

Contract Number 21-03423

CONTRACT FOR PROFESSIONAL SERVICES

This Contract for Professional Services (“the Contract”) entered into effective the 1st day of January 2021 by and between the UTAH TRANSIT AUTHORITY, a public transit district organized under the laws of the State of Utah, hereinafter referred to as "Authority", and the firm of INIT INNOVATIONS IN TRANSPORTATION, INC., having an office located at 424 Network Station, Chesapeake, Virginia 23320, hereinafter referred to as "Contractor".

WITNESSETH:

WHEREAS, the Authority desires to hire professional services for the extended maintenance of the existing Automatic Passenger Counting ("APC") project; and

WHEREAS, the Authority previously entered into a previous service warranty and maintenance arrangement with Contractor which has since expired; and

WHEREAS, the Authority desires to continue to use Contractor for extended maintenance of the APC system according to the terms, conditions of this Contract and as further specified in Exhibit A (Standard Warranty and Maintenance Description APC);

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for other good and valuable consideration, the parties agree as follows:

ARTICLE 1.0

Definitions

As used throughout this Contract, the following terms shall have the meaning set forth:

- 1.1 The term "Contractor" shall mean INIT Innovations in Transportation, Inc., and its subcontractors, at all tiers.
- 1.2 The term "Authority" or "UTA" shall mean the Utah Transit Authority, a public transit district organized under the laws of the State of Utah.
- 1.3 The Term "Authority's Principal-in-Charge" shall mean Mr. Peter Crane, Apps and Tech Support Analyst, or his successor as appointed or designated in writing by the Authority.
- 1.4 The Term "Authority's Project Manager" shall mean Casey Brock, Project Manager, or his successor as appointed or designated in writing by the Authority.

- 1.5 Not applicable to this Contract.
- 1.6 The term "Scope of Services" shall mean the document, which describes the Work to be performed by the Contract as described in Exhibit "A" attached hereto and incorporated herein.
- 1.7 The term "Work" shall mean the undertaking and completion of the services described in the Scope of Services, or as may be amended in writing by the parties hereto.
- 1.8 The term "Contractor's Principal-In-Charge" shall mean Andreas Rakebrandt or his successor as appointed or designated in writing by the Contractor.
- 1.9 The term "Contractor's Project Manager" means Alfred Burger, or his successor as appointed or designated in writing by the Contractor.
- 1.10 The term "Work Scope Budget" means the budget for the Work, a copy of which is attached as Exhibit "B" and incorporated herein.

ARTICLE 2.0 Description of Services

- 2.1 Contractor does hereby commit and promise to provide all the necessary labor, material, and incidentals to provide in a professional manner the Work as agreed to by the parties herein as described in the Scope of Services.
- 2.2 Contractor accepts the relationship of trust and confidence established between Contractor and the Authority by this Contract. Contractor agrees to furnish its services at all times in a professional manner, and perform the Work herein described consistent with this Contract.
- 2.3 Contractor shall furnish only qualified personnel and materials necessary for the performance of the Work for the Authority.
- 2.4 Authority's Project Manager shall be responsible for the Work and give overall direction and maintain control over the Work to be performed by Contractor hereunder until the completion or termination of this Contract.
- 2.5 Contractor's Project Manager will also be the day-to-day contact person for Contractor, working under the supervision of the Authority's Project Manager, and will be responsible for coordination of the Work.

- 2.6 The Authority's Project Manager will represent the Authority and be responsible to see that the Work is completed on time and shall act as the liaison between the Authority and Contractor.
- 2.7 No activity, which materially changes this Contract, including but not limited to the Scope of Services, any schedule of performance, any deliverables, and/or any other attachments/exhibits, shall be implemented without a mutually agreed upon written amendment executed by both parties. Any costs incurred by Contractor without proper contractual authorization through a written an amendment shall be considered non-reimbursable costs.
- 2.8 The parties may amend the Scope of Services to provide that Contractor perform certain professional services for the Project which are not currently defined in the Scope of Services. Such change shall be in accordance with the provisions in Article 6.0 of this Contract.
- 2.9 Contractor shall protect, defend, release, indemnify and hold harmless the Authority from and against reasonable claims, liability, demands, costs and expenses and liens of subcontractors and/or material men caused by the negligent performance of services furnished under this Agreement.

ARTICLE 3.0 Period of Service

- 3.1 The effective date for the period of Work under this Contract shall be from 01/01/2021 through 12/31/2026. The contract may be extended if the Contractor and Authority mutually agree to an extension through all or a portion of that period and provide a written mutually agreed upon written amendment to the Contract executed by both parties. The rights and obligations of the Authority and Contractor under this Contract shall at all times be subject to and conditioned upon the provisions of this Contract.

ARTICLE 4.0 Consideration

- 4.1 For the performance of the WORK, the Authority agrees to pay Contractor per Exhibit "B" attached. The Authority and Contractor acknowledge that this amount does not include nor cover the cost of the hardware maintenance portion. UTA has elected to remove this portion from the arrangement and pay for any such repairs on an as needed basis pursuant to the pricing shown in Exhibit "B".

ARTICLE 5.0 Reporting Requirements

- 5.1 It is agreed that the Contractor shall deliver progress reports and other deliverables as specified in Exhibit "A" and as agreed to by the parties herein.

ARTICLE 6.0
Contract Changes

- 6.1 The parties agree that the terms and conditions of this Contract may only be modified and/or amended by mutual agreement between the parties. Said mutually agreed upon amendment shall be written and executed by both parties prior to becoming effective.

ARTICLE 7.0
Invoicing Procedures and Records

- 7.1 Contractor shall submit invoices to the Authority's Project Manager, for processing and payment in the form specified by the Authority. Authority shall pay invoices within thirty (30) calendar days after submission by Contractor.
- 7.2 Maintenance fees will be invoiced annually in advance.

ARTICLE 8.0
Ownership of Materials

- 8.1 All data, including but not limited to, maps, drawings, sketches, renderings, hardware, and specifications uniquely and especially developed by the Contractor as a part of its Work under this Contract, hereinafter referred to as data and materials, are the property of the Authority and upon completion of this Contract, or upon the termination or cancellation of this Contract shall be delivered to the Authority prior to final payment. All other materials provided to Contractor by the Authority to perform this Contract shall be retained by the Authority at completion, termination, or cancellation.
- 8.2 Nothing in this Agreement shall transfer ownership of any intellectual property or other rights in the Contractor's software (INIT software) or any third-party software provided by Contractor and used to the Authority.

