

LICENSE AGREEMENT FOR AUTOMATED DEFECT RECOGNITION SOFTWARE

This LICENSE AGREEMENT FOR AUTOMATED DEFECT RECOGNITION SOFTWARE (“**Agreement**”) is entered into by and between **NASSCO, INC.**, a Pennsylvania Nonprofit corporation (“**NASSCO**”) having its principal offices at 5285 Westview Drive, Suite 202, Frederick MD 21703 and (enter company name) _____, a (enter state/province) _____ (enter type of entity) _____ having its principal offices at _____ (“**Vendor**”). This Agreement shall be effective as of the latest date executed by the parties (“**Effective Date**”).

BACKGROUND

A. NASSCO is a trade association of organizations and individuals who operate in or are involved in the inspection, assessment, maintenance and/or repair of underground infrastructure. NASSCO has developed an internationally recognized standardized approach to identify and code defects, assess asset condition, record, and report the results of the assessment and assist in planning for the rehabilitation or replacement of underground pipelines, of manholes and manhole components, and of lateral pipes. Additionally, NASSCO has developed training courses and materials and a certification program for individuals who successfully complete the training courses related to NASSCO’s assessment methodology for underground pipelines, manholes and manhole components, and lateral pipes.

B. Vendor has developed, or is developing, a software program that will employ machine learning, artificial intelligence, automated defect recognition (ADR), or other technologies to assess, either with or without operator assistance, the condition of pipelines, manholes and manhole components, and/or laterals using NASSCO’s standardized approach to identify and code defects, assess asset condition, record and report the results of the assessment and assist in planning for the rehabilitation or replacement of underground pipelines, of manholes and manhole components, and of lateral pipes (“**ADR Software**”).

C. Vendor wishes to obtain a license from NASSCO for each ADR Software product developed by Vendor that uses NASSCO’s intellectual property related to the standardized approach to identify and code defects, assess asset condition, record and report the results of the assessment and assist in planning for the rehabilitation or replacement of underground pipelines, of manholes and manhole components, and of lateral pipes. Vendor will obtain a license for each ADR Software product it develops that uses any of NASSCO’s intellectual property.

D. NASSCO is willing to provide to Vendor for each ADR Software product developed by Vendor, a non-exclusive, limited license to use NASSCO’s intellectual property related to the standardized approach to identify and code defects, assess asset condition, record and report the results of the assessment and assist in planning for the rehabilitation or replacement of underground pipelines, of manholes and manhole components, and of lateral pipes.

In consideration of the mutual agreements and covenants contained in this Agreement and for other good and valuable consideration and intending to be legally bound, the parties to this Agreement agree as follows:

1. **NASSCO’s Assessment Programs and Licensed Materials.**

1.1. **Pipeline Assessment Certification Program.** NASSCO has developed and is continually refining and enhancing a standardized approach to assess the condition of underground assets, including identifying and coding conditions and defects, recording and reporting of the data collected during the assessment and scoring the condition of assets to assist in planning for the rehabilitation or replacement of underground pipelines. NASSCO also provides a program and materials for training and certification of individuals who assess the condition of underground pipelines. This program is known as the Pipeline Assessment Certification Program (“**PACP**”).^{*} The codes, methodology and training materials regarding PACP are published in a manual titled Pipeline Assessment Certification Program[®] (“**PACP Manual**”). NASSCO owns a United States Copyright Office registration for the PACP

^{*} PACP, MACP and LACP are trademarks belonging to NASSCO, Inc.

Manual. The PACP Manual includes codes that are used to identify structural defects, operational and maintenance issues, construction features and miscellaneous features (collectively the “**PACP Codes**”), specific forms on which information and data regarding a pipeline assessment are recorded (“**PACP Inspection Forms**”), formulas and equations to convert the data collected during pipeline, manhole and manhole components and/or lateral assessments into a standardized condition grading system (the “**PACP Condition Grading System**”), and instructions and information explaining how to conduct pipeline assessments and apply the PACP Codes and use the data and PACP Condition Grading System for asset management purposes (collectively the “**PACP Know-How**”). The goal of PACP is to provide pipeline system owners with a comprehensive database to properly identify, plan, prioritize, manage, and renovate their pipelines based on condition evaluation.

1.2. **Manhole Assessment Certification Program.** NASSCO developed a program for application of the PACP Codes to conditions, features and defects that are associated with manholes and manhole components, as well as codes associated with manholes and manhole component conditions and assessment (the “**MACP Codes**”), a methodology for the collection and reporting of data using the PACP Codes and the MACP Codes (collectively the “**MACP Know-How**”), specific forms on which information and data regarding a manhole and manhole component assessment are recorded (“**MACP Inspection Forms**”), and a program and material for training and certification of individuals who assess the condition of manholes and manhole components, which collectively are known as the Manhole Assessment Certification Program (“**MACP**”). The MACP Codes, MACP Inspection Forms, the MACP Know-How and training materials regarding MACP are published as a section of the PACP Manual.

1.3. **Lateral Assessment Certification Program.** NASSCO developed a program for application of the PACP Codes to conditions, features and defects that are associated with lateral pipes, as well as codes associated with lateral conditions and assessment (the “**LACP Codes**”), a methodology for the collection and reporting of data using the PACP Codes and LACP Codes (collectively the “**LACP Know-How**”), specific forms on which information and data regarding a lateral assessment are recorded (“**LACP Inspection Forms**”), and a program and material for training and certification of individuals who conduct assessments of the condition of lateral pipes, which collectively are known as the Lateral Assessment Certification Program (“**LACP**”). The LACP Codes, LACP Inspection Forms, the LACP Know-How and training materials regarding LACP are published as a section of the PACP Manual.

1.4. **Definitions.**

1.4.1. “**Licensed Copyright**” means all copyright rights to the PACP Manual and derivative works whether registered or unregistered, including any applications and registrations which may be granted pursuant to those applications covering the PACP Manual or derivative works.

1.4.2. “**Licensed Materials**” means any and all technical information, Trade Secrets, directions, instructions, test or assessment protocols, procedures, results, studies, analyses, data, concepts, ideas, innovations, discoveries, inventions, processes, methods, enhancements, modifications, techniques, systems, drawings, and other knowledge, information, skills, and materials owned or controlled by NASSCO related to the PACP Codes, PACP Inspection Forms, PACP Know-How, PACP Condition Grading System, MACP Codes, MACP Inspection Forms, MACP Know-How, LACP Codes, LACP Inspection Forms, and LACP Know-How as published in the PACP Manual or otherwise provided by NASSCO, including, but not limited to, the PACP exchange data template and the data dictionary.

1.4.3. “**Authorized Mark**” means each of the trademarks, service marks, certification marks, tradenames, logos, product/services names, whether registered or unregistered, identified in the Software Brand Standards, attached to this Agreement as Exhibit F (“**NASSCO Brand Standards**”), as may be amended by NASSCO in its discretion.

2. **License Grant, Use, Sublicense, Restrictions and Reservation of Rights.**

2.1. **License.** According to the terms and conditions of this Agreement, upon execution of this Agreement and payment by Vendor of applicable license fees pursuant to Section 6 of this Agreement,

NASSCO grants to Vendor a non-exclusive, non-sublicensable, non-transferable, limited license to utilize the Licensed Copyright and Licensed Materials in the development, sale and use of Vendor's ADR Software in the Territory (as defined in Section 2.3.1). Each ADR Software product that Vendor has or is developing that will use the Licensed Materials, and/or Licensed Copyright is listed in Exhibit A to this Agreement. The license and other rights granted to Vendor in this Agreement shall apply only to the ADR Software product(s) identified in Exhibit A and only if all license fees in Section 6 are paid for each ADR Software product.

2.2. **Use.** Vendor may only use the Licensed Materials or Licensed Copyright in relation to Vendor's ADR Software for the assessment of pipelines, manholes and manhole components, and lateral assets, for sale to constituents involved in the pipeline rehabilitation industry, including, construction contractors, engineering and/or consulting firms, whether individuals or entities, municipalities, agencies, or other governmental units. Vendor may not use the Licensed Materials or Licensed Copyright for any other reason, including without limitation, training individuals to assess pipelines, manholes and manhole components and/or laterals using the PACP Codes, PACP Inspection Forms, PACP Know-How, PACP Condition Grading System, MACP Codes, MACP Inspection Forms, MACP Know-How, LACP Codes, LACP Inspection Forms, and LACP Know-How as published in the PACP Manual or otherwise provided by NASSCO in any manner other than as expressly permitted in this Agreement, or providing, copying or selling the PACP Manual or any part of the PACP Manual or the Licensed Materials or Licensed Copyright in any format.

