



STATEMENT OF WORK FOR O365 MIGRATION  
CRAYON SOFTWARE EXPERTS, LLC AND CITY OF MENIFREE  
APRIL 2<sup>ND</sup>, 2021



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## Project Details

Project Name	O365 Migration	
Partner	N/A	(Partner)
Customer	CITY OF MENIFREE	(Customer)
Project Type	Cloud Migration	CUS2000T1
Pre-Sales Architect	Abdullah Masud	
Sales Rep	Eric Stout	
SOW Expiration Date	May 30, 2021	

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## Business Value

CITY OF MENIFREE is undergoing a digital transformation journey and must leverage the full potential of emerging technologies to work differently and more efficiently. Office 365 is a cloud-based subscription service that brings together the best tools for the way people work today. By combining best-in-class apps like Excel and Outlook with powerful cloud services like OneDrive and Microsoft Teams, Office 365 lets anyone create and share anywhere on any device.

Crayons Office 365 Mail Migration service leverages our technical experience and tools to minimize the risk and challenges and ensure success.

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## Scope Criteria

This Statement of Work abides by the following Scope Criteria

Customer has identified the following as counts for the migration service:

- Tenant-to-tenant Migration
  - Customer migrating from O365 Commercial Tenant to O365 Government Tenant
- Customer will provide all access to the Azure Active Directories for both tenants
- (220) User Mailboxes being migrated
- No Public Folders being migrated
- (220) User Mailboxes worth of OneDrive content being migrated
  - (1.2) TB of OneDrive Data
- Single Domains requesting to be set up and registered in Azure Active Directory Tenant to support authentication only
  - Hybrid Azure AD Connect or Standalone Cloud Identity Setup Per Domain – Both are in scope
- 5.7 GBs of SharePoint Online data. This content would be migrated as-is from the existing tenant to the new tenant

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## Services Scope

Below are the services considered in scope for this project and the planned outcome for each. Any service not listed herein is considered out of scope.

### Exchange and OneDrive Migration

Major Tasks	Outcome
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Assessment of existing Active Directory and E-Mail solution to prepare for successful migration	Recommendations of changes required to facilitate the successful migration.
Advise Customer on the implementation of the recommended changes to support the successful migration	Guidance to Customer on how to implement changes
Deploy the O365 Tenant working with Customer if one has not already been created	O365 Tenant setup and prepared for the Migration
Deploy AD Synchronization and configure password write-back	AD Synchronization to facilitate a more seamless authentication for users
Redirect MX Record and test mail delivery	Mail flow through O365
Migrate Mailboxes to O365	All in scope mailboxes migrated to O365

### Sharepoint Online Migration

Major Tasks	Outcome
Provide on-demand services, at an hourly rate, to the customer strictly around <b>Microsoft SharePoint</b> . Possible use cases of this service can be the following: <ul style="list-style-type: none"><li>- Provisioning SharePoint site and folders</li><li>- Assessing any current SharePoint environment</li><li>- Performing migrations steps to move SharePoint from one tenant to another SharePoint Online tenant</li><li>- Assigning appropriate permissions to users within SharePoint</li></ul>	Crayon has years of O365 expertise. Customer will benefit immensely from Crayon's opinions and experience. Customer can be made aware of any "gotchas" or hurdles that Crayon has encountered thereby making Customer's progress issueless.

### Out of Scope

1. Changes to the existing IT infrastructure or systems.
2. Changes to user workstations
3. Networking changes or configurations
4. Configuration of Skype for Business or Teams Calling plans
5. Azure AD SSO, Azure AD External Identities and Azure AD B2C
6. Multi-factor authentication and self-password reset setup

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### Project Scheduling

Projects are scheduled once the SOW is fully executed. Lead time to begin the project work is two (2) weeks after the date of SOW execution. If customer requires accelerated start dates an additional scheduling fee of 10% of the total SOW will apply.

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### Assumptions

The scope and estimates for this project were developed based on the assumptions below and any deviation from these may impact the level of effort as well as the schedule and fees associated with completing the project.

1. Partner & Customer will always provide a point of contact to be engaged in the project. This point of contact will also be responsible for providing all necessary information about the customer environment.
2. Scheduling will occur based on availability of all parties.

