

**SOFTWARE AS A SERVICE AGREEMENT
CENTRAL COAST REGIONAL MUNICIPALITIES**

This software as a service license agreement (“Agreement”) dated _____, 2016 (“Effective Date”), is between _____ (“Client”) located at _____ and 2NDNATURE Software Inc. (2N) located at 500 Seabright Ave #205, Santa Cruz, California 95062 (“2N”). The parties hereby agree as follows:

1. Access and Restrictions.

- 1.1 Subject to the terms of this Agreement, 2N grants to Client a limited, non-exclusive, non-transferable right during the Term to allow its Users (defined below) to access and use the online software applications described in Exhibit A of this Agreement (“2N Software”) solely for Client’s internal business purposes. 2N will provide other support services necessary for productive use of the 2N Software, including the provision of software updates, bug fixes, data monitoring, and technical support (“Support Services”), provided that such Support Services are purchased from 2N. “User” means any Client employee, contractor, or agent, or any other individual or entity, acting on behalf of, and authorized by, the Client to access and use the 2N Software up to the authorized number set forth in Exhibit A. Client’s rights to access the Service will be limited to those expressly granted in this Agreement, and 2N reserves all other rights, title, and interest therein.
- 1.2 Restrictions. Client is responsible for all activities conducted under its and its Users’ logins on the 2N Software. Client shall not: (i) copy, rent, sell, lease, distribute, pledge, assign, or otherwise transfer, or encumber rights to the 2N Software, or any part thereof, or use it for the benefit of any third party, or make it available to anyone other than its Users; (ii) send or store any personally identifiable information; (iii) send or store infringing or unlawful material; (iv) send or store viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents or programs; (v) attempt to gain unauthorized access to, or disrupt the integrity or performance of, the 2N Software or the data contained therein; (vi) modify, copy or create derivative works based on the 2N Software, or any portion thereof without prior consent of 2N Software; (vii) access the 2N Software for the purpose of building a competitive product or service or copying its features or user interface; or (viii) delete, alter, add to or fail to reproduce in and on the 2N Software the name of 2N and any copyright or other notices appearing in or on the 2N Software or which may be required by 2N at any time.
- 1.3 Professional Services. Additional professional services, aside from Support Services, related to the initial set-up and ongoing use of the 2N Software such as training, data import/export, will be set forth and billed at 2N’s current time and materials rates stated in Exhibit A.

2. Term and Termination.

- 2.1 Term. The term of this Agreement is stated in Exhibit A.
- 2.2 Termination for Cause. Without limiting the right of a party to immediately terminate this Agreement for cause as provided for in this Agreement, if either party materially breaches any of its duties or obligations hereunder and such breach is not cured within thirty (30) calendar days after written notice of the breach, the non-breaching party may terminate this Agreement for cause as of a date specified in such notice.

3. Proprietary Rights

- 3.1 2N Rights. Except for the rights expressly granted under this Agreement, 2N retains all right, title, and interest (including all related intellectual property rights) in and to the 2N Software, and all other products, works, software and technology created, used, or provided by 2N in connection with this Agreement.
- 3.2 Client Data. All right, title and interest in and to the Client Data is owned exclusively by Client and Client may use the 2N Software to create reports and other data exports as needed for the Client's internal business purposes, which may include sharing reports and other data exports externally. Client grants 2N a license to use, aggregate, collect, process, store, generate, and display Client Data to the extent necessary to maximize the effectiveness of 2N Software.
4. Fees. Client will pay 2N the annual subscription fee as stated in Exhibit A for access to the 2N Software ("Subscription Fee"). Client shall pay the Subscription Fee within thirty (30) days of execution of this Agreement. Client shall pay 2N the Subscription Fee for any renewal term within thirty (30) days of the start of such renewal term. Should the Agreement be renewed beyond the original one-year Term, 2N reserves the right to increase the Subscription Fee for any subsequent Renewal Term not priced herein. Client agrees to pay all sales, use, value-added, goods and services, consumption, withholding, excise and any other similar taxes or government charges, exclusive of 2N's income taxes.
5. Disclaimer of Warranties. THE 2N SOFTWARE IS PROVIDED "AS-IS" AND 2N AND ITS SUPPLIERS HEREBY DISCLAIM ALL (AND HAVE NOT AUTHORIZED ANYONE TO MAKE ANY) WARRANTIES RELATING TO THE 2N SOFTWARE, PROFESSIONAL SERVICES OR OTHER SUBJECT MATTER OF THIS AGREEMENT, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF NON-INFRINGEMENT OF THIRD PARTY RIGHTS, AVAILABILITY OF THE 2N SOFTWARE, TITLE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES ARE NOT RELYING AND HAVE NOT RELIED ON ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER REGARDING THE SUBJECT MATTER OF THIS AGREEMENT, EXPRESS OR IMPLIED.
6. Indemnification. Client will indemnify, defend, and hold 2N harmless from any and all claims, demands, suits or proceedings brought against 2N by a third party alleging a violation of a third party's rights arising from Client's provision of the Client Data.
7. Limitation of Liability. EXCEPT FOR CUSTOMER'S BREACH OF SECTION 1.2 OR AN OBLIGATION ARISING UNDER SECTION 6, NEITHER CUSTOMER, 2N, NOR 2N's SUPPLIERS, SHALL 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, LOSS OR INACCURACY OR CORRUPTION OF DATA, (B) FOR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES, RIGHTS, OR TECHNOLOGY, (C) FOR ANY LOST PROFITS OR REVENUES, OR FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER OR NOT A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. CLIENT'S RIGHT TO RECOVER DAMAGES FOR ALL CLAIMS ARISING UNDER OR RELATED TO THIS AGREEMENT SHALL BE LIMITED TO THE ANNUAL SUBSCRIPTION FEE CLIENT PAID FOR THE YEAR IN WHICH ANY DAMAGE OCCURRED. THE LIMITATIONS SET FORTH IN THIS SECTION 7 SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. Any action against 2N must be brought within twelve (12) months after the cause of action occurs.

