



## PREDPOL Predictive Policing SaaS Subscription Agreement

This Subscription Agreement ("**Agreement**") between PREDPOL, Inc., a California corporation, PO Box 2870, Santa Cruz, CA 95063-2870 ("**PREDPOL**") and Anaheim Police Department with offices at 425 S. Harbor Blvd., Anaheim, CA 92805 ("**CLIENT**") entered into as of the date it is signed by both Parties (the "**Effective Date**"). This Agreement governs CLIENT's access to and use of the Services as they are defined herein.

**1. Definitions.** All capitalized terms used in this Agreement and any attachments hereto shall have the meanings assigned to them below.

**A) "Admin Account(s)"** means the administrative account(s) provided to CLIENT by PREDPOL for the purpose of administering the Services. The use of the Admin Account(s) requires a password, which PREDPOL will provide to CLIENT.

**B) "Administrators"** means the CLIENT-designated technical personnel who administer the Services to End Users on CLIENT's behalf.

**C) "Affiliate"** means any entity that directly or indirectly controls, is controlled by, or is under common control with a party.

**D) "AVL"** mean Automated Vehicle Location, a means for automatically determining and transmitting the geographic location of a vehicle to a vehicle tracking system.

**E) "Brand Features"** means the trade names, trademarks, service marks, logos, domain names, and other distinctive brand features of each party, respectively, as secured by such party from time to time.

**F) "Confidential Information"** means information disclosed by a party to the other party under this Agreement that is marked as confidential or would normally be considered confidential under the circumstances. CLIENT Data is CLIENT's Confidential Information. Confidential Information does not include information that: (a) the recipient of the Confidential Information already knew; (b) becomes public through no fault of the recipient; (c) was independently developed by the recipient; or (d) was rightfully given to the recipient by another party.

**G) "CLIENT Data"** means data, including crime data, provided, generated, transmitted or displayed via the Services by CLIENT or End Users.

**H) "Data Relay Pipe"** means the server software used by PREDPOL to extract crime data from CLIENT's RMS or CAD (and vehicle tracking system if AVL is used), encrypt it, and send to the PREDPOL servers to use to deliver the Service.

**I) "Emergency Security Issue"** means either: (a) CLIENT's use of the Services in violation of the Acceptable Use Policy, which could disrupt: (i) the Services; (ii) other CLIENT's use of the Services; or (iii) the PREDPOL network or servers used to provide the Services; or (b) unauthorized third party access to the Services.

- J) "**End Users**" means the individuals CLIENT permits to use the Services.
- K) "**End User Account**" means a PREDPOL-hosted account established by CLIENT through the Services for an End User.
- L) "**Fees**" means the amounts invoiced to CLIENT by PREDPOL for the Services as described in the Statement of Work.
- M) "**Initial Services Term**" means the term for the applicable Services beginning on the 46<sup>th</sup> day from the Effective Date and continuing for three (3) years. Notwithstanding anything to the contrary herein, said Services shall not be made available to CLIENT absent: i.) PREDPOL's receipt of the payment due for the Initial Services Term; or ii.) CLIENT taking the necessary steps as defined in this Agreement and the Statement of Work to enable PREDPOL to setup the said Services.
- N) "**Intellectual Property Rights**" means current and future worldwide rights under patent law, copyright law, trade secret law, trademark law, and moral rights law, and other similar rights.
- O) "**RMS**" means Records Management System database, an agency-wide system that provides for the storage, retrieval, retention, manipulation, archiving, and viewing of information, records, documents, or files pertaining to law enforcement operations.
- P) "**SaaS**" means software as a service, which describes the manner in which PREDPOL delivers the Services via access to a hosted software platform rather than through a software license.
- Q) "**Services/System**" means the applicable PREDPOL product or service, as described in this Agreement or the Statement of Work.
- R) "**Services Term**" means the applicable Initial Services Term, and all renewal terms for the applicable Services as set out in the Statement of Work.
- S) "**Statement of Work**" means the statement of work attached hereto as Exhibit A that contains additional details regarding the Services to be provided to CLIENT per the terms of this Agreement.
- T) "**Suspend**" means the immediate disabling of access to the Services, or components of the Services, as applicable, to prevent further use of the Services.
2. **Product and Payment.**
- A) **Product.** In consideration of the pricing and other obligations described herein, CLIENT shall receive PREDPOL Services as they are described in Exhibit A.
- B) **Fees and Payment Terms.** Fees due for the services described herein are outlined in Exhibit A. Fees for orders where PREDPOL issues an invoice are due upon CLIENT's receipt of the invoice and are considered delinquent thirty days after the date of the

applicable invoice. Payments shall be made in U.S. Dollars by either wire transfer or check. In no event shall the fees due under this Agreement exceed One Hundred Five Thousand Dollars (\$105,000.00) for a total of three years of service.

**C) Revising Rates.** Rates may not be changed during the Initial Services Term of this Agreement without consent of both Parties. Following the end of the Initial Services Term, PREDPOL may revise its rates by providing CLIENT written notice (which may be by email) at least thirty days prior to the effective date of the revision.