3. Crayon is not responsible for data loss. Customer should perform backups of all affected systems prior to commencement of work on this SOW.
4. Customer Contact will have the authority to act for Customer in all aspects of the Service including bringing issues to the attention of the appropriate persons within Customer's organization and resolving conflicting requirements.
5. Customer key stakeholders will be readily accessible for key decision making throughout the course of the initiative. Delays caused by availability of customer personnel may cause increased time and costs to the project.
6. Crayon reserves the right to update and adjust the estimated hours required as more details become available. Crayon will review the changes to the estimated hours when the information becomes available.
7. Customer is expected to provide all relevant information and data in a clarified manner to Crayon Cloud Architects. Failure to do so might result in misalignment of expectations and project extensions.
8. If the project is cancelled by Partner or Customer after work has begun, all fees will be paid for work performed and a cancellation fee of 20% of the remaining billable amount will apply.
9. The cost of any hardware or software required to complete the service is not included in this statement of work.
10. Services will be performed remotely.
11. Identity services are per domain and does not include sub domains
12. MFA setup does not include integration with on-premises systems
13. Mail migration may require users to re-authenticate and possibly setup new mail profiles.
14. Customer is duty bound to provide the appropriate level of access to Microsoft Exchange, Azure AD tenant or any other related systems and data to accomplish the tasks listed in scope of services
15. Licensing cost is not included as part of this Statement of Work. Customer is responsible for purchasing the appropriate licenses for Crayon to accomplish the tasks listed in scope of services
16. For Hybrid Azure AD Connect setup, Customer is responsible for having a Domain Controller with the minimum underlying requirements to implement Azure AD Connect.

## Agreement

Crayon will provide the following services under the terms and conditions in Appendix A of this document

## Project Rates

Crayon will execute this project on the Time and Materials billing basis at the rates listed in the table below. If Customer requests additional work outside of scope, Crayon and Partner / Customer will address these changes through a written Change Request.

Milestone	Invoicing Criteria	Unit Cost	Cost
Azure AD Identity Setup Cloud Identity and/or Hybrid Identity (1) Domain	Bi-weekly; based on number of domains setup	\$1,100 / Domain	\$ 1,100
O365 Exchange and OneDrive Migration (220) Mailboxes	Bi-weekly; based on mailboxes and user files migrated.	\$ 55 / User	\$ 12,100
O365 Exchange and OneDrive Migration Any Additional Mailboxes	Bi-weekly; based on mailboxes and user files migrated.	\$ 55 / User	TBD
SharePoint Online Migration	Bi-weekly; based on number of hours consumed	\$ 165 / User	TBD
Project Management Services	Included		Included

TOTALS			\$ 13,200
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### Payment Terms

Invoicing will occur monthly for hours consumed or based on the milestones defined in the table above. Partner / Customer agrees to pay properly submitted invoices within thirty (30) days after date of invoice.

### Travel & Expenses

By mutual agreement between Partner / Customer and Crayon, if this engagement requires travel by any Crayon employee, we will submit the expenses (and applicable receipts) on an invoice payable by Partner / Customer as follows:

- Auto mileage: Actual Cost
- Airfare: Actual cost
- Hotel: Actual cost
- Car Rental: Actual cost
- Meals: Actual Cost

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## Acceptance

The terms and conditions of this Services Agreement apply in full to the services and products provided under this Statement of Work.

**IN WITNESS WHEREOF**, the parties hereto each acting with proper authority have executed this Statement of Work, under seal.

### City of Menifree

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Full name

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Title

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Signature

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Date

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Project Manager (PM)

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PM Email

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PM Phone Number

### Crayon Software Experts, LLC

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Theresa C. Linson

Full name

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VP, Innovation Services

Title

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Signature

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Date



## Appendix A - Terms & Conditions

### Crayon Software Experts, LLC Standard Terms and Conditions

1. **Services.** It is understood and agreed that Crayon Software Experts, LLC (“Crayon”) services may include advice and recommendations; but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, Customer. References herein to Customer shall refer to the addressee of the SOW, proposal or engagement letter to which these Standard Terms and Conditions are attached (the “Engagement Letter”).