ARTICLE 9.0
Subcontracts

- 9.1 The Contractor shall give advance written notification to the Authority of any proposed consulting agreement or subcontract negotiated in participation of this Contract. The Authority shall have the right to approve all subcontract agreements and consulting

agreements, including any change or amendments to any subcontract or consulting agreement.

ARTICLE 11.0 Suspension of Work

11.1 This section is not applicable.

ARTICLE 12.0 Termination

12.1 Either party shall have the right to terminate this Contract at any time by giving at least thirty (30) days advance written notice to the other party. If the Contract is terminated for convenience, the Authority shall pay to Contractor in accordance with the final terms and conditions of the Contract all sums actually due and owing from the Authority for all services performed and expenses incurred up to the day written notice of termination is given, plus costs reasonably and necessarily incurred by Contractor to effect such suspension or termination.

12.2 If Contractor materially fails to perform any of its obligations under this Agreement, and such failure is not cured or a cure initiated to the satisfaction of the Authority within ten (10) business days after receipt of written notice from the Authority identifying the breach and requesting a cure, in that event, the Authority may terminate this Contract for cause.

12.3 If the Agreement is terminated for default, the Authority shall remit final payment to Contractor in an amount to cover all services performed and expenses incurred in full accordance with the terms and conditions of this Contract up to the effective date of termination.

12.4 If INIT or Authority fail to meet the outlined terms and conditions, then parties will address such failures together and develop a mutually agreeable action plan to address such failure.

ARTICLE 13.0 Findings Confidential

13.1 Any documents, reports, information, or other data and materials available to or prepared or assembled by Contractor or subcontractors under this Contract shall not be

made available to any person, organization, or entity by Contractor without consent in writing from the Authority.

- 13.2 The Authority acknowledges that the software, the documentation, and other related information ("Trade Secrets") are owned by Contractor or Contractor has the right of use. The Authority is obligated to maintain the Trade Secrets in confidence and not to disclose the Trade Secrets to any third party without Contractor's prior written consent. These obligations of confidentiality shall survive termination of the Contract.

ARTICLE 14.0 Indemnification Clause

- 14.1 Contractor shall indemnify, hold harmless and, not excluding the Authority's right to participate, defend the Authority, its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against all third party liabilities, claims, actions, damages, losses, and expenses including without limitation reasonable attorneys' fees and costs, (hereinafter referred to collectively as "claims") for bodily injury or personal injury including death, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for claims arising from acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for the costs associated with defending such claims, and judgment costs where this indemnification clause is applicable
- 14.2 However, the Contractor shall have no obligation to indemnify, defend, or hold Indemnitees harmless with respect to third party claims unless UTA promptly notifies Contractor in writing of the claim not later than thirty (30) days after receiving notice of such claim; cooperates with Contractor in the defense of such claim or in any related settlement negotiations; and allows Contractor to control the defense and settlement of such claim, provided that UTA's counsel may participate in any claim at UTA's expense.
- 14.3 NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, OR INDIRECT DAMAGES INCLUDING WITHOUT LIMITATION INTERRUPTION OF BUSINESS, LOST PROFITS OR LOST REVENUE, ARISING OUT OF THIS CONTRACT. EXCEPT FOR CONTRACTOR'S WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE, CONTRACTOR'S TOTAL LIABILITY ARISING FROM OR RELATING TO THIS CONTRACT, WHETHER IN CONTRACT, TORT, OR ANY OTHER GROUND, IS LIMITED TO THE TOTAL AMOUNT OF

MAINTENANCE FEES WHICH HAS BEEN PAID DURING THE PAST 12 MONTHS FOR THE SERVICES AT THE TIME THE CLAIM IS MADE.

ARTICLE 15.0
Insurance Requirements

15.1 Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are requirements for this Contract and in no way limit the indemnity covenants contained in this Contract unless otherwise stated. The Utah Transit Authority in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

Minimum Scope and Limits of Insurance: Contractor shall provide coverage with limits of liability not less than those Stated below. An excess liability policy or umbrella liability policy may be used to meet the liability requirements provided that the coverage is written on a "following form" basis.

15.1.1 Commercial General Liability — Occurrence Form

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products — Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Each Occurrence \$1,000,000

The policy shall be endorsed to include the following additional insured language: "The Utah Transit Authority shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of Contractor".

15.1.2 Automobile Liability - can be waived if contract does not involve use of motor vehicle. Bodily Injury and Property Damage for any owned, hired, and non-owned vehicle used in the performance of this Contract.

Combined Single Limit (CSL) \$1,000,000

The policy shall be endorsed to include the following additional insured language: "The Utah Transit Authority shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor, including automobiles owned, leased, hired or borrowed by the Contractor".

15.1.3 Worker's Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$100,000
Disease — Each Employee	\$100,000
Disease — Policy Limit	\$500,000

Policy shall contain a waiver of subrogation against the Utah Transit Authority.

This requirement shall not apply when a contractor or subcontractor is exempt under UCA, and when such contractor or subcontractor executes the appropriate waiver form.

15.14 Professional Liability (Errors and Omissions Liability)

The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning at the time work under this Contract is completed.

15.2 Additional Insurance Requirements: The policies shall include, or be endorsed to include, the following provisions:

15.2.1 On insurance policies where the Authority is named as an additional insured, the Authority shall be an additional insured to the full limits of liability purchased by Contractor even if those limits of liability are in excess of those required by this Contract.

15.2.2 Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

15.3 Notice of Cancellation: Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the Utah Transit Authority, except when cancellation is for non-payment of premium, then ten

(10) days prior notice may be given. Such notice shall be sent directly to the Authority's Contract Administrator.

