

Contract Between Clay County, Texas, and STW, Inc.

For Licensing, Installing and Supporting Application Software

The parties to this "Contract" are STW, Inc.), a Texas corporation, on behalf of itself and its Affiliates ("STW") and Clay County, Texas ("Customer"). This Contract sets forth the terms and conditions under which STW will furnish Licensed Products and provide certain services described herein to Customer, and Customer will pay therefor. "Party" means Customer or STW collectively, and Customer and STW shall be referred to as "Parties".

Exhibits attached which are a part of this Contract are:
Appendix A - the STW Investment Quotation for the Clay County, Texas
Appendix B – Extended Support Terms for the Clay County, Texas

For and in consideration of the mutual undertakings herein set forth, the Parties hereto agree as follows:

- 1) **DEFINITIONS.** The following terms as defined below are used throughout this Contract.
 - a) "Affiliate" means a business entity now or hereafter controlled by, controlling or under common control with a Party. Control exists when an entity owns or controls directly or indirectly 50% or more of the outstanding equity representing the right to vote for the election of directors or other managing authority of another entity.
 - b) "Authorized Copies": The only authorized copies of the Licensed Software and Licensed Documentation are the copies of each application software package defined as follows:
 - i) the single copy of the Licensed Software and the related Licensed Documentation delivered by STW under this Contract; and
 - ii) any additional copies made by the Customer, as authorized in Section 3(c) and 3(d).
 - c) "Designated System": The hardware and software as specified, listed in Appendix A, and installed at the location specified in Appendix A.
 - d) "Initial Term": Is from 9/1/2020 (the "Effective Date") until from **8/31/2024**
 - e) "Licensed Custom Software": Any software programs (or portions of programs) developed by STW specifically for Customer's own use.
 - f) "Licensed Documentation": The published user manuals and documentation that STW makes generally available for the Licensed Software.

- g) "Licensed Products": (1) The Licensed Software, (2) Licensed Documentation, (3) Updates, and (4) Licensed Custom Software provided under this Contract, or (5) any copy of items (1) - (4).
- h) "Licensed Software": The machine-readable object code version of the software that STW makes generally, commercially available.
- i) "Renewal Term" means each additional renewal period, which shall be for a period of equal duration as the Initial Term.
- j) "Updates": Any enhanced and/or improved versions of the Licensed Software provided under Appendix A of this Contract and released to the Customer after execution of this Contract.
- k) "Lease Fees": The sum of annual recurring fees for all software modules contracted by the Customer.
- l) "Extended Support": See Appendix A for a detailed description.
- m) "Annual Recurring Fees": The sum of all Lease Fees and Extended Support contracted by the Customer.
- n) "Installation": The service provided by STW to install the Licensed Software modules contracted by Customer on the Designated Systems and provision of the Licensed Products to the Customer.
- o) "Conversion": The service provided by STW to enable (convert and validate) past Customer data into the Designated System.
- p) "Training": The service provided by STW to train Customer contacts on the use of the Licensed Products.
- q) "Travel": Expenses required by STW personnel to commute to the Customer site to complete work required by Customer including but not limited to hotel, mileage, meals, and time to commute.

2) PRIMARY CONTACTS AND REPRESENTATIVES.

The primary contact for STW during the term of this Contract shall be:

The primary contact for Customer during the term of this contract shall be:

Mr. Steven Franklin
 212 East Franklin Street
 Grapevine, Texas 76051
 Phone: (817) 329-1711
 Fax: (817) 421-0206

Clay County Judge
 214 N. Main Street
 Henrietta, Texas 76365
 Phone: (940) 538-5911

Both Parties shall notify the other Party in writing of any change in the primary contact.

3) LIMITED USE LICENSE.

- a) In consideration of annual software rental fees and other charges, if any, and the applicable custom software fees, if any, as provided in Appendix A, STW hereby grants Customer and Customer hereby accepts from STW a limited, non-transferrable and non-exclusive right to use the Licensed Software only on the Designated System and only for its internal processing

needs, subject to the terms and conditions specified herein for a term as provided by Section 18 herein.

- b) Once Customer has paid the annual software rental fees for Licensed Software, Customer shall have the right and license to use the Licensed Software only for the Customer's own use and only on the Designated System for the Term.
- c) In order to assist Customer in the event of an emergency, Customer is permitted to make up to two (2) backup copies on magnetic media of each application of the Licensed Software and one back up copy of the related Licensed Documentation. These Authorized Copies may be stored off-site away from Customer's premises (as specified in the Definitions Section) so long as they are kept in a location secure from unauthorized use. Customer or anyone obtaining access through Customer shall not copy, distribute, disseminate, or otherwise disclose to any third party the Licensed Products or copies thereof in whole or in part, in any form or media. This restriction on making and distributing the Licensed Products or copies of any Licensed Product includes, without limitation, copies of the following:
 - i) program libraries, both source or object code;
 - ii) operating control language;
 - iii) test data, sample files, or file lay outs;
 - iv) program listings; and
 - v) licensed documentation.
- d) Upon written request by Customer, and with written permission by STW, additional Authorized Copies may be made for Customer's internal use only.
- e) Customer may use the Licensed Products on the Designated System only while it has access to and operates the Designated System, and only during the Term.
- f) If the Designated System is located at Customer's premises and it becomes temporarily inoperable, Customer may load and use the Software on another System until the original Designated System becomes operable.
- g) Any other use or transfer of the Software will require STW's prior approval, which approval will not be unreasonably withheld, and which may be subject to additional charges.
- h) Customer may use Licensed Products only in and for the Customer's own internal purposes and business operations. Customer will not permit any other person to use Licensed Products, whether on a time-sharing, remote job entry or other multiple-user arrangement. Customer may make back-up archival copies of the Software and any related Updates. Customer will reproduce all confidentiality and proprietary notices on each of these copies and maintain an accurate record of the location of each of these copies. Customer will not otherwise attempt to copy, translate, modify, adapt, decompile, disassemble or reverse engineer Licensed Products. The Licensed Software will be resident on Customer's Designated System, during the Term of the Contract.

4) PAYMENT.

Customer agrees to pay STW the amounts specified in Appendix A in U.S. dollars and by the date specified in Appendix A. Any amount not paid when due, which is not in dispute, will accrue interest at the rate of one (1) percent per month, or the maximum interest allowable under applicable law, whichever is less. Customer will pay such interest when remitting the principal amount to STW. All amounts under this Contract are exclusive of any applicable sales, value-added, use or other taxes ("Sales Taxes"). Customer is solely responsible for any and all Sales Taxes, not including taxes based solely on STW's net income. If any Sales Taxes related to the amounts under this Contract are found at any time to be payable, the amount may be billed by STW to, and shall be paid by, Customer. If Customer fails to pay any Sales Taxes, then Customer will be liable for any related penalties or interest, and will indemnify STW for any liability or expense incurred in connection with such Sales Taxes. In the event Customer or the transactions contemplated by the Contract are exempt from Sales Taxes, Customer agrees to provide STW, as evidence of such tax exempt status, proper exemption certificates or other documentation acceptable to STW.