2.3. **Territory and Territorial Restrictions.**

2.3.1. **Definition of Territory.** "Territory" shall mean the United States of America and its territories (Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands and the Northern Mariana Islands), Canada, Argentina, Belize, Bolivia, Brazil, Chile, Columbia, Costa Rica, Ecuador, El Salvador, French Guiana, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Suriname, Uruguay, and Venezuela.

2.3.2. **Territorial Restrictions.** Vendor shall not: (i) sell its ADR Software containing the Licensed Materials, Licensed Copyright, or Authorized Mark in or for use in any country outside the Territory; (ii) advertise its ADR Software containing the Licensed Materials, Licensed Copyright, or Authorized Mark in, or specifically aimed at any country outside the Territory; (iii) actively seek orders for its ADR Software containing the Licensed Materials, Licensed Copyright, or Authorized Mark from outside the Territory; or (iv) establish any branch dealing in its ADR Software containing the Licensed Materials, Licensed Copyright, or Authorized Mark or maintain any distribution center for its ADR Software containing the Licensed Materials, Licensed Copyright, or Authorized Mark outside the Territory.

2.4. **Use of Authorized Mark.** Vendor is authorized to use the Authorized Mark in marketing its ADR Software according to the requirements in this Agreement and the NASSCO Brand Standards.

2.4.1. Vendor recognizes NASSCO's right, title, and interest in and to the Authorized Mark and to all service marks, trademarks, and trade names belonging to or used by NASSCO, whether registered or unregistered, and agrees not to engage in any activities or commit any acts, directly or indirectly, that may contest, dispute, or otherwise impair NASSCO's right, title, and interest therein, nor shall Vendor cause diminishment of value of said trademarks, service marks, or trade names through any act or representation.

2.4.2. Vendor acknowledges that any goodwill derived from the use of the Authorized Mark or any other service marks, trademarks, and trade names belonging to or used by NASSCO, whether registered or unregistered, shall accrue to and benefit NASSCO. Vendor shall not do, omit to do or permit to be done, any act which will or may dilute the Authorized Mark or any other service marks, trademarks, or trade names belonging to or used by NASSCO, whether registered or unregistered, or damage the goodwill associated with the Authorized Mark or any service marks, trademarks, or trade names belonging to or used by NASSCO, whether registered or unregistered.

2.4.3. Vendor shall not use the Authorized Mark or any other service mark, trademarks, or tradename belonging to or used by NASSCO, including without limitation, NASSCO or National Association of Sewer Service Companies, in any company, business, fictitious name or tradename adopted by Vendor.

2.4.4. If Vendor acquires any rights in the Authorized Mark, or any other service marks, trademarks, or trade names belonging to or used by NASSCO, whether registered or unregistered, by operation of law or otherwise, such rights shall be deemed and are hereby irrevocably assigned to NASSCO without further action by the parties. Vendor will not dispute or challenge or assist any third party in disputing or challenging NASSCO's rights in and to the Authorized Mark or any other service marks, trademarks, or trade names belonging to or used by NASSCO, whether registered or unregistered, or the validity of the Authorized Mark or any other service marks, trademarks, or trade names belonging to or used by NASSCO, whether registered or unregistered.

2.4.5. Vendor shall not apply for or obtain or assist any third party in applying for or obtaining any registration of the Authorized Mark, any other service marks, trademarks, or trade names belonging to or used by NASSCO, whether registered or unregistered or any service mark, trademark, trade name or other name confusingly similar to the Authorized Mark or any other service marks, trademarks, or trade names belonging to or used by NASSCO, whether registered or unregistered, in or outside the Territory.

2.4.6. Effective as of the termination of this Agreement for any reason or no reason, Vendor shall cease to use the Authorized Mark and any other service mark, trademarks, or tradename belonging to or used by NASSCO.

2.4.7. **Rights Outside of the United States Regarding Authorized Mark.** Vendor acknowledges and understands that NASSCO claims no rights with regard to the Authorized Mark or other service marks, trademarks, and trade names belonging to or used by NASSCO, whether registered or unregistered, outside the United States of America ("**United States**"). Vendor accepts full responsibility and risk for any exercise of Vendor's rights under this Agreement in jurisdictions outside of the United States and will indemnify NASSCO with regard to any action arising from or in any way related to Vendor's use of the Authorized Mark outside of the United States. Unless otherwise agreed to by NASSCO in writing, if Vendor seeks or obtains any rights to the Authorized Mark outside the United States, such action will be at Vendor's expense and Vendor shall seek those rights only in NASSCO's name and ensure NASSCO's ownership of all such rights is recognized and maintained. NASSCO will provide reasonable assistance to Vendor, at Vendor's expense, unless otherwise agreed to by NASSCO in writing.

2.5. **Reservation of Rights.** Except for the rights and licenses expressly granted by NASSCO under this Section 2, this Agreement does not grant to Vendor any right, title, or interest (including any license, by implication, estoppel, or otherwise). All rights, titles, and interests not specifically and expressly granted by NASSCO under this Agreement are reserved to NASSCO.

3. **Obligations of Vendor.**

3.1. Vendor shall comply with the PACP Software Vendor Licensing Guidelines, which are attached to and incorporated into this Agreement as Exhibit B, as may be amended by NASSCO in its discretion.

3.2. Vendor shall comply with the MACP Software Vendor Licensing Guidelines, which are attached to and incorporated into this Agreement as Exhibit C, as may be amended by NASSCO in its discretion.

3.3. Vendor shall comply with the LACP Software Vendor Licensing Guidelines, which are attached to and incorporated into this Agreement as Exhibit D, as may be amended by NASSCO in its discretion.

3.4. Vendor shall make no change, addition, modification or other alteration of or to the

Licensed Materials, Licensed Copyright, or Authorized Mark except as specifically authorized in this Section 3.4 or in a separate written agreement signed by the Executive Director of NASSCO authorizing a change, addition, modification or other alteration. Any unauthorized change, addition, modification, or other alteration shall constitute a material breach of this Agreement by Vendor. Vendor's ADR Software must provide an option for users to add and customize up to ten (10) fields to the section designated "Header Section" in the PACP Inspection Forms, MACP Inspection Forms and LACP Inspection Forms attached to this Agreement as Exhibit E, but Vendor may not make any other changes to those forms. NASSCO, in its discretion, may amend Exhibit E at any time and may add, modify, and/or delete "fields" controlled in the "Header Section" or "Details Section," including which fields are mandatory fields and Vendor will implement and/or incorporate those changes promptly.

3.5. Upon execution of this Agreement, or if Vendor's ADR Software is not developed at the time of execution of this Agreement, then as soon as practical once a working copy of the ADR Software is developed, Vendor shall make available to NASSCO, at no cost to NASSCO, either access to a web-based working copy of or a working copy of Vendor's ADR Software to enable NASSCO to review Vendor's use of the Licensed Materials, Licensed Copyright and/or Authorized Mark in Vendor's ADR Software.

3.6. Upon request from NASSCO as a condition of the automatic renewal of this Agreement and/or pursuant to Section 5.3, Vendor shall make available to NASSCO, at no cost to NASSCO, either access to a web-based working copy of or a working copy of the then current version of Vendor's ADR Software to enable NASSCO to review Vendor's use of the Licensed Materials, Licensed Copyright and/or Authorized Mark in Vendor's ADR Software and/or for review pursuant to Section 5 of this Agreement.

3.7. Vendor shall provide written notice to NASSCO of all upgrades and/or new versions of its ADR Software no less than ninety (90) days prior to release of the upgrade or new version. If Vendor releases an update to its ADR Software, Vendor shall provide to NASSCO prior written notice of the update, including a description of the update and what the update does. Upon request, Vendor shall make available to NASSCO, at no cost to NASSCO, either access to a web-based working copy of or a working copy of any updated, upgraded or new versions of its ADR Software, to enable NASSCO to review Vendor's use of the Licensed Materials, Licensed Copyright and/or Authorized Mark in Vendor's ADR Software and/or for review pursuant to Section 5 of this Agreement.

