



Quote Name: ITinaBox
Quote Number: #009094 | Version 1
Prepared For: Flathead Reservation Water Management Board
Expiration: 07/02/2022



Standard Managed Services

Virtual Chief Information Officer Services

Kelley will have a dedicated individual participate as part of the organization's senior leadership team including attending management meetings, board meetings, and other meetings as required.

Strategic Technology Planning

Kelley will collaborate with key stakeholders on a regular basis to develop an IT strategy in alignment with the short and long-term objectives of the partners organization. A detailed roadmap and predictable budget will be provided to ensure major projects and expenses are planned for well in advance.

Helpdesk Support

Enjoy the flexibility of our three methods described below for contacting the Kelley Support team directly during normal advertised business hours (7:00AM - 6:00PM PT) :

- Phone: Through our direct support phone line, calls are answered by Engineers who can immediately begin resolving your support request.?
- Email: By sending a brief email to support@kelleyconnect.com, partners can create a support request and prompt a support technician to follow up quickly or at a specified time.
- Portal: Through the easy to use web-based portal, partners can submit new support requests and review information from existing or previous incidents all in one place.

The Helpdesk is the initial escalation point for partner technical issues. This team will focus on triage and technical resolution of most IT related issues (Email, password resets, access issues, equipment troubleshooting, printing issues, virus and malware infections and more).

24x7 Afterhours Support

Outside of normal advertised business hours, Kelley Engineers will provide support for client infrastructure and users for mission-critical incidents that may arise. An after-hours rate of \$225 per hour applies to support requests outside of standard business hours (7:00am - 6:00pm, Monday - Friday).

24x7 Network Monitoring

Monitoring of critical functions on all network devices and proactive alerting when predetermined thresholds are met, allowing Kelley NOC (Network Operations Center) to take action and avoid service interruption for the partner.

Security Patching

Necessary Windows and Third-Party patches are tested and then automatically identified and applied during pre-determined maintenance windows to ensure security vulnerabilities are minimized.

Antivirus Protection

Managed antivirus protection is installed on all computers and servers. The antivirus database is automatically updated hourly to



protect against all the latest threats.

Virus Removal

All efforts associated with disinfecting a partner PC from any virus, malware, or other malicious programs will be provided for up to four (4) PC's per any given single instance. A network-wide virus or malware infection of five (5) or more PC's or any server will require project discovery, scoping, and implementation services outside the scope of this agreement to be billed at \$175 per hour.

Offsite Data Backup

Server images are transferred from a secure local backup appliance to a state-of-the-art SSAE16 SOC 2 Type 2 certified data center. All data remains fully encrypted through the transfer and remains encrypted at rest in the data center.

Data Recovery

A system recovery plan is tailor made to the specific recovery time objective (RTO) and recovery point objective (RPO) of the partner. Kelley's system recovery capabilities are able to quickly restore a system and ensure services are available as quickly as possible. Recovery time may be affected by file size, network speed, or other factors. Quarterly data validation checks are performed to ensure recovery is possible.

Line of Business Application

Kelley will support application accessibility on the network and will coordinate with the application vendor to provide "best effort" support for application functionality.

For Kelley to provide "best effort" support for Line of Business Applications, the partner is required to have a current vendor support agreement. If the partner does not have a current vendor support agreement, all Line of Business Application support will be billed at \$175 per hour.

Version upgrades are included if upgrades may be done during standard business hours. If they must be done outside business hours, a charge of \$200 per hour will apply. A major application(in excess of .X version) upgrades and/or changes may require project discovery, scoping, and implementation outside the scope of this agreement at an additional charge.

Equipment Recommendation

Recommendation for all new or replacement equipment will be based on specific partner needs described during the initial discovery and prioritization process. This service applies to standard solutions, such as desktops, laptops, tablets, printers, etc., and does not include professional technical engineering services which may be required for certain projects performed outside the scope of this agreement.

Kelley Connect Phone System

Kelley Engineers are highly trained in Kelley authorized phone systems and support the general system and user functionality as part of this agreement. Advanced system changes may require project discovery, scoping, and implementation outside the scope of this agreement. Annual subscription fees for system update rights and warranties are separate from this agreement.