- 15.4 Acceptability of Insurers: Insurance is to be placed with insurers duly licensed or authorized to do business in the State and with an "A.M. Best" rating of not less than AVII. The Authority in no way warrants that the above-required minimum insurer rating is sufficient to protect Contractor from potential insurer insolvency.
- 15.5 Verification of Coverage: Contractor shall furnish the Authority with certificates of insurance (ACORD form or equivalent approved by the Authority) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the Authority before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to the Authority's Contract Administrator. The Authority project/contract number and project description shall be noted on the certificate of insurance. The Authority reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE UTAH TRANSIT AUTHORITY'S CLAMS AND INSURANCE DEPARTMENT.

- 15.6 Subcontractors: Contractor's certificates shall include all subcontractors as additional insureds under its policies or Contractor shall furnish to the Authority separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- 15.7 Approval: Any modification or variation from the insurance requirements in this Contract shall be made by the Office of General Counsel or the Claims and Insurance Department, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

ARTICLE 16.0 Independent Contractor

- 16.1 In the performance of the Work to be provided hereunder, Contractor represents that it is an independent contractor and agrees that its personnel will not represent themselves as, nor claim to be, an officer or employee of the Authority by reason of this Contract.

ARTICLE 17.0
Prohibited Interest

- 17.1 No member, officer, agent, or employee of the Authority during his or her tenure or for one year thereafter shall have any interest, direct or indirect, including prospective employment by Contractor in this Contract or the proceeds thereof without specific written authorization by the Authority.

ARTICLE 18.0
Successors and Assignees

- 18.1 Contractor shall not assign, sublet, sell, transfer, or otherwise dispose of any interest in this Contract without prior written approval of the Authority.
- 18.2 This Contract shall be binding upon and inure to the benefit of the parties hereto, their successors and permitted assignees, but shall not inure to the benefit of any third party or other person.

ARTICLE 19.0
Nonwaiver

- 19.1 No failure or waiver or successive failures on the part of either party hereto, their successors or permitted assignees, in the enforcement of any condition, covenant, or article of this Contract shall operate as a discharge of any such condition, covenant, or article nor render the same invalid, nor impair the right of either party hereto, their successors or permitted assigns, to enforce the same in the event of any subsequent breaches by the other party hereto, its successors or permitted assignees.

ARTICLE 20.0
Notices or Demands

- 20.1 Any notice or demand to be given by one party to the other shall be given in writing per personal service, telegram, express mail, Federal Express, DHL or any other similar form of courier or delivery service, or mailing in the United States Mail, postage prepaid, certified, return receipt requested and addressed to such party as follows:

If to UTA:

Utah Transit Authority
ATTN: Procurement & Contracts
669 West 200 South

Salt Lake City, UT 84101

If to Vendor

INIT Innovations in Transportation, Inc.
Andreas Rakebrandt
424 Network Station
Chesapeake, VA 23320

With a copy to:

INIT Innovations in Transportation, Inc.
Office of General Counsel
424 Network Station
Chesapeake, VA 23320

Either party may change the address at which such party desires to receive written notice of such change to any other party. Any such notice shall be deemed to have been given, and shall be effective, on delivery to the notice address then applicable for the party to which the notice is directed; provided, however, that refusal to accept delivery of a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice.

ARTICLE 23.0

Contract Administrator

23.1 The Authority's Contract Administrator for this Contract is Troy Hamilton, or designee. All questions and correspondence relating to the contractual aspects of this Contract should be directed to Mr. Hamilton, or designee.

ARTICLE 24.0

General Provisions

24.1 The Work performed by Contractor under this Contract shall conform to generally acceptable professional standards.

24.2 No drawings and specifications, as instruments of service uniquely and especially developed by Contractor as part of its Work under this Contract, shall be the subject of an application for copyright or trademark by or on behalf of Contractor.

- 24.3 No assignment of any claim or proceeds under this Contract shall be binding upon Authority, unless the Authority shall be notified thereof in writing and consents to the same.
- 24.4 The laws of the State of Utah and applicable Federal, state, and local laws, regulations and guidelines shall govern hereunder.
- 24.5 The headings of the articles, clauses, and Sections of this Contract are inserted for reference purposes only and are not restrictive as to content. .
- 24.6 Nothing contained herein shall be deemed to create any contractual relationships between Authority and any of the other contractors, subcontractors or material suppliers on the Work, nor shall anything contained herein be deemed to give any third party any claim or right of action against Authority or Contractor which does not otherwise exist without regard to this Contract.
- 24.7 This Contract may be eligible for financial assistance from FTA, and therefore is subject to the terms and conditions of a "Contract for Financial Assistance" between Authority and the Federal Transit Administration of the U.S. Department of Transportation (FTA).
- 24.8 If Authority becomes aware of any fault or defect in the Work or non-conformance with the Contract documents, it shall give prompt written notice thereof to the Contractor.

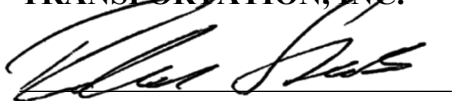
ARTICLE 25.0 Incorporated Documents

- 25.1 The documents provided in Exhibits A and B Attachments shall be included in this contract.

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IN WITNESS WHEREOF, the parties have made and executed this Contract as of the day and year first above.

**INIT INNOVATIONS IN
TRANSPORTATION, INC.**



Name and Title
Roland Staib, President & CEO

5/28/2021

Date

Name and Title

Date

UTAH TRANSIT AUTHORITY

Carolyn M. Gonot
Executive Director

Alisha Garrett
Chief Enterprise Strategic Ofc

Daniel Harmuth
IT Director

DocuSigned by:



361F16F838704A9

Michael Bell
Assistant Attorney General

EXHIBIT A



INIT Innovations in Transportation, Inc.

Provider and Systems Integrator of
Intelligent Transportation Systems for Public Transit

Standard Warranty and Maintenance Description Automatic Passenger Counting



Customer: UTA
Author: C Commons
Version: 1.2
Status: 11-18-2019

Period 01/01/2021 – 12/31-2021

INIT Innovations in Transportation, Inc.
1420 Kristina Way, Suite 101
Chesapeake, VA, 23320

postmaster@initusa.com
www.initusa.com

Phone: 757-413-9100
Fax: 757-413-5019

Chesapeake, VA | Seattle, WA | New York, NY | Montreal, QC | Vancouver, BC
Karlsruhe, Germany | Helsinki, Finland | Dubai, UAE | Brisbane, Australia

Standard Warranty and Maintenance Description



DISCLAIMER

Information contained in this document is for representational purposes only. We reserve the right to make changes in these configurations at any time based upon new technical developments. Actual system components and configurations to be delivered may vary from those described herein.