5) LICENSED SOFTWARE UPDATES, CUSTOMER SUPPORT.

- a) STW agrees to provide Customer, at no additional charge, with the Updates that STW may make generally available during the Contract period. This Paragraph will not be interpreted to require STW to either:
 - i) develop and/or release Updates; or
 - ii) customize Updates to satisfy Customer's particular requirements.
- b) Updates will not include any new Products that STW decides, in its discretion, to make generally available as a separately priced Update or option.
- c) The following services shall also be included as Support, and provided under this Section:
 - i) Temporary fixes to Licensed Products;
 - ii) Revisions to Licensed Documentation to reflect new software functions, features and operations;
 - iii) Reasonable telephone and/or remote (dial-in) support for Licensed Products, Monday through Friday from 8:00 a.m. to 5:00 p.m., local time, excluding holidays; and
 - iv) Invitations to and participation in user group meetings, if any.
- d) Additional support for other services is available as requested by Customer, using the hourly rates as provided in Appendix A of this Contract. Such hourly rates are subject to change after one (1) year from the Effective Date. These additional services include, but are not limited to, the following:
 - i) Designing, programming and supporting Licensed Custom Software.
 - ii) Maintaining modified Licensed Software and/or Licensed Custom Software.
 - iii) File conversion and assistance.
 - iv) Installation of Updates.

6) LIMITED WARRANTIES.

- a) **Warranty.** STW warrants that Licensed Software and Updates will (1) conform to STW published product manuals in effect on the date of delivery; and (2) perform substantially as described in the accompanying Licensed Documentation after delivery for 90 calendar days. STW does not warranty that the Licensed Products will satisfy or may be customized to satisfy all of Customer's requirements.
- b) **Remedies.** In case of breach of such warranty, STW or its representative will use commercially reasonable efforts to correct or replace any defective Licensed Software or Update or, if not practicable, STW will accept the return of the defective Licensed Software and will provide a pro-rata refund to Customer the amount actually paid to STW for the defective Licensed Software, and a pro-rata share of any maintenance fees that Customer actually paid to STW for the period that such Licensed Software was deficient. Customer acknowledges that this Paragraph sets forth Customer's exclusive remedy, and STW's exclusive liability, for any breach of warranty related to the limited warranty of the Licensed Software and Updates.
- c) **Disclaimer.** Except as expressly provided in this Contract, all other warranties, conditions, representations, indemnities and guarantees with respect to the Licensed Products whether expressed or imputed, arising by law, custom, prior oral or written statements by STW or its licensors or representatives or otherwise, including, but not limited to, any warranty or merchantability, fitness for particular purpose or non-infringement, are hereby overridden, and excluded and disclaimed.
- d) The foregoing warranties do not apply if the Licensed Products have been modified or are supported by any party other than STW or its authorized licensors or representatives.

7) INDEMNITY.

- a) STW agrees to indemnify and hold Customer harmless from and against any and all judgments, suits, costs and expenses subject to the limits set forth in this Contract resulting from any alleged infringement of any patent (U.S. only) or copyright arising from the licensing of the Licensed Software pursuant to this Contract.
- b) If an action is brought against Customer claiming that Licensed Software, STW will defend Customer at STW's expense and, subject to Section 8 of this Contract, pay the damages and costs finally awarded against STW in the infringement action, or against Customer for an infringement for which STW has agreed to indemnify Customer under this Contract. Such damages are due Customer only under the following conditions: (1) Customer notifies STW promptly upon learning that the claim might be asserted; (2) STW has control over the defense of the claim and any negotiation for its settlement or compromise; and (3) Customer takes no action that, in STW's judgment, is contrary to STW's interest.
- c) a claim described in Paragraph 7(b) may be or has been asserted, Customer will permit STW, at STW's option and expense to (1) procure the

right to continue using the Licensed Product; (2) replace or modify the Licensed Software to eliminate the infringement while providing functionally equivalent performance; or (3) accept the return of the Licensed Software and provide a pro-rata refund to Customer the amount actually paid to STW for such Licensed Software that is unused, , and a pro-rata share of any Support fees that Customer actually paid to STW for the period that such Licensed Software .

- d) Limitation. STW shall have no indemnity obligation to Customer if an infringement claim results from the following:
- i) a correction or modification of the Licensed Software not provided by STW;
 - ii) the failure to promptly install an Update; or
 - iii) the combined use of the Licensed Software with software not provided or supplied by STW.

8) NO CONSEQUENTIAL DAMAGES.

Under no circumstances will STW or its licensors or representatives be liable for any consequential indirect special, punitive, or incidental damages, whether foreseeable or unforeseeable based on Customer's claims or those of its customers, including, but not limited to, claims for loss of data, goodwill, profits, use of money or use of the Licensed Products, interruption in use or availability of data, stoppage or other work or impairment of other assets out of breach or failure of express or implied warranty, breach of contract, misrepresentation of negligence, strict liability in tort or otherwise, except only in the case of death or personal injury where and to the extent that applicable law requires such liability. In no event will the aggregate liability which STW or its Affiliates or representatives may incur in any action or proceeding exceed the total amount actually paid by Customer for the specific Licensed Product that directly caused the damage.

9) OWNERSHIP.

- a) All trademarks, service marks, patents, copyrights, trade secrets and other proprietary rights in or related to the Licensed Products and Feedback are and will remain the exclusive property of STW or its licensors, whether or not specifically recognized or perfected under applicable law. Customer shall obtain no right, title or interest in the Licensed Products by virtue of this Contract other than the non-exclusive, nontransferable license to use the Licensed Products as restricted herein. Customer will not take any action that jeopardizes STW's or its licensor's proprietary rights or acquire any right in the Licensed Products, except the limited use rights specified in Section 4. STW agrees to notify customer in writing if STW determines that Customer has or is about to take any action identified above which Customer has agreed not to take.
- b) STW or its licensor will own all rights in any copy, translation, modification, adaptation or derivation of the Licensed Products, including any Feedback, improvement or development thereof.

- c) Customer will obtain, at STW's request, the execution of any instrument that may be appropriate to assign these rights to STW or its licensor or perfect these rights in STW's or its licensor's name.

10) CONFIDENTIAL INFORMATION AND NON-DISCLOSURE.