Standard Security Services

Phish Threat Testing & Security Awareness Training

Security Awareness Training

- On demand web-based training for all managed users
- New employee onboarding to security awareness training

Phishing attack simulation

- Quarterly simulated phishing attack campaign
- Quarterly reporting on phishing campaigns

Endpoint Protection with Managed Threat Response

Endpoint Protection and, proactive threat-hunting that finds, contains, and neutralizes the most sophisticated attacks 24/7.

- Exploit Prevention
- Anti-Ransomware
- Endpoint Detention and Response
- Deep Learning Technology
- Managed Threat Response
- Lead-Driven Threat Hunting
- Adversarial Detections
- Security Health Check
- Activity Reporting
- 24/7 Leadless Threat Hunting
- Dedicated Threat Response Lead
- Direct Call-In Support
- Enhanced Telemetry
- Proactive Posture Improvement
- Asset Discovery

Dark Web Monitoring

Dark web monitoring, also known as cyber monitoring, is an identity theft prevention solution that monitors identity information on the dark web, and alerts if information is found online.

Security Recommendation & Consultation

Kelley will provide technical Subject Matter Experts (SME's) as needed to discuss technical or security-related initiatives, risks or general alignment of the business and technical strategy.

Datto Office 365 SaaS Backup - Single Domain

- 3x daily point in time backup for Office 365's Exchange, OneDrive, and SharePoint. Perform additional backups at anytime manually.
- Store an unlimited amount of data in the Datto cloud.



- Restore individual files or groups of files back to original locations or export them directly.

Predictive Email Defense

Multi-faceted Anti-Phishing Analysis:

Performs a real time, multilayered behavioral analysis of the email and URL, following any redirections to determine whether the final page is fraudulent. Machine learning models analyze 47 features of the email and URL for malicious behaviors, while computer vision algorithms scan for modified logos, QR codes, and other images commonly used in phishing attacks.



Excluded Services

Project Services

For all items outside the scope of this agreement, Kelley offers professional project services to perform a detailed discovery, scoping, and implementation. Project services will be proposed with a detailed statement of work and fixed-fee or hourly service estimate. All project services require partner approval prior to initiation of billable work. Examples of common project services are: server replacement, firewall replacement, other major hardware implementation or refresh, wireless access point installation or refresh, software development, advanced scripting, and other advanced system changes.

Recovery from a Security Breach

Security Breach affecting multiple users, services, applications and or databases. Kelley will work with the partner upon such an event to remediate issues however all work done during remediation is considered billable.

Policy and Compliance Documentation

Kelley can provide default reporting for all products within the scope of this agreement. Matching reporting to compliance needs or authoring Policy documentation is the sole responsibility of the partner or can be contracted as part of Project Services.

Formal Training Services

Kelley will accommodate reasonable requests for technical training and may teach helpful tips and tricks to the partner during the support process. Formal application-specific training, e.g., Excel Training, PowerPoint Training, etc. is not included in this agreement. Formal training services may be quoted at the partners request.

PC Setup

A "Standard PC" is a PC purchased from Kelley. Standard PC's are installed at a flat rate of \$250 per machine for standard installs.

A "Non-Standard PC" is a PC purchased from any source other than Kelley. All hours worked on preparation, configuration, and onsite installation will be invoiced outside of this agreement at a rate of \$175 per hour. Ongoing support of a Non-Standard PC will be covered by this agreement only if the Non-Standard PC meets all minimum specifications defined by Kelley and has been approved by Kelley prior to purchasing.

All PC's must be 5 years old or newer to be supported under this agreement. All newly purchased PC;s will come with a 3-year warranty. If a PC has hardware failure after the warranty expires, the partner agrees to buy a new PC rather than replace parts in an aged PC or to be billed outside this agreement at a rate of \$175 per hour to replace hardware.

Onsite Support

During normal advertised business hours (7am -6pm PT M-F), Kelley Engineers will provide support for partner infrastructure and users at the partners location(s) when deemed necessary by Kelley.

