

SOFTWARE IMPLEMENTATION SERVICES AGREEMENT

THIS AGREEMENT made as of the 25th day of September, 2018 ____.

BETWEEN:

N. HARRIS COMPUTER CORPORATION
("Harris")

- and -

LAKE HAVASU CITY, ARIZONA
("Organization")

RECITALS

1. The Organization wishes to retain Harris to perform the Services (as defined herein).
2. The Organization and Harris agree to enter into three (3) separate agreements each dealing with a separate aspect of the software: a Software License Agreement, a Support and Maintenance Agreement and a Software Implementation Services Agreement.

NOW THEREFORE, in consideration of the mutual covenants set out in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties agree as follows:

ARTICLE I INTERPRETATION

1.1 Definitions

Throughout this Agreement, except as otherwise expressly provided, the following words and expressions shall have the following meanings:

- (a) **"Agreement"** and similar expressions mean this Software Implementation Services Agreement, including all of its Schedules and all instruments supplementing, amending or confirming this Agreement. All references to **"Articles"** or **"Sections"** mean and refer to the specified Article or Section of this Agreement except where a different agreement is explicitly identified.
- (b) **"Change Order"** means any written documentation between the Organization and Harris evidencing their agreement to change particular aspects of this Agreement.

- (c) **“Completion of Services”** means that the Software is fully operational and performing in conformity with the specifications set out herein. For purposes of this Agreement, Completion of Services will be deemed to have occurred on the date which the Organization commences using the Software as its predominate business system.
- (d) **“Required Programs”** has the meaning set out in Section 2.3(b) hereof.
- (e) **“Statement of Work”** means the statement of work appended hereto as Schedule “A” delineating, among other things, the Services that will be provided by Harris to Organization pursuant to this Agreement, as such schedule may be amended or modified by mutual specific written agreement of the parties’ respective representatives from time to time in accordance with the terms of this Agreement.
- (f) **“Services”** has the meaning set out in Section 2.1 hereof.

To the extent that a capitalized word is used in this Agreement, should it not be properly defined in this Agreement then it shall have the meaning attributed to it in the Software License Agreement executed concurrently with this Agreement. Any discrepancy between a defined term in this Agreement and one in the Software License Agreement shall be resolved in favor of the definition in this Agreement, to the extent that there is an inconsistency.

1.2 Schedules

The Schedules described below and appended to this Agreement shall be deemed to be integral parts of this Agreement.

Schedule “A” -	Statement of Work
Schedule “B” -	Fee Structure & Payment Schedule
Schedule “C” -	Sample Form Change Order

In the event of any conflict or inconsistency between the terms and conditions in the main body of this Agreement and the terms and conditions in any Schedule, the terms and conditions of the main body of this Agreement shall control.

ARTICLE II CONSULTING SERVICES

2.1 Harris’s Services

In order to achieve the Completion of Services, Harris agrees, subject to the terms and conditions of this Agreement, to perform the following services (the “Services”) for the Organization in accordance with the relevant Statement of Work:

- (a) Oversee and implement the conversion from the Organization’s existing software applications to Harris’s Software.

- (b) Install the Software and perform necessary set up and configuration operations.
- (c) Provide training.

- (i) Harris recommends a maximum of ten (10) people in each training class for optimal training. In any training class exceeding ten (10) people, Organization may be assessed an additional charge for additional instructors.

- (ii) Organization is required to make copies of the training manuals required for the training classes either by photocopy or electronic duplication each of which is subject to the restrictions and obligations contained in this Agreement.

- (iii) On-line reference documentation is delivered with each release. Organization may print this documentation solely for its internal use.

- (iv) Cancellation of any on-site Services by Organization is allowed for any reason if done in writing more than fourteen (14) days in advance of such Services. Organization will be billed for any non-recoverable direct costs incurred by Harris that result from a cancellation by Organization with fourteen (14) days or less of scheduled on-site Services. Additionally, Organization hereby acknowledges that cancellation of on-site Services means that such on-site Services will be rescheduled as Harris's then current schedule permits. Harris is not responsible for any delay in Organization's project resulting from Organization's cancellation of Services. If upon Harris arrival, the Organization is not adequately prepared or has not completed the assigned tasks for such visit by Harris, then the Organization will be billed 100% of the on-site fee and scheduled on-site Services can be cancelled by Harris. If additional Services are required because the Organization was not adequately prepared, Harris will provide a Change Order to the Organization for the additional Services.