- a) Customer acknowledges that Licensed Products incorporate confidential and proprietary information developed or acquired by or licensed to STW. Customer will take all reasonable precautions necessary to safeguard confidentiality or proprietary notice placed on Licensed Products. The placement of copyright notices on these items will not constitute publication or otherwise impair their confidential nature.
- b) Subject to requirements of the Freedom of Information Act (FOIA) and applicable state and local statutes relating to open records, each party shall hold all confidential information in trust and confidence for the Party claiming confidentiality and not use such confidential information other than for the benefit of that Party. The other Party agrees not to disclose any such confidential information by publication or otherwise, to any other person or organization, unless ordered to do so by a court of law or otherwise required under federal or State law.
- c) Customer hereby acknowledges and agrees that all Licensed Products are confidential information and proprietary to STW. In addition to other restrictions set forth elsewhere in this Contract or otherwise agreed to in writing, Customer agrees to implement all reasonable measures to safeguard STW's proprietary rights in Licensed Products, including without limitation the following measures:
 - i) Customer shall permit access to Licensed Products only to those employees who require access and only to the extent necessary to perform Customer's internal processing needs.
 - ii) With respect to agents or third parties, Customer shall permit access to Licensed Products only after STW has approved and returned a written non-disclosure statement to Customer, which approval shall not be unreasonably withheld. STW reserves the right to reasonably refuse access to a third party after it has evaluated the request. Customer agrees to provide information reasonably requested by STW to assist STW in evaluating Customer's request to permit third party access to Licensed Products. In addition to any other remedies, STW may recover all reasonable and documented damages and legal fees incurred in the enforcement of this provision on third party access.
 - iii) Customer shall cooperate with STW in the enforcement of the conditions set forth in the non-disclosure statement, or any other reasonable restrictions STW may specify in writing in order to permit or restrict access.
 - iv) Customer shall not permit removal of copyright or confidentiality labels or notifications from its proprietary materials.

11) **TERM & TERMINATION.**

- a) Unless either Party terminates this Contract in writing no less than ninety (90) days before the end of the Initial Term, this Contract shall renew for another period of the same duration as the Initial Term. The "Term" of this Contract is the Initial Term, and the Renewal Term. Reasonable price increases are applicable after the first year of the Contract.
- b) By Customer: If STW materially breaches any term of this Agreement and fails to cure such breach within ninety (90) days after notice by Customer, the Customer may terminate this Agreement immediately upon notice.
- c) By STW: If Customer fails to make prompt payments to STW when invoiced and within the time frame outlined in this Contract, or if Customer fails to fulfill its responsibilities as prescribed in this Contract, STW may at its option terminate this Contract, as follows:
 - i) The termination notice shall define the reason(s) for termination;
 - ii) If the reason cited for termination is Customer's failure to make prompt payment, Customer shall have fifteen (15) days from receipt of said notice to make payment in full for all outstanding invoiced payments due;
 - iii) If the cited reason for termination is Customer's failure to fulfill its responsibilities, Customer shall have ninety (90) days from receipt of said notice to correct any actual deficiencies in order to satisfy the terms of this Contract.
 - iv) At the end of ninety (90) days, unless the notice of termination has been revoked in writing by STW, the Contract terminates.
- d) This Contract may be terminated without judicial or administrative resolution if Customer or STW, or any of Customer's, or STW's employees or representatives breach any term or condition hereof
 - i) Either Party may terminate this Contract in the event of bankruptcy, insolvency and/or assignment for the benefit of creditors of or by either Party.
 - ii) Upon the termination of this Contract for any reason, STW's maintenance and support of the Licensed Products will cease, and the license shall be considered terminated.
 - iii) Upon termination of this Contract for any reason, Customer shall return or destroy all copies of the previously Licensed Product and shall cease all use of the Licensed Product and, upon request certify as to such actions.
 - iv) The provisions of Sections 7, 8, 9, 10, 12, 16 and 18 will survive the termination of this Contract.

12) **RIGHT TO INSPECTION.**

During the term of this Contract, STW or its representative may, upon 30 days prior written notice to Customer, inspect the files, computer processors, equipment and facilities of Customer during normal working hours to verify Customer's compliance with this Contract.

13) INSTALLATION AND TRAINING.

- a) STW shall make available to Customer qualified representative(s) who will provide installation and training support services for each application of the Licensed Software delivered. Customer and STW will develop a mutually agreeable training schedule. Costs for hourly services for the first year of the Term are described in Appendix A.
- b) Installation and training support services will be performed at Customer's premises, unless otherwise stated.
- c) Training shall consist of both operational and administrative information.
- d) Training will also include hardware and data communications systems, as applicable, including, but not limited to, system configuration, back-up and recovery training, standards for system management and general operations training for Customer personnel.
- e) Each software application training shall be provided by STW. Each program shall be demonstrated step-by-step, practicing each menu, each screen, and each entry as well as explaining how to use the written and/or on-line documentation.

14) INDEPENDENT CONTRACTOR.

STW is an independent contractor. The personnel of one Party shall not in any way be considered agents or employees of the other. To the extent provided for by law, each Party shall be responsible for the acts of its own employees.

15) INSURANCE REQUIREMENTS.

Each Party shall be responsible for Worker Compensation coverage for its own personnel. STW shall not commence work under this Contract until it has obtained Worker Compensation Insurance. STW shall procure and maintain, during the term of this Contract, Worker Compensation Insurance for all of its employees or representatives who engage in the work to be performed. Should Customer require other insurance coverage of STW, it shall be provided at Customer's expense upon notice to STW.

16) NOTICES

Notices to STW shall be mailed certified mail, return receipt requested to: Mr. Steven Franklin at 212 East Franklin, Grapevine, TX 76051.
Notices to Customer shall be mailed certified mail, return receipt requested to: Clay County Judge, Clay County, Texas, 214 N. Main Street, Henrietta, Texas 76365

17) MISCELLANEOUS.

- a) All notices or approvals required or permitted under this Contract must be given in writing.
- b) This Contract will bind both the Customer's and STW's Affiliates. This Contract will be governed by and interpreted in accordance with the laws of

the State of Texas, U.S.A. If any provision of this Contract is held to be unenforceable, in whole or in part, such holding will not affect the validity of the other provisions of this Contract.

- c) The prevailing Party in any dispute or legal proceedings enforcing this Contract shall be entitled to recover its attorney's fees, witness fees, litigation expenses and costs, as same are reasonable and necessary, to be paid by the non-prevailing Party.
- d) STW shall have the right to use and display Customer's logos and trade names for marketing and promotional purposes in connection with STW's website and marketing materials, subject to Customer's trademark usage guidelines provided to STW.
- e) Except as set forth in this Paragraph, neither Party shall assign, delegate, or otherwise transfer this Contract or any of its rights or obligations to a third party without the other Party's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Either Party may assign, without such consent but upon written notice, its rights and obligations under this Contract to: (i) its Affiliate; or (ii) any entity that acquires all or substantially all of its capital stock or its assets related to this Contract, through purchase, merger, consolidation, or otherwise. Any other attempted assignment shall be void. This Contract shall inure to the benefit of and bind each Party's permitted assigns and successors.
- f) The Parties acknowledge that any breach of the confidentiality provisions or the unauthorized use of a Party's intellectual property may result in serious and irreparable injury to the aggrieved Party for which damages may not adequately compensate the aggrieved Party. The Parties agree, therefore, that, in addition to any other remedy that the aggrieved Party may have, it shall be entitled to seek equitable injunctive relief without being required to post a bond or other surety or to prove either actual damages or that damages would be an inadequate remedy.
- g) Neither Party shall be held responsible or liable for any losses arising out of any delay or failure in performance of any part of this Contract, other than payment obligations, due to any act of god, act of governmental authority, or due to war, riot, labor difficulty, failure of performance by any third-party service, utilities, or equipment provider, or any other cause beyond the reasonable control of the Party delayed or prevented from performing.
- h) If any provision of this Contract is found to be unenforceable or invalid, that provision will be limited or eliminated to the minimum extent necessary so that this Contract will otherwise remain in full force and effect and enforceable. Any express waiver or failure to exercise promptly any right under this Contract will not create a continuing waiver or any expectation of non-enforcement. There are no third-party beneficiaries to this Contract.
- i) This Contract contains the complete and exclusive statement of the agreement between the Parties concerning the matters referred to herein and replaces any prior oral or written representations or communications between the Parties. Each individual signing below represents that they