On-site support will be charged at our normal hourly rate.

Non-Standard Phone Systems

A "Non-Standard Phone System" is defined as any phone system other than Kelley Authorized. Support of Non-Standard Phone Systems is "best effort" with no guarantee of resolution. All hours worked on Non-Standard Phone Systems will be invoiced



outside this agreement at a \$175 per hour rate.

Non-Standard Printer Setup

A "Non-Standard Printer" is a Printer purchased from any source other than Kelley. All hours worked on preparation, configuration, and onsite installation will be invoiced outside of this agreement at a rate of \$175 per hour. Ongoing support of a Non-Standard Printer will be covered by this agreement only if the Non-Standard Printer meets all minimum specifications defined by Kelley and has been approved by Kelley prior to purchasing.

Personal Computer Support

A "Personal Computer" is defined as any machine with a consumer-grade operating system installed, such as Windows 7 Home Basic/Premium, or a non-professional or enterprise versions of Windows 8, Windows 8.1, and Windows 10. Any machine not owned by the partner organization is also considered a personal computer.

Rental Equipment

In the event of a major system outage, Kelley may provide temporary rental equipment to restore system accessibility. All rental equipment is based on availability and is subject to daily or weekly billing rates.

Onboarding Project - Statement of Work

Backup Solution Implementation

Implement backup for M365.

Documentation

Collect and/or develop documentation relating to supportability of the organization, such as network diagram, staff directory, vendor list, and knowledge base articles for frequent incidents.

Firewall Implementation

Discovery and design session with partner to determine desired security settings for content filtering, etc. Configuration and onsite deployment of firewall.

Staff Training

Training staff on the simple process of obtaining technical support from Kelley, and a review of best practices to ensure expectations are consistent on both sides of the partnership.

Workstation Onboarding

Installation of management agent, antivirus protection, and remote support software.

ITinaBox

Quote Information:

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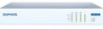




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Onboarding Project - Services		Price	Qty	Ext. Price
	Fixed Price Onboarding Services per Statement of Work (Included at no cost)	\$0.00	1	\$0.00

Onboarding Project - Products		Price	Qty	Ext. Price
	Lenovo ThinkPad T14s Gen 1 14" Notebook - Full HD - 1920 x 1080 - Intel Core i5 (10th Gen) i5-10210U 1.60 GHz - 8 GB RAM - 256 GB SSD - Windows 10 Pro - Intel UHD Graphics - IEEE 802.11ax Wireless LAN Standard	\$0.00	6	\$0.00
	Sophos XG 126 Network Security/Firewall Appliance - 8 Port - 1000Base-T - Gigabit Ethernet - 8 x RJ-45 - Desktop, Rack-mountable	\$0.00	1	\$0.00
	Sophos APX 320 IEEE 802.11ac Wireless Access Point - 2.40 GHz, 5 GHz - MIMO Technology - 1 x Network (RJ-45) - Wall Mountable, Ceiling Mountable, Desktop	\$0.00	1	\$0.00
	Sophos Rack Mount for Firewall	\$0.00	1	\$0.00
	Sophos Mounting Bracket for Wireless Access Point	\$0.00	1	\$0.00
	HPE Aruba 2930F 24G PoE+ 4SFP Switch - 24 Ports - Manageable - 3 Layer Supported - Modular - Twisted Pair, Optical Fiber - 1U High - Rack-mountable, Desktop - Lifetime Limited Warranty	\$0.00	1	\$0.00


Onboarding Project - Products		Price	Qty	Ext. Price
	APC by Schneider Electric Smart-UPS X 750VA Tower/Rack 120V with Network Card (Not for sale in Vermont) - 2U Tower/Rack Convertible - 3 Hour Recharge - 14.20 Minute Stand-by - 120 V AC Input - 120 V AC Output - 8 x NEMA 5-15R	\$0.00	1	\$0.00