### **3. Term and Termination.**

**A) Term.** This Agreement shall begin on the Effective Date and continue for one (1) year from the beginning of the Initial Services Term (“Contract Term”). This Agreement may be renewed, at CLIENT’s option, for two additional terms of one (1) year, by providing PREDPOL with written notice of its intent to renew no less than thirty (30) days prior to the end of the then current term.

**B) Termination Resulting from Breach of Agreement.** This Agreement may be terminated immediately by either Party upon the failure of the other Party to correct a material breach of this Agreement within thirty (30) days after notice of such material breach by the non-breaching Party to the other Party.

**C) Termination Resulting From Insolvency Events.** Either Party may terminate this Agreement immediately upon written notice to the other Party in the event a receiver, trustee or similar officer is appointed for the other Party or a substantial portion of the other Party’s assets or businesses is assigned or transferred to a third party for the benefit of its creditors, or a petition or application is filed by or against the other Party under any bankruptcy law, or if an assignment is made of the other Party’s business or assets for the benefit of its creditors.

**D) Obligations Upon Termination.** Upon any termination of this Agreement, the Parties shall return to each other any and all confidential information and any and all equipment, documents and materials, including all copies thereof, which it received from the other Party in connection with this Agreement.

**E) Remedies for Breach of Agreement.** If termination is the result of a material breach by a Party, the non-breaching Party shall be entitled to pursue any and all rights and remedies it has under law.

**F) Survival Provisions.** Termination of the Agreement shall not relieve either Party from its continuing obligation to protect Confidential Information and proprietary rights of the other Party. In addition, the rights and obligations of the Parties under Sections 1, 2, 3, 4, 6.G, 6.H, 8, 9, 10, 11, 12, 13 and 14 shall survive the expiration or termination of this Agreement.

#### **4. License Grants, Ownership, and Security.**

**A) License.** Subject to the terms and conditions of this Agreement and solely for the duration that it remains in effect, PREDPOL hereby grants to CLIENT a limited, non-transferable, non-exclusive, non-sublicensable license to use the Services as provided as a SaaS. The Services are protected by copyright, trade secret, and other intellectual property laws. You are only granted the right to use the Services, and only for the purposes described herein. PREDPOL reserves all other rights in the Services.

**B) Ownership.** The Parties acknowledge and agree that, as between the Parties, all worldwide ownership rights, title and interest in and to the Services, its underlying software, and all other resulting material conceived, made or discovered by PREDPOL as a result of or in connection with the Services, together with any and all modifications and derivative works thereof, and any and all manuals, work in process, notes, drawings, designs, flowcharts, and other results of the Services, including, without limitation, each and every discovery, invention or improvement which may be conceived or developed as a result of or in connection with the Services (collectively as the "Work Products"), shall be the sole property of PREDPOL.

Notwithstanding anything to the contrary herein, each Party agrees that it shall not acquire any rights, title or interest in or to the other Party's Marks (as defined below) pursuant to this Agreement. Each Party will not contest the other Party's right, title or interest in and to the other Party's Marks.

"Marks" means the respective trademarks, service marks, trade names, domain names, or any other source identifiers of each Party.

**C) Facilities and Data Transfer.** Facilities used to store and process CLIENT Data will adhere to security standards no less protective than the standards used for PREDPOL's own information and shall be compliant with applicable laws.

**D) Modifications to the Services.** PREDPOL may make commercially reasonable changes to the Services including product releases for bug fixes, improvements and new features. If PREDPOL intends to make material changes to the Services resulting in a new restriction or limitation of Services, or termination of a particular feature, which are required by law, PREDPOL will inform CLIENT within a reasonable time prior to the proposed change.

**E) Retention.** PREDPOL will have no obligation to retain archived CLIENT Data.

**5. License to CLIENT Data.** CLIENT understands and agrees that CLIENT is solely responsible for ensuring it has all rights in or to any CLIENT Data as necessary to upload such data to the System without violation of any laws, regulations or guidelines, or any privacy or property rights of any third parties. In connection with such data, CLIENT hereby represents and warrants that:

- A) CLIENT owns, or otherwise has the necessary licenses, rights, consents, and permissions under all intellectual property and/or proprietary rights in CLIENT Data to enable inclusion and use of the CLIENT Data by PREDPOL and its agents in the manner permitted by this Agreement;
- B) PREDPOL's receipt and/or storage of such CLIENT Data on the System pursuant to this Agreement, does not and will not infringe, violate, or misappropriate any third-party right, including any copyright, trademark, patent, trade secret, moral right, privacy right, right of publicity, or any other intellectual property or proprietary right.
- C) CLIENT retains ownership at all times of the CLIENT Data. CLIENT hereby grants to PREDPOL and its agents the right to use, store, publish, reproduce, and otherwise possess and utilize the CLIENT Data in connection with and as reasonably necessary for PREDPOL to provide the Services to CLIENT hereunder, and to disclose CLIENT Data to its officers, employees, agents, consultants, contractors and representatives for the purposes of performing Services for the CLIENT.
- D) CLIENT hereby agrees to indemnify and hold harmless PREDPOL from any third party claim arising from or otherwise related to CLIENT's breach of any of the representations and warranties in this Section 5.