2. **Payment of Invoices.** Customer agrees to pay properly submitted invoices within thirty (30) days of receipt of the invoice, or such other due date as may be indicated in the Engagement Letter. Crayon shall have the right to halt or terminate entirely its services under the Engagement Letter until payment is received on past due invoices. All fees, charges and other amounts payable to Crayon under the Engagement Letter do not include any sales, use, excise, value added or other applicable taxes, tariffs or duties, payment of which shall be Customer’s sole responsibility, excluding any applicable taxes based on Crayon’s net income or taxes arising from the employment or independent contractor relationship between Crayon and its personnel.

3. **Term.** Unless terminated sooner in accordance with its terms, the engagement shall terminate upon the completion of Crayon’s services under the Engagement Letter. In addition, either party may terminate the Engagement Letter at any time by giving written notice to the other party not less than 30 calendar days before the effective date of termination.

#### 4. OWNERSHIP RIGHTS IN WORK PRODUCT

A. Ownership to work product. Deliverables specifically identified in any SOW hereunder, created or prepared by Crayon for Purchaser or End User pursuant to this Agreement, but excluding any Excluded Inventions (as defined in Section 6 subsection C Exclusion of Inventions) will collectively be termed the “Work Product.” Crayon and Purchaser agree that if any Work Product is copyrightable and such work product falls within the definition of a “work made for hire” as defined in 17 U.S.C. 101 and 201(b), all copyrights and copyright registrations related to such copyrightable Work Product will be the sole and exclusive property of End User or Purchaser based on contracts between Purchaser and End User. Otherwise, Crayon shall assign the entire right, title and interest in and to the Work Product to End User or Purchaser, as the case may be.

B. Exclusion of inventions. Crayon will not be required to assign to Purchaser, End User, or its Affiliates any invention, discovery, innovation, or improvement that Crayon can show was developed entirely on its own time, not resulting from any work performed by Crayon for End User or Purchaser and without the use of any Crayon or Crayon Affiliate equipment, supplies, facility, artwork, or Confidential Information (the “Excluded Inventions”). In any dispute with respect to these exclusions, the burden of proof will be on Crayon to show that the exclusion applies. If any Excluded Inventions are incorporated into the deliverables, Crayon hereby grants to Purchaser or End User a paid-up, non-exclusive, worldwide unlimited license to use, copy, and redistribute such Excluded Inventions in connection with its use of the deliverables.

C. Crayon Property. Purchaser acknowledges and agrees that in the performance of deliverables and Services, Crayon (or its Affiliates) may use certain Crayon or Affiliates proprietary and owned property (“Crayon Property”). Crayon or its Affiliates (as the case may be) retain sole and exclusive ownership of all such Crayon Property and all intellectual property rights, title and interest thereto. In those cases where



Crayon Property is included in any deliverables and Services, Crayon grants Purchaser or End User (as the case may be) a nonexclusive, nontransferable, license to use the Crayon Property solely for their own internal business purposes, or external purpose if identified in the specific SOW in connection with the deliverables and Services. All rights not expressly granted to End User or Purchaser (as the case may be) are reserved by Crayon and there are no implied licenses

D. Residual Knowledge. Residual Knowledge means any general ideas, concepts, know-how, methodologies, processes, technologies, algorithms or techniques retained in the unaided mental impressions of Crayon's personnel relating in any way to the Project or Services provided under this MSA, SOW. Crayon perpetually retains any and all rights, title and interests in and unrestricted use to any Residual Knowledge developed or provided by it during the Term of this MSA

## 5. INTELLECTUAL PROPERTY

a. Crayon further represents to Purchaser that all deliverables will be the original work of Crayon (or duly licensed by Crayon for purposes for which they are delivered). Crayon further represents to Purchaser that:

- i. There is no claim, litigation, or proceeding pending or threatened against Crayon with respect to Services or deliverables, or any component thereof, alleging infringement of any Intellectual Property Rights of any person or entity;
- ii. That there is no pending litigation that could impact Crayon's ability to provide the Services or deliverables
- iii. That neither the performance of the Services by Crayon nor furnishing of the deliverables nor Purchaser's End User's or Purchaser's use or continued use of same under this Agreement or any SOW, will in any way constitute an infringement or other violation of any Intellectual Property Rights, nondisclosure agreement, or other rights of any third party.