The specifications, photographs, drawings and charts contain details of a standard system. We reserve the right to make changes in these configurations at any time based upon new technical developments. While the information provided in this document is believed to be accurate, it may include technical inaccuracies or typographical errors.

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This document and the trademarks to which it refers are covered by copyright, trademark, and competition laws.

Standard Warranty and Maintenance Description

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Standard Warranty and Maintenance Description



1 Introduction

INIT seeks to provide high-quality services to support its customers in the operations of INIT's Intelligent Transportation System implementations.

This document describes standard warranty and maintenance services as well as optional services. A problem classification scheme including associated response times should help to assure an appropriate response according to the severity of the problems.

The assumption is that the customer promptly notifies INIT of failures in system components through the use of INIT's support line, Returned Material Authorization (RMA) form or INIT's on-line problem reporting system. Furthermore, the customer is responsible for providing accurate information and details of system conditions surrounding the failure, as well as details of the failure and any error messages noted.

Once a problem is properly logged with INIT and determined to be covered under the warranty or maintenance agreement, it is INIT's responsibility to respond to problem reports in a manner determined by the system impact and assigned problem priority.

A warranty or maintenance information package will be delivered at the start of warranty and maintenance with current support contact information including phone numbers, on-line support system information including user manual and pre-structured problem report forms.

1.1 Terms and Definitions

With regard to the warranty and maintenance service levels, we distinguish:

- **First-Year Warranty:** A Standard First-Year Warranty for hardware and software included in the purchase prices and begins on the date of conditional acceptance.
- **Extended Maintenance:** After the First-Year Warranty the optional extended maintenance service starts.
- **Services:** Services on top of the basic services listed available during the initial warranty period and/or extended maintenance period, e.g. 24x7 Hotline.

With regard to the level of services, we define the following terms:

- **INIT Support Line:** generic term covering all support levels and times available
- **Technical Support:** technical support provided during INIT's regular business hours, Monday through Friday 08:00-17:00 (EST), excluding U.S. holidays.
- **After-hours Technical Support:** technical support provided remotely Monday through Friday 17:00-20:00 (EST), available based on customer location in order to supply consistency for INIT's customers in other time zones.
- **24x7 Hotline:** technical support for high impact urgent problems (defined below), available 24 hours a day, 7 days a week, 365 days a year.
- **Early AM Hotline:** technical support for high impact urgent problems (defined below), available from 03:00-09:00(EST), 7 days a week, 365 days a year.



Standard Warranty and Maintenance Description

2 Standard First Year Hardware and Software Warranty

The Standard First-Year Warranty Service for hardware and software is included in purchase prices and begins on date of conditional system acceptance or 60 calendar days after beneficial system use, whichever comes first.

2.1 Software Warranty

- Remote error analysis and repair of reproducible problems through a VPN data connection.
- Includes version updates of existing system features, error correction, and assistance with temporary corrective actions, for reproducible errors.
- INIT Support Line available during standard Technical Support hours and After -Hours (i.e. support is available from 8:00 to 17:00 EST).

2.2 Hardware Warranty

- Includes parts repair of defective hardware supplied by INIT for COPILOTpc/GPS/AVL/APC/MDT/WLAN/DCDC/Antenna
- The customer is responsible for all labor to troubleshoot and remove faulty equipment.
- Replacement equipment will be obtained from the customer's on-site Spare Parts Inventory.
- Defective equipment will be returned to INIT for repair. INIT will send a repaired or replacement unit to replenish the customer's Spare Parts Inventory. INIT pays for shipping both ways.

3 Extended Hardware and Software Maintenance Period

3.1 Software Maintenance

- Continuation of our Standard Warranty services for all INIT designed software.

3.2 Hardware Maintenance

- Continuation of our Standard Warranty for all hardware supplied by INIT .

In addition to the standard first year warranty services and optional extended maintenance, the following optional services are available:

3.3 Software Upgrade Service Optional

- Version upgrades of existing software features. These upgrades include additional functionality within already licensed applications, e.g. new map functionality or new sort or filter functionality. This does not include new system features, e.g. detour scheduling for ITCS. Installation and migration services are not included.

4 Third Party Software and Hardware

4.1 IT Hardware

Due to the large number of computer equipment manufacturers and the numerous warranty and maintenance support configurations available, INIT will normally only warranty the INIT provided

Standard Warranty and Maintenance Description



computer equipment items for the initial First-Year Warranty term. This equipment includes items like servers, workstations, network switches and WLAN access points.

INIT does not directly provide the extended maintenance and support offerings for this equipment. However, INIT will identify and procure the appropriate level of support and maintenance from the customer approved computer equipment vendor.

Any extended maintenance of the IT hardware is outside the bounds of the standard INIT maintenance agreement, which means additional cost to the customer and potentially different service levels.

4.2 Third Party Software and Hardware

Third party software and hardware will be covered by the First-Year Warranty if included as part of an initial purchase from INIT. This includes radios, passenger information displays, IVR systems, video surveillance systems, hardware operating systems and database licenses.

Extended maintenance for these items can also be included or may be purchased directly from the supplier. Like the IT hardware, extended maintenance for these items does not fall within the bounds of the standard INIT maintenance agreement.

5 Problem Resolution

Once a problem is properly logged with INIT, the support staff will respond in a manner determined by the system impact and assigned problem priority.

Classification Code	Problem Classification	Description	Response Time	24x7 & Early AM Avail.
Central Off-line (standalone APC) System Errors				
B1	Major		2 days	No
B2	Minor		5 days	No
Mobile Vehicle System Errors				
C1	Major		2 days	No
C2	Normal		2 days	No
C3	Minor		5 days	No
C4	Watch		5 days	No

5.1 Problem Classifications

Problems and errors are prioritized according to the architecture of the customer system and based on their system impact as described below.

Note that this document does not attempt to include all possible examples of problems as it is impossible to predict what possible problems could arise in any complex system.

Standard Warranty and Maintenance Description

5.1.1 Category B: Central Off-line System Errors (APC system)

Central Off-line System Errors are failures in off-line systems, which under normal conditions do not cause immediate impact to operations.