#### **6. Additional CLIENT Obligations.**

- A) The CLIENT also agrees, at its option, to: a) support testing of new features/tools; b) contribute to requested case studies; c) respond to inquiries from other agencies regarding CLIENT's use of PREDPOL; and d) provide user feedback.
- B) CLIENT shall (i) obtain access to the Internet at CLIENT's own expense from a provider selected by CLIENT so that CLIENT can communicate with the System, and (ii) select, obtain and maintain all equipment necessary to permit CLIENT to communicate with the Web based interfaces of the Software. PREDPOL will have no obligations with respect to any hardware, software, or services chosen and/or used by CLIENT to access the Services. Notwithstanding anything to the contrary within this Agreement, PREDPOL's obligation to provide Services is met upon PREDPOL making the relevant data accessible to CLIENT via the internet. PREDPOL will not have any liability if CLIENT is unable to access or utilize the Services due to a fault or failure in any such hardware, software and/or services.
- C) CLIENT shall provide access for the Data Relay Pipe to the CLIENT's server which houses applicable crime data. CLIENT shall ensure their server is running at all times and communicate any pertinent changes to their server or database to PREDPOL in a timely manner.
- D) **Compliance.** CLIENT will use the Services in accordance with this Agreement, the Statement of Work and all applicable laws.
- E) **Login IDs and Passwords.** CLIENT is solely responsible for monitoring and protecting the confidentiality of all Login IDs and Passwords issued to it and its End Users.

- F) CLIENT Administration of the Services.** CLIENT may specify one or more Administrators with the rights to administer the End User Accounts. CLIENT is responsible for: (a) maintaining the confidentiality of the password and Admin Account(s); (b) designating individuals authorized to access the Admin Account(s); and (c) ensuring activities that occur in connection with the Admin Account(s) comply with this Agreement. CLIENT agrees that PREDPOL's responsibilities do not extend to CLIENT's internal management or administration of the Services.
- G) Unauthorized Use.** CLIENT will use commercially reasonable efforts to prevent unauthorized use of the Services and to terminate any unauthorized use. CLIENT will promptly notify PREDPOL of any unauthorized use of or access to the Services of which it becomes aware.
- H) Restrictions on Use.** Unless PREDPOL specifically agrees in writing, CLIENT will not, and will use commercially reasonable efforts to make sure a third party does not: (i) intentionally store or send software viruses, worms, Trojan horses or other harmful computer code, files, scripts or programs; (ii) modify any software programs on the System; (iii) use any programs on the System other than the Application as installed and maintained by PREDPOL; (iv) access the System in any manner other than via the Software's Web based administrative, user and mobile interfaces; (v) remove, circumvent, disable, damage or otherwise interfere with any security-related features of the System, or features that enforce limitations on the use of the System; (vi) attempt to gain unauthorized access to the System, or any part of it, other accounts, computer systems or networks connected to the System through hacking, password mining or any other means; (vii) assign, sell, resell, rent, lease, distribute, delegate or otherwise transfer any rights or obligations under or in connection with this Agreement or the System; (viii) use the System, or sell access to the System, on a time-sharing, service bureau, application service provider, or similar basis; (ix) reverse engineer, decompile, reverse compile, disassemble, or reverse assemble, any aspect or element of the System, or attempt to do so, except if and to the extent permitted by relevant law applicable to CLIENT; (xi) take any action the intent or likely result of which would be to reveal or reconstruct all or any portion of the design of the System; (xii) use the System in a manner that violates any applicable law; (xv) use the facilities or capabilities of the System to conduct any business or activity or solicit the performance of any activity which is prohibited by law; or (xvi) upload into the System, or cause or permit the System to store, copy, process, communicate, distribute or publish, any data, information or materials (including without limitation, the Crime Data) to the extent that so doing actually, or allegedly, (a) creates any liability for, or imposes any obligations upon, PREDPOL (b) violates any legal requirement, violates any rights of any person or entity or violates any duty to any person or entity, (c) damages any person or entity, (d) would be abusive, profane or sexually offensive to an average person as judged by PREDPOL, (e) infringes, misappropriates or violates any intellectual property right or any personal right of any person or entity anywhere at any time, including, but not limited to, rights arising out of, or related to, copyright, patent, trade secret, trademark, service mark, privacy and publicity or (f) gives rise to any claims by any person or entity

anywhere at any time for slander, liable, false light, invasion of privacy, unfair competition or misappropriation.