3.8. Vendor shall implement and/or incorporate any changes NASSCO makes to the Licensed Materials, Licensed Copyright, or Authorized Mark and make the revised ADR Software available to NASSCO, at no cost to NASSCO, either through access to a web-based working copy of or a working copy of, to enable NASSCO to review Vendor's use of the Licensed Materials, Licensed Copyright and/or Authorized Mark in Vendor's ADR Software and/or for review pursuant to Section 5 of this Agreement. NASSCO reserves the right to require software revisions required by this Section 3.8 be completed within six months of notice of the changes NASSCO makes to the Licensed Materials, Licensed Copyright, or Authorized Mark.

3.9. Vendor shall maintain a membership in good standing with NASSCO at all times during the Term of this Agreement.

3.10. Vendor shall have at least one (1) employee who holds a current certificate in PACP at all times during the Term of this Agreement. Vendor shall have at least one (1) employee who holds a current certificate in MACP at all times during the Term of this Agreement. Vendor shall have at least one (1) employee who holds a current certificate in LACP at all times during the Term of this Agreement. The same employee may hold one or more of these required certificates.

3.11. Vendor agrees that all modifications, improvements, enhancements, derivative works, discoveries, inventions or ideas directly related to the Licensed Materials, Licensed Copyright or Authorized Mark that may be acquired, made or conceived of by Vendor, solely or in connection with one or more other persons, during the Term of this Agreement and within six months after the termination (for any reason) of this Agreement, whether or not acquired, made or conceived at the request of or upon the suggestion of NASSCO (all such modifications, improvements, enhancements, derivative works, discoveries, inventions and ideas shall be referred to as "**Work Product**") are granted and

assigned to NASSCO. Vendor hereby grants and assigns to NASSCO any and all right, title and interest Vendor may have in and to such Work Product without need for further action by either party; however, Vendor shall execute and deliver to NASSCO any instruments of transfer and take such other action that NASSCO may reasonably request for the protection of NASSCO's rights to such Work Product. Vendor owns and shall retain all rights, title and interest in and to the ADR Software and shall own all improvements, enhancements, modifications and derivative works of the ADR Software, excluding any Licensed Materials, Licensed Copyright or Authorized Mark that may be used in connections with the ADR Software.

3.12. Vendor shall maintain comprehensive general liability and professional liability insurance with combined single limits of liability equal to or greater than one million dollars (\$1,000,000) each which provide coverage to Vendor. Vendor agrees to furnish proof of such insurance upon request of NASSCO.

3.13. Vendor is responsible for export compliance related to any export of its ADR Software.

3.14. Vendor shall not make any statement, verbal or written, which states or implies that Vendor is acting as an agent or representative of NASSCO.

4. **Obligations of NASSCO.**

4.1. NASSCO shall provide to Vendor for use as permitted under this Agreement:

4.1.1. one (1) copy of the PACP Manual, which includes the sections covering MACP and LACP in portable document format (.pdf);

4.1.2. one (1) copy of the PACP exchange data template; and

4.1.3. one (1) copy of the current data dictionary.

4.2. NASSCO reserves the right to make changes to the Licensed Materials, Licensed Copyright, or Authorized Mark in its sole discretion as it deems appropriate. NASSCO shall provide notice of changes NASSCO makes to the Licensed Materials, Licensed Copyright, or Authorized Mark to Vendor. NASSCO shall endeavor to provide this notice to Vendor six (6) months prior to the release of the changed material.

5. **ADR Software Accuracy Evaluation by NASSCO.**

5.1. NASSCO reserves the right to develop and implement an accuracy assessment program and procedures ("**NASSCO Accuracy Evaluation Procedure**") to evaluate Vendor's ADR Software for accuracy of assessments using the PACP-associated Licensed Materials, using the MACP-associated Licensed Materials and/or using the LACP-associated Licensed Materials individually. NASSCO further reserves the right to develop an accuracy rating of ADR Software as part of the NASSCO Accuracy Evaluation Procedure and, upon evaluation, to assign an accuracy rating to Vendor's ADR Software which may be posted by NASSCO on its website or otherwise provided to interested constituents. Upon implementation of a NASSCO Accuracy Evaluation Procedure, NASSCO may provide an Exhibit G containing the NASSCO Accuracy Evaluation Procedure and the parties agree that such Exhibit G will be made part of this Agreement without need of further actions or consent by either party.

5.2. Upon implementation of a NASSCO Accuracy Evaluation Procedure, Vendor, as required by Section 3.5, Section 3.6, Section 3.7, and/or Section 3.8, shall make available to NASSCO, at no cost to NASSCO, either web-based access to or a working copy or a working copy of Vendor's ADR Software for evaluation by NASSCO according to the NASSCO Accuracy Evaluation Procedures. Accuracy of Vendor's ADR Software will be evaluated for accuracy of assessments using the PACP-associated Licensed Materials, using the MACP-associated Licensed Materials and/or using the LACP-associated Licensed Materials individually. Upon completion of the evaluation, the accuracy rating of the Vendor's ADR Software may be posted by NASSCO on its website or otherwise provided to interested constituents.

5.3. Upon implementation of a NASSCO Accuracy Evaluation Procedure, at its discretion, but not more often than annually, NASSCO may request that Vendor make available to NASSCO, at no cost to NASSCO, either web-based access to a working copy of or a working copy of Vendor's ADR Software

for evaluation according to the NASSCO Accuracy Evaluation Procedure. Accuracy of Vendor's ADR Software will be evaluated for its accuracy of assessments using the PACP-associated Licensed Materials, using the MACP-associated Licensed Materials and/or using the LACP-associated Licensed Materials individually. Upon completion of the evaluation, the accuracy rating of the Vendor's ADR Software may be posted by NASSCO on its website or otherwise provided to interested constituents.

5.4. Upon implementation of a NASSCO Accuracy Evaluation Procedure, NASSCO's evaluation of Vendor's ADR Software will not be an approval, recommendation, endorsement, or certification of Vendor's ADR Software. At no time during or after the Term of this Agreement, whether or not NASSCO has implemented a NASSCO Accuracy Evaluation Procedure, shall Vendor make any statements indicating or suggesting NASSCO approves, recommends, endorses, or certifies Vendor's ADR Software nor that Vendor's ADR Software complies with or is compatible with PACP, MACP, or LACP. Upon implementation of a NASSCO Accuracy Evaluation Procedure, Vendor may reference the then current accuracy rating applicable to its ADR Software.

5.5. If, at the time NASSCO implements NASSCO Accuracy Evaluation Procedure, Vendor objects to the NASSCO Accuracy Evaluation Procedures or the Accuracy Evaluation Fee pursuant to Section 6.3, Vendor may terminate this Agreement pursuant to Section 9.3 of this Agreement.

6. **Fees.**

6.1. **Initial License Fee.** Simultaneously with execution of this Agreement, Vendor shall pay to NASSCO an initial license fee in the amount of THREE THOUSAND DOLLARS (\$3,000.00) per Vendor ADR Software product that utilized any part of the Licensed Materials, Licensed Copyright, or Authorized Mark as consideration for the non-exclusive license granted in this Agreement. License fees are based on NASSCO's fiscal year of July 1 through June 30. If the initial term of this Agreement is less than twelve (12) months (See Section 9.1), the initial licensing fee will be prorated based on the number of months, including partial months, that the Agreement is in effect during the initial term. For example, if the Effective Date of the Agreement is September 10, the initial term will be September 10 through June 30 of the following year and the initial license fee will be the product of the number of months (10 in the example) and \$250.00 (\$3,000/12), which equals \$2,500.00.

6.2. **Annual License Fee.** Prior to the expiration of the initial Term of this Agreement and any extension Term of this Agreement, Vendor shall pay to NASSCO an annual license fee in the amount of THREE THOUSAND DOLLARS (\$3,000.00) per Vendor ADR Software product that utilized any part of the Licensed Materials, Licensed Copyright, or Authorized Mark as consideration for the renewal of the Term and the non-exclusive license granted in this Agreement.