KelleyCOMPLETE		Recurring	Qty	Ext. Recurring
	COMPLETE Monthly Base Fee KelleyCOMPLETE Agreement <u>Agreement Start Date:</u> 7/1/2022 <u>Initial Term:</u> 36 Months 6 Managed Users 6 Managed Devices 1 Managed Partner Locations	\$1,683.21	1	\$1,683.21

KelleyCOMPLETE Recurring Subtotal **\$1,683.21**

KelleyCOMPLETE - Additional Fees		Price	Qty	Ext. Price
	<p>Additional Managed User</p> <p>A "Managed User" is defined as a member of the partners organization who uses an IT related service or device. Each user is required to have an individually named account created in Active Directory to ensure accuracy of invoicing. All other service, generic, distribution or other accounts will not be considered a "Managed User".</p> <p>Price includes:</p> <ul style="list-style-type: none"> Standard computer or laptop Unlimited Support and Monitoring M365 Backup Phishing protection M365 Business Premium License Next-Gen Antivirus protection 	\$225.75	0	\$0.00
	<p>Additional Managed Email User</p> <p>A "Managed Email User" is defined as an active account in Microsoft 365 associated with an End User or Device.</p> <ul style="list-style-type: none"> Microsoft Business Premium License Phishing Protection Phish Threat Testing M365 and Email Backup 	\$32.00	0	\$0.00



KelleyCOMPLETE - Additional Fees		Price	Qty	Ext. Price
 Hourly Services Rate Hourly services rate for additional services outside the scope of this agreement. Minimum charge of .25 hours for Remote Support and 1 hour for Onsite Support.	\$220.00	0	\$0.00	

Recurring Expenses Summary	Amount
KelleyCOMPLETE	\$1,683.21
Recurring Total	\$1,683.21

By signing below, Client acknowledges full understanding and acceptance of all sections of the Quote, including the Managed Services Agreement.

Signature

Date



Managed Services Agreement (MSA)

THIS MANAGED SERVICES AGREEMENT ("this Agreement") entered into effective as of the exact date specified in this proposal as the "Agreement Start Date", by and between Kelley Connect Co (hereinafter referred to as "Provider"), and Flathead Reservation Water Management Board (hereinafter referred to as "Client"). WHEREAS, Provider is in the business of providing IT management services as an independent contractor; and WHEREAS, Client desires to retain Provider as an independent contractor to provide certain IT management services to Client, as further described in this Agreement; and WHEREAS, Provider and Client desire to enter into this Agreement with respect to the terms under which Provider shall provide such IT management services to Client and the payment of Provider for the services to be provided, NOW, THEREFORE, for and in consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1.1 Services To Be Provided. During the term of this Agreement, Provider will provide the services, software, hardware and other equipment specifically described in the preceding sections of Quote #009094, which is attached hereto and hereby incorporated by reference as a part of this Agreement. The services, software, hardware and other equipment described in the preceding sections of Quote #009094, as may be amended by any addendums entered into by the parties, shall be collectively referred to herein as "the Services".

1.2 Excluded Services. Unless specifically set forth in the preceding sections of Quote #009094, Provider shall not be obligated to provide any additional services, software, hardware or other equipment, unless an addendum to this Agreement is entered into by the parties describing the additional items to be provided and the compensation to be received by Provider for the provision of such items. In particular, but without in any way limiting the foregoing, the Services do not include the cost of any third party vendor or manufacturer support or incident fees of any kind, or service and repair required due to the alteration or modification of Client's equipment or software which was not authorized or performed by Provider.

1.3 Additional Services. During the term of this Agreement, Provider may provide additional IT Services to Client upon the specific written request of Client. Provider shall not be obligated to provide such services unless and until Provider has accepted Client's request and the parties have each signed a new proposal describing the services to be provided by Provider and the additional fees and costs related thereto. All such additional services requested by Client and approved by Provider in writing to be undertaken shall be collectively referred to herein as "Additional Services".