b. Purchaser represents to Crayon that to the extent that Purchaser has directly or indirectly supplied any Intellectual Property, whether Purchaser's, End User or any third party, to Crayon for use or as part of the deliverables, Project or SOW, that:

- i. There is no claim, litigation, or proceeding pending or threatened against Purchaser or the third-party alleging infringement of any Intellectual Property Rights of any person or entity;
- ii. That there is no pending litigation that could impact Crayon's ability to work on or otherwise modify the Intellectual Property provided by Purchaser; and
- iii. That neither the performance of the Services by Crayon nor furnishing of the deliverables to nor Purchaser's End User's or Purchaser's use or continued use of same under this Agreement or any SOW, will in any way constitute an infringement or other violation of any Intellectual Property Rights, nondisclosure agreement, or other rights of any third party, in any materials provided by Purchaser to Crayon

## 6. Limitation on Warranties.

THIS IS A SERVICES ENGAGEMENT. CRAYON WARRANTS THAT IT WILL PERFORM SERVICES UNDER THE ENGAGEMENT LETTER IN GOOD FAITH, WITH QUALIFIED PERSONNEL IN A COMPETENT AND WORKMANLIKE MANNER IN ACCORDANCE WITH APPLICABLE INDUSTRY STANDARDS. CRAYON DOES NOT WARRANT THAT THE SERVICES WILL BE ERROR-FREE OR WILL MEET CUSTOMER'S REQUIREMENTS. CRAYON DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT

LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Crayon is not responsible for any delays, delivery failures, loss or corruption of data, or any other loss or damage resulting from the transfer of data over communications networks and facilities, including the internet, or related to any services provided by third parties, and Customer acknowledges that the Services may be subject to limitations, delays and other problems inherent in the use of such communications facilities.

#### **7. Limitation on Damages.**

Except for each party's indemnification obligations as set forth below, neither Customer nor Crayon shall be liable to the other for any actions, damages, claims, liabilities, costs, expenses or losses in any way arising out of or relating to the services performed under the Engagement Letter for an aggregate amount in excess of the fees paid or owing to Crayon for services rendered by Crayon under the Engagement Letter in the twelve-month period before the claim arose. In no event shall either party be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). Crayon shall have no liability with respect to the results of any audit or to payment request of any vendor of Customer. Customer shall be solely responsible for Customer's deployment and use of its software assets. Customer assumes sole responsibility for information and results obtained from the use of the services, and for conclusions drawn from such use. The provisions of this Paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort or otherwise.

#### **8. Infringement.**

a. Crayon hereby agrees to indemnify, hold harmless and defend Customer from and against all claims, liabilities, losses, expenses (including reasonable attorneys' fees), fines, penalties, taxes or damages (collectively "Liabilities") asserted by any third party against Customer to the extent such Liabilities result from the infringement by the Deliverables of any third party's patents issued as of the date of the Engagement Letter. The preceding indemnification provision shall not apply to any infringement arising out of the following:

- i. use of the Deliverables other than in accordance with applicable documentation or instructions supplied by Crayon or other than in accordance with Paragraph 8(b);
- ii. any alteration, modification or revision of the Deliverables not expressly agreed to in writing by Crayon; or
- iii. the combination of the Deliverables with materials not supplied or approved by Crayon.

b. In case any of the Deliverables or any portion thereof is held, or in Crayon's reasonable opinion is likely to be held, in any such suit to constitute infringement, Crayon may, within a reasonable time, at its option either:

- i. secure for Customer the right to continue the use of such infringing item; or
- ii. replace, at Crayon's sole expense, such item with a substantially equivalent non-infringing item or modify such item so that it becomes non-infringing.
- iii. In the event Crayon is, in its reasonable discretion, unable to perform either of options described in (i) or (ii) above, Customer shall return the Deliverable to Crayon, and Crayon's sole liability shall be to refund to Customer the amount paid to Crayon for such item; provided that the foregoing shall not be construed to limit Crayon's indemnification obligation set forth in Paragraph 7(a) above.

c. The provisions of this Paragraph 7 state Crayon's entire liability and Customer's sole and exclusive remedy with respect to any infringement or claim of infringement.