- (d) The Statement of Work describes in greater detail the Services, the method by which the Services shall be performed and other obligations on the part of the two parties. To the extent that the Statement of Work more explicitly details the Services or the obligations of a party, then those details shall prevail over any other document that is less explicit. Any warranties or representations on the part of Harris in the Statement of Work are not binding on Harris and are merely provided for information purposes; the only warranties and representations provided by Harris in respect of the Services and this Agreement are found in Article III.

2.2

Performance by Harris

- (a) Manner of Performance -- Harris shall perform the Services in an efficient, competent and timely manner and exercise reasonable care, skill and diligence in the performance thereof.
- (b) Harris's Discretion -- Harris shall determine in its sole discretion the manner and means by which the Services shall be performed, with due consideration of adequate knowledge transfer to the Organization personnel. Harris will communicate openly with the Organization on its methodology, manner and means.
- (c) Conduct on Organization's Premises -- The Services shall be performed with the Organization's full co-operation, on the premises of the Organization or, if agreed to by both parties, at an alternative location. Harris agrees, while working on the Organization's premises, to observe the Organization's rules and policies relating to the security thereof, access to or use of all or part of the Organization's premises and any of the Organization's property, including proprietary or confidential information. Harris agrees that when it is working on the Organization's premises, its personnel shall observe the Organization's administrative and ethics codes relating to the security, access or use of all or part of the Organization's premises and any of the Organization's property, including proprietary or confidential information.
- (d) Inquiries by Organization -- Harris shall respond expeditiously to any inquiries pertaining to this Agreement from the Organization.
- (e) Independence -- As an independent consultant, Organization retains Harris on an independent contractor basis and not as an employee.
- (f) Coordination of Services -- Harris agrees to work closely with Organization staff in the performance of Services and shall be available to Organization's staff, consultants, and other staff at all reasonable times.
- (g) Maintenance and Inspection -- Harris shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Harris shall allow a representative of Organization, during normal business hours, to examine, audit, and make transcripts or copies of such records and any other documents created, pursuant to the Agreement. Harris shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of two (2) years from the date of final payment under this Agreement unless Harris is required to maintain such records pursuant to any law or regulation.

2.3

Performance by Organization

- (a) Co-operation by Organization -- The Organization acknowledges that the success and timeliness of the implementation process shall require the active participation and collaboration of the Organization and its staff and agrees to act reasonably and co-operate fully with Harris to achieve the Completion of Services.
- (b) Required Programs -- The Organization acknowledges that the use of the Software requires that the Organization obtain and install additional required software programs (the "Required Programs"), as detailed in Schedule "A" of the Software License Agreement, and the Organization agrees that the acquisition of the Required Programs shall be at its sole cost and that the cost thereof is not included in the fees herein. The Organization further acknowledges that the operation of the Software requires the Organization's hardware to be of sufficient quality, condition and repair, and the Organization agrees to maintain its hardware in the appropriate quality, condition and repair at its sole cost and expense, in order to facilitate the achievement of Completion of Services. If the Organization has not properly installed the Required Programs on hardware of sufficient quality, condition and repair, Harris shall have the right to suspend the Services and the related scheduled time frames until these issues have been dealt with by Organization sufficiently and to Harris's reasonable satisfaction.
- (c) Project Manager -- The Organization shall appoint a project manager (the "Project Manager") who shall work closely with Harris to facilitate the successful completion of the implementation process and who shall be responsible for supervising the staff of the Organization and their co-operation with and participation in such process.
- (d) Additional Organization Obligations
 - (i) Organization shall install all Updates within a reasonable period of time of Organization's notification of their availability. However, any fix or correction designated as "critical" by Harris shall be implemented by Organization within thirty (30) days of notification to the Organization by Harris of its availability.
 - (ii) Organization shall notify Harris of suspected defects in any of the Software supplied by Harris. Organization shall provide, upon Harris request, additional data deemed necessary or desirable by Harris to reproduce the environment in which such defect occurred.
 - (iii) Organization shall allow the use of online diagnostics on the Software supplied by Harris to Organization, if required by Harris during problem diagnosis. Organization shall provide, to Harris, at Organization's expense, access to the Designated Computer System via the

Organization's firewall to communications software (e.g. PC Anywhere, WebEx, Web Demo).