5.1.1.1 Category B1: Major

Major impact on Statistics or WLAN

Examples: Garage WLAN inaccessible. Statistics not processing correctly or data missing.

5.1.1.2 Category B2: Minor

Minimal impact on Statistics or WLAN processing, or a workaround exists.

Examples: One WLAN antenna down. Stats information available, but not by normal means.

5.1.2 Category C: Mobile Vehicle System Errors

MOBILE Vehicle System Errors include relevant vehicle equipment and their software.

5.1.2.1 Category C1: Major

Error has a severe impact on an individual vehicle or vehicles, causing the loss of critical functionality.

Examples: Defective radio, COPILOT will not boot

5.1.2.2 Category C2: Normal

Error impacts an individual vehicle or vehicles, hindering the use of the MOBILE subsystem, but significant functionality is still provided.

Examples: Defective odometer, defective GPS equipment

5.1.2.3 Category C3: Minor

Error does not hinder the use of the MOBILE subsystem on a single vehicle, but has a minor impact on the functionality available or resulting data.

Examples: Defective APC analyzer

5.1.2.4 Category C4: Watch

Error is intermittent and difficult or impossible to reproduce.

5.2 Problem Reporting Response Times

Customer will call or email INIT Support Line with thorough description of issue. The problem response times and procedures for each problem category are defined as follows.



Standard Warranty and Maintenance Description

5.2.1 Category B: Central Off-line System Error

5.2.1.1 B1: Major

This first line response will log the call, and offer resolution if possible. If resolution is not possible, within 2 working days a qualified engineer will remotely log into the system and diagnose the problem.

5.2.1.2 B2: Minor

Within 5 working days a qualified engineer will remotely log into the system and diagnose the problem.

5.2.2 Category C: Mobile Vehicle System Errors

The customer will perform replacement of items utilizing customer spare inventory. The customer may then return the equipment to INIT for repairs following normal warranty or maintenance practices.

The customer may contact INIT for assistance in diagnosing issues and troubleshooting repairs according to the level of severity as described below.

INIT will replace defective items on-site in case an Optional Hardware Maintenance Service (Level 2) agreement exists.

INIT will return the repaired equipment within 14 calendar days excluding shipment time.

Note: In some instances substantially longer times up to 16 weeks could be required. These cases occur if components need to be manufactured. This is generally the case with vehicle specific cables or components that cannot be repaired but instead have to be manufactured.

5.2.2.1 C1: Major

This first line response will log the call, and offer resolution if possible. If resolution is not possible, within 2 working days a qualified engineer will remotely log into the system or walk through vehicle diagnostics with a qualified customer point of contact and attempt to diagnose the problem.

5.2.2.2 C2: Normal

This first line response will log the call, and offer resolution if possible. If resolution is not possible, within 2 working days a qualified engineer will remotely log into the system and diagnose the problem.

5.2.2.3 C3: Minor

This first line response will log the call, and offer resolution if possible. If resolution is not possible, within 5 working days a qualified engineer will remotely log into the system and diagnose the problem.

5.2.2.4 C4: Watch

Within 5 working days a qualified engineer will diagnose the problem. The item will remain open until it can be reproduced or more information can be gathered. These items will be periodically reviewed to assess the need to remain on the open list.



6 Resolution Reporting

The resolution reporting step provides information documenting the resolution to a reported issue. This documentation helps the customer understand the issue in more detail and what can be done to prevent repeated failures. A common report available on the customer's Share Point site will be the resource for documenting problem resolutions. The problem resolution report will include the following data points for each problem resolved:

- ID
- Submit Date and Time
- Problem Classification
- Summary
- Opened By
- Issue Owner
- Status
- Due Date
- Last Activity

7 Upgrades, Change Requests and Additional Features

7.1 Additional features and change requests

Additional features and change requests should be initiated by the customer through the aforementioned support procedure. All requests will be tracked and added according to priority. If a request is deemed a cost item, INIT will provide a cost proposal after the cost of effort has been established. A Purchase Order (PO) will be expected from the customer prior to INIT commencing work on the change request.

7.2 Existing software upgrades

Updates to INIT software can be initiated by two means. In advance of delivery of updates to existing software, INIT will provide the customer with a Delivery Paper. This form includes a complete description of the change, implications of not changing, user impact, a description of the test plan, and rollback procedures if the change causes unforeseen problems. This form will be returned to INIT, via electronic means, to indicate approval. Coordination before and after update requests have been initiated is essential for this procedure to work smoothly.

In certain cases, it may be necessary to provide the Delivery Paper after the update. This is only in cases of urgent fixes. These exceptions to the standard procedure are discussed and approved by the customer in advance.

7.2.1 Software fixes

Often updates to software are initiated to fix software anomalies, problems, or inadequacies in the system. If an update is in response to a problem reported by the customer, the update will be tracked through the aforementioned support procedure.

Standard Warranty and Maintenance Description



7.2.2 Unsolicited Updates

Unsolicited updates could also be initiated by INIT for various reasons. As INIT software is modular in nature, version numbers and configuration management is done for each module by INIT. Version types and numbers can be derived from the running software, as well as any source code in escrow (if applicable).

7.2.3 Test procedures

All updates and upgrades will normally be tested on a test system or systems prior to installation to the entire system. In cases where this is not possible or necessary, it will be clearly indicated on the Delivery Paper. For central software, INIT recommends that the customer purchase a non-production (“test”) system where the software can be tested before deployment to production.

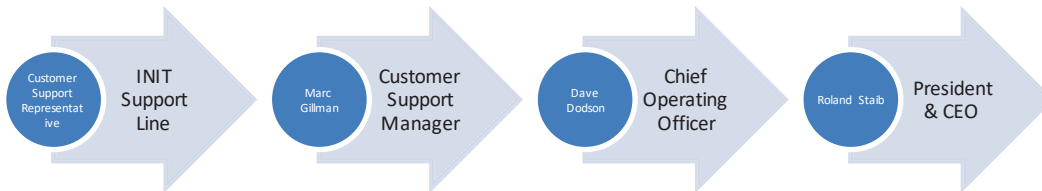
For COPILOT and other bus-board software, a temporary “beta fleet” will be established to watch the effects of the change in real operations.