#### 9. Indemnification.

a. Each party agrees to indemnify, hold harmless and defend the other party from and against any and all Liabilities for physical injury to, or illness or death of, any person or persons regardless of status, and damage to or destruction of any tangible property, which the other party may sustain or incur, to the extent such Liabilities result from the negligence or willful misconduct of the indemnifying party.

b. Except as otherwise required by law, or as permitted by the Engagement Letter, Customer acknowledges and agrees that any advice, recommendations, information or work product provided to Customer by Crayon in connection with this engagement is for the confidential use of Customer, may not be relied upon by any third party and Customer will not disclose or permit access to such advice, recommendations, information or work product to any third party or summarize or refer to such advice, recommendations, information or work product or to Crayon's engagement under the Engagement Letter without, in each case, Crayon's prior written consent. In furtherance of the foregoing, Customer will indemnify, defend and hold harmless Crayon from and against any and all Liabilities suffered by or asserted against Crayon in connection with a third-party claim to the extent resulting from such party's use or possession of or reliance upon Crayon's advice, recommendations, information or work product as a result of Customer's use or disclosure of such advice, recommendations, information or work product.

c. The party entitled to indemnification (the "Indemnified Party") shall promptly notify the party obligated to provide such indemnification (the "Indemnifying Party") of any claim for which the Indemnified Party seeks indemnification. The Indemnifying Party shall have the right to conduct the defense or settlement of any such claim at the Indemnifying Party's sole expense, and the Indemnified Party shall cooperate with the Indemnifying Party. The party not conducting the defense shall nonetheless have the right to participate in such defense at its own expense. The Indemnified Party shall have the right to approve the settlement of any claim that imposes any liability or obligation other than the payment of money damages.

#### 10. Cooperation; Use of Information.

a. Customer agrees to cooperate with Crayon in the performance of the services under the Engagement Letter and shall provide Crayon with timely access to and use of Customer's personnel, facilities, equipment, data and information to the extent necessary for Crayon to perform the services under the Engagement Letter. Customer shall provide Crayon with license entitlement information. The Engagement Letter may set forth additional obligations of Customer in connection with this engagement. Customer acknowledges that Customer's failure to assign Customer personnel having skills commensurate with their role with respect to this engagement could adversely affect Crayon's ability to provide the services under the Engagement Letter.

b. Customer acknowledges and agrees that Crayon may, in performing its obligations pursuant to this Agreement, use data, material, and other information furnished by Customer without any independent investigation or verification and that Crayon shall be entitled to rely upon the accuracy and completeness of such information in performing the services under the Engagement Letter.

#### 11. Force Majeure.

Neither Customer nor Crayon shall be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.

## 12. Limitation on Actions.

No action, regardless of form, arising out of or relating to this engagement, may be brought by either party more than one year after the cause of action has accrued, except that an action for non-payment may be brought by a party not later than one year following the date of the last payment due to such party under the Engagement Letter.

## 13. Independent Contractor.

It is understood and agreed that each of the parties hereto is an independent contractor and that neither party is or shall be considered an agent, distributor or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.

## 14. Confidentiality.

a. "Confidential Information" means all documents, software, reports, data, records, forms and other materials obtained by one party (the "Receiving Party") from the other party (the "Disclosing Party") in the course of performing the services under the Engagement Letter:

- i. that have been marked as confidential;
- ii. whose confidential nature has been made known by the Disclosing Party to the Receiving Party;  
or
- iii. that due to their character and nature, a reasonable person under like circumstances would treat as confidential. Notwithstanding the foregoing, Confidential Information does not include information which:
  1. is already known to the Receiving Party at the time of disclosure by the Disclosing Party;
  2. is or becomes publicly known through no wrongful act of the Receiving Party;
  3. is independently developed by the Receiving Party without benefit of the Disclosing Party's Confidential Information or
  4. is received by the Receiving Party from a third party without restriction and without a breach of an obligation of confidentiality.