have the requisite authority to execute this Contract on behalf of the organization for which they represent and that all necessary formalities have been met. This Contract is effective upon the last date shown on this page. No modification of this Contract will be binding, unless in writing and signed by an authorized representative of each Party.

AGREED TO BY:

STW Inc.

Customer

By: Steven Franklin
Steven Franklin, President

By: [Signature]
Clay County Judge

Date 8/14/19

CLAY COUNTY JUDGE
Title
Date 8/2/19

Appendix A

1) Installation, Conversion and Training

- a) Installation: STW agrees to complete installation of all software modules within mutually agreed schedule with Customer.) The Designated System shall be located at 214 N. Main Street, Henrietta, Texas 76365.
- b) Conversion: STW will perform the Conversion services. Such services require data files provided by Customer are operational and "in balance" under the Customer's current application software environment. The cost of the conversion is based upon the hourly charges as specified in 2) a) ii).
- c) Training: STW will conduct Training when possible on-site at Customer premises. Training requires Customer to be available during agreed upon training hours without interruption. Non-contiguous Training sessions will result in additional Training hours that may be charged to the Customer.
- d) Use of Independent Contractors: STW may engage independent contractors to perform all or part of STW's obligations under this Contract.

2) Payment Schedule

- a) Multi-year Customer Contract:
 - i) Customer shall pay STW the one-time charges, such as Installation, Conversion, and Training or any other services requested by Customer as specified in the Summary table below, in equal installments over the Initial Term.
 - ii) Customer shall pay STW for the remaining 4/5 of the total \$50,755 plus the annual lease charges of \$13,831 for a total of \$23,982 on the anniversary of the Effective date.

	5 Year Payment	
One time charges	\$ 10,151.00	\$50,755.00 / 5
Annual charges	\$ 13,831.00	
Total first year charges	\$ 23,982.00	
Years 2 - 5 charges		\$ 23,982.00
Year 6 and beyond charges		\$ 13,831.00

- iii) For any Renewal Term, Customer shall pay STW for the Annual.Recurring Fees on each anniversary of the Effective Date.
 - iv) Should the Customer require additional Services beyond the estimated amount as specified in the Summary table below, such services shall be performed and charged to Customer at **\$145 / hour**.
- b) Customer shall pay STW for reasonable Travel-related expenses, in accordance with Customer's policy and guidelines, monthly as incurred.
- c) Customer shall pay STW within thirty (30) days from the payment due date.

Summary

Financial & Utility Billing Software	One Time	Annual Lease/Support
Stw Application Software Annual Lease		\$ 7,980
Conversion	\$ 16,820	
Implementation and Training	\$ 22,765	
Project Management	\$ 2,800	
Server Software / Support Tools:	\$ 4,600	\$ 1,500
Support Agreement		\$ 4,351
Special Services	\$ -	
Required Products Total:	\$ 46,985	\$ 13,831

Reporting Tools:	\$ -	\$ -
Additional Services and optional items:	\$ 3,770	
Optional Applications:	\$ -	\$ -
Required and Optional Products Total:	\$ 50,755	\$ 13,831

Applications

Stw Application Software:		Qty	Estimated Product Cost	Estimated Implementation and Training	Estimated Conversion	Annual Lease Support	30% Discount	Discounted Lease Amount
General Ledger / Budgetary Accounting	Full conversion, all history.			\$ 3,480	\$ 6,800	\$ 1,800	(\$540)	\$ 1,260
Accounts Payable / Encumbrances	Vendor Master only			\$ 2,320	\$ 1,160	\$ 1,600	(\$480)	\$ 1,120
Budget Preparation	Master files only.			\$ 1,740	\$ 1,740	\$ 1,600	(\$480)	\$ 1,120
Fixed Assets	Master files only, using Stw spreadsheet for conversion.			\$ 1,740	\$ 2,320	\$ 1,400	(\$420)	\$ 980
Payroll	Master Files only, no check history.			\$ 6,800	\$ 5,800	\$ 1,800	(\$540)	\$ 1,260
Cash Receipts / Revenue Accounting	No conversion			\$ 2,320		\$ 1,800	(\$540)	\$ 1,260
Stw Tools	Not applicable			\$ 1,180		\$ 1,400	(\$420)	\$ 980
Subtotal:				\$ 16,660	\$ 16,820	\$ 11,400	(\$420)	\$ 7,880
Required Server Software / Support-Tools								
IBM DB2 UDB Database	Version is dependent on Windows server OS level.		\$ 2,500					
Dedicated VPN devices for Stw support.	Cisco ASA or equivalent.		\$ 800					
eFormz Forms printing software.	eFormz is used for MICR checks, and other forms. Cost is per printer.	1	\$ 1,600	\$ 580				
ClearRec bank reconciliation software	PC based bank reconciliation software which is fully integrated with the Stw financial financials.	1		\$ 1,160				\$ 1,500
Initial Security Setup & Implementation	Implementation and training services for 1 user, regarding Stw application and account access security.	5		\$ 725				
Stw server and VPN setup services.	One time charge for services.			\$ 1,740				
Subtotal:			\$ 4,800	\$ 4,205				\$ 1,500
Totals			\$ 4,600	\$ 22,765	\$ 16,820			\$ 9,480

Appendix B

The parties to this Contract are STW, Inc. (STW), a Texas corporation and Clay County, Texas (Customer). This Appendix sets forth the terms and conditions under which STW will furnish "Extended Support Services" (ESS) for STW Licensed Products as described herein to Customer

For and in consideration of the mutual undertakings herein set forth, the Parties hereto agree as follows:

1. DEFINITIONS.

The following terms as defined below are used throughout this Contract.

