

**ADDENDUM**

This Addendum is entered into by and between Office of the Indiana Secretary of State ("State") and the entity designated as the "Contractor" below. In consideration of those mutual undertakings and covenants, the parties agree as follows:

The purpose of this Addendum is to modify, delete, or amend certain terms and conditions set forth in the attached Form Contract prepared by the Contractor (the "Form Contract"). This Addendum and the Form Contract are incorporated into each other and, when read together, shall constitute one integrated document ("Contract"). Any inconsistency, conflict, or ambiguity between this Addendum and the Form Contract shall be resolved by giving precedence and effect to this Addendum.

Contractor Name: Valid8 Financial, Inc.

Contractor Address: 1916 Pike Place, Suite 12 #9, Seattle, WA 98101

Title of Form Contract: "Master Services Agreement"

1. By mutual agreement of the parties, the following terms and conditions are deleted from the Form Contract:

- A. Any provision requiring the State of Indiana to provide insurance
- B. Any provision requiring the State of Indiana to provide indemnity
- C. Any provision providing that the Contract be construed in accordance with laws other than those of the State of Indiana
- D. Any provision providing that suit be brought in any state other than Indiana
- E. Any provision providing for resolution of contract disputes
- F. Any provision requiring the State of Indiana to pay any taxes
- G. Any provision requiring the State of Indiana to pay penalties, liquidated damages, interest or attorney's fees
- H. Any provision modifying the applicable Indiana statute of limitations
- I. Any provision relating to the time within which a claim must be made.
- J. Any provision requiring payment of consideration in advance unless authorized by an exception listed in IC § 4-13-2-20
- K. Any provision limiting disclosure of the contract in violation of the Access to Public Records Act, IC § 5-14-3. This is a Public Contract and will be posted on the transparency portal as required by IC § 5-14-3.5-2.
- L. Any provision requiring payment in less than 35 days
- M. Any provision providing for automatic renewal
- N. Any provision giving the Form Contract precedence over this Addendum

2. **Form Contract/Duties of Contractor.** The Contractor shall provide the Services or Products described in the Form Contract.

3. **Term.** 12 months

4. **Consideration.** Total remuneration for the term of this Contract is \$41,000.00.

**5. Access to Records.** The Contractor and its subcontractors, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to all costs incurred under this Contract. They shall make such materials available at their respective offices at all reasonable times during this Contract, and for three (3) years from the date of final payment under this Contract, for inspection by the State or its authorized designees. Copies shall be furnished at no cost to the State if requested.

**6. Assignment; Successors.**

A. The Contractor binds its successors and assignees to all the terms and conditions of this Contract. The Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the State, provided that the Contractor gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

B. The Contractor shall not assign or subcontract the whole or any part of this Contract without the State's prior written consent. Additionally, the Contractor shall provide prompt written notice to the State of any change in the Contractor's legal name or legal status so that the changes may be documented and payments to the successor entity may be made.

**7. Assignment of Antitrust Claims.** As part of the consideration for the award of this Contract, the Contractor assigns to the State all rights, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products or services which are the subject of this Contract.

**8. Audits.** The Contractor acknowledges that it may be required to submit to an audit of funds paid through this Contract. Any such audit shall be conducted in accordance with IC § 5-11-1, et seq., and audit guidelines specified by the State.

The State considers the Contractor to be a "Contractor" under 2 C.F.R. 200.331 for purposes of this Contract. However, if it is determined that the Contractor is a "subrecipient" and if required by applicable provisions of 2 C.F.R. 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements), Contractor shall arrange for a financial and compliance audit, which complies with 2 C.F.R. 200.500 et seq.

**9. Authority to Bind Contractor.** The signatory for the Contractor represents that he/she has been duly authorized to execute this Contract on behalf of the Contractor and has obtained all necessary or applicable approvals to make this Contract fully binding upon the Contractor when his/her signature is affixed, and accepted by the State.

**10. Changes in Work.** The Contractor shall not commence any additional work or change the scope of the work until authorized in writing by the State. The Contractor shall make no claim for additional compensation in the absence of a prior written approval and amendment executed by all signatories hereto. This Contract may only be amended, supplemented or modified by a written document executed in the same manner as this Contract.

**11. Compliance with Laws.**

A. The Contractor shall comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations thereunder after execution of this Contract shall be reviewed by the State and the Contractor to determine whether the provisions of this Contract require formal modification.

B. The Contractor and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State as set forth in IC § 4-2-6, et seq., IC § 4-2-7, et seq. and the regulations promulgated thereunder. **If the Contractor has knowledge, or would have acquired knowledge with reasonable inquiry, that a state officer, employee, or special state appointee, as those terms are defined in IC § 4-2-6-1, has a financial interest in the Contract, the Contractor shall ensure compliance with the disclosure requirements in IC § 4-2-6-10.5 prior to the execution of this Contract.** If the Contractor is not familiar with these ethical requirements, the Contractor should refer any questions to the Indiana State Ethics Commission, or visit the Inspector General's website at <http://www.in.gov/ig/>. If the Contractor or its agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this Contract immediately upon notice to the Contractor. In addition, the Contractor may be subject to penalties under IC §§ 4-2-6, 4-2-7, 35-44.1-1-4, and under any other applicable laws.

C. The Contractor certifies by entering into this Contract that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana. The Contractor agrees that any payments currently due to the State may be withheld from payments due to the Contractor. Additionally, further work or payments may be withheld, delayed, or denied and/or this Contract suspended until the Contractor is current in its payments and has submitted proof of such payment to the State.

D. The Contractor warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the State of any such actions. During the term of such actions, the Contractor agrees that the State may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Contract.

E. If a valid dispute exists as to the Contractor's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny work to the Contractor, the Contractor may request that it be allowed to continue, or receive work, without delay. The Contractor must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest, except as permitted by IC § 5-17-5.

F. The Contractor warrants that the Contractor and its subcontractors, if any, shall obtain and maintain all required permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the State. Failure to do so may be deemed a material breach of this Contract and grounds for immediate termination and denial of further work with the State.

G. The Contractor affirms that, if it is an entity described in Ind. Code Title 23, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.

H. As required by IC § 5-22-3-7:

(1) The Contractor and any principals of the Contractor certify that:

(A) the Contractor, except for de minimis and nonsystematic violations, has not violated the terms of:

- (i) IC § 24-4.7 [Telephone Solicitation Of Consumers];
- (ii) IC § 24-5-12 [Telephone Solicitations]; or
- (iii) IC § 24-5-14 [Regulation of Automatic Dialing Machines];

in the previous three hundred sixty-five (365) days, even if IC § 24-4.7 is preempted by federal law; and



- (B) the Contractor will not violate the terms of IC § 24-4.7 for the duration of the Contract, even if IC § 24-4.7 is preempted by federal law.
- (2) The Contractor and any principals of the Contractor certify that an affiliate or principal of the Contractor and any agent acting on behalf of the Contractor or on behalf of an affiliate or principal of the Contractor, except for de minimis and nonsystematic violations,
  - (A) has not violated the terms of IC § 24-4.7 in the previous three hundred sixty-five (365) days, even if IC § 24-4.7 is preempted by federal law; and
  - (B) will not violate the terms of IC § 24-4.7 for the duration of the Contract, even if IC § 24-4.7 is preempted by federal law.

**12. Condition of Payment.** All services provided by the Contractor under this Contract must be performed to the State's reasonable satisfaction, as determined at the discretion of the undersigned State representative and in accordance with all applicable federal, state, local laws, ordinances, rules and regulations. The State shall not be required to pay for work found to be unsatisfactory, inconsistent with this Contract or performed in violation of any federal, state or local statute, ordinance, rule or regulation.

**13. Confidentiality of State Information.** The Contractor understands and agrees that data, materials, and information disclosed to the Contractor may contain confidential and protected information. The Contractor covenants that data, material, and information gathered, based upon or disclosed to the Contractor for the purpose of this Contract will not be disclosed to or discussed with third parties without the prior written consent of the State.

The parties acknowledge that the services to be performed by Contractor for the State under this Contract may require or allow access to data, materials, and information containing Social Security numbers maintained by the State in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), the Contractor and the State agree to comply with the provisions of IC § 4-1-10 and IC § 4-1-11. If any Social Security number(s) is/are disclosed by Contractor, Contractor agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.

**14. Continuity of Services.**

A. The Contractor recognizes that the service(s) to be performed under this Contract are vital to the State and must be continued without interruption and that, upon Contract expiration, a successor, either the State or another contractor, may continue them. The Contractor agrees to:

- 1. Furnish phase-in training; and
- 2. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

B. The Contractor shall, upon the State's written notice:

- 1. Furnish phase-in, phase-out services for up to sixty (60) days after this Contract expires; and
- 2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the State's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this Contract are maintained at the required level of proficiency.

C. The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this Contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

D. The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations).

**15. Debarment and Suspension.**

A. The Contractor certifies by entering into this Contract that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State of Indiana. The term "principal" for purposes of this Contract means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Contractor.

B. The Contractor certifies that it has verified the state and federal suspension and debarment status for all subcontractors receiving funds under this Contract and shall be solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred subcontractor. The Contractor shall immediately notify the State if any subcontractor becomes debarred or suspended, and shall, at the State's request, take all steps required by the State to terminate its contractual relationship with the subcontractor for work to be performed under this Contract.