b. The Receiving Party will deliver to the Disclosing Party all Confidential Information of the Disclosing Party and all copies thereof when the Disclosing Party requests the same, except for one copy thereof that the Receiving Party may retain for its records. The Receiving Party shall not use or disclose to any person, firm or entity any Confidential Information of the Disclosing Party without the Disclosing Party's express, prior written permission; provided, however, that notwithstanding the foregoing, and subject to Paragraph 13 (d), the Receiving Party may disclose Confidential Information to the extent that it is required to be disclosed pursuant to a statutory or regulatory provision or court order or to fulfill professional obligations and standards.

c. Each party shall be deemed to have met its nondisclosure obligations under this Paragraph 13 as long as it exercises the same level of care to protect the other's information as it exercises to protect its own confidential information but in no event less than reasonable care, except to the extent that applicable law or professional standards impose a higher requirement.

d. If the Receiving Party receives a subpoena, other validly issued administrative or judicial demand or has a professional obligation or standard requiring it to disclose the Disclosing Party's Confidential Information, the Receiving Party shall provide prompt written notice to the Disclosing Party of such requirement or demand in order to permit it to seek a protective order or otherwise intervene to protect its interests in the Confidential Information. Receiving Party shall provide full cooperation and assistance to the Disclosing Party in seeking to obtain such protection. So long as the Receiving Party gives prompt notice and fully cooperates, as provided herein, the Receiving Party shall be entitled to comply with such demand to the extent permitted by law, subject to any protective order or the like that may have been entered in the matter.

#### **15. Survival.**

The provisions of Paragraphs 1, 2, 4, 6, 7, 8, 11, 13, 16, 17, 18 and 19(a) hereof shall survive the expiration or termination of this engagement.

#### **16. Assignment.**

Neither party may assign, transfer or delegate any of its rights or obligations without the prior written consent of the other party, such consent not to be unreasonably withheld.

#### **17. Severability.**

In the event that any term or provision of this Agreement shall be held to be invalid, void or unenforceable, then the remainder of this Agreement shall not be affected, and each such term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

#### **18. Governing Law.**

The Engagement Letter and these Standard Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflict of laws provisions thereof.

#### **19. Alternative Dispute Resolution.**

a. Any dispute or claim arising out of or relating to the Engagement Letter between the parties, the services provided thereunder, or any other services provided by or on behalf of Crayon or any of its subcontractors or agents to Customer or at its request (including any dispute or claim involving any person or entity for whose benefit the services in question are or were provided) shall be resolved in accordance with the dispute resolution procedures set forth in Exhibit A attached hereto, which constitute the sole methodologies for the resolution of all such disputes. By operation of this provision, the parties agree to forego litigation over such disputes in any court of competent jurisdiction. Mediation, if selected, may take place at a location to be designated by the parties. Arbitration shall take place in Dallas, Texas. Either party may seek to enforce any written agreement reached by the parties during mediation, or to confirm and enforce any final award entered in arbitration, in any court of competent jurisdiction.

b. Notwithstanding the agreement to such procedures, either party may seek injunctive relief to enforce its rights with respect to the use or protection of

i. its confidential or proprietary information or material or

ii. its names, trademarks, service marks or logos, solely in the courts of the State of Texas or in the courts of the United States located in the State of Texas. The parties consent to the personal jurisdiction thereof and to sole venue therein only for such purposes.

**20. Miscellaneous.**

- a. Except as otherwise set forth in the Engagement Letter, in accepting this engagement, Customer acknowledges that completion of this engagement or acceptance of Deliverables resulting from this engagement will not constitute a basis for Customer's assessment or evaluation of internal control over financial reporting and disclosure controls and procedures, or its compliance with its principal officer certification requirements under Section 302 of the Sarbanes-Oxley Act of 2002 (the "Act"). This engagement shall not be construed to support Customer's responsibilities under Section 404 of the Act requiring each annual report filed under Section 13(a) or 15(d) of the Securities Exchange Act of 1934 to contain an internal control report from management.
- b. Crayon may communicate with Customer by electronic mail or otherwise transmit documents in electronic form during the course of this engagement. Customer accepts the inherent risks of these forms of communication (including the security risks of interception of or unauthorized access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices) and agrees that it may rely only upon a final hardcopy version of a document or other communication that Crayon transmits to Customer.
- c. Crayon may subcontract Services to be performed under the Engagement Letter. Notwithstanding this subsection, Crayon's use of subcontractors will not relieve Crayon of the responsibility for the subcontractor's performance.