- a) **"Extended Support"** is defined as services in addition to the standard "telephone support" provided with the annual STW application software lease, and software products distributed by STW. Extended support is comprised of the following major categories:
- b) **STW application software.** Assistance, how to, step by step, and problem solving to Customer for users of STW application software. Customer users must have working knowledge of their job function, and of the STW application software.
- c) **STW application security.** Assistance in the setup and maintenance of user security and the creation and maintenance of user defined menus used to access the various applications. Application security only controls the use of resources granted to user, and not which resources are granted to them. They, in turn, determine the use of these resources by users of the application through application security. Implementation and completeness of application security remains a Customer responsibility
- d) **Desktop & Printers.** Support for issues related to the operation of the STW application software on local personal computers, and related printing issues. This addresses problems with Internet Explorer, loading of required STW add on programs, and Java issues. STW must have administrator rights to the local PC to perform some actions. Some issues may not be resolved unless the operating system on the local PC is reloaded, and STW does not provide this service as a part of this agreement.
- e) **Database Administration Support.** Provision of periodic database tuning, and analysis of server performance issues related to the STW application software. The recovery effort required is determined by factors outside of STW's area of control, and will vary by the server and network environment.
- f) **Reporting Tools:** Support for using Vision and Intellicus reporting tools, which are products distributed by STW. Users must have already received

training in the reporting tool products, and should be reasonably proficient with the product.

- g) **Training:** STW will provide up to 10 hours monthly of web based, one-on-one remote training will be made available to any user during normal business hours (Monday – Friday 8 AM to 5PM). The training will be no more than two hours and it must be scheduled at least one week in advance of the actual training. This does not include training for newly purchased applications. Training is only included for applications specifically specified in Appendix A.
- h) **Additional Services.** The services listed below are **not** included in the STW Extended Support Terms. These services shall be provided at STW's discretion in response to Customer requests and will be billed on a time and materials basis at the rates for additional services contained in Paragraph 4 or Appendix A hereto.
 - (1) Changes to print programs such as the printing of checks or utility bills.
 - (2) Software modifications.
 - (3) Software training for new STW application software or reporting tools.
 - (4) Software implementation or consulting services
 - (5) Responding to problems caused by hardware.
 - (6) Recovery services related to server crashes.
 - (7) Responding to problems caused by software that is not STW application software or STW reporting tools.
 - (8) Time required for STW to create reports for a Customer user, using reporting tools.
 - (9) Responding to problems resulting from misuse, accidents, Customer neglect, fire, or any other cause not within STW's reasonable control.
 - (10) Changes made to STW application software or operating system environment, by someone other than STW staff.
 - (11) Any other services performed by STW not otherwise specifically provided for in this agreement, including but not limited to, bank reconciliation, reconciling out of balance reports, balancing segments of the system, etc.
- i) **Support Environment:** Customer must open any firewall ports to allow the use of STW support products. STW currently uses Citrix products include "GoToAssist", but may change these products at any time. If Customer will not allow access for STW support products, STW cannot guarantee support standards will be met.

2. CUSTOMER SUPPORT.

- a) STW agrees to provide Customer with the
 - (1) Extended support for STW Licensed Products as defined by definitions from Monday through Friday from 8:00 a.m. to 5:00 p.m., local time. After

hours support can be scheduled in advance to a mutually agreeable time period between Customer and STW staff.

ii) Invitations to and participation in online web meetings, if any.

b) Additional services are defined in Definitions.

Contract Between Clay County, Texas, and STW, Inc.

For Licensing, Installing and Supporting Application Software

The parties to this "Contract" are STW, Inc.), a Texas corporation, on behalf of itself and its Affiliates ("STW") and Clay County, Texas ("Customer"). This Contract sets forth the terms and conditions under which STW will furnish Licensed Products and provide certain services described herein to Customer, and Customer will pay therefor. "Party" means Customer or STW collectively, and Customer and STW shall be referred to as "Parties".

Exhibits attached which are a part of this Contract are:
Appendix A - the STW Investment Quotation for the Clay County, Texas

For and in consideration of the mutual undertakings herein set forth, the Parties hereto agree as follows:

- 1) **DEFINITIONS.** The following terms as defined below are used throughout this Contract.
 - a) "Affiliate" means a business entity now or hereafter controlled by, controlling or under common control with a Party. Control exists when an entity owns or controls directly or indirectly 50% or more of the outstanding equity representing the right to vote for the election of directors or other managing authority of another entity.
 - b) "Authorized Copies": The only authorized copies of the Licensed Software and Licensed Documentation are the copies of each application software package defined as follows:
 - i) the single copy of the Licensed Software and the related Licensed Documentation delivered by STW under this Contract; and
 - ii) any additional copies made by the Customer, as authorized in Section 3(c) and 3(d).
 - c) "Designated System": The hardware and software as specified, listed in Appendix A, and installed at the location specified in Appendix A.
 - d) "Initial Term": is from 8/5/2019 (the "Effective Date") until from 8/5/2024
 - e) "Licensed Custom Software": Any software programs (or portions of programs) developed by STW specifically for Customer's own use.
 - f) "Licensed Documentation": The published user manuals and documentation that STW makes generally available for the Licensed Software.
 - g) "Licensed Products": (1) The Licensed Software, (2) Licensed Documentation, (3) Updates, and (4) Licensed Custom Software provided under this Contract, or (5) any copy of items (1) - (4).

- h) "Licensed Software": The machine-readable object code version of the software that STW makes generally, commercially available.
- i) "Renewal Term" means each additional renewal period, which shall be for a period of equal duration as the Initial Term.
- j) "Updates": Any enhanced and/or improved versions of the Licensed Software provided under Appendix A of this Contract and released to the Customer after execution of this Contract.
- k) "Lease Fees": The sum of annual recurring fees for all software modules contracted by the Customer.
- l) "Extended Support": See Appendix A for a detailed description.
- m) "Annual Recurring Fees": The sum of all Lease Fees and Extended Support contracted by the Customer.
- n) "Installation": The service provided by STW to install the Licensed Software modules contracted by Customer on the Designated Systems and provision of the Licensed Products to the Customer.
- o) "Conversion": The service provided by STW to enable (convert and validate) past Customer data into the Designated System.
- p) "Training": The service provided by STW to train Customer contacts on the use of the Licensed Products.
- q) "Travel": Expenses required by STW personnel to commute to the Customer site to complete work required by Customer including but not limited to hotel, mileage, meals, and time to commute.

2) PRIMARY CONTACTS AND REPRESENTATIVES.

The primary contact for STW during the term of this Contract shall be:

Mr. Steven Franklin
 212 East Franklin Street
 Grapevine, Texas 76051
 Phone: (817) 329-1711
 Fax: (817) 421-0206

The primary contact for Customer during the term of this contract shall be:

Clay County Judge
 214 N. Main Street
 Henrietta, Texas 76365
 Phone: (940) 538-5911

Both Parties shall notify the other Party in writing of any change in the primary contact.

3) LIMITED USE LICENSE.