**16. Default by State.** If the State, sixty (60) days after receipt of written notice, fails to correct or cure any material breach of this Contract, the Contractor may cancel and terminate this Contract and institute measures to collect monies due up to and including the date of termination.

**17. Disputes.**

A. Should any disputes arise with respect to this Contract, the Contractor and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

B. The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all of its responsibilities under this Contract that are not affected by the dispute. Should the Contractor fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or the Contractor as a result of such failure to proceed shall be borne by the Contractor, and the Contractor shall make no claim against the State for such costs.



C. If the parties are unable to resolve a contract dispute between them after good faith attempts to do so, a dissatisfied party shall submit the dispute to the Commissioner of the Indiana Department of Administration for resolution. The dissatisfied party shall give written notice to the Commissioner and the other party. The notice shall include (1) a description of the disputed issues, (2) the efforts made to resolve the dispute, and (3) a proposed resolution. The Commissioner shall promptly issue a Notice setting out documents and materials to be submitted to the Commissioner in order to resolve the dispute; the Notice may also afford the parties the opportunity to make presentations and enter into further negotiations. Within thirty (30) business days of the conclusion of the final presentations, the Commissioner shall issue a written decision and furnish it to both parties. The Commissioner's decision shall be the final and conclusive administrative decision unless either party serves on the Commissioner and the other party, within ten (10) business days after receipt of the Commissioner's decision, a written request for reconsideration and modification of the written decision. If the Commissioner does not modify the written decision within thirty (30) business days, either party may take such other action helpful to resolving the dispute, including submitting the dispute to an Indiana court of competent jurisdiction. If the parties accept the Commissioner's decision, it may be memorialized as a written Amendment to this Contract if appropriate.

D. The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to the Contractor of one or more invoices not in dispute in accordance with the terms of this Contract will not be cause for the Contractor to terminate this Contract, and the Contractor may bring suit to collect these amounts without following the disputes procedure contained herein.

E. With the written approval of the Commissioner of the Indiana Department of Administration, the parties may agree to forego the process described in subdivision C. relating to submission of the dispute to the Commissioner.

F. This paragraph shall not be construed to abrogate provisions of IC § 4-6-2-11 in situations where dispute resolution efforts lead to a compromise of claims in favor of the State as described in that statute. In particular, releases or settlement agreements involving releases of legal claims or potential legal claims of the state should be processed consistent with IC § 4-6-2-11, which requires approval of the Governor and Attorney General.

**18. Drug-Free Workplace Certification.** As required by Executive Order No. 90-5 dated April 12, 1990, issued by the Governor of Indiana, the Contractor hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Contractor will give written notice to the State within ten (10) days after receiving actual notice that the Contractor, or an employee of the Contractor in the State of Indiana, has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the State for up to three (3) years.

In addition to the provisions of the above paragraph, if the total amount set forth in this Contract is in excess of \$25,000.00, the Contractor certifies and agrees that it will provide a drug-free workplace by:

A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;

B. Establishing a drug-free awareness program to inform its employees of: (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;

C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

D. Notifying the State in writing within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction;

E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and

F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

**19. Employment Eligibility Verification.** As required by IC § 22-5-1.7, the Contractor swears or affirms under the penalties of perjury that the Contractor does not knowingly employ an unauthorized alien. The Contractor further agrees that:

A. The Contractor shall enroll in and verify the work eligibility status of all his/her/its newly hired employees through the E-Verify program as defined in IC § 22-5-1.7-3. The Contractor is not required to participate should the E-Verify program cease to exist. Additionally, the Contractor is not required to participate if the Contractor is self-employed and does not employ any employees.

B. The Contractor shall not knowingly employ or contract with an unauthorized alien. The Contractor shall not retain an employee or contract with a person that the Contractor subsequently learns is an unauthorized alien.

C. The Contractor shall require his/her/its subcontractors, who perform work under this Contract, to certify to the Contractor that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. The Contractor agrees to maintain this certification throughout the duration of the term of a contract with a subcontractor.

The State may terminate for default if the Contractor fails to cure a breach of this provision no later than thirty (30) days after being notified by the State.

**20. Employment Option.** If the State determines that it would be in the State's best interest to hire an employee of the Contractor, the Contractor will release the selected employee from any non-competition agreements that may be in effect. This release will be at no cost to the State or the employee.

**21. Force Majeure.** In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately or as soon as is reasonably possible under the circumstances give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract.



**22. Funding Cancellation.** As required by Financial Management Circular 3.3 and IC § 5-22-17-5, when the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Contract, this Contract shall be canceled. A determination by the Director of State Budget Agency that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

**23. Governing Law.** This Contract shall be governed, construed, and enforced in accordance with the laws of the State of Indiana, without regard to its conflict of laws rules. Suit, if any, must be brought in the State of Indiana.

**24. HIPAA Compliance.** If this Contract involves services, activities or products subject to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Contractor covenants that it will appropriately safeguard Protected Health Information (defined in 45 CFR 160.103), and agrees that it is subject to, and shall comply with, the provisions of 45 CFR 164 Subpart E regarding use and disclosure of Protected Health Information.

**25. Indemnification.** The Contractor agrees to indemnify, defend, and hold harmless the State, its agents, officials, and employees from all third party claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Contractor and/or its subcontractors, if any, in the performance of this Contract. The State will not provide indemnification to the Contractor.

**26. Independent Contractor; Workers' Compensation Insurance.** The Contractor is performing as an independent entity under this Contract. No part of this Contract shall be construed to represent the creation of an employment, agency, partnership or joint venture agreement between the parties. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or subcontractors of the other party. The Contractor shall provide all necessary unemployment and workers' compensation insurance for the Contractor's employees, and shall provide the State with a Certificate of Insurance evidencing such coverage prior to starting work under this Contract.

**27. Indiana Veteran Owned Small Business Enterprise Compliance.** Deleted; not applicable.

**28. Information Technology Enterprise Architecture Requirements.** If this Contract involves information technology-related products or services, the Contractor agrees that any such products or services are compatible with the technology standards, including the assistive technology standard, all found at <https://www.in.gov/iot/2394.htm>. The State may terminate this Contract for default if the terms of this paragraph are breached. A copy of the State's cloud terms applicable to this agreement are attached hereto and incorporated herein by reference as **Exhibit "A."**

**29. Insurance.**

A. The Contractor and its subcontractors (if any) shall secure and keep in force during the term of this Contract the following insurance coverages (if applicable) covering the Contractor for any and all claims of any nature which may in any manner arise out of or result from Contractor's performance under this Contract:

1. Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits not less than \$700,000 per person and \$5,000,000 per occurrence unless additional coverage is required by the State. The State is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Contract.



2. Automobile liability for owned, non-owned and hired autos with minimum liability limits not less than \$700,000 per person and \$5,000,000 per occurrence. The State is to be named as an additional insured on a primary, non-contributory basis.
3. Errors and Omissions liability with minimum liability limits of \$1,000,000 per claim and in the aggregate. Coverage for the benefit of the State shall continue for a period of two (2) years after the date of service provided under this Contract.
4. Fiduciary liability -- **deleted; not applicable.**
5. Valuable Papers coverage -- **deleted; not applicable.**
6. Surety or Fidelity Bond(s) -- **deleted; not applicable.**
7. Cyber Liability addressing risks associated with electronic transmissions, the internet, networks and informational assets, and having limits of no less than \$700,000 per occurrence and \$5,000,000 in the aggregate.

The Contractor shall provide proof of such insurance coverage by tendering to the undersigned State representative a certificate of insurance prior to the commencement of this Contract and proof of workers' compensation coverage meeting all statutory requirements of IC § 22-3-2. In addition, proof of an "all states endorsement" covering claims occurring outside the State is required if any of the services provided under this Contract involve work outside of Indiana.

B. The Contractor's insurance coverage must meet the following additional requirements:

1. The insurer must have a certificate of authority or other appropriate authorization to operate in the state in which the policy was issued.
2. Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of the Contractor.
3. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the State under this Contract shall not be limited by the insurance required in this Contract.
4. The insurance required in this Contract, through a policy or endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the undersigned State agency.
5. The Contractor waives and agrees to require their insurer to waive their rights of subrogation against the State of Indiana.

C. Failure to provide insurance as required in this Contract may be deemed a material breach of contract entitling the State to immediately terminate this Contract. The Contractor shall furnish a certificate of insurance and all endorsements to the State before the commencement of this Contract.

30. Key Person(s). Deleted, not applicable.

**31. Licensing Standards.** The Contractor, its employees and subcontractors shall comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules, or regulations governing services to be provided by the Contractor pursuant to this Contract. The State will not pay the Contractor for any services performed when the Contractor, its employees or subcontractors are not in compliance with such applicable standards, laws, rules, or regulations. If any license, certification or accreditation expires or is revoked, or any disciplinary action is taken against an applicable license, certification, or accreditation, the Contractor shall notify the State immediately and the State, at its option, may immediately terminate this Contract.

**32. Merger & Modification.** This Contract constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this Contract will be valid provisions of this Contract. This Contract may not be modified, supplemented, or amended, except by written agreement signed by all necessary parties.