- I) **Third Party Requests.** CLIENT is responsible for responding to requests for information covered by language and terms of the United States Freedom of Information Act or any applicable local state public records act (“Third Party Requests”). PREDPOL will, to the extent allowed by law and by the terms of the Third Party Request: (a) promptly notify CLIENT of its receipt of a Third Party Request; (b) comply with CLIENT's reasonable requests regarding CLIENT's efforts to respond to a Third Party Request; and (c) provide CLIENT with the information or tools required for CLIENT to respond to the Third Party Request. CLIENT will first seek to obtain the information required to respond to the Third Party Request on its own and will contact PREDPOL only if it cannot reasonably obtain such information.
- J) **End User Requests.** CLIENT will, at its own expense, respond to questions and complaints from End Users or third parties. CLIENT will use commercially reasonable efforts to resolve support issues before escalating them to PREDPOL. Should CLIENT need to escalate the issue to PREDPOL, contact will be made in accordance with Notices, Section 14.B.

#### **7. Suspension Of End User Accounts by PREDPOL.**

- A) If PREDPOL becomes aware of an End User's violation of the Agreement, PREDPOL may request that CLIENT suspend the applicable End User Account. If CLIENT fails to comply with PREDPOL's request, PREDPOL may suspend the End User Account. The suspension will continue until the applicable End User has cured the breach.
- B) If there is an emergency security issue (determined solely in PREDPOL's reasonable business judgment), PREDPOL may suspend the offending use without CLIENT's consent. Suspension will be to the extent and duration required to prevent or terminate the emergency security issue. If PREDPOL suspends an End User Account without prior notice to CLIENT, at CLIENT's request, PREDPOL will provide CLIENT the reason for the suspension.

#### **8. Confidential Information.**

- A) **Asset of PREDPOL.** CLIENT acknowledges and agrees that the System and results generated therefrom that are protected by Intellectual Property Rights constitutes a valuable, proprietary and confidential asset of PREDPOL and its licensors, successors and assigns. The foregoing shall be considered the Confidential Information of PREDPOL.

For purposes of this Agreement, “Confidential Information” means any tangible or intangible information relating to or disclosed in the course of performing the Agreement that is marked or designated as confidential by the disclosing Party, including, without limitation, designs, specifications, routines, protocols, formulas, source codes, technical processes, unpublished financial information, product and business plans, projections,

customer information and employee information. Confidential Information does not include information that (i) becomes publicly known through no fault of the receiving Party, (ii) is lawfully received from a third party not bound by confidentiality obligations, (iii) is independently developed by a Party without using any Confidential Information of the other Party, or (iv) constitutes a public record under applicable law.

**B) Obligations.** Each party will: (a) protect the other party's Confidential Information with the same standard of care it uses to protect its own; and (b) not disclose Confidential Information except to affiliates, employees and agents who need to know it and who have agreed in writing to keep it confidential, unless otherwise required by law. Confidential Information may only be used to exercise rights and fulfill obligations under this Agreement, while using reasonable care to protect it. Each party is responsible for the actions of its affiliates' employees.

**C) Required Disclosure.** Each party may disclose the other party's Confidential Information when required by law but only after it, if legally permissible: (a) uses commercially reasonable efforts to notify the other party; and (b) gives the other party the chance to challenge the disclosure.

## **9. Intellectual Property Rights; Brand Features.**

**A) Intellectual Property Rights.** Except as expressly set forth herein, this Agreement does not grant either party any rights, implied or otherwise, to the other's content, brand features or intellectual property.

## **10. Disclaimers.**

**A) Disclaimers.** TO THE EXTENT PERMITTED BY LAW, EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN; (i). PREDPOL MAKES NO WARRANTIES OR REPRESENTATIONS ABOUT CONTENT OR INFORMATION MADE ACCESSIBLE BY OR THROUGH THE SERVICES AND DOES NOT GUARANTEE THAT THE SERVICES WILL PREDICT ALL CRIMES IN YOUR JURISDICTION; AND (ii) THE SERVICES ARE PROVIDED "AS IS" AND WITHOUT WARRANTIES OR CONDITIONS OF ANY KIND, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, QUIET ENJOYMENT, ACCURACY OF DATA, SYSTEM INTEGRATION, COURSE OF PERFORMANCE AND FITNESS FOR A PARTICULAR PURPOSE. PREDPOL AND ITS SUPPLIERS DO NOT GUARANTEE OR WARRANT THAT THE USE OF THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. CLIENT ACKNOWLEDGES THAT THE SERVICES ARE NOT A TELEPHONY SERVICE AND THAT THE SERVICES ARE NOT CAPABLE OF PLACING OR RECEIVING ANY CALLS INCLUDING EMERGENCY SERVICES CALLS OVER PUBLICLY SWITCHED TELEPHONE NETWORKS.



- B) Warranty.** PREDPOL warrants all work performed or services rendered under the Agreement to be of good quality and free from any defective or faulty material and workmanship.

## **11. Indemnification.**

- A) By CLIENT.** CLIENT will indemnify, defend, and hold harmless PREDPOL from and against all liabilities, damages, and costs (including settlement costs and reasonable attorneys' fees) arising out of a third party claim regarding CLIENT's use of the Services in violation of this Agreement or applicable law.