6.3. **Accuracy Evaluation Fee.** Upon implementation of a NASSCO Accuracy Evaluation Procedure, Vendor shall pay NASSCO a fee to be determined by NASSCO per individual evaluation of the accuracy of assessments performed by Vendor's ADR Software using the PACP-associated Licensed Materials, using the MACP-associated Licensed Materials or using the LACP-associated Licensed Materials to defer the cost of conducting each accuracy evaluation performed pursuant to Section 5.2 and/or Section 5.3. If, during the evaluation of the accuracy of assessments process, repeated evaluations are necessary or additional evaluations are requested by Vendor, Vendor may incur additional fees.

7. **Protection of the Licensed Material.**

7.1. Vendor shall immediately notify NASSCO in writing giving reasonable detail if Vendor becomes aware of:

7.1.1. any actual, suspected, or threatened infringement of the Licensed Materials, Licensed Copyright, or Authorized Mark;

7.1.2. any actual, suspected, or threatened claim calling into question the validity of or opposing the Licensed Materials, Licensed Copyright, or Authorized Mark;

7.1.3. any actual, suspected, or threatened claim that the Licensed Materials, Licensed Copyright, or Authorized Mark infringes the rights of a third party; or

7.1.4. any other actual, suspected, or threatened claim to which the Licensed Materials, Licensed Copyright, or Authorized Mark may be subject.

7.2. In the event of any occurrence of any of the matters listed in Section 7.1, NASSCO shall decide, in its sole discretion, what action, if any, to take. NASSCO shall have exclusive control over, and conduct of, all such claims and proceedings. Vendor shall provide NASSCO with all assistance that NASSCO may reasonably require in the conduct of any such claim or proceeding. NASSCO shall bear the cost of any such claims or proceedings and shall be entitled to retain all sums recovered in any such claims or proceedings for its own account.

7.3. In the event of the occurrence of a matter as described in Section 7.1 that NASSCO decides, in its sole discretion, is or may be valid or the claim has been determined valid through litigation or arbitration, NASSCO may, in its sole discretion, (i) obtain the right to use the item at issue or (ii) terminate this Agreement and refund to Vendor the license fee paid for the then current Term, prorated for the amount of the then current Term that is terminated. The obligations in this Section 7.3 shall be NASSCO's sole responsibility and liability in the event of a claim that questions the validity of NASSCO's rights in the Licensed Materials, Licensed Copyright, or Authorized Mark or a claim that the Licensed Materials, Licensed Copyright or Authorized Mark infringes the rights of a third party or any other claim that the Licensed Materials, Licensed Copyright, or Authorized Mark may be subject to.

8. **Representations and Warranties.**

8.1. **Vendor Representations.** Vendor represents and warrants to NASSCO that as of the Effective Date and each renewal of the Term:

8.1.1. it is duly organized, validly existing, and in good standing as a corporation or other entity under the laws and regulations of its jurisdiction of incorporation, organization, or chartering as represented in the introductory paragraph of this Agreement;

8.1.2. it has the full right, power, and authority to enter into this Agreement and to perform its obligations under this Agreement;

8.1.3. the execution of this Agreement by its representative whose signature is set forth at the end of this Agreement has been duly authorized by all necessary corporate/company action of Vendor; and

8.1.4. when executed and delivered by Vendor, this Agreement shall constitute the legal, valid, and binding obligation of Vendor, enforceable against Vendor in accordance with its terms.

8.2. **NASSCO Representations.** NASSCO represents and warrants to Vendor that as of the Effective Date and each renewal of the Term:

8.2.1. it is duly organized, validly existing, and in good standing as a nonprofit corporation under the laws and regulations of its jurisdiction of incorporation;

8.2.2. it has the full right, power, and authority to enter into this Agreement and to perform its obligations under this Agreement;

8.2.3. the execution of this Agreement by its representative whose signature is set forth at the end of this Agreement has been duly authorized by all necessary corporate action of NASSCO; and

8.2.4. when executed and delivered by NASSCO, this Agreement shall constitute the legal, valid, and binding obligation of NASSCO, enforceable against NASSCO in accordance with its terms.

8.2.5. it either owns or has rights to the Licensed Materials or Licensed Copyright sufficient to permit Vendor to use the Licensed Materials or Licensed Copyright, as granted in this Agreement.

8.3. **Warranty Disclaimers.** Other than as expressly stated in Section 8.2 and subject to Section 2.4.7, the Licensed Materials, Licensed Copyright, and/or Authorized Mark are provided on an "as-is" basis without warranties or representations of any kind. Notwithstanding any other provision in

this Agreement, NASSCO shall have no liability based on any express or implied warranties and conditions of any kind, including without limitation, representations, warranties or conditions regarding accuracy, timeliness, completeness, noninfringement, merchantability, satisfactory quality, merchantable quality or fitness for any particular purpose or those arising by law, statute, usage of trade, or course of dealing. NASSCO assumes no responsibility to Vendor, or to any third party, for the consequences of any errors or omissions.

9. **Term and Termination of Agreement.**

9.1. **Term.** The initial term of this Agreement shall be from the Effective Date until the next June 30. After the initial term, provided Vendor makes all payments due under Section 6.2, this Agreement will renew automatically for one year periods running from July 1 through June 30 of the following year until terminated as provided in this Section 9. The initial term and any renewal term are individually and collectively the “**Term**”.

9.1.1. **Ending Automatic Renewal.** Either party may decide that this Agreement shall not automatically renew and will terminate at the end of the then current Term by giving no less than thirty (30) days prior written notice to the other party. If Vendor fails to make the payment due under Section 6.2 for the ensuing Term prior to the end of the then current Term, this Agreement will not automatically renew and will terminate as of the end of the then current Term. If Vendor fails to provide the current version of Vendor’s ADR Software to be reviewed by NASSCO as required by Section 3.6 this Agreement shall not automatically renew.

9.1.2. **Non-Renew for Less than All ADR Software.** If Vendor has a license for more than one ADR Software and either party wishes to cease the automatic renewal of this Agreement as to one or more, but not all of Vendor’s ADR Software, then the notice required by Section 9.1.1 shall specify the ADR Software for which this Agreement will not renew and provide an Amended Exhibit A to become effective upon renewal of this Agreement and upon written acceptance by both parties as to the ADR Software listed in the Amended Exhibit A.

9.2. **Termination.** This Agreement may be terminated by either party by providing written notice to the other party upon the occurrence of any of the following events:

9.2.1. **Insolvency.** If either of the parties shall: (a) admit in writing its inability to pay its debts generally as they become due; (b) file a petition in bankruptcy or a petition to take advantage of any insolvency act or to be placed in administration; (c) make an assignment for the benefit of its creditors; (d) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property or consent to be placed in administration; (e) on a petition in bankruptcy filed against it, be adjudicated as bankrupt; (f) have a petition filed to be placed in administration or receivership; (g) file a petition or answer seeking reorganization or arrangement under the bankruptcy laws, insolvency laws or any other applicable law or statute; or (h) become subject to a final order, judgment or decree entered by a court of competent jurisdiction appointing, without the consent of the insolvent Party, a receiver or liquidator of said Party or of the whole or any substantial part of its property or being placed in administration; or (i) becomes subject to a final order approving a petition filed against said party seeking reorganization, arrangement under the bankruptcy laws, placing it in administration or receivership or liquidation under applicable insolvency laws or any other applicable law or statute. Termination shall be effective upon written notice from the terminating party, or on the date set forth in the notice of termination, if any.

9.2.2. **Breach of Agreement.** A default resulting from the failure or refusal by either party to perform any of the material obligations created by this Agreement, a material breach or nonperformance of any term or condition of this Agreement, if that breach is not cured within a period of fifteen (15) days after written notice of the breach has been provided to the breaching party. If a good faith effort to cure such default has been commenced within the 15 day period after written notice, but the breach involved cannot be cured within 15 days, the breaching party must diligently pursue a cure and cure the breach in a period not to exceed thirty (30) days.

9.3. **Termination by Vendor.** Vendor may terminate this Agreement pursuant Vendor’s rights

set forth in Section 5.5 of this Agreement, upon written notice to NASSCO.