**33. Minority and Women's Business Enterprises Compliance.** Deleted; not applicable.

**34. Nondiscrimination.** Pursuant to the Indiana Civil Rights Law, specifically IC § 22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, the Contractor covenants that it shall not discriminate against any employee or applicant for employment relating to this Contract with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee's or applicant's race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). Contractor certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services. Breach of this paragraph may be regarded as a material breach of this Contract, but nothing in this paragraph shall be construed to imply or establish an employment relationship between the State and any applicant or employee of the Contractor or any subcontractor.

The State is a recipient of federal funds, and therefore, where applicable, Contractor and any subcontractors shall comply with requisite affirmative action requirements, including reporting, pursuant to 41 CFR Chapter 60, as amended, and Section 202 of Executive Order 11246 as amended by Executive Order 13672.

**35. Notice to Parties.** Whenever any notice, statement or other communication is required under this Contract, it will be sent by E-mail or first class U.S. mail service to the following addresses, unless otherwise specifically advised.

A. Notices to the State shall be sent to:

Office of the Indiana Secretary of State  
Attn: Jerry Bonnet, Aaron Rodebeck, and Rob Fulk  
200 W Washington St #201  
Indianapolis, IN 46204  
Email: [jbonnet@sos.in.gov](mailto:jbonnet@sos.in.gov) , [arodebeck@sos.in.gov](mailto:arodebeck@sos.in.gov) , [rfulk1@sos.in.gov](mailto:rfulk1@sos.in.gov)

B. Notices to the Contractor shall be sent to:

Valid8 Financial, Inc.  
Attn: Bradley Polinsky  
1916 Pike Place,  
Suite 12 #9  
Seattle, WA 98101  
E-mail: [b.polinsky@valid8financial.com](mailto:b.polinsky@valid8financial.com)

As required by IC §4-13-2-14.8, payments to the Contractor shall be made via electronic funds transfer in accordance with instructions filed by the Contractor with the Indiana Auditor of State.

**36. Order of Precedence; Incorporation by Reference.** Any inconsistency or ambiguity in this Contract shall be resolved by giving precedence in the following order: (1) this Addendum, (2) the State's cloud terms, if applicable, (3) the Form Contract, (4) attachments prepared by the State, and (5) attachments prepared by the Contractor. All attachments, and all documents referred to in this paragraph, are hereby incorporated fully by reference.

**37. Ownership of Documents and Materials.**

A. All documents, records, programs, applications, data, algorithms, film, tape, articles, memoranda, and other materials (the "Materials") not developed or licensed by the Contractor prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and the Contractor hereby transfers and assigns any ownership claims to the State so that all Materials will be the property of the State. If ownership interest in the Materials cannot be assigned to the State, the Contractor grants the State a non-exclusive, non-cancelable, perpetual, worldwide royalty-free license to use the Materials and to use, modify, copy and create derivative works of the Materials.

B. Use of the Materials, other than related to contract performance by the Contractor, without the prior written consent of the State, is prohibited. During the performance of this Contract, the Contractor shall be responsible for any loss of or damage to the Materials developed for or supplied by the State and used to develop or assist in the services provided while the Materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. The Contractor shall provide the State full, immediate, and unrestricted access to the Materials and to Contractor's work product during the term of this Contract.

**38. Payments.**

A. All payments shall be made thirty five (35) days in arrears in conformance with State fiscal policies and procedures and, as required by IC § 4-13-2-14.8, the direct deposit by electronic funds transfer to the financial institution designated by the Contractor in writing unless a specific waiver has been obtained from the Indiana Auditor of State. No payments will be made in advance of receipt of the goods or services that are the subject of this Contract except as permitted by IC § 4-13-2-20.

B. If the Contractor is being paid in advance for the maintenance of equipment, software or a service as a subscription, then pursuant to IC § 4-13-2-20(b)(14), the Contractor agrees that if it fails to fully provide or perform under this Contract, upon receipt of written notice from the State, it shall promptly refund the consideration paid, pro-rated through the date of non-performance.

**39. Penalties/Interest/Attorney's Fees.** The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as permitted by Indiana law, in part, IC § 5-17-5, IC § 34-54-8, IC § 34-13-1 and IC § 34-52-2-3.

Notwithstanding the provisions contained in IC § 5-17-5, any liability resulting from the State's failure to make prompt payment shall be based solely on the amount of funding originating from the State and shall not be based on funding from federal or other sources.

**40. Progress Reports.** The Contractor shall submit progress reports to the State upon request. The report shall be oral, unless the State, upon receipt of the oral report, should deem it necessary to have it in written form. The progress reports shall serve the purpose of assuring the State that work is progressing in line with the schedule, and that completion can be reasonably assured on the scheduled date.



**41. Public Record.** The Contractor acknowledges that the State will not treat this Contract as containing confidential information, and will post this Contract on the transparency portal as required by Executive Order 05-07 and IC § 5-14-3.5-2. Use by the public of the information contained in this Contract shall not be considered an act of the State.

**42. Renewal Option.** This Contract may be renewed under the same terms and conditions, subject to the approval of the Commissioner of the Department of Administration and the State Budget Director in compliance with IC § 5-22-17-4. The term of the renewed contract may not be longer than the term of the original contract.

**43. Severability.** The invalidity of any section, subsection, clause or provision of this Contract shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Contract.

**44. Substantial Performance.** This Contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any written amendments or supplements.

**45. Taxes.** The State is exempt from most state and local taxes and many federal taxes. The State will not be responsible for any taxes levied on the Contractor as a result of this Contract.

**46. Termination for Convenience.** This Contract may be terminated, in whole or in part, by the State, which shall include and is not limited to the Indiana Department of Administration (IDOA) and the State Budget Agency whenever, for any reason, the State determines that such termination is in its best interest. Termination of services shall be effected by delivery to the Contractor of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Contractor shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after the effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to the Contractor exceed the original contract price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date. For the purposes of this paragraph, the parties stipulate and agree that IDOA shall be deemed to be a party to this Contract with authority to terminate the same for convenience when such termination is determined by the Commissioner of IDOA to be in the best interests of the State.

**47. Termination for Default**

A. With the provision of thirty (30) days' notice to the Contractor, the State may terminate this Contract in whole or in part if the Contractor fails to:

1. Correct or cure any breach of this Contract; the time to correct or cure the breach may be extended beyond thirty (30) days if the State determines progress is being made and the extension is agreed to by the parties;
2. Deliver the supplies or perform the services within the time specified in this Contract or any extension;
3. Make progress so as to endanger performance of this Contract; or
4. Perform any of the other provisions of this Contract.

B. If the State terminates this Contract in whole or in part, it may acquire, under the terms and in the manner the State considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those supplies or services. However, the Contractor shall continue the work not terminated.

C. The State shall pay the contract price for completed supplies delivered and services accepted. The Contractor and the State shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the State determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

D. The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or equity or under this Contract.

**48. Travel.** No expenses for travel will be reimbursed unless specifically authorized by this Contract. Permitted expenses will be reimbursed at the rate paid by the State and in accordance with the *Indiana Department of Administration Travel Policy and Procedures* in effect at the time the expenditure is made. Out-of-state travel requests must be reviewed by the State for availability of funds and for conformance with *Travel Policy* guidelines.

**49. Waiver of Rights.** No right conferred on either party under this Contract shall be deemed waived, and no breach of this Contract excused, unless such waiver is in writing and signed by the party claimed to have waived such right. Neither the State's review, approval or acceptance of, nor payment for, the services required under this Contract shall be construed to operate as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract, and the Contractor shall be and remain liable to the State in accordance with applicable law for all damages to the State caused by the Contractor's negligent performance of any of the services furnished under this Contract.

**50. Work Standards.** The Contractor shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the State becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Contract, the State may request in writing the replacement of any or all such individuals, and the Contractor shall grant such request.

**51. State Boilerplate Affirmation Clause.** I swear or affirm under the penalties of perjury that I have not altered, modified, changed or deleted the State's standard contract clauses (as contained in the 2022 SCM Template) in any way except as follows: Paragraph 30 (Key Persons) Deleted, inapplicable paragraphs noted in the body of the document

### Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that the undersigned is the Contractor, or that the undersigned is the properly authorized representative, agent, member or officer of the Contractor. Further, to the undersigned's knowledge, neither the undersigned nor any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Contract other than that which appears upon the face hereof. **Furthermore, if the undersigned has knowledge that a state officer, employee, or special state appointee, as those terms are defined in IC § 4-2-6-1, has a financial interest in the Contract, the Contractor attests to compliance with the disclosure requirements in IC § 4-2-6-10.5.**

### Agreement to Use Electronic Signatures

I agree, and it is my intent, to sign this Contract by accessing State of Indiana Supplier Portal using the secure password assigned to me and by electronically submitting this Contract to the State of Indiana. I understand that my signing and submitting this Contract in this fashion is the legal equivalent of having placed my handwritten signature on the submitted Contract and this affirmation. I understand and agree that by electronically signing and submitting this Contract in this fashion I am affirming to the truth of the information contained therein. I understand that this Contract will not become binding on the State until it has been approved by the Department of Administration, the State Budget Agency, and the Office of the Indiana Secretary of State, which will be posted on the Active Contracts Database: <https://secure.in.gov/apps/idoa/contractsearch/>

**In Witness Whereof**, the Contractor and the State have, through their duly authorized representatives, entered into this Contract. The parties, having read and understood the foregoing terms of this Contract, do by their respective signatures dated below agree to the terms thereof.