8 Problem Escalation

The classification and priority of a problem will be assigned by the INIT Support Line representative. There will be instances when the customer will not agree with the assigned priority, or have other circumstances which would cause the problem to have an unusually high business impact. In these instances and in instances where open issues are not being addressed in a timely manner, the customer has the option to request an escalation of the issue.

8.1 Escalation Path

The escalation path for warranty and maintenance issues follows:



Note that the people named are current as of January 2011 and only provided for reference.

9 Commercial Terms

9.1 Standard Renewal Option

Maintenance (extended warranty) agreements include five 1-year renewal options to cover the expected useful life of the hardware and software and can be exercised at the discretion of the customer.

9.2 Notification

The customer will notify INIT of its intent to not renew 60 days prior to the expiration of the then current maintenance agreement year. Without such notification, the agreement will automatically renew for another one (1) year term.

Item	Description	Qty	Price per unit USD	Price total USD
A	Base order SD100, SD160. U2 vehicles were retired, remaining 38 vehicles			
1	Extended Software maintenance Proposal based on original proposal	1	20,629.54	20,629.54
	INIT Standard Annual Central SW Extended Maintenance and Support (Valid from 01/01/2021 - 12/31/2021) Software supports reflects 38 LRV's in Central system. The pricing is based on 3% addition from last year and. Two additional vehicles were retired.	1		
B	Bombardier Fronrunner (18 out of 18 vehicles) + 20 retrofit vehicles			
2	Extended Software maintenance Proposal based on original proposal	1	17,810.81	17,810.81
	INIT Standard Annual Central SW Extended Maintenance and Support (Valid from 01/01/2021 - 12/31/2021) Software supports reflects 38 LRV's in Central system. The pricing is based on 3% addition from last year and. Note: WLAN card and COPILOTpc Image were updated and warranty is lowered	1		
c	Base order S70			
1	Extended Software maintenance Proposal based on original proposal	1	19,508.26	19,508.26
	INIT Standard Annual Central SW Extended Maintenance and Support (Valid from 01/01/2021 - 12/31/2021) Software supports reflects 77 LRV's in Central system. The pricing is based on 3% addition from last year and. Note: WLAN card and COPILOTpc Image were updated and warranty is lowered	1		
D	MPLAN Database migration maintenance			
4	Software maintenance for MPLAN database Software Maintenance for Server Migration January 1, 2021 - December 31, 2021	1	738.39	738.39
	NOTE: UTA Migration - Since UTA operates two independent MOBILEstatistics installations. The older one processes data from the LRV vehicles (TRAX system). The newer one processes the Fronrunner data. Both systems runs on separate servers, different Oracle DBMS, different MOBILEstatistics versions, DVM matching algorithms and utilize different data input format for the scheduling data. This was the PO from 2014/2015	1		
	Total excl. Sales Tax			58,687.00

INIT Innovations in Transportation, Inc.
424 Network Station,
Chesapeake, VA 23320

Phone: 757-413-9100
sales@initusa.com
www.initusa.com



UTA RTPI software maintenance

Customer: UTA

Warranty: 1 Year from Delivery

Delivery: 2 weeks after NTP

Invoicing

Milestones: 100% upon Delivery

The Proposal is valid only in its entirety.

Peter Crane
Utah Transit Authority / OPO
Desk Phone 801.287.2255
Cell Phone 801.867.9433

PCrane@rideuta.com

Prepared by: Andreas Rakebrandt

Proposal: 2020-700-1

Date: 12/16/2020

Validity: 60 Days

Description:

RTPI software maintenance proposal for the current fleet.

Delivery:

Extended Software and server support.

Software Maintenance and Server support January 1, 2021 – December 31, 2021

Continuation of Standard Warranty services for all INIT designed software.

Continuation of Standard Warranty services for all INIT designed software based on network diagram: UTA_Network_Overview_V4.0a.pdf

Installation Overview:

- Both TRAX and FrontRunner MOBILEstatistics application/DVM installations runs only on server (KAHN1).
 - Servers INITDB (FrontRunner), UTADB1 (TRAX) was merged into KAHN1 in 2015.
- The Oracle database service and tables have been migrated to the Amazon Cloud, summer 2018. Oracle database used to run on KAHN1 with MOBILEstatistics apps.
- **Oracle data base was moved back to physical server in autumn of 2020.**
- Both LRV (TRAX) and CR (FrontRunner) are running the same version of MOBILEstatistics version J.06.01, this was done during the Oracle DB move to the cloud.
- MOBILEplan is installed only on RTPI-MOBILE.
 - Service data for TRAX and FrontRunner have different data requirements, there are two configurations of MOBILEplan that accommodate the different requirements.
 - The version of MOBILEplan is the same for both FrontRunner and TRAX. Version: 3.16.01.11.a

Salt Lake City



EXHIBIT B

Pricing:

Item	Description	Qty	Price per unit USD	Price total USD
A	RTPI Software maintenance			
1	Annual Software Maintenance for Front runner vehicles 01/01/2021 till 12/31/2021	1	54,767.16	54,767.16
	Software support for Central system. The pricing is based on 3% addition from last year and.	1		
	Train Software and central software for RTPI	1		
	initplan Software from original maintenance contract	1		
	3 Additional MOBILE-PLAN Workstations were added later	1		
	Total excl. Sales Tax			54,767.16

Attachment:

Standard Warranty and Maintenance Description v1.2_UTA.pdf
UTA_Network_Overview_V4.0a.pdf

INIT contact:

Andreas Rakebrandt

Position: Director Business Development for APC

Phone: 757-413-9100 x 304

Email: ARakebrandt@initusa.com**Signatures:**

Alfred Burger
Project Manager

Andreas Rakebrandt
Director Business development



Terms of Delivery and Payment

All sales, delivery and other services rendered by INIT Inc. are performed exclusively according to the following terms and conditions unless otherwise agreed in writing by both parties.

I. Terms of Payment

INIT's offer is based upon the following terms of payment:
35% upon notice to proceed
65% upon delivery of material

Part deliveries are permissible and require corresponding part acceptances and part payments by customer. Payment is due within 20 days after an invoice is issued, payable without discount or set-off. All prices are net without tax.

