

SHOTSPOTTER ANNUAL SUPPORT AND MAINTENANCE AGREEMENT

This Annual Support and Maintenance
Agreement ("Agreement") is made and entered into effective as of December 28, 2009, by and between ShotSpotter, Inc., a corporation having a place of business at 1060 Terra Bella Drive, Mountain View CA 94043 ("ShotSpotter," "we" or "us"), and the Riviera Beach Police Department, FL, a Law Enforcement Agency, having a place of business at 600 W. Blue Heron Blvd., Riviera Beach, FL 33404 ("Customer" or "you").

WHEREAS: Customer has purchased a ShotSpotter Gunshot Detection and Location System, which includes certain software, hardware, and wireless networking components ("System"); and

WHEREAS: Customer wishes to engage ShotSpotter to provide certain extended support and maintenance services beyond the standard warranty terms and conditions applicable to the initial System purchase.

NOW, THEREFORE, Customer and ShotSpotter agree to the following terms and conditions:

1. TERM, RENEWAL, AND FEES

A. <u>Term and Commencement</u> The initial term of this Agreement will be for the number of years specified in the purchase order, commencing upon ShotSpotter's receipt of: (a) a duly-authorized Customer purchase order for the support and maintenance services enumerated herein; (b) an original of this Agreement and purchase order signed by an authorized agent of Customer; and (c) the full amount of the annual support and maintenance fees specified in the purchase

order, as is in effect at the time of receipt of the purchase order, and ending on last day of the month in which the term specified in the purchase order ends, unless sooner terminated in accordance with the provisions hereof. Receipt of payment constitutes acceptance of this agreement.

B. Renewal The term may be renewed for successive periods of one year each, and continuous support and maintenance coverage shall be available, in accordance with the following procedures. Unless the term is sooner terminated as provided herein, at least thirty (30) days prior to the expiration of the term then in effect, ShotSpotter may offer renewal by sending Customer an invoice for the annual support and maintenance fee then in effect. Any changes to the terms and conditions of this Agreement, services, and service levels shall be made only by mutual agreement of the parties before they will apply to the next renewal term. Customer may decline the renewal offer by sending ShotSpotter written notice of its intention not to renew, which notice must be received by ShotSpotter prior to the expiration of the term then in effect. If no such notice is timely received, then ShotSpotter's renewal offer will be deemed accepted, and the term shall be renewed for another year. Customer acknowledges that ShotSpotter's annual support and maintenance fees, terms and conditions of this Agreement, and service levels hereunder, are subject to change from time to time, and that such fees, terms and conditions, and service levels may vary from those applicable to this Agreement in successive renewal terms.

C. <u>Lapsed Coverage</u> If Customer fails to renew in a timely manner and hence allows the Agreement to expire and the support and maintenance coverage hereunder to lapse, or fails to pay the annual support and



maintenance fee as and when due, then
Customer may reinstate support and
maintenance coverage by paying to ShotSpotter
150% of the then-prevailing support and
maintenance fees for each and every year for
which such fees were not paid in addition to the
then-current maintenance fee for the upcoming
one-year period.

D. <u>Initial Term Fees</u> The annual support and maintenance fees for the term shall be a sum equal to the fees specified in the purchase order. ShotSpotter shall provide notice of the fee for successive renewal terms to Customer a reasonable time prior to the expiration of the initial term.

2. SERVICES AND SERVICE LEVELS

During the term hereof, ShotSpotter agrees to provide the following services:

A. <u>Telephone Support</u> ShotSpotter shall make available by telephone a support specialist Monday through Friday, other than federal holidays, during the hours of 8:00 a.m. to 5:00 pm Pacific Time. Voice mail messages may be left on other days and times, or if the support line is busy, and ShotSpotter will make reasonable efforts to return the messages on the next business day after they are received if received after hours, or on weekends and holidays, and within 4 hours the same day if received during business hours on weekdays other than holidays.

The telephone support specialist shall be responsible for receiving Customer reports of failures, errors or defects in System Components supplied by ShotSpotter, accessing the Customer's System remotely via Virtual Private Network, and, to the extent practicable over the telephone, making commercially-reasonable efforts to assist the

Customer in resolving the Customer's reported problems. In the event the problem cannot be resolved telephonically, then ShotSpotter will use commercially-reasonable efforts to respond with a diagnosis of the problem within 24 hours of receipt of the report, and to restore functionality of the System to System specifications within 72 hours of receipt of the report.

B. <u>Limited Extended Warranty</u>

During the term hereof, ShotSpotter warrants that the ShotSpotter System Components and Software (as defined herein) (collectively, the "Products") will be free of defects in materials, manufacturing and workmanship which materially impair the functioning of the ShotSpotter System purchased by you in substantial conformity with the specifications documentation accompanying the ShotSpotter System. During the term, we will, without cost to you for such services or parts, replace or repair any component of the Products we reasonably determine to be defective as to materials or workmanship.