VALID8 FINANCIAL INC

Office of the Indiana Secretary of State

By: Brett Suchor



By: JEROLD BONNET

Title: EVP

Title: DEPUTY SECRETARY of STATE

Date: 01-02-2024

Date: 1/5/2024

Signature:  	Signature:  
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FORM CONTRACT

**MASTER SERVICES AGREEMENT  
(MSA)**

**MASTER SERVICES AGREEMENT**

This Master Services Agreement ("Agreement") is entered into as of \_\_\_\_\_, (the "Effective Date") between Valid8 Financial, Inc. with a place of business at Seattle, WA ("Company"), and the Customer listed below ("Customer"). This Agreement adheres to any ANNUAL LICENSE PRICING specified in this document or on a signed sales order, as well as the attached TERMS AND CONDITIONS and contains, among other things, warranty disclaimers, liability limitations and use limitations. There shall be no force or effect to any different terms of any related purchase order or similar form even if signed by the parties after the date hereof.

*per Addendum  
Document*

Valid8 Financial, Inc.

Customer: \_\_\_\_\_

Signature: M. Brett Suchor

Signature: \_\_\_\_\_

Name: M Brett Suchor

Name: \_\_\_\_\_

Title: EVP

Title: \_\_\_\_\_

Billing Contact: \_\_\_\_\_

Email: \_\_\_\_\_

Company Address: \_\_\_\_\_

City, State, Zip \_\_\_\_\_

## LICENSING

### SERVICES:

Includes 12 months of data access, hosting, and processing (the "Services") featuring, but not limited to, the following:

- Date, time, and transaction activity extraction from bank statements (PDF).
- Automated quality control for each bank statement cycle. User responsible for any updates required.
- Recognizing, extracting, and matching items from check/deposit slip images (PDF) to bank statement transactions.
- Automated quality control for each check or deposit slip item. User responsible for any updates required.
- Transaction list (CSV) upload and period reconciliation.
- Automatic transfer detection between accounts.
- Multi-currency across accounts.
- Custom transaction categorization, interactive data visualization, export, and one-click syncing with Microsoft Excel.

### INITIAL SERVICE TERM:

12 months.

### DATA PACKAGES:

Fees include unlimited users, unlimited cases, user rights management, future software releases, ongoing support, and maintenance.

Bank/Credit Card Statement Transactions (PDF)			Select Package (Initials Required)
Package	Transaction Limit	Price	
Professional Annual	100,000 per 12 months	\$35,000	

- For uploads of excessive non-transaction pages Valid8 reserves the right to charge \$0.50 a page.

### ADDITIONAL DATA PACKAGES AVAILABLE UPON REQUEST:

Check Item Transactions (PDF)			
Volume	\$/Item	Price	Optional
10,000	\$0.60	\$6,000	

### ACCESS FEE - \$100 per month

- WAIVED, with an active Bank/Credit Card Statement Transaction Data Package.
- All data and users are maintained within Valid8.
- If there is no renewal, access is removed immediately, and all data is deleted within 60 days.

Any note below supersedes the standard fee schedule and service definition.

### NOTES:



## TERMS AND CONDITIONS

### 1. SERVICE AND SUPPORT

- 1.1. Subject to the terms of this Agreement, Company will use commercially reasonable efforts to provide Customer the Services in accordance with the Service Level Terms attached hereto as [Exhibit A](#). As part of the registration process, Customer will identify an administrative username and password for Customer's Company account. Company reserves the right to refuse registration or cancel passwords it deems inappropriate.
- 1.2. Subject to the terms hereof, Company will provide Customer with reasonable technical support services in accordance with the terms set forth in [Exhibit B](#).

### 2. RESTRICTIONS AND RESPONSIBILITIES

- 2.1. Customer will not, directly or indirectly: reverse engineer, decompile, disassemble or otherwise attempt to discover the source code, object code or underlying structure, ideas, know-how or algorithms relevant to the Services or any software, documentation or data related to the Services ("Software"); modify, translate, or create derivative works based on the Services or any Software (except to the extent expressly permitted by Company or authorized within the Services); use the Services or any Software for time sharing or service bureau purposes or otherwise for the benefit of a third; or remove any proprietary notices or labels.
- 2.2. Further, Customer may not remove or export from the United States or allow the export or re-export of the Services, Software or anything related thereto, or any direct product thereof in violation of any restrictions, laws or regulations of the United States Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, or any other United States or foreign agency or authority. As defined in FAR section 2.101, the Software and documentation are "commercial items" and according to DFAR section 252.227-7014(a)(1) and (5) are deemed to be "commercial computer software" and "commercial computer software documentation." Consistent with DFAR section 227.7202 and FAR section 12.212, any use modification, reproduction, release, performance, display, or disclosure of such commercial software or commercial software documentation by the U.S. Government will be governed solely by the terms of this Agreement and will be prohibited except to the extent expressly permitted by the terms of this Agreement.
- 2.3. Customer represents, covenants, and warrants that Customer will use the Services only in compliance with Company's standard published policies then in effect (the "Policy") and all applicable laws and regulations. Customer hereby agrees to indemnify and hold harmless Company against any damages, losses, liabilities, settlements, and expenses (including without limitation costs and attorneys' fees) in connection with any claim or action that arises from an alleged violation of the foregoing or otherwise from Customer's use of Services. Although Company has no obligation to monitor Customer's use of the Services, Company may do so and may prohibit any use of the Services it believes may be (or alleged to be) in violation of the foregoing.
- 2.4. Customer shall be responsible for obtaining and maintaining any equipment and ancillary services needed to connect to, access or otherwise use the Services, including, without limitation, modems, hardware, servers, software, operating systems, networking, web servers and the like (collectively, "Equipment"). Customer shall also be responsible for maintaining the security of the Equipment, Customer account, passwords (including but not limited to administrative and user passwords) and files, and for all uses of Customer account or the Equipment with or without Customer's knowledge or consent.

### 3. CONFIDENTIALITY; PROPRIETARY RIGHT

- 3.1. Each party (the "Receiving Party") understands that the other party (the "Disclosing Party") has disclosed or may disclose business, technical or financial information relating to the Disclosing Party's business (hereinafter referred to as "Proprietary Information" of the Disclosing Party). Proprietary Information of Company includes non- public information regarding features, functionality, and performance of the Service. Proprietary Information of Customer includes non- public data provided by Customer to Company to enable the provision of the Services ("Customer Data"). The Receiving Party agrees: (i) to take reasonable precautions to protect such Proprietary Information, and (ii) not to use (except in performance of the Services or as otherwise permitted herein) or divulge to any third person any such Proprietary Information. The Disclosing Party agrees that the foregoing shall not apply with respect to any information after five (5) years following the disclosure thereof or any information that the Receiving Party can document (a) is or becomes generally available to the public, or (b) was in its possession or known by it prior to receipt from the Disclosing Party, or (c) was rightfully disclosed to it without restriction by a third party, or (d) was independently developed without use of any Proprietary Information of the Disclosing Party or (e) is required to be disclosed by law.
- 3.2. Customer shall own all right, title and interest in and to the Customer Data, as well as any data that is based on or derived from the Customer Data and provided to Customer as part of the Services. Customer can at any time request for data to be removed from Company systems. Removal/deletion on production systems will occur within 48 hours, all copies will be removed within 30 days from notification. Company shall own and retain all right, title, and interest in and to (a) the Services and Software, all improvements, enhancements, or modifications thereto, (b) any software, applications, inventions, or other technology developed in connection with Implementation Services or support, (c) all intellectual property rights related to any of the foregoing, and (d) any derivative data including anonymized data where all personally identifiable information is removed and destroyed.

- 3.3. Notwithstanding anything to the contrary, Company shall have the right to collect and analyze data and other information relating to the provision, use and performance of various aspects of the Services and related systems and technologies (including, without limitation, information concerning Customer Data and data derived therefrom), and Company will be free (during and after the term hereof) to (a) use such information and data to improve and enhance the Services and for other development, diagnostic and corrective purposes in connection with the Services and other Company offerings, and (ii) disclose such data solely in aggregate or other de-identified for connection with its business. No rights or licenses are granted except as expressly set forth herein.

#### 4. PAYMENT OF FEES

- 4.1. Customer will pay Company the then applicable fees described in the mutually agreed upon sales order in accordance with the terms therein (the "APPROVED PRICING"). If Customer's use of the Services exceeds the Service Capacity set forth on the sales order or otherwise requires the payment of additional fees (per the terms of this Agreement), Customer shall be billed for such usage and Customer agrees to pay the additional fees in the manner provided herein. Company reserves the right to change the APPROVED PRICING or applicable charges and to institute new charges and fees at the end of the Initial Service Term or then-current renewal term, upon thirty (30) days prior notice to Customer (which may be sent by email). If Customer believes that Company has billed Customer incorrectly, Customer must contact Company no later than 60 days after the closing date on the first billing statement in which the error or problem appeared, in order to receive an adjustment or credit. Inquiries should be directed to Company's customer support department.
- 4.2. Company may choose to bill through an invoice, in which case, full payment for invoices issued in any given month must be received by Company thirty (30) days after the mailing date of the invoice. Unpaid amounts are subject to a finance charge of 1.5% per month on any outstanding balance, or the maximum permitted by law, whichever is lower, plus all expenses of collection and may result in immediate termination of Service. Customer shall be responsible for all taxes associated with Services other than U.S. taxes based on Company's net income.