9.4. **Termination by NASSCO.** NASSCO may terminate this Agreement, in whole or in part (for example, without limitation, as to any portion of the Territory or to any ADR Software) and revoke Vendor's license, in whole or in part, upon written notice if:

9.4.1. Vendor fails to provide the current version of Vendor's ADR Software to be reviewed by NASSCO as required by Section 3.5, Section 3.6, Section 3.7, and/or Section 3.8;

9.4.2. Vendor engages in any conduct or act which does not promote the best interests of NASSCO, PACP, MACP, or LACP, or which in any way disparages either NASSCO, PACP, MACP, or LACP, as determined by NASSCO in its sole discretion;

9.4.3. Vendor makes improper use of the Licensed Materials, Licensed Copyright, or Authorized Mark as determined by NASSCO in its sole discretion, or in any way infringes upon any copyright, trademark, service mark or trade name belonging to or used by NASSCO or in any other intellectual property of NASSCO;

9.4.4. Vendor at any time fails to correct any deficiencies noted in its use or implementation of the Licensed Materials, Licensed Copyright, or Authorized Mark;

9.4.5. there is an occurrence as set forth in Section 7.3; or

9.4.6. Vendor should engage in competition with NASSCO during the term of this Agreement by offering or furnishing PACP, MACP, or LACP, or any substantially similar programs to any third party in any manner except in accordance with the terms and conditions of this Agreement.

9.5. **Effect of Termination.** Upon expiration/non-renewal or termination of this Agreement for any reason or the expiration/non-renewal or termination as to any portion of the Territory under this Agreement, all rights and licenses granted to Vendor pursuant to this Agreement shall cease (if the termination is to only a portion of the Territory, the rights and licenses granted to Vendor under this Agreement continues with regard to the remaining portion of the Territory) and Vendor shall cease all use of the Licensed Materials, Licensed Copyright and Authorized Mark and promptly return to NASSCO all Licensed Materials, Licensed Copyright, and other items provided to Vendor by NASSCO and any Confidential Information of NASSCO. In the event of expiration/non-renewal or termination of this Agreement for any reason or the expiration/non-renewal or termination as to any portion of the Territory under this Agreement, there shall be no refund of amounts paid by Vendor to NASSCO pursuant to this Agreement.

9.5.1. Termination as to Less Than All of Vendor's ADR Software. If Vendor has license rights under this Agreement for more than one ADR Software, and a party is exercising its termination rights under Section 9.2 or Section 9.3 to some but not all of Vendor's ADR Software, then the terminating party shall specify in the notice of termination which of Vendor's ADR Software the termination applies to and provide an Amended Exhibit A to become effective upon the effective date of the termination and written acceptance by NASSCO. In the event of termination of this Agreement, for any reason, as to one or more, but not all of Vendor's ADR Software, there shall be no refund of amounts paid by Vendor to NASSCO pursuant to this Agreement.

10. **Confidentiality.**

10.1. **Confidentiality Obligations.** Each party (the "**Receiving Party**") acknowledges that in connection with this Agreement it will gain access to Confidential Information and/or Trade Secrets of the other party (the "**Disclosing Party**"). As a condition to being provided with Confidential Information and/or Trade Secrets, the Receiving Party shall, during the Term of this Agreement and with regard to Confidential Information for two (2) years after the termination of this Agreement and with regard to Trade Secrets forever:

10.1.1. not use the Disclosing Party's Confidential Information and/or Trade Secrets other than as necessary to exercise its rights and perform its obligations under this Agreement;

10.1.2. maintain the Disclosing Party's Confidential Information and/or Trade Secrets in strict confidence and, subject to Section 10.2, not disclose the Disclosing Party's Confidential Information and/or Trade Secrets without the Disclosing Party's prior written consent, provided, however, the Receiving Party may disclose the Confidential Information and/or Trade Secrets to its representatives who have a need to know the Confidential Information and/or Trade Secrets for purposes of the Receiving Party's performance or exercise of its rights under this Agreement and have been made aware of and agreed to be bound by the confidentiality obligations in this Section 10; and

10.1.3. use reasonable care, at least as protective as the efforts it uses for its own Confidential Information and/or Trade Secrets, to safeguard the Disclosing Party's Confidential Information and/or Trade Secrets from use or disclosure other than as permitted by this Section 10.

10.2. **Exceptions to Confidentiality Obligations.** If the Receiving Party becomes legally compelled to disclose any Confidential Information and/or Trade Secrets, the Receiving Party shall:

10.2.1. provide prompt written notice to the Disclosing Party so that the Disclosing Party may seek a protective order or other appropriate remedy; and

10.2.2. disclose only the portion of Confidential Information and/or Trade Secrets that it is legally required to furnish.

10.3. **Definitions.** For purposes of this Agreement,

10.3.1. "**Confidential Information**" means any information that is treated as confidential by a party or its representatives, whether in oral, written, electronic, or other form or media, whether or not such information is marked, designated, or otherwise identified as "confidential" and includes any information that due to the nature of its subject matter or circumstances surrounding its disclosure, would reasonably be understood to be non-public, confidential, or proprietary, including, without limitation: technical data, know-how, or other non-public information related to NASSCO, the PACP Manual, PACP, MACP and LACP, other than Trade Secrets, including, but not limited to, member information, prospective member information, operations information, financial information and/or projections, operations and marketing strategies, operation strategies, pricing and discount strategies, and contemplated service lines or training topics, know-how, unpublished copyrightable works and other confidential inventions, ideas, discoveries, methods, processes, procedures, techniques, information and the like.

Confidential Information does not include Information that: (i) was already known by or in the possession of the Receiving Party or its representatives without restriction on use or disclosure before the receipt of such information under this Agreement; (ii) was or is independently developed by the Receiving Party, as established by documentary evidence, without reference to or use of any of the Disclosing Party's Confidential Information; (iii) was or becomes generally known by the public other than as a result of any breach of this Agreement, or other wrongful act, of the Receiving Party or its representatives; or (iv) was or becomes available to the Receiving Party or its representatives from a third party who was not, at the time, under an obligation to the to maintain the confidentiality of such information.

10.3.2. "**Trade Secret**" means any information or thing related to either party that constitutes a trade secret under the Pennsylvania's Uniform Trade Secrets Act, 12 Pa.C.S. §§5301-5308, including, without limitation, a formula, pattern, compilation, program, device, method, technique, or process, that: (i) derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

11. **Indemnity and Limitation of Liability.**

11.1. **NASSCO Indemnification.** Subject to Section 7.3 and Section 2.4.7, NASSCO shall indemnify, defend, and hold harmless Vendor and its Affiliates, and its officers, directors, employees,

agents, successors, and permitted assigns against all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses, including reasonable attorneys' fees and the cost of enforcing any right to indemnification under this Agreement (singularly and collectively "**Losses**") arising out of or resulting from any third party claim, suit, action, or other proceeding (each a "**Third Party Action**") related to or arising out of or resulting from NASSCO's breach of any representation, warranty, covenant, or obligation under this Agreement.

11.2. **Vendor Indemnification.** In addition to the obligations stated in Section 2.4.7, Vendor shall indemnify, defend, and hold harmless NASSCO and its officers, directors, employees, agents, successors, and assigns against all Losses arising out of, related to or resulting from any Third Party Action arising out of, related to, or resulting from Vendor's breach of this Agreement or Losses that arise out of or result from Vendor's use of the Licensed Materials, Licensed Copyright, or Authorized Mark, or from the use, offer for sale or sale of Vendor's ADR Software, or from Vendor's actions related to the use, offer for sale or sale of Vendor's ADR Software.

11.3. **Indemnification Procedure for Third Party Claims.** The party seeking indemnity ("**Indemnified Party**") shall promptly notify the other party ("**Indemnifying Party**") in writing of any Third Party Action and cooperate with the Indemnifying Party at the Indemnifying Party's sole cost and expense. The Indemnifying Party shall immediately take control of the defense and investigation of the Third Party Action and shall employ counsel reasonably acceptable to the Indemnified Party to handle and defend the Action, at the Indemnifying Party's sole cost and expense. The Indemnified Party's failure to perform any obligations under this Section 11 shall not relieve the Indemnifying Party of its obligations except to the extent that the Indemnifying Party can demonstrate that it has been materially prejudiced because of the failure. The Indemnified Party may participate in and observe the proceedings at its own cost and expense with counsel of its own choosing.