- a) In consideration of annual software rental fees and other charges, if any, and the applicable custom software fees, if any, as provided in Appendix A, STW hereby grants Customer and Customer hereby accepts from STW a limited, non-transferrable and non-exclusive right to use the Licensed Software only on the Designated System and only for its internal processing needs, subject to the terms and conditions specified herein for a term as provided by Section 18 herein.

- b) Once Customer has paid the annual software rental fees for Licensed Software, Customer shall have the right and license to use the Licensed Software only for the Customer's own use and only on the Designated System for the Term.
 - c) In order to assist Customer in the event of an emergency, Customer is permitted to make up to two (2) backup copies on magnetic media of each application of the Licensed Software and one back up copy of the related Licensed Documentation. These Authorized Copies may be stored off-site away from Customer's premises (as specified in the Definitions Section) so long as they are kept in a location secure from unauthorized use. Customer or anyone obtaining access through Customer shall not copy, distribute, disseminate, or otherwise disclose to any third party the Licensed Products or copies thereof in whole or in part, in any form or media. This restriction on making and distributing the Licensed Products or copies of any Licensed Product includes, without limitation, copies of the following:
 - i) program libraries, both source or object code;
 - ii) operating control language;
 - iii) test data, sample files, or file lay outs;
 - iv) program listings; and
 - v) licensed documentation.
 - d) Upon written request by Customer, and with written permission by STW, additional Authorized Copies may be made for Customer's internal use only.
 - e) Customer may use the Licensed Products on the Designated System only while it has access to and operates the Designated System, and only during the Term.
 - f) If the Designated System is located at Customer's premises and it becomes temporarily inoperable, Customer may load and use the Software on another System until the original Designated System becomes operable.
 - g) Any other use or transfer of the Software will require STW's prior approval, which approval will not be unreasonably withheld, and which may be subject to additional charges.
 - h) Customer may use Licensed Products only in and for the Customer's own internal purposes and business operations. Customer will not permit any other person to use Licensed Products, whether on a time-sharing, remote job entry or other multiple-user arrangement. Customer may make back-up archival copies of the Software and any related Updates. Customer will reproduce all confidentiality and proprietary notices on each of these copies and maintain an accurate record of the location of each of these copies. Customer will not otherwise attempt to copy, translate, modify, adapt, decompile, disassemble or reverse engineer Licensed Products. The Licensed Software will be resident on Customer's Designated System, during the Term of the Contract.
- 4) **PAYMENT.**
Customer agrees to pay STW the amounts specified in Appendix A in U.S. dollars and by the date specified in Appendix A. Any amount not paid when due,

which is not in dispute, will accrue interest at the rate of one (1) percent per month, or the maximum interest allowable under applicable law, whichever is less. Customer will pay such interest when remitting the principal amount to STW. All amounts under this Contract are exclusive of any applicable sales, value-added, use or other taxes ("Sales Taxes"). Customer is solely responsible for any and all Sales Taxes, not including taxes based solely on STW's net income. If any Sales Taxes related to the amounts under this Contract are found at any time to be payable, the amount may be billed by STW to, and shall be paid by, Customer. If Customer fails to pay any Sales Taxes, then Customer will be liable for any related penalties or interest, and will indemnify STW for any liability or expense incurred in connection with such Sales Taxes. In the event Customer or the transactions contemplated by the Contract are exempt from Sales Taxes, Customer agrees to provide STW, as evidence of such tax exempt status, proper exemption certificates or other documentation acceptable to STW.

5) LICENSED SOFTWARE UPDATES, CUSTOMER SUPPORT.

- a) STW agrees to provide Customer, at no additional charge, with the Updates that STW may make generally available during the Contract period. This Paragraph will not be interpreted to require STW to either:
 - i) develop and/or release Updates; or
 - ii) customize Updates to satisfy Customer's particular requirements.
- b) Updates will not include any new Products that STW decides, in its discretion, to make generally available as a separately priced Update or option.
- c) The following services shall also be included as Support, and provided under this Section:
 - i) Temporary fixes to Licensed Products;
 - ii) Revisions to Licensed Documentation to reflect new software functions, features and operations;
 - iii) Reasonable telephone and/or remote (dial-in) support for Licensed Products, Monday through Friday from 8:00 a.m. to 5:00 p.m., local time, excluding holidays; and
 - iv) Invitations to and participation in user group meetings, if any.
- d) Additional support for other services is available as requested by Customer, using the hourly rates as provided in Appendix A of this Contract. Such hourly rates are subject to change after one (1) year from the Effective Date. These additional services include, but are not limited to, the following:
 - i) Designing, programming and supporting Licensed Custom Software.
 - ii) Maintaining modified Licensed Software and/or Licensed Custom Software.
 - iii) File conversion and assistance.
 - iv) Installation of Updates.

6) LIMITED WARRANTIES.

- a) **Warranty.** STW warrants that Licensed Software and Updates will (1) conform to STW published product manuals in effect on the date of delivery; and (2) perform substantially as described in the accompanying Licensed Documentation after delivery for 90 calendar days. STW does not warranty that the Licensed Products will satisfy or may be customized to satisfy all of Customer's requirements.
- b) **Remedies.** In case of breach of such warranty, STW or its representative will use commercially reasonable efforts to correct or replace any defective Licensed Software or Update or, if not practicable, STW will accept the return of the defective Licensed Software and will provide a pro-rata refund to Customer the amount actually paid to STW for the defective Licensed Software, and a pro-rata share of any maintenance fees that Customer actually paid to STW for the period that such Licensed Software was deficient. Customer acknowledges that this Paragraph sets forth Customer's exclusive remedy, and STW's exclusive liability, for any breach of warranty related to the limited warranty of the Licensed Software and Updates.
- c) **Disclaimer.** Except as expressly provided in this Contract, all other warranties, conditions, representations, indemnities and guarantees with respect to the Licensed Products whether expressed or imputed, arising by law, custom, prior oral or written statements by STW or its licensors or representatives or otherwise, including, but not limited to, any warranty or merchantability, fitness for particular purpose or non-infringement, are hereby overridden, and excluded and disclaimed.
- d) The foregoing warranties do not apply if the Licensed Products have been modified or are supported by any party other than STW or its authorized licensors or representatives.

7) INDEMNITY.

- a) STW agrees to indemnify and hold Customer harmless from and against any and all judgments, suits, costs and expenses subject to the limits set forth in this Contract resulting from any alleged infringement of any patent (U.S. only) or copyright arising from the licensing of the Licensed Software pursuant to this Contract.
- b) If an action is brought against Customer claiming that Licensed Software, STW will defend Customer at STW's expense and, subject to Section 8 of this Contract, pay the damages and costs finally awarded against STW in the infringement action, or against Customer for an infringement for which STW has agreed to indemnify Customer under this Contract. Such damages are due Customer only under the following conditions: (1) Customer notifies STW promptly upon learning that the claim might be asserted; (2) STW has control over the defense of the claim and any negotiation for its settlement or compromise; and (3) Customer takes no action that, in STW's judgment, is contrary to STW's interest.
- c) a claim described in Paragraph 7(b) may be or has been asserted, Customer will permit STW, at STW's option and expense to (1) procure the

right to continue using the Licensed Product; (2) replace or modify the Licensed Software to eliminate the infringement while providing functionally equivalent performance; or (3) accept the return of the Licensed Software and provide a pro-rata refund to Customer the amount actually paid to STW for such Licensed Software that is unused, , and a pro-rata share of any Support fees that Customer actually paid to STW for the period that such Licensed Software .