#### 5. TERM AND TERMINATION

- 5.1. Subject to earlier termination as provided below, this Agreement is for the Initial Service Term as specified in the Order Form and shall be automatically renewed for additional periods of the same duration as the Initial Service Term (collectively, the "Term"), unless either party requests termination at least thirty (30) days prior to the end of the then-current term.
- 5.2. In addition to any other remedies it may have, either party may also terminate this Agreement upon thirty (30) days' notice (or without notice in the case of nonpayment), if the other party materially breaches any of the terms or conditions of this Agreement. Customer will pay in full for the Services up to and including the last day on which the Services are provided. Upon any termination, Company will make all Customer Data available to Customer for electronic retrieval for a period of thirty (30) days, but thereafter Company may, but is not obligated to, delete stored Customer Data. All sections of this Agreement which by their nature should survive termination will survive termination, including, without limitation, accrued rights to payment, confidentiality obligations, warranty disclaimers, and limitations of liability.

#### 6. WARRANTY AND DISCLAIMER

Company shall use reasonable efforts consistent with prevailing industry standards to maintain the Services in a manner which minimizes errors and interruptions in the Services and shall perform the Implementation Services in a professional and workmanlike manner. Services may be temporarily unavailable for scheduled maintenance or for unscheduled emergency maintenance, either by Company or by third-party providers, or because of other causes beyond Company's reasonable control, but Company shall use reasonable efforts to provide advance notice in writing or by e-mail of any scheduled service disruption. HOWEVER, COMPANY DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE; NOR DOES IT MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM USE OF THE SERVICES. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, THE SERVICES AND IMPLEMENTATION SERVICES ARE PROVIDED "AS IS" AND COMPANY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

#### 7. INDEMNITY

Company shall hold Customer harmless from liability to third parties resulting from infringement by the Service of any United States patent or any copyright or misappropriation of any trade secret, provided Company is promptly notified of any and all threats, claims and proceedings related thereto and given reasonable assistance and the opportunity to assume sole control over defense and settlement; Company will not be responsible for any settlement it does not approve in writing. The foregoing obligations do not apply with respect to portions or components of the Service (i) not supplied by Company, (ii) made in whole or in part in accordance with Customer specifications, (iii) that are modified after delivery by Company, (iv) combined with other products, processes or materials where the alleged infringement relates to such combination, (v) where Customer continues allegedly infringing activity after being notified thereof or after being informed of modifications that would have avoided the alleged infringement, or (vi) where Customer's use of the Service is not strictly in accordance with this Agreement. If, due to a claim of infringement, the Services are held by a court of competent jurisdiction to be or are believed by Company to be infringing, Company may, at its option and expense (a) replace or modify the Service to be non-infringing provided that such modification or replacement contains substantially similar features and functionality, (b) obtain for Customer a license to continue using the

Service, or (c) if neither of the foregoing is commercially practicable, terminate this Agreement and Customer's rights hereunder and provide Customer a refund of any prepaid, unused fees for the Service.

#### 8. LIMITATION OF LIABILITY

NOTWITHSTANDING ANYTHING TO THE CONTRARY, EXCEPT FOR BODILY INJURY OF A PERSON, COMPANY AND ITS SUPPLIERS (INCLUDING BUT NOT LIMITED TO ALL EQUIPMENT AND TECHNOLOGY SUPPLIERS), OFFICERS, AFFILIATES, REPRESENTATIVES, CONTRACTORS AND EMPLOYEES SHALL NOT BE RESPONSIBLE OR LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER THEORY: (A) FOR ERROR OR INTERRUPTION OF USE OR FOR LOSS OR INACCURACY OR CORRUPTION OF DATA OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY OR LOSS OF BUSINESS; (B) FOR ANY INDIRECT, EXEMPLARY, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES; (C) FOR ANY MATTER BEYOND COMPANY'S REASONABLE CONTROL; OR (D) FOR ANY AMOUNTS THAT, TOGETHER WITH AMOUNTS ASSOCIATED WITH ALL OTHER CLAIMS, EXCEED THE FEES PAID BY CUSTOMER TO COMPANY FOR THE SERVICES UNDER THIS AGREEMENT IN THE 12 MONTHS PRIOR TO THE ACT THAT GAVE RISE TO THE LIABILITY, IN EACH CASE, WHETHER OR NOT COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

#### 9. DATA PROCESSING

Company shall process personal information in accordance with the Data Processing Addendum attached hereto as [Exhibit C](#).

#### 10. MISCELLANEOUS

If any provision of this Agreement is found to be unenforceable or invalid, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect and enforceable. This Agreement is not assignable, transferable or sublicensable by Customer except with Company's prior written consent. Company may transfer and assign any of its rights and obligations under this Agreement without consent. This Agreement is the complete and exclusive statement of the mutual understanding of the parties and supersedes and cancels all previous written and oral agreements, communications and other understandings relating to the subject matter of this Agreement, and that all waivers and modifications must be in a writing signed by both parties, except as otherwise provided herein. No agency, partnership, joint venture, or employment is created because of this Agreement and Customer does not have any authority of any kind to bind Company in any respect whatsoever. In any action or proceeding to enforce rights under this Agreement, the prevailing party will be entitled to recover costs and attorneys' fees. All notices under this Agreement will be in writing and will be deemed to have been duly given when received, if personally delivered; when receipt is electronically confirmed, if transmitted by facsimile or e-mail; the day after it is sent, if sent for next day delivery by recognized overnight delivery service; and upon receipt, if sent by certified or registered mail, return receipt requested. This Agreement shall be governed by the laws of the State of Washington without regard to its conflict of law's provisions. The parties shall work together in good faith to issue at least one mutually agreed upon press release within 90 days of the Effective Date, and Customer otherwise agrees to reasonably cooperate with Company to serve as a reference account upon request.



**EXHIBIT A: SERVICE LEVEL TERMS****1. DATA EXTRACTION QUALITY**

The system cross checks numbers and dates to ensure numeric accuracy. Valid8 applies a combination of best in breed OCR and machine learning algorithms complimented with human quality assurance to provide best effort text transcription results. Text data like "Descriptions" cannot be checked for accuracy in the same manner as numbers and dates. Documents contain a wide variety of image quality and resolution; higher quality images and higher dpi resolution generally provide more accurate text transcription results.

**2. SOLUTION AVAILABILITY**

The Services shall be available 99.9%, measured monthly, excluding holidays and weekends and scheduled maintenance. If Customer requests maintenance during these hours, any uptime or downtime calculation will exclude periods affected by such maintenance. Further, any downtime resulting from outages of third-party connections or utilities or other reasons beyond Company's control will also be excluded from any such calculation. Customer's sole and exclusive remedy, and Company's entire liability, in connection with Service availability shall be that for each period of downtime lasting longer than one hour, Company will credit Customer 5% of Service fees for each period of 30 or more consecutive minutes of downtime, provided that no more than one such credit will accrue per day. Downtime shall begin to accrue as soon as Customer (with notice to Company) recognizes that downtime is taking place and continues until the availability of the Services is restored. To receive downtime credit, Customer must notify Company in writing within 24 hours from the time of downtime, and failure to provide such notice will forfeit the right to receive downtime credit. Such credits may not be redeemed for cash and shall not be cumulative beyond a total of credits for one (1) week of Service Fees in anyone (1) calendar month in any event. Company will only apply a credit to the month in which the incident occurred. Company's blocking of data communications or other Service in accordance with its policies shall not be deemed to be a failure of Company to provide adequate service levels under this Agreement.

**EXHIBIT B: SUPPORT TERMS**

Company will provide Technical Support to Customer via both telephone and electronic mail on weekdays during the hours of 7:00 am through 5:00 pm Pacific time, with the exclusion of Federal Holidays ("Support Hours").

Customer may initiate a help desk ticket during Support Hours by calling [425-448-2585] or any time by emailing [support@valid8financial.com]. Company will use commercially reasonable efforts to respond to all help desk tickets within one (1) business day.

For any security incident deemed "High" per Valid8's Incident Response policy, a communication will be provided by Company to any affected Customers within two (2) business days.

## EXHIBIT C: DATA PROCESSING ADDENDUM

This Data Processing Addendum (the "DPA") is an Addendum to the Master Services Agreement (the "Services Agreement") between Customer and Company.

### 1. DEFINITIONS AND INTERPRETATION

In the case of conflict or ambiguity between any of the provisions of this DPA and the provisions of the Master Services Agreement, the provisions of this DPA will prevail; and in the case of conflict or ambiguity between any of the provisions of this DPA and any executed Standard Contractual Clauses, the provisions of the executed Standard Contractual Clauses will prevail. This DPA shall only apply to the processing of Personal Information subject to applicable Privacy and Data Protection Requirements. The following definitions and rules of interpretation apply in this DPA: any capitalized terms not defined herein that are defined in the Master Services Agreement shall have the definition given in the Master Services Agreement.

"Business Purpose" means the services described in the Master Services Agreement.

