



## GOVERNFUL SOFTWARE LICENSE & SERVICES AGREEMENT

This License and Services Agreement is made between Governful, Inc. (Governful) and the Client. Client refers to the organization who signed and accepted the terms of the Project Acceptance document.

WHEREAS, Client selected Governful to license the software products and perform the services set forth in the "Project Proposal" and Governful desires to perform such actions under the terms of this Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth in this Agreement Governful and Client agree as follows:

### SECTION A – DEFINITIONS

- "Agreement" means the Project Proposal Acceptance and User Terms & Conditions, including this Governful License and Services Agreement
- "Business Travel Policy" means our business travel policy. A copy of our current Business Travel Policy see the [Business Travel Policy document](#).
- "Client" means the Customer signing the Project Acceptance Document.
- "Defect" means a failure of the Governful Software to substantially conform to the functional descriptions set forth in our written proposal to you, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through our maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in our then-current Documentation.
- "Documentation" means any online or written documentation or videos related to the use or functionality of the Governful Software that we provide or otherwise make available to you, including instructions, user guides, manuals, videos and other training or self-help documentation.
- "Effective Date" means the date by which both your and our authorized representatives have signed the Agreement.
- "Force Majeure" means an event beyond the reasonable control of you or us, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause that could not with reasonable diligence be foreseen or prevented by you or us.

- “Investment Summary” means the agreed upon cost proposal for the software products, and services attached as part of the Project Proposal.
- “Invoicing and Payment Policy” means the invoicing and payment policy. A copy of our current Invoicing and Payment Policy is attached as [Exhibit A](#).
- “Maintenance and Support Agreement” means the terms and conditions governing the provision of maintenance and support services to all our customers. A copy of our current Maintenance and Support Agreement is attached as [Governful Software User Terms and Conditions](#).
- “Statement of Work” means the industry standard implementation plan describing how our professional services will be provided to implement the Governful Software and outlining your and our roles and responsibilities in connection with that implementation. The Statement of Work is provided as part of your service contract on a per Client basis.
- “Support Call Process” means the support call process applicable to all our customers who have licensed the Governful Software. A copy of our current Support Call Process is available under [Governful Software User Terms & Conditions](#).
- “Governful” means Governful, Inc.
- “Governful Software” means our proprietary software, including any integrations, custom modifications, and/or other related interfaces identified in the Investment Summary and licensed by us to you through this Agreement.
- “we”, “us”, “our” and similar terms mean Governful.
- “you” and similar terms mean Client.

## SECTION B - SOFTWARE LICENSE

### License Grant and Restrictions.

1. The initial term of the licensing shall be for a period of 5 years from the effective date of the Project Acceptance Agreement. Unless stated otherwise there.
2. We grant to you a license to use the Governful Software for your internal business purposes only, in the scope of the internal business purposes disclosed to us as of the Effective Date. You may make copies of the Governful Software for backup and testing purposes, so long as such copies are not used in production and the testing is for

internal use only. Your rights to use the Governful Software are perpetual but may be revoked if you do not comply with the terms of this Agreement.

3. The Documentation is licensed to you and may be used and copied by your employees for internal, non-commercial reference purposes only.
4. You may not: (a) transfer or assign the Governful Software to a third party; (b) reverse engineer, decompile, or disassemble the Governful Software; (c) rent, lease, lend, or provide commercial hosting services with the Governful Software; or (d) publish or otherwise disclose the Governful Software or Documentation to third parties.
5. The license terms in this Agreement apply to updates and enhancements we may provide to you or make available to you through your Maintenance and Support Agreement.
6. We reserve all rights not expressly granted to you in this Agreement. The Governful Software and Documentation are protected by copyright and other intellectual property laws and treaties. We own the title, copyright, and other intellectual property rights in the Governful Software and the Documentation. The Governful Software is licensed, not sold.
7. License Fees. You agree to pay us the license fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.
8. Escrow. Upon request by Client, we can maintain an escrow agreement with a third party under which we place the source code for each major release of the Governful Software. You may be added as a beneficiary to the escrow agreement by completing a standard beneficiary enrollment form and paying the applicable annual beneficiary fee. You will be responsible for maintaining your ongoing status as a beneficiary, including payment of the then-current annual beneficiary fees. Release of source code for the Governful Software is strictly governed by the terms of the escrow agreement.
9. Limited Warranty. We warrant that the Governful Software will be without Defect(s) long as you have a Maintenance and Support Agreement in effect. If the Governful Software does not perform as warranted, we will use all reasonable efforts, consistent with industry standards, to cure the Defect as set forth in the Maintenance and Support Agreement.