11.4. **Limitation of Liability.** In no event will either party be liable for lost profits, loss of data, or for any special, consequential, indirect, or incidental damages, however caused, on any theory of liability, whether or not such party has been advised of the possibility of such damages arising in any way out of the Agreement, provided, however, that this limitation shall not apply to: (i) use by Vendor of the Licensed Materials, Licensed Copyright, or Authorized Mark other than as permitted by this Agreement; (ii) an intentional or grossly negligent breach of the confidentiality provisions of this Agreement; or (iii) any act, omission or forbearance that constitutes recklessness, willful misconduct, or a knowing violation of law.

12. **Governing Law; Jurisdiction; Equitable Relief; Attorney's Fees.**

12.1. **Governing Law.** This Agreement and all questions relating to its validity, interpretation, performance, remediation and enforcement (including, without limitation, provisions concerning limitations of Actions) shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, notwithstanding any choice-of-laws doctrines of such jurisdiction or any other jurisdiction which ordinarily would cause the substantive law of another jurisdiction to apply, without the aid of any canon, custom or rule of law requiring construction against the draftsman.

12.2. **Venue.** Except as permitted in this Section 12.2 and Section 12.3, any Action seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought against any of the parties in the Court of Common Pleas of Dauphin County, Pennsylvania, or, if it has or can acquire the necessary jurisdiction, in the United States District Court for the Middle District of Pennsylvania and each of the parties consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts) in any such Action and irrevocably waives any objection to venue laid therein. Notwithstanding the foregoing, nothing in this Section 12.2 is intended to prevent any party from instituting an Action in any jurisdiction for the sole and exclusive purpose of enforcing a judgment by a court in the jurisdictions referred to in the preceding sentence. The term "**Action**", as used in this Section 12.2, shall mean any action, appeal, petition, plea, charge, complaint, claim, suit, demand, litigation, arbitration, mediation, hearing, inquiry, investigation or similar event, occurrence, or proceeding.

12.3. **Equitable Relief.** Vendor acknowledges that a breach of this Agreement by Vendor may cause NASSCO irreparable harm, for which an award of damages would not be adequate compensation and, in the event of such a breach or threatened breach, NASSCO shall be entitled to seek equitable

relief, including in the form of a restraining order, orders for preliminary or permanent injunction, specific performance, and any other relief that may be available from any court, and the parties waive any requirement for the securing or posting of any bond or the showing of actual monetary damages in connection with such relief. These remedies shall not be deemed to be exclusive but shall be in addition to all other remedies available under this Agreement, at law or in equity, subject to any express exclusions or limitations in this Agreement to the contrary. At NASSCO's discretion, the venue selection provision in Section 12.2 may be waived for purposes of seeking equitable relief and NASSCO may pursue such claims in any court with competent jurisdiction.

12.4. **Attorneys' Fees.** If any action, suit, or other legal or administrative proceeding is instituted or commenced by either party against the other party arising out of or related to this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees, court costs, expert witness fees and all other expenses from the non-prevailing party.

13. **Notices.** All notices and other communications pertaining to this Agreement shall be in writing and shall be deemed to have been given if personally delivered to the other party or if sent by the United States Postal Service certified mail, return receipt requested, postage prepaid; by Federal Express, United Parcel Service, or other nationally recognized overnight carriers; or by email transmission, with confirmation of receipts and a copy sent the same day by United States Postal Service. All notices or communications between NASSCO and Vendor pertaining to this Agreement shall be addressed as follows:

If to Vendor:

Name:
Address:

Email:

If to NASSCO:

NASSCO, Inc.
Attn: Sheila Joy, Executive Director
5285 Westview Drive, Suite 202
Frederick, MD 21703
Email: Director@Nassco.org

With a copy to:

Gregory S. Chelap
SkarlatosZonarich LLC
320 Market Street, Suite 600W
Harrisburg, PA 17101
Email: GChelap@skarlatoszonarich.com

Either party may change its notice address by giving written notice to that effect to the other in the manner provided in this Agreement. Notices shall be effective upon receipt. Refusal by a party to accept delivery of a notice shall be treated as deliver of the notice.

14. **Miscellaneous Provisions.**

14.1. **Nature of Relationship.** The relationship between the parties is that of licensee and licensor. Nothing in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner.

14.2. **Assignment.** NASSCO may assign this Agreement freely, in whole or in part. Vendor may not assign, subcontract, or delegate this Agreement or its rights or obligations under this Agreement, including assignment by operation of law, without the prior written consent of NASSCO.

14.3. **Provisions Separable.** The provisions of this Agreement are independent of and separable from each other and no provision shall be affected or rendered invalid or unenforceable by

virtue of the fact that any other provision may be invalid or unenforceable in whole or in part for any reason. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

14.4. **Waiver.** The failure of either party to insist on strict performance of any covenant or obligation under this Agreement, regardless of the length of time for which such failure continues, shall not be deemed a waiver of such party's right to demand strict compliance in the future. No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation under this Agreement shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation.

14.5. **Survival.** All the representations, warranties and agreements made in this Agreement shall survive the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, and the termination of this Agreement, in accordance with their terms. All obligations of the parties under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement until the obligations are satisfied in full, or by their nature, expire.

14.6. **Entire Agreement; Modification.** This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements between the parties and their predecessors, relating to the Licensed Materials, Licensed Copyright, and/or Authorized Mark, whether written, oral or through a course of dealings. Except as expressly provided in this Agreement, no future agreements understandings in any way modifying or supplementing this Agreement shall be binding on either party unless in writing and signed by a duly-authorized officer of both parties or pursuant to Section 5.1 or Section 9.5.1 of this Agreement.

14.7. **No Third-Party Beneficiaries.** This Agreement is for the sole benefit of the parties and their respective successors and permitted assigns and nothing in this Agreement, express or implied, is intended to nor shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature, under or because of this Agreement.

14.8. **Force Majeure.** Neither party shall be in default under this Agreement by reason of any failure or delay in the performance of its obligations under this Agreement, except for Vendor's payment obligations, where such failure or delay is due to any cause beyond its reasonable control, including, without limitation, strikes, labor disputes, civil disturbances, riot, rebellion, invasion, pandemic, epidemic, declared public health crisis or emergency, government quarantine or order closing or restricting business operations, hostilities, war, terrorist attack, embargo, natural disaster, acts of God, flood, fire, sabotage, fluctuations or non-availability of electrical power, or any other circumstances or causes beyond the impacted party's reasonable control. The party claiming rights under this Section 14.8 shall provide reasonably prompt written notice of the force majeure event(s) to the other party and shall take all reasonable steps to limit and end its failure or delay in performance.

14.9. **Gender and Numbers in Context.** Words used in this Agreement, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context indicates is appropriate.

14.10. **Days.** In this Agreement, the term "**days**", without further qualification means calendar days.

14.11. **Interpretation of “And/Or” and “Or”.** In this Agreement, the term “and/or” shall be interpreted to include every possibility imaginable with “and” alone plus every possibility imaginable with “or” alone. In this Agreement, unless specifically stated otherwise, the term “or” shall be interpreted to include every possibility imaginable with “or”.

14.12. **Counterparts.** This Agreement may be executed in any number of counterparts with the same effect as if all of the undersigned had signed the same document. A facsimile, .pdf version or other electronic or similar reproduction of a signature on the Signature Page by any or all of the parties shall have the full force and effect of an original signature on the Signature Page. All fully executed counterparts, whether original executions or copies thereof (or a combination), shall be construed together and shall constitute one and the same instrument.

14.13. **Headings; Background; Section References.** The headings in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any article, section, or paragraph of this Agreement; except that the Background of this Agreement is incorporated into this Agreement and may be used to interpret any article, section, or paragraph of this Agreement. Unless otherwise stated specifically, references in this Agreement to Sections shall be to Sections of this Agreement.

[Signature Page Follows]

[Signature Page(s) for License Agreement for Automated Defect Recognition Software]

Intending to be legally bound, the parties to this Agreement have each caused this Agreement to be duly executed and effective as of the Effective Date.

NASSCO, INC.