- (iv) Organization shall ensure that its personnel are, at relevant stages of the project, educated and trained in the proper use of the Software in accordance with applicable Harris manuals and instructions. If Organization's personnel are not properly trained as mutually determined by Harris and Organization, Organization agrees that such personnel will be trained by Harris or Organization within fifteen (15) days of determination. If Organization desires Harris to perform the required training, then Harris shall be compensated in accordance with this Agreement.
- (v) Organization shall establish proper backup procedures necessary to replace critical Organizational data in the event of loss or damage to such data from any cause and despite anything in this Agreement or the Statement of Work to the contrary, Harris is absolved from any requirements regarding the backup of any data. Organization shall provide Harris with access to qualified functional or technical personnel to aid in diagnosis and to assist in repair of the Software in the event of error, defect or malfunction.
- (vi) Organization shall not permit any third party to provide any services during the term of this Agreement where that third party shall have direct access to or provide services in relation to the Software or any Third Party Software without Harris's prior written consent.
- (vii) Organization shall have the sole responsibility for:
 - (A) the performance of any tests it deems necessary prior to the use of the Software.
 - (B) assuring proper Designated Computer System installation, configuration, verification, audit controls and operating methods.
 - (C) implementing proper procedures to assure security and accuracy of input and output and restart and recovery in the event of malfunction.
 - (D) timely upgrade and keeping current all third party license releases and/or Software products to meet the requirements of the Software.

ARTICLE III REPRESENTATIONS AND WARRANTIES

3.1 Warranty

Harris warrants that the Services will be performed in a professional and diligent manner by personnel who are competent in performing their individual tasks.

Harris shall have no liability hereunder if the Organization has modified the Software in any manner without the prior written consent of Harris.

3.2 No Other Warranties

The express warranties contained above are in lieu of all other representations, warranties and conditions, express or implied, whether arising by statute or otherwise in law or from a course of dealing, or usage of trade. Without limiting the generality of the foregoing, Harris does not represent or warrant and the Organization acknowledges that there are no further representations or warranties, whether express or implied, including any warranties regarding the merchantability of the Services nor for any outcome.

ARTICLE IV FEES AND PAYMENTS

4.1 Fees and Payments

- (a) The Organization agrees to pay Harris total fees as delineated in Schedule “B”. The fee structure and payment schedule is outlined in the attached Schedule “B”.
- (b) The Organization agrees to reimburse Harris for its travel, lodging, per diem and other out of pocket expenses as set out in the attached Schedule “B”.
- (c) During the term of this Agreement, Harris shall, from time to time, deliver invoices to Organization. Each invoice delivered to Organization by Harris shall be due and payable within ten days of receipt thereof by Organization.
- (d) In the event Organization fails to pay all or any portion of an invoice on or before ninety (90) days after the date it becomes due, in addition to all other remedies Harris has under this Agreement or otherwise, Harris shall have the option to suspend or terminate all Services under this Agreement. Suspension or termination of any such Services shall not relieve the Organization of its obligation to pay its outstanding invoices, including any applicable late charges.
- (e) Harris shall be responsible for paying all taxes, fees, assessments and premiums of any kind payable on its employees and operations. Any tax Harris may be

required to collect or pay upon the delivery of the Services described in this Agreement shall be paid by Organization and are excluded from the prices listed in Schedule "B" and such sums (including the payment of the taxes) shall be due and payable to Harris upon receipt of an invoice therefore. Any taxes levied after delivery of the Services described in this Agreement shall be paid by Organization. For the sake of clarity, all of the fees listed in this Agreement are not inclusive of any applicable taxes: the Organization shall be responsible for the payment of any applicable duties and sales/consumption taxes. Organization warrants that there are no additional county/city/municipal style taxes that apply to any of the Services, Support Services or Licenses or that are in relation to income taxes payable by Harris's employees.