## SECTION C — PROFESSIONAL SERVICES

1. Services. We will provide you with the various implementation-related services outlined in the Statement of Work.
2. Professional Services Fees. You agree to pay us the professional services fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy. You acknowledge that the fees stated in the Investment Summary are good faith estimates of the amount of time and materials required for your implementation. We will bill you the actual fees incurred based on the in-scope services provided to you. Any discrepancies in the total values set forth in the investment Summary will be resolved by multiplying the applicable hourly rate by the quoted hours.
3. Additional Services. The Investment Summary contains, and the Statement of Work describes, the scope of services and related costs (including programming and/or interface estimates) required for the project based on our understanding of the specifications you supplied. If additional work is required, or if you use or request additional services, we will provide you with an addendum or change order, as applicable, outlining the costs for the additional work. The price quotes in the addendum or change order will be valid for thirty (30) days from the date of the quote. For the avoidance of doubt, no services will be added to this Agreement without your advance written consent.
4. Cancellation. We make all reasonable efforts to schedule our personnel for travel, including arranging travel reservations, at least two (2) weeks in advance of commitments. Therefore, if you cancel services less than two (2) weeks in advance (other than for Force Majeure or breath by us), you will be liable for all (a) non-refundable expenses incurred by us on your behalf, and (b) daily fees associated with cancelled professional services if we are unable to reassign our personnel. We will make all reasonable efforts to reassign personnel in the event you cancel within two (2) weeks of scheduled commitments.
5. Services Warranty. We will perform the services in a professional, workmanlike manner, consistent with industry standards. In the event we provide services that do not conform to this warranty, we will re-perform such services at no additional cost to you.
6. Site Access and Requirements. At no cost to us, you agree to provide us with full and free access to your personnel, faculties, and equipment, internet access as may be reasonably necessary for us to provide implementation services, subject to any reasonable security protocols or other written policies provided to us as of the Effective Date, and thereafter as mutually agreed to by you and us. You further agree to provide a

reasonably suitable environment, location, and space for the installation of the Governful Software, including, without limitation, sufficient electrical circuits, cables, and other reasonably necessary items required for the installation and operation of the Governful Software.

7. Client Assistance. You acknowledge that the implementation of the Governful Software is a cooperative process requiring the time and resources of your personnel. You agree to use all reasonable efforts to cooperate with and assist us as may be reasonably required to meet the agreed upon project deadlines and other milestones for implementation. This cooperation includes at least working with us to schedule the implementation-related services outlined in this Agreement. We will not be liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by your personnel to provide such cooperation and assistance (either through action or omission).

#### SECTION D — INVOICING AND PAYMENT; INVOICE DISPUTES

1. Invoicing and Payment. We will Invoice you for all fees set forth In the Investment Summary in the proposal per our Invoicing and Payment Policy. Once the contract period is concluded annual price adjustments will be made to the annual fee to cover inflation and cost increases.
2. Invoice Disputes. If you believe any delivered software or services does not conform to the warranties in this Agreement, you will provide us with written notice within thirty (30) days of your receipt of the applicable invoice. The written notice must contain reasonable detail of the issues you contend are in dispute so that we can confirm the issue and respond to your notice with either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in your notice. We will work with you as may be necessary to develop an action plan that outlines reasonable steps to be taken by each of us to resolve any issues presented in your notice. You may withhold payment of the amount(s) actually in dispute, and only those amounts, until we complete the action items outlined in the plan. If we are unable to complete the action items outlined in the action plan because of your failure to complete the items agreed to be done by you then you will remit full payment of the invoice. We reserve the right to suspend delivery of all services, including maintenance and support services, if you fail to pay an invoice not disputed as described above within fifteen (15) days of notice of our intent to do so.

## SECTION E — TERMINATION

1. Termination. This Agreement may be terminated as set forth below. In the event of termination, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Disputed fees and expenses in all terminations other than your termination for cause must have been submitted as invoice disputes in accordance with policy outlined in Exhibit A.