"Data Subject" means an individual who is the subject of Personal Information.

"Personal Information" means any information Company processes for Customer that (a) identifies or relates to an individual who can be identified directly or indirectly from that data alone or in combination with other information in Company's possession or control or that Company is likely to have access to, or (b) the relevant Privacy and Data Protection Requirements otherwise define as protected personal information.

"Processing, processes, or process" means any activity that involves the use of Personal Information or that the relevant Privacy and Data Protection Requirements may otherwise include in the definition of processing, processes, or process. It includes obtaining, recording, or holding the data, or carrying out any operation or set of operations on the data including, but not limited to, organizing, amending, retrieving, using, disclosing, erasing, or destroying it. Processing also includes transferring Personal Information to third parties.

"Privacy and Data Protection Requirements" means all applicable federal, state, and foreign laws and regulations relating to the processing, protection, or privacy of the Personal Information, including where applicable, the guidance and codes of practice issued by regulatory bodies in any relevant jurisdiction. This includes, but is not limited to, the General Data Protection Regulation 2016/679 ("GDPR").

"Security Breach" means any act or omission that compromises the security, confidentiality, or integrity of Personal Information or the physical, technical, administrative, or organizational safeguards put in place to protect it. The loss of or unauthorized access, disclosure, or acquisition of Personal Information is a Security Breach whether or not the incident rises to the level of a security breach pursuant to the Privacy and Data Protection Requirements.

"Standard Contractual Clauses" or "SCCs" means the European Commission's Standard Contractual Clauses for the transfer of Personal Information from the European Union to processors established in third countries (controller-to-processor transfers), as set out in the Annex to Commission Decision 2010/87/EU.

### 2. PERSONAL INFORMATION TYPES AND PROCESSING PURPOSES

Customer retains control of the Personal Information and remains responsible for its compliance obligations pursuant to the applicable Privacy and Data Protection Requirements, including providing any required notices and obtaining any required consents, and for the processing instructions it gives to Company.

### 3. COMPANY'S OBLIGATIONS

- 3.1. Company shall only process, retain, use, or disclose the Personal Information to the extent, and in such a manner, as is necessary for the Business Purposes in accordance with Customer's instructions. Company will not process, retain, use, or disclose the Personal Information for any other purpose or in a way that does not comply with this DPA or the Privacy and Data Protection Requirements; except that Company may process, retain, and use aggregated, and anonymized forms of the Personal Information and anonymous or de-identified data derived from the Personal Information. Company shall notify Customer if, in its opinion, Customer's instruction would not comply with the Privacy and Data Protection Requirements.
- 3.2. Company shall comply with any Customer request or instruction requiring Company to amend, transfer, or delete the Personal Information, or to stop any unauthorized processing. Company will maintain the confidentiality of all Personal Information, will not sell it to anyone, and will not disclose it to third parties unless Customer or this DPA specifically authorizes the disclosure, or as required by law.
- 3.3. Company will reasonably assist Customer with meeting Customer's compliance obligations pursuant to the Privacy and Data Protection Requirements, accounting for the nature of Company's processing and the information available to it. Customer acknowledges that Company is under no duty to investigate the completeness, accuracy, or sufficiency of any Customer instructions or the Personal Information other than as required pursuant to the Privacy and Data Protection Requirements.

#### 4. COMPANY'S EMPLOYEES

Company will limit Personal Information access to those employees who require Personal Information access to meet Company's obligations pursuant to this DPA and the Master Services Agreement. Company will ensure that all employees: (a) are informed of the Personal Information's confidential nature and use restrictions; (b) have undertaken training on the Privacy and Data Protection Requirements relating to handling Personal Information; and (c) are aware both of Company's duties and their personal duties and obligations pursuant to the Privacy and Data Protection Requirements and this DPA.

#### 5. SECURITY

Company shall implement and periodically review appropriate technical and organizational measures designed to safeguard Personal Information against unauthorized or unlawful processing, access, copying, modification, storage, reproduction, display, or distribution, and against accidental loss, destruction, or damage. Company shall take reasonable precautions to preserve the integrity of any Personal Information it processes and to prevent any corruption or loss of the Personal Information, including but not limited to establishing back-up and data restoration procedures.

#### 6. SECURITY BREACHES AND PERSONAL INFORMATION LOSS

Company shall notify Customer if any Personal Information is lost or destroyed or becomes damaged, corrupted, or unusable. Company will promptly notify the other party if it becomes aware of: (a) any unauthorized or unlawful processing of the Personal Information; or (b) any Security Breach. Immediately following any unauthorized or unlawful Personal Information processing or Security Breach, the parties will co-ordinate with each other to investigate the matter, and both parties shall reasonably cooperate in such investigation. Company shall not inform any third party of any Security Breach without first obtaining Customer's consent, except when law or regulation requires it.

#### 7. CROSS-BORDER TRANSFERS OF PERSONAL INFORMATION

If required due to a transfer of Personal Information out of the EU, Company and Customer shall enter into the most recent version of the SCCs then in effect, and the parties shall comply with the SCCs for any transfers of data out of the European Economic Area and United Kingdom. Company will not transfer any Personal Information to another country unless the transfer complies with the Privacy and Data Protection Requirements.

#### 8. SUBCONTRACTORS

Company may only authorize a third party (subcontractor) to process the Personal Information if: (a) the Customer is given an opportunity to object within five (5) business days after Company supplies Customer with information regarding such subcontractor; (b) Company enters into a written contract with the subcontractor that contains terms substantially the same as those set out in this DPA; (c) Company maintains control of all Personal Information it entrusts to the subcontractor; and (d) the subcontractor's right to process Personal Information of Customer terminates immediately upon termination of this DPA. Where a subcontractor fails to fulfill its obligations pursuant to such written agreement, Company remains fully liable to Customer for the subcontractor's performance of its obligations. Upon Customer's written request, no more than once per calendar year, Company will audit a subcontractor's compliance with its obligations regarding Customer's Personal Information and provide Customer with the audit results.

#### 9. COMPLAINTS, DATA SUBJECT REQUESTS, AND THIRD-PARTY RIGHTS

Company shall notify Customer promptly if it receives any complaint, notice, or communication that directly or indirectly relates to the Personal Information processing or to either party's compliance with the Privacy and Data Protection Requirements. Company shall notify Customer within fourteen (14) business days if it receives a request from a Data Subject for access to or deletion of their Personal Information. Company will reasonably cooperate and assist Customer with responding to any complaint, notice, communication, or Data Subject request. Company shall not disclose the Personal Information to any Data Subject or to a third party unless the disclosure is either at Customer's request or instruction, permitted by this DPA, or is otherwise required by law.

#### 10. TERM AND TERMINATION

- 10.1. This DPA will remain in full force and effect so long as: (a) the Master Services Agreement remains in effect; or (b) Company retains any Personal Information related to the Master Services Agreement and subject to the Privacy and Data Protection Requirements in its possession or control. Any provision of this DPA that expressly or by implication should come into or continue in force on or after termination of the Master Services Agreement in order to protect Personal Information will remain in full force and effect. Either party's failure to comply with the terms of this DPA is a material breach of the Master Services Agreement. In such event, the non-breaching party may terminate any part of the Master Services Agreement authorizing the processing of Personal Information effective immediately upon written notice to the breaching party without further liability or obligation.
- 10.2. If a change in any Privacy and Data Protection Requirement prevents either party from fulfilling all or part of its Master Services Agreement obligations, the parties will suspend the processing of Personal Information until that processing complies with the new requirements, and any delay in performance of other obligations related to the processing of Personal Information shall be excused until such compliance is attained. If the parties are unable to bring the Personal Information processing into compliance with the Privacy and Data Protection Requirement within thirty (30) days, either party may terminate the Master Services Agreement upon written notice to the other party.



**11. DATA RETURN AND DESTRUCTION**

At Customer's request, Company will give Customer a copy of or access to all or part of Customer's Personal Information in its possession or control in a commercially reasonable, machine readable format. On termination of the Master Services Agreement for any reason or expiration of its term, Company will securely destroy or, if directed in writing by Customer, return and not retain, all or any Personal Information related to this agreement in its possession or control, except for one copy that it may retain and use for three (3) years for audit purposes only. If any law, regulation, or government or regulatory body requires Company to retain any documents or materials that Company would otherwise be required to return or destroy, it will notify Customer in writing of that retention requirement, giving details of the documents or materials that it must retain, the legal basis for retention, and establishing a specific timeline for destruction once the retention requirement ends. Company may only use this retained Personal Information for the required retention reason or audit purposes. Company will certify in writing that it has destroyed the Personal Information within fourteen (14) days after it completes the destruction.

**12. RECORDS**

Company shall keep accurate and up-to-date records regarding any processing of Personal Information it carries out for Customer, including but not limited to, the access, control, and security of the Personal Information, approved subcontractors and affiliates, the processing purposes, and any other records required by the applicable Privacy and Data Protection Requirements (the "Records"). Company will ensure that the Records are sufficient to enable Customer to verify Company's compliance with its obligations pursuant to this DPA.

**13. AUDIT**

At least once per year, Company will conduct site audits of its Personal Information processing practices and the information technology and information security controls for all facilities and systems used in complying with its obligations pursuant to this DPA, including, but not limited to, obtaining a network-level vulnerability assessment based on recognized industry best practices. Upon Customer's written request, Company will make summaries of the relevant audit reports available to Customer for review. Customer will treat such audit reports as Company's Confidential Information subject to all the confidentiality obligations of the Master Services Agreement.