4.2 Change Orders

With respect to any proposed changes to the Services defined by this Agreement that do not materially impact the scope of either party's work effort required under this Agreement, the parties will cooperate in good faith to execute Change Orders in respect thereof, and will not unreasonably withhold approval of such proposed changes. If either party causes or requests a change that, in the reasonable opinion of the other party, materially impacts the scope of the parties' work effort required under this Agreement, such as, but not limited to, changes in the allocation of the resources of the Organization and of Harris applied to a task, changes in completion schedules for individual tasks or for overall implementation, and changes in staffing that require a party to provide additional work hours, the other party may propose a change to cover the additional work effort required of it. Approval of any such proposed changes will not be unreasonably withheld (it being acknowledged that any such material changes may require modifications to the consideration paid, and timelines governing, the Services), and any disputes regarding changes shall be handled initially by discussions between the parties which will be convened in good faith by the parties to resolve any such matters in dispute. A sample change order is presented in Schedule "C."

ARTICLE V REMEDIES AND LIABILITY

5.1 Remedies and Liability

- (a) Termination of this Agreement shall not affect any right of action of either party arising from anything which was done or not done, as the case may be, prior to the termination taking effect.
- (b) The Organization and Harris recognize that circumstances may arise entitling the Organization to damages for breach or other fault on the part of Harris arising from this Agreement. The parties agree that in all such circumstances the Organization's remedies and Harris's liabilities will be limited as set forth below

and that these provisions will survive notwithstanding the termination or other discharge of the obligations of the parties under this Agreement.

- (i) EXCEPT FOR DAMAGES ARISING OUT OF (a) EITHER PARTY'S BREACH OF ITS CONFIDENTIALITY OBLIGATIONS, (b) HARRIS'S INTENTIONAL MISREPRESENTATION, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (c) INJURY OR DEATH TO PERSONS OR (d) DAMAGE TO TANGIBLE OR REAL PROPERTY, BOTH PARTIES AGREE THAT HARRIS'S ENTIRE LIABILITY (UNDER CONTRACT OR IN TORT INCLUDING FUNDAMENTAL BREACH, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE), IF ANY, FOR ANY DAMAGES RELATING TO THIS AGREEMENT SHALL NOT EXCEED THE FEES PAID TO HARRIS BY THE ORGANIZATION UNDER THE RELEVANT STATEMENT OF WORK IN THIS AGREEMENT.
- (ii) IN ADDITION TO THE FOREGOING, NEITHER PARTY SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE, OR SPECIAL DAMAGES, LOST REVENUE, LOSS OF DATA OR LOSS OF PROFITS, EVEN IF SUCH OTHER PARTY HAS BEEN ADVISED OF THE LIKELIHOOD OF THE OCCURRENCE OF SUCH LOSS OR DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.
- (iii) CLAUSES (i) AND (ii) SHALL APPLY IN RESPECT OF ANY CLAIM, DEMAND OR ACTION BY A PARTY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION UNDERLYING SUCH CLAIM, DEMAND OR ACTION, INCLUDING, BUT NOT LIMITED TO, BREACH OF CONTRACT, RESCISSION OF CONTRACT, OR TORT.

5.2 Intent

The parties agree that the limitation of liability as set out in Section 5.1 above shall apply under any circumstances (including as a result of a default under this Agreement, a tort related claim or breach of contract). For the purposes of Section 5.1 only, a party relying on the limitation of liability shall be deemed to include that party's shareholders, directors, officers, employees, elected officials and affiliates.

5.3 Remedies

Where remedies are expressly afforded by this Agreement, such remedies are intended by the parties to be the sole and exclusive remedies of the Organization for liabilities of Harris arising out of or in connection with this Agreement, notwithstanding any remedy otherwise available at law or in equity.