1.1 For Cause. If either party believes the other party has materially breached this Agreement, the aggrieved party will invoke the Dispute Resolution clause set forth in Section G. That party may terminate this Agreement for cause in the event the other party does not cure, or create a mutually agreeable action plan to address, a material breach of this Agreement, inclusive of a violation of applicable law or regulation, within the thirty (30) day window set forth in Section G.

1.2 Force Majeure. Either party has the right to terminate this Agreement if a Force Majeure event suspends performance of this Agreement for a period of forty-five (45) days or more.

1.3 Termination Due to Protest. This Agreement may be terminated within thirty (30) of the Effective Date, and after five (5) days advance notice, In the event the Client award of this Agreement to Governful is subject to a successful protest under Client's procurement procedures.

1.4 Termination for Convenience. Client may terminate this Agreement for convenience after forty- five (45) days advance written notice. In any termination for convenience, Client shall, in addition to amounts payable for any termination, also remit to Governful fifteen percent (15%) of the annual subscription fees due for each year remaining in the term.

## SECTION F - INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE

1. General Indemnification.

1.1 We will Indemnify and hold harmless you and your agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by our negligence or willful misconduct; or (b) a law applicable to our performance under this Agreement. You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.

1.2 To the extent permitted by applicable law, you will indemnify and hold harmless us and our agents, officials, and employees from and against any and all third-party claims, losses,

liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for personal injury or property damage to the extent caused by your negligence or willful misconduct; or (b) your violation of a law applicable to your performance under this Agreement. We will notify you promptly in writing of the claim and will give you sole control over its defense or settlement. We agree to provide you with reasonable assistance, cooperation, and information in defending the claim at your expense.

2. DISCLAIMER. EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, DUTIES, OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
3. LIMITATION OF LIABILITY. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, OUR LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO YOUR ACTUAL DIRECT DAMAGES, NOT TO EXCEED (A) PRIOR TO FORMAL TRANSITION TO MAINTENANCE AND SUPPORT, THE TOTAL ONE-TIME FEES SET FORTH IN THE INVESTMENT SUMMARY; OR (B) AFTER FORMAL TRANSITION TO MAINTENANCE AND SUPPORT, THE THEN-CURRENT ANNUAL FEE. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY AND TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW, THE EXCLUSION OF CERTAIN DAMAGES, AND EACH SHALL APPLY REGARDLESS OF THE FAILURE OF AN ESSENTIAL PURPOSE OF ANY REMEDY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS F(1) AND F(2).
4. EXCLUSION OF CERTAIN DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL WE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## SECTION G - GENERAL TERMS AND CONDITIONS

1. Additional Products and Services. You may purchase additional products and services at the rates set forth in the Investment Summary for twelve (12) months from the Effective Date, and thereafter at our then-current list price, by executing a mutually agreed addendum. If no rate is provided in the Investment Summary or those twelve (12) months have expired, you may purchase additional products and services at our then-



current first price, also by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.

2. Optional Items. Pricing for any listed optional products and services In the Investment Summary will be valid for twelve (12) months from the Effective Date.
3. Dispute Resolution. You agree to provide us with written notice within thirty (30) days of becoming aware of a dispute. You agree to cooperate with us in trying to reasonably resolve all disputes, including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with our appointed senior representative. Senior representatives will convene within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable local rule. If we fail to resolve the dispute, then the parties shall participate in non-binding mediation in an effort to resolve the dispute. If the dispute remains unresolved after mediation, then either of us may assert our respective rights and remedies in the jurisdiction and venue of the state and federal courts located In the United States of America. Nothing in this section shall prevent you or us from seeking necessary injunctive relief during the dispute resolution procedures.

Further, the parties agree to the following:

- 3.1. Neither party will be held liable for interest on any judgment taken as a result of any legal action in connection with this Agreement.
- 3.2. Neither Party will be held liable for any punitive damages as a result of any legal action in connection with this Agreement.
- 3.3. Neither party will be held liable for any attorneys' fees Incurred by the other party as a result of any legal action in connection with this Agreement.
4. Taxes. The fees In the Investment Summary do not include any taxes including, without limitation, sales, use, or excise tax. If you are a tax-exempt entity, you agree to provide us with a tax-exempt certificate. For clarity, we are responsible for paying our income taxes, both federal and state, as applicable, arising from our performance at this Agreement. For the avoidance of doubt, this provision shall not be construed to Governful's obligation to pay taxes which it is required to pay as a matter of applicable law.
5. Nondiscrimination. We will not discriminate against any person employed or applying for employment concerning the performance of our responsibilities under this



Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. We will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.

