

AVEVA Flex Agreement Lake Havasu City

1. SUBSCRIPTION AGREEMENT

This Subscription Agreement is made on September 11, 2024 "Effective, Date" between Lake Havasu City with a principal place of business at 2330 N. McCulloch Blvd, Lake Havasu, Arizona 86403 and Q-mation, Inc., a Pennsylvania corporation, with a principal place of business at 425 Caredean Drive, Horsham, Pennsylvania 19044.

2. LICENSE REPLACEMENT

The parties hereby agree that any perpetual or subscription access licenses granted by AVEVA to End-User in any previous agreement or otherwise are hereby (1) canceled and replaced with the equivalent subscription licenses ("Subscription Licenses").

3. AGREEMENT TERM

The agreement begins on the Effective Date and is non-cancellable. The agreement will run for three (3) consecutive years, with the expiration date set at September 10, 2027.

4. SUPPORT SERVICES

Provided with this agreement, for the entire three (3) year term, is **AVEVA Customer First – Standard Level**, which provides access to AVEVA Technical Support, and distribution of license upgrades. Further details of the support services included with the agreement are noted in Exhibit 1.2.

5. AGREEMENT FEES TERM

Lake Havasu City is expected to issue a purchase order for the estimated amounts stated below by Lake Havasu City of each calendar year this multi-year agreement is in place.

The Base amounts are shown below. Annual fees will be based on increased FLEX Subscription license usage, additional sites, and divestiture adjustments.

AVEVA FLEX Agreement*	Year 1 Total	Year 2 Total	Year 3 Total
Base Amount	\$40,851	\$42,903	\$45,036

*Note: The AVEVA FLEX Agreement is calculated on a basis of 2700 total FLEX credits per year.

Item in the FLEX Agreement: 2700 credit Flex Renewal

6. HOW TO PURCHASE ADDITIONAL AVEVA FLEX LICENSES

Lake Havasu City may procure new licenses with FLEX credits. Lake Havasu City would place a Purchase Order to Q-mation for the FLEX Top-up Credits needed at \$16.64 per FLEX Credit. New credits (Top-up Credits) are purchased at a prorated amount according to the contract end date. The credits are then added to the FLEX Portal, and the licenses can be selected through a parts list and downloaded for use. The new credits will be prorated in the current year through the end of the agreement.

Year 1 / 2024-2027 Annual Calculation	
Description	Amount
Base FLEX Credits at 9/11/2024 Agreement Effective Date (2700 FLEX Credits)	\$40,851
2024-2027 New FLEX credit purchases are prorated through 9/10/2027 (Invoiced at the time of purchase)	Prorated 2024-2027

Year 2 / 2025-2027 Annual Calculation	
Description	Amount
Base FLEX Credits at 9/11/2024 Agreement Effective Date (2700 FLEX Credits)	\$42,903
2025-2027 New FLEX license purchases are prorated through 9/10/2027 (Invoiced at the time of purchase)	Prorated 2025-2027
Year 3 / 2026-2027 Annual Calculation	
Description	Amount
Base FLEX Credits at 9/11/2024 Agreement Effective Date (2700 FLEX Credits)	\$45,036
2026-2027 New FLEX license purchases are prorated through 9/10/2027 (Invoiced at the time of purchase)	Prorated 2026-2027

7. DETERMINING ANNUAL FLEX CREDIT BASIS

Q-mation and Lake Havasu City will review the AVEVA Flex Program Agreement ninety (90) days before each year's renewal to account for in-year FLEX credit additions.

The AVEVA FLEX Credit base amount cannot be reduced during the three-year agreement term.

8. RENEWAL TERM / SUBSCRIPTION OPTIONS

At the end of the initial three-year term, Lake Havasu City can renew for a new three-year term. To allow reasonable time for negotiations, Q-mation will supply Lake Havasu City with a three-year renewal agreement draft by 6/12/2027.

9. CONFIDENTIALITY

Confidential Information" means any information (either oral, written or digital) provided or prepared by a party ("disclosing party") that is provided to, or obtained by the other party (including any director, officer, employee, agent, or representative) ("receiving party") including, but not limited to, that which relates to research, product plans, products, services, clients, vendors, employees, partners, business plans, markets, software, developments, inventions, processes, designs, drawings, engineering, technical data, know-how, hardware configuration information, marketing or finances of the disclosing party.

The terms of the Confidentiality, if any, between Lake Havasu City and Q-mation shall apply to this agreement, all current Lake Havasu City sites listed, and any new sites Lake Havasu City adds to the agreement from and after the date hereof.