**B) By PREDPOL.**

As respects acts, errors or omissions in the performance of professional services, PREDPOL agrees to indemnify and hold harmless CLIENT, its officials, officers, and employees from and against any and all claims, losses, damages, defense costs, or liability, of any kind or nature, arising directly out of the negligent acts, errors or omissions of the PREDPOL or any subcontractor in the performance of professional services under this Agreement.

As respects all acts, errors or omissions which do not arise directly out of the performance of professional services, including but not limited to those acts, errors or omissions typically covered by ISO-based general and automobile liability insurance coverage, PREDPOL agrees to indemnify, defend (at CLIENT's option), and hold harmless CLIENT, its officials, officers, employees, agents, and representatives from and against any and all claims, losses, damages, defense costs, or liability, of any kind or nature (collectively referred to hereinafter as "Claims"), arising out of or in connection with PREDPOL's (or PREDPOL's contractors' or subcontractors', if any) acts, errors, omissions, or work, relative to this Agreement; except for those Claims which arise out of the sole negligence or willful misconduct of CLIENT.

The obligations set forth in this indemnification provision (i) shall be in effect without regard to whether or not CLIENT, PREDPOL, or any other person maintains, or fails to maintain, insurance coverage, or a self-insurance program, for any such Claims; and (ii) shall survive the termination of this Agreement.

PREDPOL will defend and hold harmless CLIENT against any third party claim that the Services infringe or misappropriate the intellectual property of a third party ("Infringement Claim"), and indemnify CLIENT from all resulting costs and damages actually awarded against CLIENT to the third party making such Infringement Claim by a court of competent jurisdiction or agreed to in settlement. PREDPOL will have no obligations or liability under this section arising from: (i) use of any Services or PREDPOL Brand Features in a modified form or in combination with materials not furnished by PREDPOL, (ii) any content, information or data provided by CLIENT, End Users or other third parties; (iii) any modifications or additions made at the request of CLIENT and/or per CLIENT's

instructions; or (iv) use of the Services in any manner not expressly allowed per the terms of this Agreement.

- C) General. The party seeking indemnification will promptly notify the other party of the claim and cooperate in defending the claim.

## **12. Possible Infringement.**

- A) **Repair, Replace, or Modify.** If PREDPOL reasonably believes the Services infringe a third party's Intellectual Property Rights, then PREDPOL will: (a) obtain the right for CLIENT, at PREDPOL's expense, to continue using the Services; (b) provide a non-infringing functionally equivalent replacement; or (c) modify the Services so that they no longer infringe.
- B) **Suspension or Termination.** If PREDPOL does not believe the foregoing options are commercially reasonable, then PREDPOL may suspend or terminate CLIENT's use of the impacted Services. If PREDPOL terminates the impacted Services, then PREDPOL will provide a pro-rata refund of the unearned fees.

## **13. Insurance.**

- A) Without limiting CLIENT's right to indemnification, it is agreed that PREDPOL shall secure, prior to commencing any activities under this Agreement, and maintain, during the term of this Agreement, insurance coverage as follows:

Commercial General Liability Insurance, including coverage for Premises and Operations, Contractual Liability, Personal Injury Liability, Products/Completed Operations Liability, and Independent Contractor's Liability, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate, written on an occurrence form. Such insurance shall be written on a primary basis, without a self-insured retention, but may include a deductible of not more than \$10,000 per occurrence, provided that such deductible is disclosed to CLIENT, in writing, at the inception of this Agreement.

Workers' Compensation Insurance as required by California law and Employers Liability Insurance in a minimum amount of One Million Dollars (\$1,000,000) per occurrence.

Comprehensive Automobile Liability Coverage including—as applicable—owned, non-owned, and hired autos, in an amount not less than \$2,000,000 per occurrence, combined single limit, as required by California law.

Professional Liability Insurance in an amount not less than \$2,000,000 per occurrence, and PREDPOL shall maintain such coverage for at least one (1) year from the termination of this Agreement. Such insurance shall be written on a primary basis, with a self-insured retention or deductible provided that such self-insured retention or deductible is disclosed to CLIENT, in writing, at the inception of this Agreement.

- B) For each insurance policy required by this Agreement, PREDPOL agrees to provide notice of any cancellation or material changes or new limitations in scope or coverage to CLIENT within 30 days or in the instance of cancellation due to non-payment of premium, within 10 days. Such notice shall be given to CLIENT at: The City Clerk, City of Anaheim, 200 S. Anaheim Blvd., Anaheim, CA 92805.
- C) For each insurance policy required by this Agreement, PREDPOL agrees to provide notice of any cancellation or material changes or new limitations in scope or coverage to CLIENT within 30 days or in the instance of cancellation due to non-payment of premium, within 10 days. Such notice shall be given to CLIENT at: The City Clerk, City of Anaheim, 200 S. Anaheim Blvd., Anaheim, CA 92805.

“It is agreed that any insurance maintained by PREDPOL, pursuant to this Agreement, shall be primary to, and not contribute with, any insurance or self-insurance maintained by the City of Anaheim.”