1.4 Additional Services; Additional Costs. Other than the Services described above, Provider shall not be obligated to provide any Additional Services, nor shall Provider be obligated to provide any software, hardware or other equipment, unless a new written proposal is entered into by the parties. In the event that any software, hardware or other equipment is required to be purchased for Client in order for Provider to provide Additional Services, and in the event that Provider and Client have not otherwise agreed on a price for such equipment, the Client shall reimburse Provider for Provider's actual costs incurred in acquiring such software, hardware or other equipment, plus a markup of not less than ten percent (10%) on the actual cost of such equipment necessary for Additional Services ("Additional Costs"), in addition to the hourly rate described in the "Additional Fees" section of this Agreement.

2.1 Base Fee. As compensation for the Services to be provided by Provider pursuant to this Agreement, Client shall pay to Provider the base fee as set forth in Quote #009094 ("the Base Fee") to be adjusted as provided below.

2.2 Additional Fees and Costs. Client shall also pay to Provider any incurred overage charges as outlined on respective "Additional Fees" section and Additional Costs as described in Section 1.4.

2.3 Invoices. Client will be invoiced on a monthly basis on the first day of each month for the Services to be provided during that month. Client shall also pay Provider for all invoices resulting from Additional Services and Additional Costs requested by Client.

2.4 Adjustments to Base Fee Due to Increase or Decrease in Services. In the event that the Services to be provided by Provider and set forth in the preceding sections of Quote #009094 are increased or decreased by mutual agreement of the parties during the term of this Agreement and an addendum to the preceding sections of Quote #009094 is entered into by the parties to reflect such increase or decrease, the Base Fee shall be adjusted accordingly.

2.5 Cost of Living Increase. The Base Fee, to be adjusted as provided in the preceding section of Quote #009094, shall be increased each year on the anniversary date of the effective date of this Agreement by three and a half percent (3.5%).

2.6 Payment. Client shall make payment within thirty (30) days of receipt of a monthly invoice. Amounts not paid within sixty (60) days after the date of the invoice shall accrue interest at a rate of eighteen percent (18%) per annum, or the legal maximum if less, from the date of the invoice until paid in full. Client shall be liable for and shall pay to Provider all reasonable costs of collection, including without limitation attorneys' fees and court costs for undisputed amounts. ACT payment is preferred. Amounts paid by credit card shall incur a processing fee of one percent (1%).

3.1 Initial Term. The initial term of this Agreement shall be outlined in the preceding sections of Quote #009094. The Initial Term shall commence on the effective date defined as "Agreement Start Date" as set forth above and shall terminate on the date specified in the preceding section of Quote #009094 unless otherwise terminated as provided in Section 10.

3.2 Automatic Renewal. Notwithstanding the foregoing, unless either party gives the other party written notice of its intent not to renew this Agreement at least thirty (30) days prior to the end of the previous Term, this Agreement shall renew automatically for successive terms of one (1) year ("the Renewal Term(s)"). Alternatively, Client may affirmatively elect in writing at least thirty (30) days prior to the end of the previous Term to renew on a month-to-month



basis which shall be subject to a twenty percent (20%) surcharge on the Base Fee, as adjusted, each month. The Renewal Term(s) shall be subject to the same terms and conditions of the Initial Term, including any increases to the Base Fee provided in Section 2 of this Agreement, and shall commence on the day following the expiration of the prior Term.

4. Ownership of Certain Software, Hardware and Equipment. Any and all software, hardware and equipment identified in the preceding sections of Quote #009094 as being owned by Provider ("the Provider Property") shall at all times remain the sole property of Provider, and Client is only entitled to a limited license to the Provider Property during the term of this Agreement. Client will not attempt to sell, resell, tamper, troubleshoot, repair, move from Client's business premises, or otherwise modify the Provider Property without the prior written consent of Provider. Upon the expiration or earlier termination of this Agreement for any reason, Client agrees to return any and all Provider Property to Provider within ten (10) days after the expiration or termination date. Client further acknowledges and gives permission to Provider to enter upon Client's business premises to take possession of any and all Provider Property from Client's location after such 10-day grace period, and agrees all efforts to recover such property will be deemed consensual and not a trespass, and agrees to reimburse Provider, on demand, for expenses incurred by Provider during the recovery in addition to all other amounts owing under this Agreement. Client agrees and understands that the Provider Property is to be maintained completely by Provider. Provider reserves the right to terminate this Agreement immediately in the event of any breach of this Section "Ownership of Certain Software, Hardware and Equipment" by Client. Client agrees to make all reasonable attempts to keep the Provider Property safe, secure and protected while in Client's possession, including but not limited to maintaining insurance on all the Provider Property during the term of this Agreement with coverage in an amount at least equal to the full retail value of the Provider Property and with Provider named as an additional loss payee. Client will provide proof of such insurance to Provider upon request by Provider. Client further agrees to be responsible for any and all costs for the repair or replacement of the Provider Property while in Client's possession should it be damaged or repaired by an unauthorized third party.