**14. WARRANTIES**

These warranties are in addition to those of the Master Services Agreement.

- 14.1. Company warrants and represents that: (a) its employees, subcontractors, agents, and any other person or persons accessing Personal Information on its behalf have received the required training on the Privacy and Data Protection Requirements relating to the Personal Information; (b) it and anyone operating on its behalf will process the Personal Information in compliance with both the terms of this DPA and all applicable Privacy and Data Protection Requirements and other laws, enactments, regulations, orders, standards, and other similar instruments; and (c) considering the current technology environment and implementation costs, it will take appropriate technical and organizational measures to prevent the unauthorized or unlawful processing of Personal Information and the accidental loss or destruction of, or damage to, Personal Information, and ensure a level of security appropriate to: (i) the harm that might result from such unauthorized or unlawful processing or accidental loss, destruction, or damage; (ii) the nature of the Personal Information protected; and (iii) comply with all applicable Privacy and Data Protection Requirement and its information and security policies.
- 14.2. Customer warrants and represents that Company's expected use of the Personal Information for the Business Purpose and as specifically instructed by Customer will comply with all Privacy and Data Protection Requirements, and that it has no reason to believe that any Privacy and Data Protection Requirements prevent it from receiving any of the Master Services Agreement's contracted services.

**15. INDEMNIFICATION**

In addition to any indemnification obligations in the Master Services Agreement, each party agrees to indemnify (as "Indemnifying Party"), keep indemnified, and defend at its own expense the other party (the "Indemnified Party") against all costs, claims, damages, or expenses incurred by the Indemnified Party or for which Indemnified Party may become liable due to any failure by the Indemnifying Party or its employees, subcontractors, or agents to comply with any of its obligations pursuant to this DPA or applicable Privacy and Data Protection Requirements.

# Exhibit “A”

## State of Indiana Additional Terms and Conditions Software as a Service Engagements

**Exhibit X to the Contract between the State acting through [agency name] and the Contractor.**

### DEFINITIONS

**Data** means all information, whether in oral, written, or electronic form, created by or in any way originating with the State, and all information that is the output of any computer processing, or other electronic manipulation, of any information that was created by or that in any way originated with the State, in the course of using and configuring the Services.

**Data Breach** means any actual or reasonably suspected unauthorized access to or acquisition of Encrypted Data.

**Encrypted Data** means Data that that is required to be encrypted under the contract and Statement of Work.

**Indiana Office of Technology** means the agency established by Ind. Code § 4-13.1-2-1.

**Information Security Framework** means the State of Indiana’s written policy and standards document governing matters affecting security and available at <https://www.in.gov/iot/security/information-security-framework2/>.

**Security Incident** means any actual or reasonably suspected unauthorized access to the contractor’s system, regardless of whether contractor is aware of a Data Breach. A Security Incident may or may not become a Data Breach.

**Service(s)** means that which is provided to the State by contractor pursuant to this contract and the contractors obligations under the contract.

**Service Level Agreement** means a written agreement between both the State and the contractor that is subject to the terms and conditions of this contract. Service Level Agreements should include: (1) the technical service level performance promises (i.e. metrics for performance and intervals for measure); (2) description of service quality; (3) identification of roles and responsibilities; (4) remedies, such as credits; and (5) an explanation of how remedies or credits are calculated and issued.

**Statement of Work** means the written agreement between both the State and contractor attached to and incorporated into this contract.

## TERMS

**1. Data Ownership:** The State owns all rights, title, and interest in the Data. The contractor shall not access State user accounts or Data, except: (1) in the normal course of data center operations; (2) in response to Service or technical issues; (3) as required by the express terms of this contract, applicable Statement of Work, or applicable Service Level Agreement; or (4) at the State's written request.

Contractor shall not collect, access, or use Data except as strictly necessary to provide Service to the State. No information regarding State's use of the Service may be disclosed, provided, rented, or sold to any third party for any reason unless required by law or regulation or by an order of a court of competent jurisdiction. This obligation shall survive and extend beyond the term of this contract.

**2. Data Protection:** Protection of personal privacy and Data shall be an integral part of the business activities of the contractor to ensure there is no inappropriate or unauthorized use of Data at any time. To this end, the contractor shall safeguard the confidentiality, integrity, and availability of Data and shall comply with the following conditions:

a. The contractor shall implement and maintain appropriate administrative, technical, and organizational security measures to safeguard against unauthorized access, disclosure, or theft of Data. Contractor shall implement and maintain heightened security measures with respect to Encrypted Data. Such security measures shall be in accordance with Indiana Office of Technology practice and recognized industry practice, including but not limited to the following:

1. Information Security Framework; and
2. Indiana Office of Technology Cloud Product and Service Agreements, Standard ID: IOT-CS-SEC-010.

b. All Encrypted Data shall be subject to controlled access. Any stipulation of responsibilities shall be included in the Statement of Work and will identify specific roles and responsibilities.

c. The contractor shall encrypt all Data at rest and in transit. The State may, in the Statement of Work, identify Data it deems as that which may be publicly disclosed that is not subject to encryption. Data so designated may be maintained without encryption at rest and in transit. The level of protection and encryption for all Encrypted Data shall meet or exceed that required in the Information Security Framework.

d. At no time shall any Data or processes — that either belong to or are intended for

the use of State — be copied, disclosed, or retained by the contractor or any party related to the contractor for subsequent use in any transaction that does not include the State.

e. The contractor shall not use any information collected in connection with the Services for any purpose other than fulfilling its obligations under the contract.

**3. Data Location:** Storage of Data at rest shall be located solely in data centers in the United States and the contractor shall provide its Services to the State and its end users solely from locations in the United States. The contractor shall not store Data on portable devices, including personal laptop and desktop computers. The contractor shall access Data remotely only as required to provide technical support. The contractor shall provide technical user support on a 24/7 basis unless specified otherwise in the Service Level Agreement.

**4. Notice Regarding Security Incident or Data Breach:**

a. Incident Response: contractor may need to communicate with outside parties regarding a Security Incident, which may include contacting law enforcement, fielding media inquiries, and seeking external expertise as mutually agreed upon, defined by law, or contained in the contract. Discussing Security Incidents and Data Breaches with the State must be handled on an urgent basis, as part of contractor's communication and mitigation processes as mutually agreed upon in the Service Level Agreement, contained in the contract, and in accordance with IC 4-1-11 and IC 24-4.9 as they may apply.

b. Security Incident Reporting Requirements: The contractor shall report a Security Incident to the State-identified contact(s) as soon as possible by telephone and email, but in no case later than two (2) days after the Security Incident occurs. Notice requirements may be clarified in the Service Level Agreement and shall be construed in accordance with IC 4-1-11 and IC 24-4.9 as they may apply.

c. Data Breach Reporting Requirements: If a Data Breach occurs, the contractor shall do the following in accordance with IC 4-1-11 and IC 24-4.9 as they may apply: (1) as soon as possible notify the State-identified contact(s) by telephone and email, but in no case later than two (2) days after the Data Breach occurs unless a shorter notice period is required by applicable law; and (2) take commercially-reasonable measures to address the Data Breach in a timely manner. Notice requirements may be clarified in the Service Level Agreement. If the Data involved in the Data Breach involves protected health information, personally identifying information, social security numbers, or otherwise confidential information, other sections of this contract may apply. The requirements discussed in those sections must be met in addition to the requirements of this section.



**5. Responsibilities Regarding Data Breach:** This section applies when a Data Breach occurs with respect to Encrypted Data within the possession or control of the contractor.

a. The contractor shall: (1) cooperate with the State as reasonably requested by the State to investigate and resolve the Data Breach; (2) promptly implement necessary remedial measures, if necessary; and (3) document and provide to the State responsive actions taken related to the Data Breach, including any post-incident review of events and actions taken to make changes in business practices in providing the Services, if necessary.

b. Unless stipulated otherwise in the Statement of Work, if a Data Breach is a result of the contractor's breach of its contractual obligation to encrypt Data or otherwise prevent its release as reasonably determined by the State, the contractor shall bear the costs associated with: (1) the investigation and resolution of the Data Breach; (2) notifications to individuals, regulators, or others required by federal and/or state law, or as otherwise agreed to in the Statement of Work; (3) a credit monitoring service required by federal and/or state law, or as otherwise agreed to in the Statement of Work; (4) a website or a toll-free number and call center for affected individuals required by federal and/or state law — all of which shall not amount to less than the average per-record per-person cost calculated for data breaches in the United States (in, for example, the most recent Cost of Data Breach Study: Global Analysis published by the Ponemon Institute at the time of the Data Breach); and (5) complete all corrective actions as reasonably determined by contractor based on root cause and on advice received from the Indiana Office of Technology. If the Data involved in the Data Breach involves protected health information, personally identifying information, social security numbers, or otherwise confidential information, other sections of this contract may apply. The requirements discussed in those sections must be met in addition to the requirements of this section.