In the event of a payment default by customer or an extension of time for payment, INIT will charge interest at a rate equal to the highest interest rate permitted by law.

Payment terms remain binding regardless of any delay in shipment, delivery or acceptance of services for reasons beyond INIT's control.

If failure to pay according to the terms of this Agreement causes this account to be assigned or referred to an attorney for collection, customer agrees to pay INIT's reasonable collection and/or attorney fees and all court costs.

II. Delivery Period

The delivery deadlines begin once the parties have agreed upon all of the technical requirements and specifications in writing. The delivery period will be reasonably extended in the following circumstances:

- if INIT has not timely received from customer the information and specifications required for performance of INIT's obligations, or customer requests modifications that cause the provision of services to be delayed.
- to the extent and during any event (a "Force Majeure Event") which is beyond the control of INIT and reasonably prevents INIT from fulfilling its obligations hereunder, including without limitation, fire, explosion, storm damage, flood, labor troubles including strikes, lockouts or slowdowns, government intervention, shortages of raw materials, labor or transportation, war, sabotage, riot or civil disturbances, or governmental regulation or statute; or
- if customer defaults in the performance of any of its obligations hereunder, including payment defaults.

The customer is not entitled to claim damages or cancel its purchase order upon delay in delivery where the delivery has been reasonably extended due to the foregoing reasons. Furthermore, INIT shall not be held liable for delay or failure in performance due to the occurrence of a contingency, including, without limitation, failure to deliver because of a Force Majeure Event.

III. Acceptances

Services or part services shall be deemed accepted upon delivery, unless customer contests acceptance specifying its reasons therefor in writing to INIT. If acceptance tests are agreed, minor deficiencies will not affect acceptance. Minor discrepancies or a lack of cooperation by the customer (i.e. missing or delayed delivery of required material, data provision, etc.) do not justify refusal of acceptance. Use of the delivered system, or sub-system, or components of it, constitutes customer acceptance.

IV. Risk of Loss

Title and risk of loss pass to customer upon dispatch of the services "ex works from INIT's facility" (or, at INIT's sole option, from its contractor's facility), it being understood that INIT's only responsibility is to make the goods and/or services available at the applicable facility, and customer shall have all other responsibilities, including without limitation, loading the goods. To the extent of any delay because of a Force Majeure Event, any goods and necessary equipment will be stored and insured at the risk and at the expense of customer.

V. Prices

Prices exclude packing, freight and insurance. Payment will be made in United States dollars without any deductions whatsoever. The customer shall be liable for all taxes, dues, fees and customs duties.

INIT reserves the right to adjust prices in the event of any changes in wage rates or costs of raw materials (to the extent applicable) subsequent to quotations and prior to performance of orders.

VI. Installation Costs

Costs for installation are not included when not otherwise stated in the offer. Likewise, the matching of INIT's equipment to non-standard interfaces and mounting conditions is not included in the offer.

The costs for installation are included in a price quote to the extent the installation of devices is offered and a location or vehicle inspection has been conducted. Because all mounting conditions cannot be completely clarified in an inspection, changes and alterations in the scope of delivery may occur after the detailed planning phase of the installation has been carried out. The costs for these alterations shall be verified, substantiated and charged in an additional invoice.

As a prerequisite to the installation of software systems, customer shall supply a cost-free modem before the initial installation and make available to INIT the computer systems required for matching works at INIT's offices free of charge. All installation as well as connection costs shall be borne by the customer. In case ISDN or Datex P connection is not available in time the additional costs incurred will be charged to the customer's account.

VII. Customer Cooperation

The customer is responsible for supplying qualified personnel for project supervision.

VIII. Travel Expenses/ Hourly Wages

Travel expenses shall be charged additionally as far as not otherwise stated. Travel expenses consist of travel costs, accommodation costs, daily expenses and any other such costs that may arise hereunder. Travel time is valid as working time and shall be charged according to the valid hourly wage at the time period in question. The calculation of additional services is at present:

• Senior Project Manager / Senior Engineer	US-\$/hr	230.00
• Project manager / Software and Hardware Engineer	US-\$/hr	190.00
• Service technician / Repair/Production	US-\$/hr	135.00

Working hours during 07:00 p.m. and 07:00 a.m. and extra work shall be deemed overtime and shall be charged at 150% of the applicable rate. Work on Saturdays, Sundays and Public Holidays shall be charged at twice the applicable rate.

IX. Terms of Delivery

The Virginia Uniform Commercial Code and the "General Delivery Terms and Conditions for Products and Services of the Electric Industry," are hereby incorporated herein and are also applicable to the extent not inconsistent with the terms and conditions set forth herein. Deliveries are made "ex works from INIT's facility" (or, at INIT's sole option, from its contractor's facility), excluding packing, freight and insurance. Re-usable package material can be returned to INIT.

X. Shipment and Insurance

INIT shall be notified promptly of any special requirements regarding shipment and insurance. The customer will arrange for shipment at customer's sole cost and risk. The customer shall notify the carrier making delivery of any complaint arising out of shipment immediately upon receipt of the services or any shipping documents. Until the purchase price has been paid in full, customer shall procure, at its sole cost and expense, insurance meeting INIT's reasonable approval covering any goods or necessary equipment against all risk, naming INIT as a beneficiary and loss payee.

XI. Limited Warranty

All services, software and hardware sold or delivered to customer are expressly subject to the terms and conditions of INIT's limited warranty set forth herein. No contrary terms in any customer letter, purchase order or accompanying payment shall have any effect.

THE WARRANTIES SET FORTH HEREIN ARE MADE IN LIEU OF ALL OTHER WARRANTIES NOW OR HEREINAFTER MADE OR IMPLIED. INIT DISCLAIMS ALL OTHER WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF PERFORMANCE, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT AND UNDER NO THEORY WHATSOEVER SHALL INIT BE LIABLE FOR ANY



Terms of Delivery and Payment

All sales, delivery and other services rendered by INIT Inc. are performed exclusively according to the following terms and conditions unless otherwise agreed in writing by both parties.

HARM OR DAMAGE, WHETHER INDIRECT, CONSEQUENTIAL OR SPECIAL, SUFFERED BY CUSTOMER. CUSTOMER'S SOLE REMEDY SHALL BE REPAIR OR REPLACEMENT OF THE DEFECTIVE PRODUCT OR PART, AT INIT'S OPTION.