5. Initial Setup and Delays. Client hereby acknowledges that the setup of the system may be delayed for reasons outside Provider's control, including but not limited to, compatibility issues related to Client's software. Provider is not liable for any losses or costs attributed to such delays.

6.1 Provider's Representations and Warranties. In connection with the performance of its obligations under this Agreement, Provider hereby represents and warrants to Client as follows: Provider will perform the Services in a professional and workmanlike manner, in accordance with standard industry practices. Provider will provide, at its expense, the necessary personnel and equipment to perform the Services.

6.2 Client's Representations and Warranties. In connection with the performance of its obligations under this Agreement, Client hereby represents and warrants to Provider as follows: In order to allow Provider to perform the Services contemplated by this Agreement, Client hereby authorizes Provider to install, modify and/or manipulate software on Client's computer system(s), including but not limited to software already installed on Client's computers or otherwise in Client's possession, and to view any data on Client's computers within the regular course of such installation, modification, and/or manipulation. Client also authorizes Provider to delete, change, and/or rewrite any necessary information stored on Client's computers which Provider reasonably believes to be necessary in order to complete any such installation, modification, and/or manipulation of software on Client's computers consistent with standard industry practices.

6.3 Indemnification. All representations and warranties made in this Agreement will survive the execution of this Agreement. Client agrees to indemnify, defend and hold Provider, its successors and assigns, harmless, from and against, any and all claims, liabilities, obligations, costs, expenses, and reasonable attorney's fees (collectively, "Damages") arising out of or related to any breach or inaccuracy of any representation or warranty of Client made in this Agreement or any related agreement.

6.4 Software Licenses. Client hereby acknowledges and agrees that it has the sole legal responsibility for the ownership and/or rights to license and use all software used in connection with Client's business. Client further represents and warrants to Provider that Client has, and so long as this Agreement is in effect will continue to maintain, valid licenses or other legal rights to use all of such software, without violating or infringing on the intellectual property rights of any other person or entity, and Client agrees to indemnify and hold Provider free and harmless from any unauthorized installation or use of software on Client's system(s).

6.5 Upgrade or Replacement of Software or Hardware. In the event that any software, hardware, or equipment owned by Client which is being maintained or serviced by Provider pursuant to this Agreement is determined by Provider to be chronically failing, due to repeated breakdowns which consistently cause user and business interruption notwithstanding repairs provided by Provider, Client agrees to promptly replace any such failed software, hardware or equipment, at Client's expense.

7. Provider MAKES AND CLIENT RECEIVES NO WARRANTY, WHETHER EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES PROVIDED UNDER THIS AGREEMENT, AND THERE IS EXPRESSLY EXCLUDED ANY AND ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CLIENT ACKNOWLEDGES AND AGREES THAT THE COMPENSATION PAID TO Provider UNDER THIS AGREEMENT DOES NOT INCLUDE ANY CONSIDERATION FOR THE ASSUMPTION BY Provider OF THE RISK OF CLIENT'S CONSEQUENTIAL OR INCIDENTAL DAMAGES OR OF UNLIMITED DIRECT DAMAGES. ACCORDINGLY, Provider SHALL NOT HAVE ANY LIABILITY WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT FOR ANY CONSEQUENTIAL, EXEMPLARY, OR INCIDENTAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR REVENUE, BUSINESS INTERRUPTION, LOSS OF USE OF EQUIPMENT, LOST DATA, COSTS OF SUBSTITUTE EQUIPMENT, OR ANY SIMILAR COSTS, EVEN IF Provider HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, EXCEPT IN THE CASE OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT ON THE PART OF Provider. IN NO EVENT SHALL Provider BE LIABLE HEREUNDER TO CLIENT FOR CUMULATIVE DIRECT DAMAGES IN ANY AMOUNT GREATER THAN THAT PAID BY CLIENT TO Provider UNDER THIS AGREEMENT AS BASE FEES FOR THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE ACCRUAL OF THE CAUSE OF ACTION.