VENDOR

By: _____
Sheila Joy, Executive Director

By: _____
Signature

Printed Name, Title

Date: _____

Date: _____

EXHIBIT A

List of Vendor's Automated Defect Recognition Software Programs Subject to this Agreement

Software Product Name	Version	Description of Software Product (including its method of performing assessments)

EXHIBIT B

PACP Software Vendor Licensing Guidelines

1. Software Vendor must have at least one person in its employ who is NASSCO PACP certified.
2. All PACP header fields and PACP header field data entries must be included in the software. Field formatting must conform to the formatting guidelines provided in the PACP Manual and the most current data dictionary. Ten custom Header fields in addition to the PACP Header fields are required, however field data entries of PACP fields must be limited to valid PACP data field options.
3. The software must use the NASSCO PACP condition codes, defect codes and associated condition grades and overall pipe scores without any modification. Condition codes, defect codes, and condition grades must be used in accordance with the PACP Manual. Codes not included in the PACP data dictionary are not allowed.
4. It is a mandatory requirement of this Agreement that the software, when exporting data, must export all PACP Header Fields and PACP codes to a NASSCO standard data exchange format including the 10 custom fields. Exported data must conform to the requirements of the PACP Manual and the most current data dictionary, including definition of valid field entries and field character formatting. The destination database used for exporting must be in Microsoft ACCESS as well as relational and ODBC Compliant. Strict compliance with the terms of this Paragraph 4 is required and failure to strictly comply with this Paragraph 4 shall constitute a material breach of this Agreement.
5. It is a mandatory requirement of this Agreement that the certified software, when importing data, must import all PACP Header Fields and PACP codes from a NASSCO standard data exchange format including the 10 custom fields. Imported data must conform to the requirements of the PACP Manual and the most current data dictionary Version listed in Exhibit C, including the definition of valid field entries and field character formatting. An import of data stored in the old Version 4.4 data format and the old Version 6.0 data format is also required to allow existing inspections to be brought forward to the current format. Strict compliance with the terms of this Paragraph 5 is required and failure to strictly comply with this Paragraph 5 shall constitute a material breach of this Agreement.
6. Upon each annual renewal of this Vendor's license agreement, upon request by NASSCO, Vendor shall make available to NASSCO, at no cost to NASSCO, either access to a web-based working copy of or a working copy of the then current version of Vendor's software utilizing rights under Vendor's license agreement from NASSCO for review by NASSCO.

EXHIBIT C

MACP Software Vendor Licensing Guidelines

1. Software Vendor must have at least one person in its employ who is NASSCO MACP certified.
2. All MACP header fields and MACP header field data entries must be included in the software. Field formatting must conform to the formatting guidelines provided in the MACP Chapter which supplements the PACP Manual and the most current data dictionary. Ten Header fields in addition to the MACP Header fields are required, however, field data entries of MACP fields must be limited to valid MACP data field options.
3. The software must use the NASSCO MACP condition codes, defect codes, condition grades and overall manhole scores without any modification. Condition codes and defect codes must be used in accordance with the MACP Chapter to the PACP Manual. Codes not included in the MACP data dictionary are not allowed.
4. It is a mandatory requirement of this Agreement that the software, when importing data, must import all MACP Header Fields and MACP codes from a NASSCO standard data exchange format including the 10 custom fields. Imported data must conform to the requirements of the MACP Chapter which supplements the PACP Manual and the most current data dictionary Version, including the definition of valid field entries and field character formatting. An import of data stored in the old Version 4.4 data format and the old Version 6.0 format is also required to allow existing inspections to be brought forward to the current format. Strict compliance with the terms of this Paragraph 4 is required and failure to strictly comply with this Paragraph 4 shall constitute a material breach of this Agreement.
5. Upon each annual renewal of this Vendor's license agreement, upon request by NASSCO, Vendor shall make available to NASSCO, at no cost to NASSCO, either access to a web-based working copy of or a working copy of the then current version of Vendor's software utilizing rights under Vendor's license agreement from NASSCO for review by NASSCO.

EXHIBIT D

LACP Software Vendor Licensing Guidelines

1. Software Vendor must have at least one person in its employ who is NASSCO LACP certified.
2. All LACP header fields and LACP header field data entries must be included in the software. Field formatting must conform to the formatting guidelines provided in the LACP Chapter which supplements the PACP Manual and the most current data dictionary. Ten Header fields in addition to the LACP Header fields are required, however, field data entries of LACP fields must be limited to valid LACP data field options.
3. The software must use the NASSCO LACP condition codes, defect codes and associated condition grades and overall lateral scores without any modification. Condition codes and defect codes must be used in accordance with the LACP Chapter to the PACP Manual. Codes not included in the LACP data dictionary are not allowed.
4. It is a mandatory requirement of this Agreement that the software, when importing data, must import all LACP Header Fields and LACP codes from a NASSCO standard data exchange format including the 10 custom fields. An import of data stored in the old Version 4.4 data format and old Version 6.0 data format is also required to allow existing inspections to be brought forward to the current format. Imported data must conform to the requirements of the LACP Chapter which supplements the PACP Manual and the most current data dictionary, including the definition of valid field entries and field character formatting. Strict compliance with the terms of this Paragraph 4 is required and failure to strictly comply with this Paragraph 4 shall constitute a material breach of this Agreement.
5. Upon each annual renewal of this Vendor's license agreement, upon request by NASSCO, Vendor shall make available to NASSCO, at no cost to NASSCO, either access to a web-based working copy of or a working copy of the then current version of Vendor's software utilizing rights under Vendor's license agreement from NASSCO for review by NASSCO.

EXHIBIT E

Inspection Forms Subject to Section 3.4 of Agreement PACP Inspection Form - Header Section

General Information

Red font fields = Mandatory, Black font fields = Optional

1. Surveyed by	2. Certificate No.	3. Reviewed by	4. Reviewer Certificate No.
5. Owner	6. Customer	7. P/O Number	8. Work Order Number
9. Media Label	10. Project	11. Date YYYYMMDD	12. Time HH:MM
14. Weather	15. Pre-Cleaning	16. Date Cleaned YYYYMMDD	13. Sheet Number
19. Direction of Survey	20. Inspection Technology Used		17. Flow Control
22. Consequence of Failure		21. Inspection Status	
		23. Pressure Value	

Location

24. Drainage Area	25. Pipe Segment Reference	26. Street (Name & Number)
27. City	28. Location Code	29. Location Details

Pipe

30. Pipe Use	31. Height (Diameter)	32. Width	33. Shape
34. Material	35. Lining Method	36. Coating Method	37. Pipe Joint Length
38. Total Length	39. Length Surveyed	40. Year Constructed YYYY	41. Year Renewed YYYY

Measurements

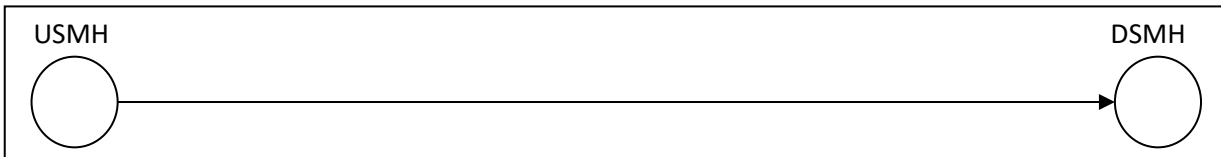
42. Upstream MH No.	43. Upstrm MH Rim to Invert	44. Upstrm MH Rim to Grade	45. Upstrm MH Grade to Invert
46. Upstream MH Northing*	47. Upstream MH Easting*	48. Upstream MH Elevation**	
49. Downstream MH No.	50. Downstream MH Rim to Invert	51. Downstream MH Rim to Grade	
52. Downstream MH Grade to Invert	53. Downstream MH Northing*	54. Downstream MH Easting*	
55. Downstream MH Elevation**	56. MH Coordinate System*	57. MH Vertical Datum**	58. GPS Accuracy

59. Additional Information

*Entry required if Northing, Easting or Coordinate System data is recorded.