**6. Notification of Legal Requests:** If the contractor is requested or required by deposition or written questions, interrogatories, requests for production of documents, subpoena, investigative demand or similar process to disclose any Data, the contractor will provide prompt written notice to the State and will cooperate with the State's efforts to obtain an appropriate protective order or other reasonable assurance that such Data will be accorded confidential treatment that the State may deem necessary.

**7. Termination and Suspension of Service:**

a. In the event of a termination of the contract, the contractor shall implement an orderly return of Data in a mutually agreeable and readable format. The contractor shall provide to the State any information that may be required to determine relationships between data rows or columns. It shall do so at a time agreed to by the

parties or shall allow the State to extract its Data. Upon confirmation from the State, the contractor shall securely dispose of the Data.

b. During any period of Service suspension, the contractor shall not take any action that results in the erasure of Data or otherwise dispose of any of the Data.

c. In the event of termination of any Services or contract in its entirety, the contractor shall not take any action that results in the erasure of Data until such time as the State provides notice to contractor of confirmation of successful transmission of all Data to the State or to the State's chosen vendor.

During this period, the contractor shall make reasonable efforts to facilitate the successful transmission of Data. The contractor shall be reimbursed for all phase-out costs (i.e., costs incurred within the agreed period after contract expiration or termination that result from the transfer of Data or other information to the State). A reimbursement rate shall be agreed upon by the parties during contract negotiation and shall be memorialized in the Statement of Work. After such period, the contractor shall have no obligation to maintain or provide any Data and shall thereafter, unless legally prohibited, delete all Data in its systems or otherwise in its possession or under its control. The State shall be entitled to any post-termination assistance generally made available with respect to the Services, unless a unique data retrieval arrangement has been established as part of a Service Level Agreement.

d. Upon termination of the Services or the contract in its entirety, contractor shall, within 30 days of receipt of the State's notice given in 7(c) above, securely dispose of all Data in all of its forms, including but not limited to, CD/DVD, backup tape, and paper. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST)-approved methods. Certificates of destruction shall be provided to the State upon completion.

**8. Background Checks:** The contractor shall conduct a Federal Bureau of Investigation Identity History Summary Check for each employee involved in provision of Services: (1) upon commencement of the contract; (2) prior to hiring a new employee; and (3) for any employee upon the request of the State. The contractor shall not utilize any staff, including subcontractors, to fulfill the obligations of the contract who have been convicted of any crime of dishonesty, including but not limited to criminal fraud, or otherwise convicted of any felony or misdemeanor offense for which incarceration for up to one (1) year is an authorized penalty. The contractor shall promote and maintain an awareness of the importance of securing the State's information among the contractor's employees, subcontractors, and agents. If any individual providing Services under the contract is not acceptable to the State, in its sole opinion, as a result of the background or criminal history investigation, the State, in its sole option shall

have the right to either: (1) request immediate replacement of the individual; or (2) immediately terminate the contract, related Statement of Work, and related Service Level Agreement.

**9. Access to Security Logs and Reports:** The contractor shall provide to the State reports on a schedule and in a format specified in the Service Level Agreement as agreed to by both the contractor and the State. Reports shall include latency statistics, user access, user access IP address, user access history, and security logs for all Data. The State's audit requirements shall, if applicable, be defined in the Statement of Work.

**10. Contract Audit:** The contractor shall allow the State to audit conformance to the contract terms. The State may perform this audit or contract with a third party at its discretion and at the State's expense.

**11. Data Center Audit:** The contractor shall perform an annual independent audit of its data center(s) where Data, State applications, or other State information is maintained. The contractor shall perform this independent audit at its expense and shall, upon completion, provide an unredacted version of the complete audit report to the State. (The contractor may redact its proprietary information from the unredacted version, however.) A Service Organization Control (SOC) 2 audit report or equivalent approved by the Indiana Office of Technology sets the minimum level of a third-party audit.

The State may perform an annual audit of contractor's data center(s) where Data, State applications, or other State information is maintained. The audit may take place onsite or remotely, at the State's discretion. The State shall provide to contractor thirty (30) days' advance notice prior to the audit. The contractor will make reasonable efforts to facilitate the audit and will make available to the State members of its staff during the audit. The State may contract with a third party to conduct the audit at its discretion and at the State's expense. If the contractor maintains Data, State applications, or other State information at multiple data centers, the State may perform an annual audit of each data center.

The parties agree that any documents provided to the State under this paragraph shall be deemed a trade secret of contractor and is deemed administrative or technical information that would jeopardize a record keeping or security system, and shall be exempt from disclosure under the Indiana Access to Public Records Act, IC 5-14-3.

**12. Change Control and Advance Notice:** The contractor shall give notice to the State for change management requests. Contractor shall provide notice to the State regarding change management requests that do not constitute an emergency change management request at least two (2) weeks in advance of implementation. Contractor shall provide notice to the State regarding emergency change management requests no more than twenty-four (24) hours after implementation.

Contractor shall make updates and upgrades available to the State at no additional cost when contractor makes such updates and upgrades generally available to its users. No update, upgrade, or other change to the Service may decrease the Service's functionality, adversely affect State's use of or access to the Service, or increase the cost of the Service to the State.

**13. Security:** The contractor shall, on an annual basis, disclose its non-proprietary system security plans or security processes and technical limitations to the State such that adequate protection and flexibility can be attained between the State and the contractor. For example: virus checking and port sniffing. The State and the contractor shall share information sufficient to understand each other's roles and responsibilities. The contractor shall take into consideration feedback from the Indiana Office of Technology with respect to the contractor's system security plans.

The parties agree that any documents provided to the State under this paragraph shall be deemed a trade secret of contractor and is deemed administrative or technical information that would jeopardize a record keeping or security system, and shall be exempt from disclosure under the Indiana Access to Public Records Act, IC 5-14-3.

**14. Non-disclosure and Separation of Duties:** The contractor shall enforce role-based access control, separation of job duties, require commercially-reasonable nondisclosure agreements, and limit staff knowledge of Data to that which is absolutely necessary to perform job duties. The contractor shall annually provide to the State a list of individuals that have access to the Data and/or the ability to service the systems that maintain the Data.

**15. Import and Export of Data:** The State shall have the ability to import or export Data in piecemeal or in entirety at its discretion, with reasonable assistance provided by the contractor, at any time during the term of contract. This includes the ability for the State to import or export Data to/from other parties at the State's sole discretion. Contractor shall specify in the Statement of Work if the State is required to provide its' own tools for this purpose, including the optional purchase of contractor's tools if contractor's applications are not able to provide this functionality directly.

**16. Responsibilities and Uptime Guarantee:** The contractor shall be responsible for the acquisition and operation of all hardware, software, and network support related to the Services being provided. The technical and professional activities required for establishing, managing, and maintaining the environments are the responsibilities of the contractor. Subject to the Service Level Agreement, the Services shall be available to the State at all times. The contractor shall allow the State to access and use the Service to perform synthetic transaction performance testing.



The contractor shall investigate and provide to the State a detailed incident report regarding any unplanned Service interruptions or outages. The State may terminate the contract for cause if, at its sole discretion, it determines that the frequency of contractor-preventable outages is sufficient to warrant termination.

**17. Subcontractor Disclosure:** Contractor shall identify all of its strategic business partners related to Services, including but not limited to all subcontractors or other entities or individuals who may be a party to a joint venture or similar agreement with the contractor, and who may be involved in any application development and/or operations.

The contractor shall be responsible for the acts and omissions of its subcontractors, strategic business partners, or other entities or individuals who provide or are involved in the provision of Services.

**18. Business Continuity and Disaster Recovery:** The State's recovery time objective shall be defined in the Service Level Agreement. The contractor shall ensure that the State's recovery time objective has been met and tested as detailed in the Service Level Agreement. The contractor shall annually provide to the State a business continuity and disaster recovery plan which details how the State's recovery time objective has been met and tested. The parties agree that any documents provided to the State under this paragraph shall be deemed administrative or technical information that would jeopardize a record keeping or security system, and shall be exempt from disclosure under the Indiana Access to Public Records Act, IC 5-14-3. The contractor shall work with the State to perform an annual disaster recovery test and take action to correct any issues detected during the test in a time frame mutually agreed upon between the contractor and the State in the Service Level Agreement.

The State's Data shall be maintained in accordance with the applicable State records retention requirement, as determined by the State. The contractor shall annually provide to the State a resource utilization assessment detailing the Data maintained by the contractor. This report shall include the volume of Data, the file formats, and other content classifications as determined by the State.

**19. Compliance with Accessibility Standards:** The contractor shall comply with and adhere to Accessibility Standards of Section 508 Amendment to the Rehabilitation Act of 1973, or any other state laws or administrative regulations identified by the State.

**State Additional Terms and Conditions Revision Declaration:** The clauses in this Exhibit have not been altered, modified, changed, or deleted in any way except for the following clauses which are named below: None.

# Signature Certificate

Reference number: KBQYW-QA72Q-JMXWM-MRUKJ

## Signer

## Timestamp

## Signature

**Brett Suchor**

Email: b.suchor@valid8financial.com

Sent:

02 Jan 2024 22:48:11 UTC

Viewed:

02 Jan 2024 22:48:43 UTC

Signed:

02 Jan 2024 22:49:28 UTC

*M. Brett Suchor*

## Recipient Verification:

✓ Email verified

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IP address: 71.56.217.241

Location: Boulder, United States

Document completed by all parties on:

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