8. Confidentiality. Each party will protect the secrecy of all Confidential Information, as that term is defined below, received from the other party with the same degree of care as it uses to protect its own Confidential Information, but in no event with less than a reasonable degree of care. Neither party will use or disclose the other party's Confidential Information, except as permitted in this paragraph or for the purpose of performing obligations under the Agreement. The confidentiality obligations of each party under this Agreement will survive any expiration or termination of the Agreement. Upon the expiration or termination of this



Agreement for any reason, each party will immediately cease all use of the other party's Confidential Information and will promptly return, or at the request of the other party, destroy, all Confidential Information in tangible form and all copies of Confidential Information in that party's possession or under its control, and will also remove all copies of Confidential Information on its computers, disks and other digital storage devices. Upon request, a party will certify in writing its compliance with this paragraph. As used herein, the term "Confidential Information" means technical information related to Products or Services, either party's business and/or technical information, and any other information identified by the disclosing party as confidential or proprietary, regardless of whether in tangible, electronic or other form. Confidential Information does not include materials or information that: (i) is generally known by third parties as a result of no act or omission of the receiving party; (ii) subsequent to its disclosure was lawfully received from a third party having the right to disseminate the information and without restriction on disclosure; (iii) was already known by the receiving party prior to receiving it from the other party and was not received from a third party in breach of that third party's obligations of confidentiality; or (iv) was independently developed by the receiving party.

9. Client Data. In the event of expiration or termination of this Agreement, Provider is under no obligation to maintain any Client information. Client shall have fourteen (14) days after termination or expiration of this Agreement to backup any information maintained by Provider or on Provider's hardware, software or equipment. After fourteen (14) days, Provider is authorized to delete any information or destroy any hardware, software or equipment which contains Client information.

10.1 Failure to Pay. If Provider does not receive full payment within ninety (90) days after the date of an invoice, Provider may terminate this Agreement and/or Provider may suspend its performance immediately upon ten (10) calendar days' notice to client of nonpayment. In the event Provider terminates this Agreement for Client's failure to pay within ninety (90) days of the date of a monthly invoice, Client shall pay an early termination fee equal to the following: (a) if any part of the nonpayment is for a monthly fee within the first year of the Agreement, then Client shall pay an early termination fee equal to three (3) months of the Agreement base fee, or the sum of \$5,000, whichever is greater; (b) if the nonpayment is for a monthly fee within the second year of the Agreement, then Client shall pay an early termination fee equal to two (2) months of the Agreement base fee, or the sum of \$5,000, whichever is greater; or (c) if the nonpayment is for a monthly fee after the completion of the second year of the Agreement, then Client shall pay an early termination fee equal to one (1) month of the Agreement base fee, or the sum of \$5,000, whichever is greater. In no event shall the early termination fee be less than the sum of \$5,000.00.

10.2 Nonperformance. If either party believes that the other party has failed in any material respect to perform its obligations under this Agreement, then that party may provide written notices to the other party's management representative describing the alleged failure in reasonable detail within thirty (30) days of such alleged failure. If the breaching party does not, within thirty (30) calendar days after receiving such notice, undertake reasonable measures to cure such breach and diligently work towards a cure, then the non-breaching party may terminate this Agreement. In the absence of written notice describing the alleged breach followed by a thirty (30) day opportunity to cure, this Agreement shall remain in full force and effect including all payment obligations.