ARTICLE VI GENERAL

6.1 Force Majeure

Neither party shall be liable for delay or failure in performance resulting from acts beyond the control of such party including, but not limited to, acts of God, acts of war or of the public enemy, riots, fire, flood, or other natural disaster, acts of government, strike, walkout, communication line or power failure, failure in operability or destruction of the Organization's computer (unless by reason of the negligence of a party to this Agreement) or failure or inoperability of any software other than the Software. Any applicable delivery schedule shall be extended by a period of time equal to the time lost because of any such delay.

6.2 Confidentiality

- (a) Duty Owed to the Organization -- Harris acknowledges that it may receive information from the Organization or otherwise in connection with this Agreement or the performance of the Services. Except for information in the public domain, unless such information falls into the public domain by disclosure or other acts of the Organization or through the fault of the Organization, Harris agrees:
 - (i) to maintain this information in confidence;
 - (ii) not to use this information other than in the course of this Agreement;
 - (iii) not to disclose or release such information except on a need-to-know only basis;
 - (iv) not to disclose or release such information to any third person without the prior written consent of the Organization, except for authorized employees or agents of Harris; and
 - (v) to take all appropriate action, whether by instruction, agreement or otherwise, to ensure that third persons with access to the information under the direction or control or in any contractual privity with Harris, do not disclose or use, directly or indirectly, for any purpose other than for performing the Services during or after the term of this Agreement, any material or information, including the information, without first obtaining the written consent of the Organization.

6.3 Termination

- (a) Except for those terms that explicitly survive the expiration or termination of this Agreement, this Agreement shall expire upon the Completion of Services. The

parties may at any time revive this Agreement so that it may be used in relation to a new Statement of Work.

- (b) If Harris should neglect to perform the Services properly or otherwise fail to comply with the requirements of this Agreement, the Organization must notify Harris in writing of such default (a "Default Notice"). Upon receipt of a Default Notice, Harris must either correct the default at no additional cost to the Organization, or issue a written notice of its own disputing the alleged default, in either case within thirty (30) days immediately following receipt of a Default Notice. If Harris fails to correct the default, or issue a notice disputing the alleged default, in either case within ninety (90) days following receipt of the Default Notice, the Organization may terminate the whole of this Agreement or the part of this Agreement relating to the provision of Services and in such case will be responsible for payment to Harris of only that part of the fee earned by Harris for those Services performed up to the time of communication of such notice of termination to Harris.
- (c) If the Organization should fail to comply with its obligations under this Agreement, Harris must notify the Organization in writing of such default (a "Default Notice"). Upon receipt of a Default Notice, the Organization must correct the default at no additional cost to Harris, or issue a written notice of its own disputing the alleged default, in either case within thirty (30) days immediately following receipt of a Default Notice. If the Organization fails to correct the default, or issue a notice disputing the alleged default, in either case within ninety (90) days following receipt of the Default Notice, Harris may terminate the whole of this Agreement and in such case the Organization will be responsible for payment to Harris of only that part of the fee earned by Harris for that part of the Services performed in accordance with this Agreement up to the time of communication of such notice of termination to the Organization.
- (d) The termination of this Agreement prior to the Completion of Services shall result in the concurrent termination of the Support and Maintenance Agreement and of the Software License Agreement. The termination or expiration of this Agreement following the Completion of Services shall not affect the rights of either party in either the Support and Maintenance Agreement or the Software License Agreement.

6.4 Mediation

The parties agree to submit any claim, controversy or dispute arising out of or relating to this Agreement or the relationship created by this Agreement to non-binding mediation before bringing a claim, controversy or dispute in a court or before any other tribunal. The mediation is to be conducted by either an individual mediator or a mediator appointed by mediation services mutually agreeable to the parties. The mediation shall take place at a time and location which is also mutually agreeable; provided; however, in no event shall the mediation occur later than ninety (90) days after either party notifies the other of its desire to

have a dispute be placed before a mediator. Such mediator shall be knowledgeable in software system agreements. The costs and expenses of mediation, including compensation and expenses of the mediator (and except for the attorney's fees incurred by either party), is to be shared by the parties equally. If the parties are unable to resolve the claim, controversy or dispute within ninety (90) days after the date either party provides the other notice of mediation, then either party may bring and initiate a legal proceeding to resolve the claim, controversy or dispute unless the time period is extended by a written agreement of the parties.