In the event that customer makes a claim under this warranty, such claim must be submitted in writing, and customer will follow all warranty reimbursement procedures, will promptly and diligently execute all refit, recall and other similar programs instituted by INIT with respect to the services sold hereunder. Any software or hardware claimed to be defective shall, at INIT's option, be returned to INIT or held by customer for inspection. The customer's right to repair or replacement is subject to the express condition that such parts were correctly installed and maintained.

The limited warranty period for the delivered software is one year after delivery of services or part services. Elimination of possible faults during the warranty period is guaranteed under the following terms:

- The customer has correctly filled out and sent back to INIT the software performance report (SPR) which is included in the delivery.
- The fault is reproducible or can be understood and re-enacted.
- The customer has a modem connection (ISDN or Datax P – Connection costs are carried by customer) and makes it possible for INIT to carry out remote diagnosis during operation.

The warranty conditions of the third party apply for third party hardware deliveries.

The limited warranty set forth herein shall also apply for one year from delivery with respect to hardware.

XII. Technical Documentation

In connection with providing customer with sales quotations, INIT may communicate to customer certain proprietary and confidential information to enable customer to decide whether to purchase services from INIT. Customer will hold and will cause its employees, representatives, consultants, and advisors to hold such information in strict confidence, and will not release or disclose such information to any other person. Proprietary information shall include all documents belonging to INIT to which customer may have access in the course of preparing and negotiating, signing, and implementing a purchase order, including without limitation, pictures, diagrams, color samples and swatches, capacities, dimensions, and weights data. INIT's technical know-how is embodied in such proprietary information, which remains INIT's exclusive intellectual property and shall not be copied or reproduced or communicated to third parties. The proprietary information shall be returned to INIT immediately if quotations do not result in an order, or at any time upon INIT's request. INIT reserves the right to make a charge for any preparatory project work which exceeds projected costs customary in the industry and does not result in an order.

XIII. Integration of Systems and Equipment

If customer places an order for the integration of systems and equipment that have not been supplied exclusively by INIT, prices will be based on the information available before the order was placed. i.e.:

- general information available on these systems and equipment;
- information made available by customer; and
- an inspection of the equipment if applicable.

If this basis of information changes during the project additional expenditure may arise. INIT shall be entitled to charge for such additional services rendered.

If there is no information available on the third-party systems at the beginning of a project or if this information is incomplete, the quotation submitted by INIT shall be subject to change upon receipt of the information and of the facilities necessary to integrate this third-party system being supplied to INIT free of charge, comprehensively and on time. INIT will not bear any costs involved in procuring this information. If information is incomplete or not available on time, INIT will not bear the responsibility for any ensuing delays in meeting schedules or pay any extra costs incurred.

If INIT is not appointed as the main contractor or system supplier, INIT can only accept technical responsibility for the creation and proper functioning of the components supplied by INIT for the interfaces to the third-party systems. Technical responsibility comprises the technical specifications and the test on the interfaces on the basis of the information and facilities

made available. It does not include responsibility for third-party systems' interfaces functioning on schedule and correctly.

XIV. Limitation of Liability

NEITHER INIT NOR ITS AFFILIATES, EMPLOYEES OR AGENTS SHALL BE LIABLE TO CUSTOMER, OR ITS AFFILIATES, EMPLOYEES OR AGENTS FOR ANY LOSSES OR CLAIMS ARISING OUT OF OR CONNECTED WITH ANY ACT OR OMISSION OF INIT UNLESS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF INIT, ITS AFFILIATES, EMPLOYEES OR SUBCONTRACTORS. UNDER NO CIRCUMSTANCES SHALL INIT BE LIABLE TO CUSTOMER FOR CONSEQUENTIAL, PUNITIVE OR INCIDENTAL DAMAGES, INCLUDING WITHOUT LIMITATION, PRODUCTION FAILURE, LOSS OF UTILIZATION, LOSS OF ORDERS, LOSS OF PROFIT, AND ALL OTHER SUCH INDIRECT DAMAGES. ALL CLAIMS BY CUSTOMER, OTHER THAN AS SET FORTH HEREIN ARE EXCLUDED.

XV. Protection Rights

All intellectual property rights and commercialization rights of the software and other intellectual property remain with INIT. Upon payment, customer purchases user rights for the delivered software. The right of use allows the use of the software only by customer. The customer does not have the right to allow others to use the software. The customer purchases a number of workplace licenses and has the right to install the software on the same number of computers. Backup-copies of the software may be made only for customer's own use to secure data. Statements concerning protection rights remain on the copies. Specific manufacturer's terms of licenses apply for third party hardware and software.

XVI. Applicable Law

In the event of a conflict between customer and INIT regarding the purchase of services hereunder, customer and INIT agree that (a) any actions or claims brought shall be governed by the laws of **the Commonwealth of Virginia**, without regard to its choice of law rules, and (b) such action or claim shall be brought exclusively in **the Commonwealth of Virginia before the courts in the City of Chesapeake or the United States District Court for the Eastern District of Virginia, Norfolk Division**.

XVII. Compliance with Laws

INIT bears no responsibility or liability for the services' compliance with any laws, statutes, ordinances or regulations that may be applicable to customer or customer's use of the services. The customer is responsible for ensuring that the services and their use comply with any and all applicable regulations in the country or state concerned.

XVIII. Validity

The terms and conditions set forth herein shall be applicable to every purchase of INIT's Products made by customer, whether under INIT's or customer's purchase orders, or otherwise. In the event of any term or condition herein being or becoming invalid or non-effective, the validity and effectiveness of the remainder of these terms and conditions will remain completely intact. Any conditions contrary to the terms and conditions set forth herein imposed by customer shall be valid only if expressly acknowledged in writing by INIT.

XIX. Conclusion of Contract

All offers are subject to confirmation. The contract will be valid only by INIT's written order confirmation or by execution of the order if no other agreement is made.

Verbal information and statements, literature and advertisements, especially descriptions, drawings, pictures, samples, details on quality, nature, consistence, services, consumption and usability as well as measures and weights of the goods are for informational purposes only, unless they are expressly identified as binding. Such representations imply no warranty or guarantee.