10. ADDITIONAL ITEMS

- **Israel.** If applicable, Q-Mation, Inc. certifies that it is not currently engaged in, and agrees for the duration of this agreement that it will not engage in, a boycott of goods and services from Israel, as defined in A.R.S. § 35-393.
- **Forced Labor of Ethnic Uyghurs Certification.** Q-Mation, Inc. certifies that it does not currently, and agrees for the duration of the agreement that it will not use: (1) the forced labor of ethnic Uyghurs in the People's Republic of China; (2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (3) any contractors, subcontractors, or suppliers that use the forced labor of ethnic Uyghurs in the People's Republic of China. If Q-Mation, Inc. becomes aware it is not in compliance with this certification, it shall notify the City within five business days after becoming aware. This agreement will terminate upon failure to remedy the noncompliance within 180 days of the notification. (A.R.S. § 35-394)
- **Conflict of Interest.** This agreement may be cancelled in accordance with the Arizona Revised Statutes Section 38-511.
 - [38-511. Cancellation of political subdivision and state contracts; definition](#)
 - A. The state, its political subdivisions or any department or agency of either may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the state, its political subdivisions, or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the state, its political

subdivisions or any of the departments or agencies of either is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

- B. Leases of state trust land for terms longer than ten years cancelled under this section shall respect those rights given to mortgagees of the lessee by section 37-289 and other lawful provisions of the lease.
- C. The cancellation under this section by the state or its political subdivisions shall be effective when written notice from the governor or the chief executive officer or governing body of the political subdivision is received by all other parties to the contract unless the notice specifies a later time.
- D. The cancellation under this section by any department or agency of the state or its political subdivisions shall be effective when written notice from such party is received by all other parties to the contract unless the notice specifies a later time.
- E. In addition to the right to cancel a contract as provided in subsection A of this section, the state, its political subdivisions or any department or agency of either may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the state, its political subdivisions or any department or agency of either from any other party to the contract arising as the result of the contract.
- F. Notice of this section shall be included in every contract to which the state, its political subdivisions, or any of the departments or agencies of either is a party.
- G. For purposes of this section, "political subdivisions" do not include entities formed or operating under title 48, chapter 11, 12, 13, 17, 18, 19 or 22.

AGREED AND ACCEPTED BY:
Lake Havasu City

AGREED AND ACCEPTED BY:
Q-mation, Inc

By: _____

By: _____

Print Name _____

Print Name _____

Title: _____

Title: _____

Date: _____

Date: _____

**Exhibit 1.1 – Lake Havasu City
Defined Site Locations**

Lake Havasu City
2330 N. McCulloch Blvd, Lake
Havasu, Arizona 86403

Exhibit 1.2 – AVEVA Customer First Standard Level

Included Services	Primary	Standard	Premium	Elite
Technical Support and Services				
Business Hours Technical Support (Normal Local Business Hours)	✓	✓	✓	✓
Knowledge and Support Centre Website	✓	✓	✓	✓
Customer FIRST Mobile Apps	✓	✓	✓	✓
eLearning *	✓	✓	✓	✓
En Route Response Plan for Billable Onsite Corrective Assistance	NBD	NBD	24 hours	4 hours
Discount on Technical Support Consulting Services		5%	10%	20%
Level 2 Direct/Advanced Technical Support		✓**	✓	✓
Emergency 24-Hour Technical Support (24/7) **			✓	✓
Customer FIRST Program Reviews (Per Year)			1	2
Technical Support Priority Response Commitment				✓
Software Maintenance And Utilities				
Software Maintenance Releases, Service Packs, Patches, Updates and Hotfixes	✓	✓	✓	✓
Software Version Upgrades and Revisions		✓	✓	✓
Software Asset Manager (for Wonderware, Citect, Ampla)		✓	✓	✓
License Assurance			✓	✓
Discount on Test and Offline Development System Licenses			✓	✓
Sentinel System Monitor***				✓
Additional Benefits: Minimum Contract Spend Required				
Included Training for your AVEVA software product (Classroom, eLearning or Virtual Instructor-led)			1	2
Block of Technical Support Consulting Services included			16	24
Complimentary Invitations to AVEVA Software Customer Events			2	5
Dedicated Customer Portal			✓	✓
Technical Account Management Team			✓	✓
Annual Lifecycle Assessment and Upgrade Planning Roadmap			✓	✓

** Emergency 24x7 technical support is available by upgrading to PREMIUM or ELITE support levels.