6. Subcontractors. We will not subcontract any services under this Agreement without your prior written consent, not to be unreasonably withheld or unless specified in the Project Proposal.
7. Binding Effect: No Assignment. This Agreement shall be binding on, and shall be for the benefit of, either your or our successor(s) or permitted assign(s). Neither party may assign this Agreement without the prior written consent of the other party; provided, however, your consent is not required for an assignment by us as a result of a corporate reorganization, merger, acquisition, or purchase of substantially all of our assets.
8. Force Majeure. Except for your payment obligations, neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the party whose performance is delayed provides the other party with written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.
9. No Intended Third-Party Beneficiaries. This Agreement is entered into solely for the benefit of you and us. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect the rights of third parties under any Third-Party Terms.
10. Entire Agreement; Amendment. This Agreement represents the entire agreement between you and us with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. Purchase orders submitted by you, if any, are for your internal administrative purposes only, and the terms and conditions contained in those purchase orders will have no force or effect. The Agreement may only be modified by a written amendment signed by an authorized representative of each party.
11. Severability. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.

12. No Waiver. In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.

13. Independent Contractor. We are an independent contractor for all purposes under this Agreement.

14. Notices. All notices or communications required or permitted as a part of this Agreement, such as notice of an alleged material breach for a termination for cause or a dispute that must be submitted to dispute resolution, must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party.

15. Client Lists. You agree that we may identify you by name in Client lists, marketing presentations, and promotional materials.

16. Confidentiality.

16.1. Generally. Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information, including personal & taxpayer information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (e.g., social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:

16.1.1. is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;

16.1.2. a party can establish by reasonable proof was in that party's possession the time of initial disclosure;

16.1.3. a party receives from a third party who has a right to disclose it to the receiving party; or

16.1.4. is the subject of a legitimate disclosure request under the open records laws or similar applicable public disclosure laws governing this Agreement; provided, however, that in the event you receive an open records or other similar applicable request, you will give us prompt notice and otherwise perform the functions required by applicable law.

16.2. **Governful's Responsibilities.** While performing Work, Contractor and its Subcontractors may gain access to Confidential Information that, if disclosed to Third Parties, may be damaging to the Client, its personnel, Client users, or other government entity. Neither Governful nor its Subcontractors acquires any right or title to the Confidential Information, and Governful and its Subcontractors agree not to disclose any Confidential Information to any third party. All Confidential Information disclosed to or received by Governful or its Subcontractor will be held in strict confidence and used only in performance of Work. In the event of any unauthorized disclosure or loss of Confidential Information, Governful will provide timely Notice to Client, with pertinent details of the unauthorized disclosure or loss, and any remedial measures taken.

16.3. **Permissible Disclosures by Governful.** Governful may disclose Client's Confidential Information on a "need to know" basis to Governful's employees and Subcontractors and any representatives of the Client that are working on the project, provided that Governful requires its Subcontractors to comply with the confidentiality provisions of this Agreement. Additionally, Governful may disclose the Confidential Information, to the extent necessary to (i) comply with any applicable law, rule, regulation, or ruling; (ii) respond to any enforceable summons or subpoena; or (iii) enforce its rights under this Agreement.

17. **Required Licenses, Insurance and Permits.** Governful is responsible for obtaining all Insurance, licenses, permits, and certificates to perform this Agreement. Business license must be obtained within 30 days from the start of the Agreement.

18. **Governing Law.**

A. **Choice of Law.** This Agreement and performance under it will be exclusively governed by the laws of United States of America without regard to its conflict of law provisions.

B. **Jurisdiction and Venue.** Governful irrevocably consents to the exclusive jurisdiction and venue of the state and federal courts located in the United States of America in any legal action concerning or relating to this Agreement.

19. **Permits, Laws, and Regulations.** Governful must observe and comply with all laws, rules, and regulations applicable to the performance of the services or Governful's

obligations under this Agreement, including applicable provisions of Client's Procurement Rules and Regulations. Governful will, at all times, obtain and keep in full force and effect, all permits and licenses necessary to accomplish the Work. Such permits and licenses will be made available to the Client, upon written request. Governful and the Client will provide each other Notice of any conflict discovered between the Agreement or any applicable Participating Addendum and any applicable laws, rules, regulations, and/or permits and licenses, and await resolution of the conflict.