- d) Limitation. STW shall have no indemnity obligation to Customer if an infringement claim results from the following:
- i) a correction or modification of the Licensed Software not provided by STW;
 - ii) the failure to promptly install an Update; or
 - iii) the combined use of the Licensed Software with software not provided or supplied by STW.

8) NO CONSEQUENTIAL DAMAGES.

Under no circumstances will STW or its licensors or representatives be liable for any consequential indirect special, punitive, or incidental damages, whether foreseeable or unforeseeable based on Customer's claims or those of its customers, including, but not limited to, claims for loss of data, goodwill, profits, use of money or use of the Licensed Products, interruption in use or availability of data, stoppage or other work or impairment of other assets out of breach or failure of express or implied warranty, breach of contract, misrepresentation or negligence, strict liability in tort or otherwise, except only in the case of death or personal injury where and to the extent that applicable law requires such liability. In no event will the aggregate liability which STW or its Affiliates or representatives may incur in any action or proceeding exceed the total amount actually paid by Customer for the specific Licensed Product that directly caused the damage.

9) OWNERSHIP.

- a) All trademarks, service marks, patents, copyrights, trade secrets and other proprietary rights in or related to the Licensed Products and Feedback are and will remain the exclusive property of STW or its licensors, whether or not specifically recognized or perfected under applicable law. Customer shall obtain no right, title or interest in the Licensed Products by virtue of this Contract other than the non-exclusive, nontransferable license to use the Licensed Products as restricted herein. Customer will not take any action that jeopardizes STW's or its licensor's proprietary rights or acquire any right in the Licensed Products, except the limited use rights specified in Section 4. STW agrees to notify customer in writing if STW determines that Customer has or is about to take any action identified above which Customer has agreed not to take.
- b) STW or its licensor will own all rights in any copy, translation, modification, adaptation or derivation of the Licensed Products, including any Feedback, improvement or development thereof.

- c) Customer will obtain, at STW's request, the execution of any instrument that may be appropriate to assign these rights to STW or its licensor or perfect these rights in STW's or its licensor's name.

10) CONFIDENTIAL INFORMATION AND NON-DISCLOSURE.

- a) Customer acknowledges that Licensed Products incorporate confidential and proprietary information developed or acquired by or licensed to STW. Customer will take all reasonable precautions necessary to safeguard confidentiality or proprietary notice placed on Licensed Products. The placement of copyright notices on these items will not constitute publication or otherwise impair their confidential nature.
- b) Subject to requirements of the Freedom of Information Act (FOIA) and applicable state and local statutes relating to open records, each party shall hold all confidential information in trust and confidence for the Party claiming confidentiality and not use such confidential information other than for the benefit of that Party. The other Party agrees not to disclose any such confidential information by publication or otherwise, to any other person or organization, unless ordered to do so by a court of law or otherwise required under federal or State law.
- c) Customer hereby acknowledges and agrees that all Licensed Products are confidential information and proprietary to STW. In addition to other restrictions set forth elsewhere in this Contract or otherwise agreed to in writing, Customer agrees to implement all reasonable measures to safeguard STW's proprietary rights in Licensed Products, including without limitation the following measures:
 - i) Customer shall permit access to Licensed Products only to those employees who require access and only to the extent necessary to perform Customer's internal processing needs.
 - ii) With respect to agents or third parties, Customer shall permit access to Licensed Products only after STW has approved and returned a written non-disclosure statement to Customer, which approval shall not be unreasonably withheld. STW reserves the right to reasonably refuse access to a third party after it has evaluated the request. Customer agrees to provide information reasonably requested by STW to assist STW in evaluating Customer's request to permit third party access to Licensed Products. In addition to any other remedies, STW may recover all reasonable and documented damages and legal fees incurred in the enforcement of this provision on third party access.
 - iii) Customer shall cooperate with STW in the enforcement of the conditions set forth in the non-disclosure statement, or any other reasonable restrictions STW may specify in writing in order to permit or restrict access.
 - iv) Customer shall not permit removal of copyright or confidentiality labels or notifications from its proprietary materials.

11) **TERM & TERMINATION.**

- a) Unless either Party terminates this Contract in writing no less than ninety (90) days before the end of the Initial Term, this Contract shall renew for another period of the same duration as the Initial Term. The "Term" of this Contract is the Initial Term, and the Renewal Term. Reasonable price increases are applicable after the first year of the Contract.
- b) By Customer: If STW materially breaches any term of this Agreement and fails to cure such breach within ninety (90) days after notice by Customer, the Customer may terminate this Agreement immediately upon notice.
- c) By STW: If Customer fails to make prompt payments to STW when invoiced and within the time frame outlined in this Contract, or if Customer fails to fulfill its responsibilities as prescribed in this Contract, STW may at its option terminate this Contract, as follows:
 - i) The termination notice shall define the reason(s) for termination;
 - ii) If the reason cited for termination is Customer's failure to make prompt payment, Customer shall have fifteen (15) days from receipt of said notice to make payment in full for all outstanding invoiced payments due;
 - iii) If the cited reason for termination is Customer's failure to fulfill its responsibilities, Customer shall have ninety (90) days from receipt of said notice to correct any actual deficiencies in order to satisfy the terms of this Contract.
 - iv) At the end of ninety (90) days, unless the notice of termination has been revoked in writing by STW, the Contract terminates.
- d) This Contract may be terminated without judicial or administrative resolution if Customer or STW, or any of Customer's, or STW's employees or representatives breach any term or condition hereof
 - i) Either Party may terminate this Contract in the event of bankruptcy, insolvency and/or assignment for the benefit of creditors of or by either Party.
 - ii) Upon the termination of this Contract for any reason, STW's maintenance and support of the Licensed Products will cease, and the license shall be considered terminated.
 - iii) Upon termination of this Contract for any reason, Customer shall return or destroy all copies of the previously Licensed Product and shall cease all use of the Licensed Product and, upon request certify as to such actions.
 - iv) The provisions of Sections 7, 8, 9, 10, 12, 16 and 18 will survive the termination of this Contract.

12) **RIGHT TO INSPECTION.**

During the term of this Contract, STW or its representative may, upon 30 days prior written notice to Customer, inspect the files, computer processors, equipment and facilities of Customer during normal working hours to verify Customer's compliance with this Contract.

13) INSTALLATION AND TRAINING.

