	Subscription fee for SPIDR Engage for the Initial Term (annual fee, invoiced upon Subscription Start Date)	$28,608.00	-$8,752.00	$19,856.00
Maintenance and Support	Maintenance and support fees for the Initial Term (annual fee, invoiced upon Subscription Start Date)	FREE	FREE	FREE
Deployment and Installation	Deployment and installation fee (one-time setup fee, invoiced after services have been performed)	$5,000.00	-$2,500.00	$2,500.00
Messaging Module	Allows 2-way messaging over email within Engage. (Annual Fee. When Messaging Module becomes available)	$4,704.00	-$4,704.00	FREE
Patrol Collaboration	Utilizes a deeper RMS/CAD/GPS integration to gather, analyze and visualize data as it pertains to tracking opportunities and citizen requests.	$9,504.00	-$9,504.00	FREE
On-Site Training Services	Up to three days of on-site training	$3,000.00	-$3,000.00	FREE
		$50,816.00	-$28,457.00	$22,356.00

Future add-on modules are not included in the basic license and will be available in 2017 for purchase.

Deployment and Installation Pricing Rationale

The SPIDR Engage platform is integrated into the Customer's RMS/CAD. The deployment process takes longer if the Customer is using an RMS/CAD vendor that has never been connected to the SPIDR Engage platform in the past. After initial discovery is complete, SPIDR TECH deploys in the following four step process.

Step 1: SPIDR Tech sets up a read-only database connection and extraction process that targets only the necessary tables and pulls data into our transformation process *(approximately 5 hours of work)*.

Step 2: SPIDR Tech sets up a transformation process, turning all raw data into clean, loadable data *(approximately 20 hours of work)*.

Step 3: SPIDR Tech sets up a loading process to bring that data into the Customer's web-based instance of SPIDR Engage *(approximately 20 hours' worth of work)*.

Step 4: SPIDR Tech tests all connections and processes to ensure accuracy and effectiveness of clean data within the SPIDR Engage platform *(4 hours' worth of work)*.

Step 5: SPIDR Tech cleans and loads one-years' worth of citizen and incident data *(approximately 10 hours' worth of work)*.

Maintenance and Support
SPIDR Tech offers complimentary maintenance and technical support to all of our customers. If SPIDR Tech determines that the customer is facing technical issues with the platform due to the integration setup or the platform itself, then SPIDR Tech will provide

the necessary support required to fix those issues. If necessary, this includes free on-site technical support. Customer will have a dedicated program manager that Customer can call or email at any time. Our service level agreement to Customer is to return your call or email within 24 hours.

Timeline for Execution

Key project dates are outlined below. Dates below are estimates and are subject to change. Some dates are dependent on customer resource availability and will be adjusted if resources are not available.
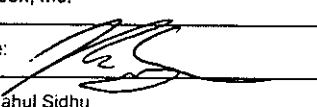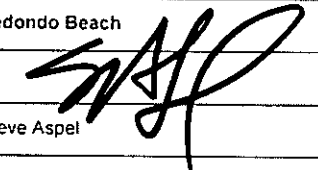
Description	Start Date	End Date	Duration
Initial Discovery *This may include meeting with command staff and version units within the agency to gather early research on workflow, culture and process.*	10/6/2016	10/6/2016	1 Day (Complete)
Technical Discovery *This process involves connecting our technical team with the customer's technical team to come up with an agreed upon plan for technical integration.*	1/4/2017	1/9/2017	3 Days
Initial Deployment *The platform will connect to the customer's RMS/CAD, load three years of historical data for foundational analysis. User/administrative accounts will be created.*	1/11/2017	1/11/2017	1 Day
Integration Buildout *At this point, our deployment engineers will begin building out an integration tool that extracts data from the customer's RMS/CAD, translates it, and then loads it into their SPIDR database.*	1/12/2017	1/26/2017	14 Days (new RMS)
Integrated Testing and Wrap-up *The product will be tested to ensure functionality and administrators will be trained as necessary.*	1/27/2017	1/27/2017	1 Day
Subscription Start and End Date *Subscription start date is dependent upon completion of the previous milestones. If any delay is caused by SPIDR Tech, Customer's Subscription Start Date will be adjusted.*	2/1/2017	1/31/2018	1 year
Training *SPIDR Tech will perform on-site training of all administrators designated by Customer.*	2/6/2017	2/8/2017	3 Days

TERM:

The Subscription Term will commence upon February 1, 2017 and will continue for one (1) year ("Term"), unless otherwise terminated herein.

By signing below, each party acknowledges that it has carefully read and fully understood this Agreement, and each agrees to be bound by the terms of the Agreement. The Agreement becomes effective January 3, 2017 the date of last signature (the "Effective Date"). The individuals signing this Agreement represent that they have the authority to bind the respective parties to the terms of this Agreement.

SPIDR Tech, Inc.	City of Redondo Beach
Signature:	Signature:
Name: Rahul Sidhu	Name: Steve Aspel
Title: Chief Executive Officer	Title: Mayor
Date signed: 12/27/16	Date signed: 1/3/17

APPROVED AS TO FORM:

CITY ATTORNEY

ATTEST:

ELEANOR MANZANO, CITY CLERK

TERM:

The Subscription Term will commence upon February 1, 2017 and will continue for one (1) year ("Term"), unless otherwise terminated herein.

By signing below, each party acknowledges that it has carefully read and fully understood this Agreement, and each agrees to be bound by the terms of the Agreement. The Agreement becomes effective January 3, 2017 the date of last signature (the "**Effective Date**"). The individuals signing this Agreement represent that they have the authority to bind the respective parties to the terms of this Agreement.

SPIDR Tech, Inc.	City of Redondo Beach
Signature:	Signature:
Name: Rahul Sidhu	Name: Steve Aspel
Title: Chief Executive Officer	Title: Mayor
Date signed:	Date signed:

APPROVED AS TO FORM:

CITY ATTORNEY

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