10.3 Financial Risk. Either party may terminate this Agreement in the event that the other party terminates or suspends its business operations, or upon the bankruptcy or insolvency of such other party.

10.4 Obligations Following Termination. In the event of termination of this Agreement by either party, Provider shall be entitled to prompt payment for all Services provided pursuant to this Agreement through the date of termination, without setoff. Client agrees to disable all administrative access for Provider and to change all administrative account passwords on the date of termination.

11. Nonsolicitation. Client will not, either directly or indirectly (except through Provider) solicit, hire, or contract with any Provider employee during the term of this Agreement and for a two (2) year period following termination thereof (hereafter referred to as the "Nonsolicitation Term"). In the event that Client desires to directly hire any Provider employee during the Nonsolicitation Term, Client must obtain Provider's prior written consent, which may be withheld in Provider's sole and absolute discretion. If Client hires a Provider employee without first obtaining the written consent of Provider, Client shall pay Provider a liquidated damage equal to one hundred percent (100%) of the employee's fair market salary, as determined by Provider in its sole discretion.

12.1 Governing Law; Jurisdiction and Venue. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Oregon. Jurisdiction and venue shall exclusively lie in the County of Jackson, City of Medford.

12.2 Entire Agreement. This Agreement, including the preceding sections of Quote #009094 attached hereto, constitutes the entire agreement between Client and Provider with respect to the subject matter hereof, and may only be modified by a signed written Addendum by both parties.

12.3 Attorneys' Fees. In the event of any dispute regarding this Agreement, the prevailing party shall be entitled to recover all reasonable costs incurred in prosecuting or defending such dispute, including reasonable attorney's fees, even though suit or action is not filed, and if suit or action is filed, the prevailing party shall be entitled, in addition to costs and disbursements provided by statute, such additional sum as the court may adjudge reasonable as attorney's fees, in the trial court, on any appeal, and/or in any bankruptcy proceeding.

12.4 Severability. If any provision in this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

12.5 Force Majeure. Provider is not responsible for failure to render Services under this Agreement due to circumstances beyond its control including, but not limited to, acts of God, delays caused by Client, court order, labor disputes, and non-performance by a third party.

12.6 Waiver of Breach. The waiver by any party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

12.7 Parties Bound; Assignment. This Agreement and the rights and obligations of the parties hereunder shall be binding upon and inure to the benefit of the



parties hereto and their respective permitted successors and assigns. Client may not assign its rights or obligations hereunder to any other person or entity without the prior written consent of Provider, which consent may not be unreasonably withheld. Provider may assign its rights or obligations hereunder upon thirty (30) calendar days' written notice to Client. Notwithstanding the foregoing, a sale or merger of Provider or substantially all of its assets shall not be deemed to be an assignment.

12.8 Notices. All notices to be given to by one party to the other pursuant to this Agreement must be given in writing, and may be given by facsimile, a nationally recognized overnight carrier, personally, or by depositing the same in the United States mail, postage prepaid, certified or registered, and addressed to the party at the following address or such other address as the party may from time to time designate in writing and given in the manner provided herein:

Provider: Kelley Connect Co
Attn: Scott Anderson
3521 Avion Drive
Medford, OR 97504

Client: Flathead Reservation Water Management Board
Attn: Melissa Schlichting
400 SW Main Street
Ronan, MT 59864

12.9 Timely Notification of Changes. Client agrees to make all reasonable efforts to notify Provider, in writing or via email, ten (10) business days prior to, and in no cases later than ten (10) business days after, knowing a change to the existing supported environment will be made that will cause an increase or decrease in additional fees. As an example, adding or removing staff members, adding or removing client locations, etc.

12.10 Primary Point of Contact. As of the Agreement Start Date, Client shall provide Provider with the name and contact information of the "Primary Point of Contact" of Client. If the Primary Point of Contact should change during the Term of this Agreement, Client shall pay Provider an Additional \$1,000 fee within thirty (30) days of such change to compensate Provider for the additional time and resources needed to re-establish the necessary training, procedures and lines of communication.