“The City of Anaheim, its officers, agents, employees, representatives and Anaheim-designated volunteers are added as additional insureds as respects the acts, omissions, operations and activities of, or on behalf of, the named insured, in regard to products supplied to, or work or services performed for, or related to, the City of Anaheim.”

- D) Prior to commencing any work under this Agreement, PREDPOL shall deliver to CLIENT insurance certificates confirming the existence of the insurance required under this Agreement, including the applicable clauses referenced above. Also, within thirty (30) days of the execution date of this Agreement, PREDPOL shall provide CLIENT: (i) endorsements to the insurance policies which add to these policies the applicable clauses referenced above; or (ii) in lieu of said endorsements, documentation acceptable to CLIENT evidencing that the coverage, terms, and conditions set forth in the above-referenced clauses are otherwise included in said insurance policies. Insurance required hereunder shall be placed with insurers: (i) admitted to write insurance in California or (ii) possessing an A. M. Best’s rating of A VII or higher; or (iii) otherwise acceptable to CLIENT, with prior written permission from CLIENT. In the event that a claim or other legal action is filed against CLIENT, and if CLIENT, in its good faith opinion, believes it may have coverage under any of the insurance required herein, then CLIENT has the right to demand, and to receive within a reasonable time period, copies of the insurance policies related to such required insurance; provided, however, that this provision shall not apply if the Parties agree that PREDPOL shall fully defend, hold harmless, and indemnify CLIENT against any such claim or other legal action.
- E) In addition to other remedies CLIENT may have if PREDPOL fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CLIENT may, at its sole option:

Instruct PREDPOL to stop work under this Agreement and/or withhold any payment(s) which become due to PREDPOL hereunder until PREDPOL demonstrates compliance with the requirements hereof.

- F) Nothing herein contained shall be construed as limiting in any way the extent to which PREDPOL may be held responsible for payments of damages to persons or property resulting from PREDPOL's (or PREDPOL's contractors/subcontractor, if any) performance of the work covered under this Agreement.
- G) CLIENT's Risk Manager is hereby authorized to amend the requirements set forth herein in the event he determines that such amendment is in CLIENT's best interest.

#### **14. Limitation of Liability.**

NEITHER PARTY WILL BE LIABLE UNDER THIS AGREEMENT FOR CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES, EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN THAT SUCH DAMAGES WERE POSSIBLE AND EVEN IF DIRECT DAMAGES DO NOT SATISFY A REMEDY.

#### **15. Miscellaneous.**

- A) Privacy Rights:** Without limiting any of the foregoing, CLIENT and PREDPOL hereby agree to strictly comply with all laws, regulations and guidelines relating to the privacy rights of any individuals applicable to its use of the System, including, without limitation, personally identifiable information.
- B) Notices.** (a) All notices must be in writing and addressed to the attention of the other party's legal department and primary point of contact and (b) notice will be deemed given: (i) when verified by written receipt if sent by personal courier, overnight courier, or when received if sent by mail without verification of receipt; or (ii) when verified by automated receipt or electronic logs if sent by facsimile or email.
- Point of Contact, PREDPOL: Dan Stalker, [dan@predpol.com](mailto:dan@predpol.com)  
Customer Account Management: [Customers@predpol.com](mailto:Customers@predpol.com)  
Point of Contact, CLIENT: Deputy Chief Rick Armendariz, [rarmendariz@anaheim.net](mailto:rarmendariz@anaheim.net)
- C) Change of Control.** Upon a change of control (a) the party experiencing the change of control will provide written notice to the other party within thirty days after the change of control; and (b) upon such change of control by CLIENT, PREDPOL may terminate this Agreement any time between the change of control and thirty days after it receives the notice.
- D) Force Majeure.** Neither party will be liable for inadequate performance to the extent caused by a condition (for example, natural disaster, act of war, riot, labor condition, governmental action, and Internet disturbance) beyond the party's reasonable control
- E) No Waiver.** Failure to enforce any provision of this Agreement will not constitute a waiver.
- F) Severability.** If any provision of this Agreement is found unenforceable, the balance of the Agreement will remain in full force and effect.