**Entry required if Elevation or Vertical Datum data is recorded.

Sketch



Details Section

Distance (feet) (meters)	Video Ref.	Code Group/ Descriptor/ Modifier	Continuous Defect	Value			Joint	Circumferential Location		Image Ref.	Remarks
				Dimension		%		At/From	To		
				1st	2nd						

PACP Inspection Form – Details Continuation Section

1. Surveyed by	5. Owner	11. Date	13. Sheet No.	42. Upstream MH No.	49. Downstream MH No.
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Distance (feet) (meters)	Video Ref.	Code	Continuous Defect	Value			Joint	Circumferential Location		Image Ref.	Remarks
		Group/ Descriptor/ Modifier		Dimension		%		At/ From	To		
				1st	2nd						

Red font fields = Mandatory, Black font fields = Optional

MACP Inspection Form

Header Section

General Information

1. Surveyed By (1,2)	2. Certificate Number (1,2)	3. Reviewed By	4. Reviewer Certificate No.
5. Owner	6. Customer	7. P/O Number	8. Work Order
9. Media Label	10. Project	11. Date (1,2) YYYYMMDD	12. Time
13. Sheet Number (1,2)	14. Weather	15. Pre-Cleaning (2)	16. Date Cleaned YYYYMMDD
17. Purpose of Survey (1,2)	18. Inspection Level (1,2)	19. Inspection Status (1,2)	20. Consequence of Failure

Location

21. Drainage Area	22. MH/Access Point No. (1,2)	23. Street (1,2)	24. City (1,2)
25. Location Code (2)	26. Surface Type (2)	27. Inflow Potential from Runoff	
28. Location Details			

Manhole

29. MH Use (2)	30. Access Type (1,2)	31. Year Constructed YYYY	
32. Year Renewed YYYY		33. Evidence of Surcharge (2)	

Measurements

34. Rim to Invert (2)	35. Rim to Grade (2)	36. Grade to Invert (2)	37. Rim to Grade Exposed
38. Northing*	39. Easting*	40. Elevation**	41. Coordinate System*
42. Vertical Datum**		43. GPS Accuracy	

44. Additional Information

* Information required if Northing, Easting or Coordinate System data is recorded.

** Information required if Elevation or Vertical Datum data is recorded.

Red Font Fields = Mandatory, Black Font Fields = Optional

MACP Inspection Form

Manhole Component Observation Section

Cover

45. Type (2)	46. Shape (2)	47. Size (2)	48. Center Cover Size	49. Size Width (2)
50. Cover Material (2)	51. Hole Diameter (Vent) (2)	52. Hole Number (2)		53. Bearing Surface Diameter (2)
54. Bearing Surface Width (2)	55. Cover/Frame Fit (2)		56. Cover Condition (1,2)	

Cover Insert

57. Insert Type (2)	58. Cover Insert Condition (2)
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Cover Adjustment Ring

59. Ring Type (1, 2)	60. Ring Material (2)	61. Ring Condition (1,2)	62. Ring Height
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Frame

63. Frame Material (2)	64. Bearing Surface Width (2)	65. Bearing Surface Depth (2)	66. Clear Opening Diam (2)
67. Clear Opening Width (2)	68. Frame Condition (1,2)	69. Seal Condition (2)	70. Offset Distance (2)
71. Seal Inflow (2)	72. Frame Depth		

Chimney

73. Chimney Present (2)	74. First Material (2)	75. Second Material	76. Chimney l/l	77. Clear Opening
78. Chimney Depth (2)	79. Lining Interior	80. Lining Exterior	81. Chimney Condition (1)	

Cone

82. Type (2)	83. Material (2)	84. Depth (2)	85. Lining Interior	86. Lining Exterior	87. Cone Condition (1)
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Wall

88. Wall Diameter (Length)	89. Wall by Size (Width)	90. Material (2)	91. Depth (2)
92. Wall Lining Interior	93. Wall Lining Exterior	94. Wall Condition (1)	

Bench

95. Bench Present (2)	96. Bench Material (2)	97. Bench Lining	98. Bench Condition (1)
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Channel

99. Channel Installed (2)	100. Channel Material (2)	101. Type (2)	102. Exposure (2)	103. Channel Condition (1)
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Steps

104. Number (2)	105. Material (2)
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Additional Component Information

106. Additional Component Information

Pipe Connections

107. Pipe No. (2)	108. Clock Pos (2)	109. Rim to Invert (2)	110. Direction (2)	111. Material (2)	112. Shape (2)	113. Height (Diam) (2)	114. Width (2)	115. Cond (2)	116. Seal Cond (2)	117. Pipe Type (2)	118. Struct ID	119. Comment

1 = Mandatory Level 1 Inspection Required, 2 = Mandatory Level 2 Inspection Required

MACP Inspection Form

Manhole Component Defect Section

1. Surveyed By (1,2)	5. Owner	11. Date (1,2)	13. Sheet Number (1,2)	22. MH/Access Point No. (1,2)
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Depth (feet) (meter)	Video Ref	Component	Code		Continuous Defect	Value			Joint	Step	Circumferential Location		Img Ref	Remarks
			Group Descriptor	Modifier		Dimension		%			At/ From	To		
						1st	2nd							

LACP Inspection Form

Header Section

General Information

1. Surveyed By	2. Certificate No.	3. Reviewed By	4. Reviewer Certificate No.
5. Owner	6. Customer	7. P/O Number	8. Work Order Number
9. Media Label	10. Project		11. Date YYYYMMDD
13. Sheet Number	14. Weather	15. Pre-Cleaning	16. Date Cleaned YYYYMMDD
17. Purpose of Survey	18. Direction of Survey	19. Inspection Technology Used	20. Inspection Status
21. Consequence of Failure		22. Pressure Value	

Location

23. Drainage Area	24. Pipe Segment Reference	25. Lateral Segment Reference	
26. Street (Number & Name)	27. City	28. Location Code	29. Location Details

Lateral

30. Pipe Use	31. Size	32. Material	33. Lining Method	34. Total Length
35. Length Surveyed	36. Year Constructed	37. Year Renewed		38. Property Line

Measurements

39. Access Point ID No.	40. Tap Location	41. Rim to Invert	42. Access Pt. Northing*	43. Access Pt. Easting*
44. Access Pt. Elevation**	45. Coordinate System*	46. Vertical Datum**		47. GPS Accuracy
48. Downstream Manhole ID No.		49. Upstream Manhole ID No.		50. Start Manhole

51. Additional Information

* Information required, if Northing, Easting or Coordinate System data is recorded.

** Information required, if Elevation or Vertical Datum data is recorded.

LACP Inspection Form

Details Continuation Section

1. Surveyed By	5. Owner	11. Date	13. Sheet	25. Lateral Segment Reference
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Distance (feet) (meters)	Video Ref	Code	Continuous Defect	Value			Joint	Circumferential Location		Img. Ref	Remarks
		Group/ Descriptor/ Modifier		Dimension		%		At/ From	To		
				1st	2nd						

EXHIBIT F

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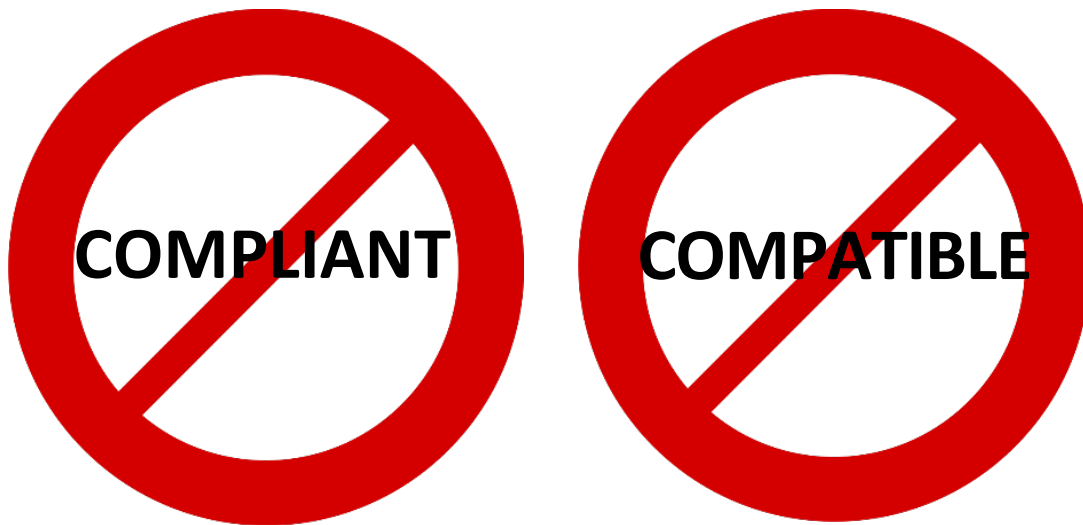
[S0595358.1]

Please email heather@nassco.org to request logo files.

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