20. Multiple Originals and Authorized Signatures. This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature. Each party represents to the other that the signatory set forth below is duly authorized to bind that party to this Agreement.

21. Right to Audit. Governful and any of its subcontractors shall provide the Public Auditor of The Client's jurisdiction with access to and the right to examine and copy any records, data, or papers directly relevant to this Agreement until the later of seven (7) years following creation or such time is as required by applicable law.

22. Hosting Services. We will host the Governful Software in accordance with the terms and conditions set forth in the Hosting Services section under the Governful Software User Terms and Conditions, and the Service Level Agreement under the same document.

23. This Agreement includes the following exhibits:

Exhibit A Invoicing and Payment Policy

## **Exhibit A**

### **Invoicing and Payment Policy**

We will provide you with the software and services set forth in the Investment Summary. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

Invoicing: We will invoice you for the applicable license and services fees in the Investment Summary as set forth below. Your rights to dispute any invoice are set forth in the Agreement.



## 1. Governful Software.

1. Annual Fees. Annual Fees are invoiced annually in advance, beginning on the Effective Date. Subsequent annual Annual Fees are invoiced annually in advance of each anniversary thereof. Your fees for each subsequent year will be set at our then-current rates. The foregoing notwithstanding, Governful agrees to limit increases to annual hosting/Annual fees to zero percent for 5 (five) years of the duration of this contract.

## 2. Professional Services.

2.1 Implementation and Other Professional Services (Including training): Implementation and other professional services (including training) are billed and invoiced as delivered, at the rates set forth in the Investment Summary.

2.2 Consulting Services: If you have purchased any Business Process Consulting services, if they have been quoted as fixed-fee services, they will be invoiced 50% upon delivery of the Best Practice Recommendations, by module, and 50% upon delivery of custom desktop procedures, by module. If you have purchased any Business Process Consulting services and they are quoted as an estimate, then we will bill you the actual services delivered on a time and materials basis.

2.3 Conversions: Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, we will bill you the actual services delivered on a time and materials basis.

2.4 Requested Modifications to the Governful Software: Requested modifications to the Governful Software are Invoiced 50% upon delivery of specifications and 50% upon delivery of the applicable modification. You must report any failure of the modification to conform to the specifications within thirty (30) days of delivery; otherwise, the modification will be deemed to be in compliance with the specifications after the 30-day window has passed. The foregoing notwithstanding, in the event the timing of the delivery or the complexity of the modification reasonably requires more time to test, the Client may request up to an additional thirty (30) days for testing, and Governful will not unreasonably deny such request. You may still report Defects to us as set forth in the Maintenance and Support Agreement.

2.5 Other Fixed Price Services: Except as otherwise provided, other fixed price services are invoiced as delivered, at the rates set forth In the Investment Summary. For the avoidance of doubt, where "Project Planning Services" are provided, payment will be due upon delivery of the Implementation Planning document.

Dedicated Project Management services, if any, will be billed monthly in arrears, beginning on the first day of the month immediately following initiation of project planning.

### 3. Other Services and Fees.

3.1 Systems Management: Systems Management Services are invoiced on the Available Update Date and are provided. For the purposes of this agreement, this fee is included in the Annual Fee, and no extra charge will be assessed.

3.2 Disaster Recovery Services: Disaster Recovery Services are invoiced annually in advance upon our receipt of your data. Disaster Recovery services will be provided in accordance with the terms of our then-current Disaster Recovery Agreement and will renew automatically for additional one (1) year terms at our then-current Disaster Recovery fee, unless terminated in writing by either party at least thirty (30) days prior to the end of the then-current term. Our current Disaster Recovery Agreement under the Governful Software User Terms & Conditions document. The foregoing notwithstanding, Governful agrees to limit increases to annual Disaster Recover fees to three percent (5%) per year for the first three (3) annual renewals after initial contract term expires.

**Payment.** Payment for undisputed invoices is due within forty-five (45) days of the invoice date. We prefer to receive payments electronically. Our electronic payment information is available by contacting [admin@governful.com](mailto:admin@governful.com).