- G) No Agency.** The Parties are independent contractors, and this Agreement does not create an agency, partnership or joint venture.
- H) Equitable Relief.** Nothing in this Agreement will limit either party's ability to seek equitable relief.
- I) Governing Law.** This Agreement is governed by California law, excluding that state's choice of law rules. **FOR ANY DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES CONSENT TO PERSONAL JURISDICTION IN, AND THE EXCLUSIVE VENUE OF, THE COURTS IN ORANGE COUNTY, CALIFORNIA.** The Parties explicitly agree that no other laws, treaties or regulations shall control this Agreement.
- J) Dispute Resolution.** Any claim, dispute, or other matter in question arising out of or related to this Agreement, if not resolved within 14 days following the notice of claim through discussions among the parties' officers having authority to resolve the claim, dispute, or other matter, shall be subject to mediation as a condition precedent to other dispute resolution. The parties agree to try in good faith to settle the dispute by mediation within 30 days before resorting to arbitration, litigation, or some other dispute resolution procedure. Both parties will need to agree on a mediator and will shall share the mediator's fee and any filing fees equally. The mediation shall be held in the defending Party's location of choice within the continental United States, unless another location is mutually agreed upon and the parties shall be obligated to submit to at least one seven-hour (including lunch) mediation session, unless they mutually agree to continue their participation beyond this time period. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. The process shall be confidential based on terms acceptable to the mediator and/or mediation service provider, to the extent allowed by law.
- K) Amendments.** Any amendment must be in writing and expressly state that it is amending this Agreement.
- L) Entire Agreement.** This Agreement, and all documents referenced herein, is the Parties' entire agreement relating to its subject and supersedes any prior or contemporaneous agreements on that subject.
- M) Interpretation of Conflicting Terms.** If there is a conflict between the documents that make up this Agreement, the documents will control in the following order: the Agreement, the terms located at any URL, then the terms of subscription set forth in any separate quote including the financial terms of the subscription, a description of the Services being ordered, the respective fees and Initial Services Term as prepared by PREDPOL. If CLIENT signs a physical agreement with PREDPOL to receive the Services, the physical agreement will override any online agreement.



**N) Counterparts.** The Parties may enter into this Agreement in counterparts, including facsimile, PDF or other electronic copies, which taken together will constitute one instrument.

EXECUTED as a sealed instrument as of the day and year first set forth below by the last counter-signatory.

Each party represents that it has full power and authority to enter into the Agreement. If you are accepting on behalf of your employer or another entity, you represent and warrant that: (i) you have full legal authority to bind your employer, or the applicable entity, to these terms and conditions; (ii) you have read and understand this Agreement; and (iii) you agree, on behalf of the party that you represent, to this Agreement. Each party warrants that it will comply with all laws and regulations applicable to its provision, or use of the Services.

**PredPol, Inc.:**

**Client:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Brian A. MacDonald

Name: Jim Vanderpool

Title: CEO

Title: City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**  
**STATEMENT OF WORK**  
**PREDPOL SAAS SERVICES DESCRIPTION**

PREDPOL shall provide CLIENT with the following services per the terms of this Agreement.

## **1. SERVICE OVERVIEW**

PREDPOL provides predictions for where and when crimes are most likely to occur (“Predictive Services”). This includes, but is not limited to, property crime, violent crime, gun violence, gang activity, and traffic collisions. Predictions may be generated for different time windows and delivered on paper or to any internet-connected device. The predictions are shown on maps as 500 foot by 500 foot boxes (approximately the size of a large intersection; referred to herein as “Prediction Boxes”) that officers are instructed to patrol during their shift when not responding to calls for service or performing other duties.

Three types of crime data – type of crime, place of crime, and date/time of crime – are delivered through a secure Data Relay Pipe from CLIENT’s RMS and/or CAD to the PREDPOL Service. Predictions are then generated and made available anytime the CLIENT logs in to the system.

An additional service is AVL Integrated Dosage Calculations. With this service, PREDPOL provides AVL based, real time dosage reporting for patrols using our predictive services. Reports are accessible from the web based interface by command staff and patrol supervisors (filtered by user permissions) and provide feedback on which zones are being under patrolled, patrolled sufficiently, or over patrolled to prevent crime.

## **2. SERVICES DESCRIPTION**

### **A. Installation and Training Services**

- i. Setup and integration of a secure Data Relay Pipe from CLIENT’s RMS (and/or CAD and AVL system where required) to PREDPOL Service. Said setup shall be completed thirty (30) days from the Effective Date, subject to CLIENT’s adherence to the terms herein, CLIENT’s provision of the crime data file from CLIENT, and CLIENT making all commercially reasonable efforts to appropriately feed the crime data file into PREDPOL’s services.
- ii. A “train the trainers” session in operations and best practices. Training takes one hour via remote web session. PREDPOL’s obligation to provide said training shall expire upon the earlier of CLIENT receiving said training, and forty-five (45) days from the Effective Date.

## B. Services and Technical Support Services.

Beginning on the completion of the services described in Section 2.A above, PREDPOL will make the following Services identified by a checked box accessible to CLIENT via the internet per the terms of the Service Level Agreement set out below, for the duration that this Agreement and this Statement of Work remain in effect.

Predictive Services: Data to be transferred is restricted to fields related to type of crime, place of crime, and time of crime. There shall be no limit on the number of CLIENT users, mission and shift combinations predicted or prediction views.

(i) Predictions of where and when specific crimes are most likely to occur including latitude and longitude information of the center of Prediction Boxes. Prediction Boxes shall be for crime types as defined and mutually agreed to by CLIENT and PREDPOL;

(ii) Historical location of Prediction Boxes as defined and mutually agreed to by CLIENT and PREDPOL;

(iii) Ability to manage patrol operations including the ability to set missions by shift and district; and

(iv) Analytics and reporting that will provide deeper insight into crime patterns and patrol operations.

AVL Integrated Dosage Calculations.

Technical Support. PREDPOL will provide CLIENT with online and e-mail technical and operational use support.