**21. Conflicts Check.**

Prior to the start of each project, Crayon will perform an internal search for any potential conflicts with identified third-parties and will promptly advise Customer of conflicts of interest that could prevent Crayon from doing a compliance review of a particular third-party.

**22. Entire Agreement.**

These terms, and the Engagement Letter including Exhibits hereto and thereto, constitute the entire agreement between Crayon and Customer with respect to this engagement and supersede all other oral and written representation, understandings or agreements relating to this engagement.

## Exhibit A

### Dispute Resolution Procedures

The following procedures are the sole methodologies to be used to resolve any controversy or claim ("dispute"). If any of these provisions are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by law.

#### Mediation

Any party may request mediation of a dispute by providing a written Request for Mediation to the other party or parties. The mediator, as well as the time and place of the mediation, shall be selected by agreement of the parties. Absent any other agreement to the contrary, the parties agree to proceed in mediation using the CPR Mediation Procedures (Effective April 1, 1998), with the exception of paragraph 2 which shall not apply to any mediation conducted pursuant to this agreement. As provided in the CPR Mediation Procedures, the mediation shall be conducted as specified by the mediator and as agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with facilitation by the mediator, to reach a consensual resolution of the



dispute. The mediation shall be treated as a settlement discussion and shall be confidential. The mediator may not testify for any party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceeding. Each party shall bear its own costs in the mediation. Absent an agreement to the contrary, the fees and expenses of the mediator shall be shared equally by the parties.

### **Arbitration**

Arbitration shall be used to settle the following disputes: (1) any dispute not resolved by mediation 90 days after the issuance by one of the parties of a written Request for Mediation (or, if the parties have agreed to enter or extend the mediation, for such longer period as the parties may agree) or (2) any dispute in which a party declares, more than 30 days after receipt of a written Request for Mediation, mediation to be inappropriate to resolve that dispute and initiates a Request for Arbitration. Once commenced, the arbitration will be conducted either (1) in accordance with the procedures in this document and the Rules for Non-Administered Arbitration of the CPR Institute for Dispute Resolution ("CPR Arbitration Rules") as in effect on the date of the engagement letter or contract between the parties, or (2) in accordance with other rules and procedures as the parties may designate by mutual agreement. In the event of a conflict, the provisions of this document and the CPR Arbitration Rules will control.

The arbitration will be conducted before a panel of three arbitrators, two of whom may be designated by the parties using either the CPR Panels of Distinguished Neutrals or the Arbitration Rosters maintained by any JAMS Office in the United States. If the parties are unable to agree on the composition of the arbitration panel, the parties shall follow the screened selection process provided in Section B, Rules 5, 6, 7, and 8 of the CPR Arbitration Rules. Any issue concerning the extent to which any dispute is subject to arbitration, or any dispute concerning the applicability, interpretation, or enforceability of these procedures, including any contention that all or part of these procedures are invalid or unenforceable, shall be governed by the Federal Arbitration Act and resolved by the arbitrators. No potential arbitrator shall be appointed unless he or she has agreed in writing to abide and be bound by these procedures.

The arbitration panel shall issue its final award in writing. The panel shall have no power to award non-monetary or equitable relief of any sort. Damages that are inconsistent with any applicable agreement between the parties, that are punitive in nature, or that are not measured by the prevailing party's actual damages, shall be unavailable in arbitration or any other forum. In no event, even if any other portion of these provisions is held to be invalid or unenforceable, shall the arbitration panel have power to make an award or impose a remedy that could not be made or imposed by a court deciding the matter in the same jurisdiction.

Discovery shall be permitted in connection with the arbitration only to the extent, if any, expressly authorized by the arbitration panel upon a showing of substantial need by the party seeking discovery.

All aspects of the arbitration shall be treated as confidential. The parties and the arbitration panel may disclose the existence, content or results of the arbitration only as provided in the CPR Arbitration Rules. Before making any such disclosure, a party shall give written notice to all other parties and shall afford such parties a reasonable opportunity to protect their interests.

The award reached as a result of the arbitration will be binding on the parties, and confirmation of the arbitration award may be sought in any court having jurisdiction.