6.5 Addresses for Notice

Any notice required or permitted to be given to any party to this Agreement shall be given in writing and shall be delivered personally, mailed by prepaid registered post or sent by facsimile to the appropriate address or facsimile number set out below. Any such notice shall be conclusively deemed to have been given and received on the day on which it is delivered or transmitted (or on the next succeeding business day if delivered or received by facsimile after 5:00 p.m. local time on the date of delivery or receipt, or if delivered or received by facsimile on a day other than a business day), if personally delivered or sent by facsimile or, if mailed, on the third business day following the date of mailing, and addressed, in the case of Harris, to:

N. HARRIS COMPUTER CORPORATION
1 Antares Drive, Suite 400
Ottawa, Ontario K2E 8C4
Attention: CEO
Telephone: 613-226-5511, extension 2149

and in the case of the Organization, to:

LAKE HAVASU CITY
2330 McCullough Boulevard N
Lake Havasu City, Arizona 86403
Phone: (928) 854-4230
Attn: Administrative Services Director

Each party may change its particulars respecting notice, by issuing notice to the other party in the manner described in this Section 6.5.

6.6 Assignment

Neither party may assign any of its rights or duties under this Agreement without the prior written consent of the other party, such consent not to be unreasonably withheld, except that either party may assign to a successor entity in the event of its dissolution, acquisition, sale of substantially all of its assets, merger or other change in legal status. The Agreement shall inure to the benefit of and be binding upon the parties to this Agreement and their respective successors and permitted assigns.

6.7 Reorganizations

The Organization acknowledges that where a “Reorganization” occurs as that term is defined in the Software License Agreement, the same provisions related thereto shall apply to this Agreement. The application of a Reorganization may result in a change in the fees provided for in these provisions.

6.8 Entire Agreement

This Agreement shall constitute the entire agreement between the parties hereto with respect to the subject matter. No other understandings, agreements, representations, warranties or other matters, oral or written, purportedly agreed to or represented by or on behalf of Harris by any of its employees or agents, or contained in any sales materials or brochures, shall be deemed to bind the parties hereto with respect to the subject matter hereof. Organization acknowledges that it is entering into this Agreement solely on the basis of the representations contained herein. The terms of this Agreement may not be changed except by an amendment signed by an authorized representative of each party. No provisions in any purchase orders, or in any other documentation employed by or on behalf of the Organization in connection with this Agreement, regardless of the date of such documentation, will affect the terms of this Agreement, even if such document is accepted by Harris, with such provisions being deemed deleted.

6.9 Section Headings

Section and other headings in this Agreement are for reference purposes only, and are in no way intended to describe, interpret, define or limit the scope or extent of any provision hereof.

6.10 Governing Law

This Agreement shall be governed by the laws of the State of Arizona.

6.11 Trial by Jury

Organization and Harris hereby waive, to the fullest extent permitted by applicable law, the right to trial by jury in any action, proceeding or counterclaim filed by any

party, whether in contract, tort or otherwise, relating directly or indirectly to this Agreement or any acts or omissions of Harris in connection therewith or contemplated thereby.

6.12 Invalidity

The invalidity or unenforceability of any provision or covenant contained in this Agreement shall not affect the validity or enforceability of any other provision or covenant herein contained and any such invalid provision or covenant shall be deemed to be modified to the extent necessary in order to render such provision valid and enforceable; if such provision may not be so saved, it shall be severed and the remainder of this Agreement shall remain in full force and effect.

6.13 Waiver

A term or condition of this Agreement may be waived or modified only by written consent of both parties. Forbearance or indulgence by either party in any regard shall not constitute a waiver of the term or condition to be performed, and either party may evoke any remedy available under the Agreement or by law despite such forbearance or notice.

6.14 Counterparts

This Agreement may be executed in counterparts (whether by facsimile or PDF signature or otherwise), each of which when so executed shall constitute an original and all of which together shall constitute one and the same instrument.