8. General

- 8.1 Authority. Client represents and warrants that it has all requisite corporate power, financial capacity, and authority to execute, deliver, and perform its obligations under this Agreement.
- 8.2 Confidentiality. Except as required by applicable laws or regulations, the parties agree that information deemed confidential at the time of disclosure and the terms of this Agreement shall not be disclosed to any third party.
- 8.3 Notices. Any notice given pursuant to this Agreement shall be in writing and shall be given via email (provided receipt is confirmed by the recipient), certified mail or courier, return receipt requested, to the addresses appearing in the preamble of this Agreement, or as changed through written notice to the other party. Notice is deemed effective on the date it is delivered to the addressee.
- 8.4 Governing law. This Agreement shall be governed by and construed in accordance with the laws of the California and the federal laws of the United States of America. Each party hereby consents and submits to the exclusive jurisdiction and forum of the state and federal courts in the Santa Cruz, CA in all questions and controversies arising out of this Agreement.
- 8.5 Force Majeure; Excused Performance. Neither party shall be liable for delays or any failure to perform the obligations under this Agreement due to causes beyond its reasonable control. Such delays include, but are not limited to, fire, explosion, flood or other natural catastrophe, governmental legislation, acts, orders, or regulation, strikes or labor difficulties, to the extent not occasioned by the fault or negligence of the delayed party.
- 8.6 Independent Contractor. 2N is an independent contractor with no authority to contract for Client or in any way to bind or to commit Client to any agreement of any kind or to assume any liabilities of any nature in the name of or on behalf of Client. Under no circumstances shall 2N, or any of its staff, if any, hold itself out as or be considered an agent employee, joint venture, or partner of Client.
- 8.7 Attorneys' Fees and Costs. In any arbitration, litigation, or other proceeding, informal or formal, by which one party either seeks to enforce this Agreement or seeks a declaration of any rights or obligations under this Agreement, the non-prevailing party shall pay the prevailing party's costs and expenses, including but not limited to, reasonable attorneys' fees.
- 8.8 No Waiver. The failure of either party at any time to require performance by the other party of any provision of this Agreement shall in no way affect that party's right to enforce such provisions, nor shall the waiver by either party of any breach of any provision of this Agreement be taken or held to be a waiver of any further breach of the same provision.
- 8.9 Counterparts; Facsimile. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The parties agree that a facsimile signature may substitute for and have the same legal effect as the original signature.
- 8.10 Entire Agreement. This Agreement and its attached exhibits constitute the entire agreement between the parties and supersede any and all previous representations, understandings, or agreements between Client and 2N as to the subject matter hereof. This Agreement may only be amended by an instrument in writing signed by the parties. Any terms and conditions included in a Client purchase order or a 2N invoice, as the case may be, shall be deemed to be solely for the convenience of the respective party, and no such term or condition shall be binding upon the parties.

Executed on the dates set forth below by the undersigned authorized representative of Client and 2N to be effective as of the Effective Date.

Client

2NDNATURE Software Inc.

By:



Name:

By:

Name: Nicole Beck

Title:

Title: CEO

Date:

Date: August 2, 2016

EXHIBIT A

2N Software Description

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| Term | <p>This Agreement shall commence on the Effective Date and terminate on December 31, each calendar year. Subscription costs from Effective Date through December 31 2016 is at no cost. Invoices for 2017 fees will be issued in December 2016 per the costs below. Payment is due January 31, 2017 to continue uninterrupted access. 2018 costs are yet to be determined. Upon expiration of the Term, the Agreement will automatically renew for additional Terms of twelve (12) months each (“Renewal Term”), unless either party gives the other notice of non-renewal at least thirty (30) days prior to the end of the then-current Term. The initial terms and each renewal term is collectively referred to as the “Term.”</p> |
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| Product | Description | Calendar Year/ Fee |
|-----------------|---|---------------------------|
| BMP RAM | Group code, admin account and up to 3 client users. Unlimited access to current version of platform. www.bmpram.com | 2016/ \$0 2017/\$1,500 |
| Parcel RAM | Group code, admin account and up to 3 client users. Unlimited access to current version of platform. www.parcelram.com | 2016/ \$0 2017/\$1,500 |
| Stormwater TELR | Group code, admin account and up to 3 client users. Unlimited access to current version of platform. www.swtelr.com | 2016/ \$0 2017/\$1,500 |

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| Support Services | <p>Subject to Section 1.1, Support Services are made available by 2N through December 2017 and the fees for Support Services are not covered under this Agreement. Fees for these Support Services are being paid for during the Term by a third party on behalf of Client under a separate agreement. Should the user support needs demanded by the Client extend beyond identification of software bugs or user guidance inconsistencies (at 2N’s discretion), a separate support agreement will need to be executed between the Client and 2N. Excessive use of support will require an additional support agreement with 2N.</p> |
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