- a) STW shall make available to Customer qualified representative(s) who will provide installation and training support services for each application of the Licensed Software delivered. Customer and STW will develop a mutually agreeable training schedule. Costs for hourly services for the first year of the Term are described in Appendix A.
- b) Installation and training support services will be performed at Customer's premises, unless otherwise stated.
- c) Training shall consist of both operational and administrative information.
- d) Training will also include hardware and data communications systems, as applicable, including, but not limited to, system configuration, back-up and recovery training, standards for system management and general operations training for Customer personnel.
- e) Each software application training shall be provided by STW. Each program shall be demonstrated step-by-step, practicing each menu, each screen, and each entry as well as explaining how to use the written and/or on-line documentation.

14) INDEPENDENT CONTRACTOR.

STW is an independent contractor. The personnel of one Party shall not in any way be considered agents or employees of the other. To the extent provided for by law, each Party shall be responsible for the acts of its own employees.

15) INSURANCE REQUIREMENTS.

Each Party shall be responsible for Worker Compensation coverage for its own personnel. STW shall not commence work under this Contract until it has obtained Worker Compensation Insurance. STW shall procure and maintain, during the term of this Contract, Worker Compensation Insurance for all of its employees or representatives who engage in the work to be performed. Should Customer require other insurance coverage of STW, it shall be provided at Customer's expense upon notice to STW.

16) NOTICES

Notices to STW shall be mailed certified mail, return receipt requested to: Mr. Steven Franklin at 212 East Franklin, Grapevine, TX 76051.
Notices to Customer shall be mailed certified mail, return receipt requested to: Clay County Judge, Clay County, Texas, 214 N. Main Street, Henrietta, Texas 76365

17) MISCELLANEOUS.

- a) All notices or approvals required or permitted under this Contract must be given in writing.
- b) This Contract will bind both the Customer's and STW's Affiliates. This Contract will be governed by and interpreted in accordance with the laws of

the State of Texas, U.S.A. If any provision of this Contract is held to be unenforceable, in whole or in part, such holding will not affect the validity of the other provisions of this Contract.

- c) The prevailing Party in any dispute or legal proceedings enforcing this Contract shall be entitled to recover its attorney's fees, witness fees, litigation expenses and costs, as same are reasonable and necessary, to be paid by the non-prevailing Party.
- d) STW shall have the right to use and display Customer's logos and trade names for marketing and promotional purposes in connection with STW's website and marketing materials, subject to Customer's trademark usage guidelines provided to STW.
- e) Except as set forth in this Paragraph, neither Party shall assign, delegate, or otherwise transfer this Contract or any of its rights or obligations to a third party without the other Party's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Either Party may assign, without such consent but upon written notice, its rights and obligations under this Contract to: (i) its Affiliate; or (ii) any entity that acquires all or substantially all of its capital stock or its assets related to this Contract, through purchase, merger, consolidation, or otherwise. Any other attempted assignment shall be void. This Contract shall inure to the benefit of and bind each Party's permitted assigns and successors.
- f) The Parties acknowledge that any breach of the confidentiality provisions or the unauthorized use of a Party's intellectual property may result in serious and irreparable injury to the aggrieved Party for which damages may not adequately compensate the aggrieved Party. The Parties agree, therefore, that, in addition to any other remedy that the aggrieved Party may have, it shall be entitled to seek equitable injunctive relief without being required to post a bond or other surety or to prove either actual damages or that damages would be an inadequate remedy.
- g) Neither Party shall be held responsible or liable for any losses arising out of any delay or failure in performance of any part of this Contract, other than payment obligations, due to any act of god, act of governmental authority, or due to war, riot, labor difficulty, failure of performance by any third-party service, utilities, or equipment provider, or any other cause beyond the reasonable control of the Party delayed or prevented from performing.
- h) If any provision of this Contract is found to be unenforceable or invalid, that provision will be limited or eliminated to the minimum extent necessary so that this Contract will otherwise remain in full force and effect and enforceable. Any express waiver or failure to exercise promptly any right under this Contract will not create a continuing waiver or any expectation of non-enforcement. There are no third-party beneficiaries to this Contract.
- i) This Contract contains the complete and exclusive statement of the agreement between the Parties concerning the matters referred to herein and replaces any prior oral or written representations or communications between the Parties. Each individual signing below represents that they

have the requisite authority to execute this Contract on behalf of the organization for which they represent and that all necessary formalities have been met. This Contract is effective upon the last date shown on this page. No modification of this Contract will be binding, unless in writing and signed by an authorized representative of each Party.

AGREED TO BY:

STW Inc.

Customer

By: Steven Franklin
Steven Franklin, President

By: [Signature]
Clay County Judge

Date 8/14/19

COUNTY JUDGE
Title
Date 8/12/19

Appendix A

1) Installation, Conversion and Training

- a) Installation: STW agrees to complete installation of all software modules within mutually agreed schedule with Customer.) The Designated System shall be located at 214 N. Main Street, Henrietta, Texas 76365.
- b) Conversion: STW will perform the Conversion services. Such services require data files provided by Customer are operational and "in balance" under the Customer's current application software environment. The cost of the conversion is based upon the hourly charges as specified in 2) a) ii).
- c) Training: STW will conduct Training when possible on-site at Customer premises. Training requires Customer to be available during agreed upon training hours without interruption. Non-contiguous Training sessions will result in additional Training hours that may be charged to the Customer.
- d) Use of Independent Contractors: STW may engage independent contractors to perform all or part of STW's obligations under this Contract.

2) Payment Schedule

- a) Multi-year Customer Contract:
 - i) Customer shall pay STW annually on the initial date of the contract for the annual use of the server.
 - ii) For any Renewal Term, Customer shall pay STW for the Annual Recurring Fees on each anniversary of the Effective Date.
 - iii) Should the Customer require additional Services beyond the estimated amount as specified in the Summary table below, such services shall be performed and charged to Customer at \$145 / hour.
- b) Customer shall pay STW for reasonable Travel-related expenses, in accordance with Customer's policy and guidelines, monthly as incurred.
- c) Customer shall pay STW within thirty (30) days from the payment due date.

Hardware

Quantity	Main Server (Typically used to create 2 virtual machines)	Sample Price	Estimated Total
1	Intel 4C/8T processor. E3-1240 3.5Ghz	\$1,500	\$1,500
32	GB of main memory		
1	Hardware RAID 5 controller		
1	Management controller		
1	Windows Server 2016 Standard (with 2VM's)		
1	CD-RW/DVD ROM		
2	1GB NIC		
2	Power Supplies (for redundancy)		
2	Fan (for redundancy)		
5	500GB 7.2K RPM Disk Drives (1 drive is a hot spare)		
1	Sever Backup Software		

Server maintenance: \$2,500 annually.

The server will be local at Clay County and owned by Clay County. STW can purchase the server for Clay County and invoice the appropriate cost. Any maintenance will be performed by STW.

Note: this is an example of the hardware to be installed. The actual hardware may vary based on availability.