6.15 Survival

Section 4.1 and Articles V and VI shall survive the termination and/or expiration of this Agreement.

6.16 Competitive Bid

Organization has conducted a competitive evaluation and has concluded such efforts with this negotiated Agreement (including any addenda hereto); therefore, this Agreement may serve as the basis for similar agreements whereby other entities may contract separately with Harris. Organization agrees that Harris may disclose all or any portion of this Agreement to any of its current or prospective customers.

6.17 Further Assurances

The parties shall do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each party shall provide such further documents or instruments required by any other party as may be reasonably necessary or desirable to effect the purposes of this Agreement and carry out its provisions.

Section 6.18 Conflict of Interest

This Agreement may be cancelled in accordance with Arizona Revised Statutes (“ARS”) § 38-511.

Section 6.19 Israel

Harris 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 Israel, as that term is defined in A.R.S. § 35-393.

Section 6.20 E-Verify

To the extent applicable under A.R.S. § 41-4401, Harris and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under A.R.S. § 23-214(A). Harris’s or its subcontractor’s failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the City.

Section 6.21 Agreement Subject to Appropriation

The City is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the City’s then current fiscal year. The City’s obligations under this Agreement are current expenses subject to the “budget law” and the unfettered legislative discretion of the City concerning budgeted purposes and appropriation of funds. Should the City elect not to appropriate and budget funds to pay its Agreement obligation, this Agreement shall be deemed terminated at the end of then-current fiscal term for which such funds were appropriated and budgeted for such purpose and the City shall be relieved of any subsequent obligation under this Agreement. The parties agree that the City has no obligation or duty of good faith to budget or appropriate the payment of the City’s obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. This City shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The City shall keep Harris informed as to the availability of funds for this Agreement. The obligation of the City to make any payment under this Agreement is not a general obligation or indebtedness of the City. Harris hereby waives any and all rights to bring any claim against the City from or related in any way to the City’s termination of this Agreement under this subsection.

IN WITNESS WHEREOF the parties hereto have duly executed this Software Implementation Services Agreement to be effective as of the date first written above

N. HARRIS COMPUTER CORPORATION

Per: 

Name: Steve Morris

Title: VP, Sales & Marketing

LAKE HAVASU CITY, AZ

Per:

Name: Jess Knudson

Title: City Manager

Schedule “A”
Statement of Work

Schedule "B"
Fee Structure and Payment Schedule

The total fees payable under this Software Implementation Services Agreement are **\$319,871 USD**, which amount is not inclusive of those elements which are specifically excluded as described in the Software Implementation Services Agreement.

The above fees shall be paid in the manner as delineated in the Statement of Work. The payment schedule will be based on milestone deliverables.

The Organization shall reimburse Harris for its direct expenses, including, but not limited to courier services, photocopying, faxing and reproduction, all reasonable travel costs including a travel time rate of \$50.00 per hour, meal expenses of not more than \$50.00 per diem (no receipts provided) and a mileage charge based on the current Internal Revenue Service recommended rate per mile, long distance telephone calls, and all other reasonable expenses incurred in the performance of the Consultant's duties. Travel time is capped at 8 hours door to door for Consultant staff traveling to Organization facility for purposes of work upon project.

Schedule "C"
Sample Form Change Order

Change Order

(a) Contact & General Information

Client	_____	Date	_____
Client	_____		
Contact	_____	Software Application	_____
Client Email	_____		

^(b)
(c) Description of Work

Attachments: ☐

(d) Client Approval

_____	_____	_____	\$0.00
Chargeable Hours	Rate	Amount	
_____	_____	_____	
Non-Chargeable Hours	Total Hours		

Client Signature

Date

Your signature serves as an acceptance of the "Amount" listed above as it relates to the description of work contained in this Change Order. Your signature also indicates you have reviewed and agree to the statement of work as detailed in any accompanying enclosures or attachments. This signed document indicates that you have provided all of the accurate information necessary to produce the work as stated in the above Change Order.

(e) Internal Use Only

Customer #	Application #	Originated by #	PO#	0000000
_____	_____	_____	_____	