## 3. SERVICE LEVEL AGREEMENT

A. Service Availability. The PREDPOL SaaS service shall have an uptime of not less than 98%, calculated as the percentage time said service is accessible from the Internet in any whole calendar month after SaaS service initiation (“Service Month”). Downtime resulting from scheduled maintenance shall not be included in the uptime calculation. Additionally, in the situation where the CLIENT’s technical architecture or the RMS data formats within the record management system are changed by the CLIENT without 60- day advance notice, any resulting downtime will not be included in the uptime calculation.

B. Service Response Time. PREDPOL shall take reasonable measures to ensure that the SaaS service response times do not materially fall behind industry standards.

C. Service Credits. CLIENT’s sole remedy for any failure for PREDPOL to meet the foregoing shall be a credit of 1/12 a percent for each percent below 98% the calculated



uptime is in a Service Month, on CLIENT's next annual invoice. Said credits shall have no cash value.

#### **4. FEES**

- A. Installation and Training Services Fees. As consideration for the services provided per Section 2.A of this Exhibit A, CLIENT shall pay to PREDPOL a one-time setup fee of \$0, to be invoiced upon the full execution of this Agreement.
- B. SaaS and Technical Support Fees. As consideration for the services provided per Section 2.B of this Exhibit A, CLIENT shall pay to PREDPOL an annual subscription fee of \$35,000 for Predictive and AVL Services for the first year of Service. For every year that this contract remains in effect thereafter, the annual subscription fee will be \$35,000 for Predictive and AVL Services. The subscription fee due for the Services Term shall be invoiced upon the full execution of this Agreement. The subscription fee due for subsequent one (1) year periods that this contract remains in effect shall be invoiced thirty (30) days prior to the conclusion of the Initial Services Term, and the annual anniversaries thereof.
- C. Software updates to the SaaS provided herein shall be provided at no additional charge during the Initial Services Term. The fee for the continued provision of said software updates shall be mutually agreed to by the parties at the conclusion of the Initial Services Term.
- D. All fees described herein shall be paid by CLIENT within thirty (30) days of the invoice date.

#### **5. CLIENT OBLIGATIONS**

- A. CLIENT shall make commercially reasonable efforts to performing the following during the term of this Agreement:
  - i. provide access to and service of CLIENT IT staff and services during the initial setup of the Data Relay Pipe as is reasonably necessary;
  - ii. deploy and utilize the PREDPOL services according to PREDPOL's recommended best practices;
  - iii. generally support the deployment of any new features and/or tools, including providing user feedback, as requested by PREDPOL;
  - iv. provide access to relevant databases and shared databases to which CLIENT has access, pursuant to all applicable laws and access agreements; and
  - v. occasionally respond to inquiries from other agencies.

## 6. DEPLOYMENT STEPS

The anticipated deployment steps are as follows and may change without notice. The estimated timeline for setup as outlined below is dependent upon availability of the CLIENT's technical resource for installation of the Data Relay Pipe.

### A. **Technical Implementation.**

- i. PREDPOL to conduct a kickoff meeting or conference call with appropriate CLIENT staff (as identified by the CLIENT) within 7 days of receiving the signed Agreement;
- ii. CLIENT to complete an informational form within 7 days after the kickoff meeting;
- iii. Upon receipt of the CLIENT's completed information form, PREDPOL will send installation instructions to CLIENT;
- iv. CLIENT must complete the installation instructions for the Data Relay Pipe within 30 days of the agreement Effective Date. PREDPOL staff will be available for support as needed; and
- v. Upon successful installation of Data Relay Pipe PREDPOL will complete initial data processing. Successful completion of this step is contingent on the CLIENT confirming that the data mapping is correct.

**B. Service Initiation.** Upon completion of Technical Implementation, CLIENT will receive the URL and login information of their PREDPOL site via email for their review. Upon CLIENT signoff, PREDPOL will work with CLIENT to schedule training. Training must occur within 45 days of the Effective Date.

**C. Training.** PREDPOL recommends a "train the trainers" approach for command staff, supervisors, and analysts once the system goes live. This provides a better understanding of the system and allows new officers to be trained as needed. Training takes approximately one hour, including questions and answers.

<b>PROPOSED PROJECT SCHEDULE*</b>	
<b>Deliverable/Task</b>	<b>Target Date</b>
Effective Date	Date of contract signature
Kickoff call	Within 7 days of Effective Date
Client completion of information form	Within 14 days of Effective Date
Installation of Data Relay Pipe and completion of setup form	Within 30 days of Effective Date **
Payment due	30 days after Effective Date
Data quality review	Within 35 days of Effective Date**
Issuance URL and first user login credential	Within 40 days of Effective Date**
Training and live operations	Within 45 days of Effective Date**
Annual billing date	30 days prior to the conclusion of the annual anniversary of the Initial Services Term
Annual payment due date	30 days after annual billing date

\* The dates herein reflect the anticipated project timeline and are subject to change.

\*\* These dates are dependent on CLIENT's completion of Data Relay Pipe installation and setup form.