The ShotSpotter System Components covered by this limited extended warranty consist exclusively of: (a) each static or portable acoustic sensor purchased by you; (b) a weather-resistant enclosure for each such sensor; each Mobile display device purchased by you (if any); (c) each central computer server, and/or ruggedized "base station" laptop computer purchased by you (if any), and associated network and radio base station hardware; (d) radio subscriber units and related antennas; (e) the network bridge, switch or mesh node supplied as part of the ShotSpotter system's communications infrastructure; (f) mounting, safety and grounding hardware



provided for use with sensor installation or base station hardware; and (g) documentation concerning the use and operation of the ShotSpotter System (collectively, the "ShotSpotter System Components").

The Software covered under this limited extended warranty consists exclusively of: (i) object-code versions of (a) the firmware embedded in each ShotSpotter static or portable acoustic sensor and Mobile display device purchased by you (if any); (b) ShotSpotter Location Server software; ShotSpotter Notification Engine software; ShotSpotter Console software, installed and operated locally on computers and devices supplied by ShotSpotter for your use by on and in connection with a ShotSpotter System, subject to the terms and conditions of the ShotSpotter Software License Agreement ("License") between you and us; and (ii) software documentation and operations manuals supplied with the foregoing software (collectively, "Software").

Such ShotSpotter System Components and Software DO NOT INCLUDE (AND THIS LIMITED EXCLUSIVE WARRANTY DOES NOT COVER): installation, engineering, acceptance, testing, or integration services not actually performed by ShotSpotter; any hardware, computer, equipment or software not actually supplied by ShotSpotter for your use in connection with a ShotSpotter System; power sources or power wiring, connections, wiring, switches, computer and telecommunications equipment and other facilities used to transmit event data from sensors to the computer on which is installed the Software, or to send event reports to

terminal devices in the field (e.g., to officers' mobile computing devices or telephones); nor does it include third party network, power or communications equipment connected to ShotSpotter-supplied equipment, or related software or firmware.

THIS LIMITED EXCLUSIVE WARRANTY ALSO EXPRESSLY EXCLUDES: ordinary wear and tear; co-channel, adjacent channel, spurious or other radiofrequency or electromagnetic interference caused by emissions from other transmitters or devices, or unknown or natural causes; loss or damage caused by misuse, training, criminal activity, civil unrest, terrorism or combat conditions, explosion, nuclear radiation, release or electromagnetic pulse, hazardous materials release, lightning, electrical surge, theft, vandalism, tampering, animals, fire, impact, wind, flood, abrasion, liquid, or severe weather conditions; or other loss, damage, events, or circumstances outside ShotSpotter's reasonable control after installation and/or delivery.

Further, ShotSpotter shall have no obligations under this limited extended warranty to the extent that any defect or malfunction arises from or relates to the integration, bundling, merger or combination of any of the same with other hardware, software, systems, technologies, or components, functions, capabilities or applications not supplied by ShotSpotter as part of the ShotSpotter System, nor shall it apply to the extent that any defect or malfunction relates to meeting or conforming to any instruction, design, direction or specification furnished by the Customer, nor to the extent that the ShotSpotter System Components or Software are used for or in connection with any purpose, application or function other than detecting and locating



gunshots exclusively through acoustic means.

In fulfillment of this warranty, we reserve the rights to either repair or replace, at our sole discretion, any defective ShotSpotter System

Component, to substitute components of equal or greater quality and functionality at the time of replacement or repair, and to use reconditioned components.

Should we determine, in our reasonable discretion, that in the event of a non-warranty repair on-site inspection, removal, repair, replacement, or installation services will be required in fulfillment of this warranty, then, in addition to the support and maintenance fees hereunder, Customer agrees to reimburse ShotSpotter for the costs actually incurred by ShotSpotter personnel for lodging, travel and a per diem allowance not to exceed \$300 per person, per day, within thirty (30) days after the date of ShotSpotter's invoice.

Any services outside the scope of this extended warranty shall be performed by ShotSpotter pursuant to its standard labor rates and other terms and conditions then in effect (which are available on request), and shall be ordered by Customer pursuant to a duly-authorized invoice or purchase order.

THE LIMITED WARRANTY SET FORTH
HEREIN IS THE ONLY WARRANTY MADE TO YOU
AND IS PROVIDED IN LIEU OF ANY OTHER
WARRANTIES (IF ANY) CREATED BY ANY
DOCUMENTATION OR PACKAGING. THIS
LIMITED WARRANTY GIVES YOU SPECIFIC LEGAL
RIGHTS, AND YOU MAY ALSO HAVE OTHER
RIGHTS WHICH VARY BY JURISDICTION.

C. Software Update and Upgrades

Provided and on condition that the System hardware, networking technology and software, as installed, were in ShotSpotter's standard

configuration, and have not been modified or customized after installation, then ShotSpotter will provide to the Customer updates and upgrades to the Customer's standard Software, if any, which ShotSpotter makes generally available to other customers purchasing support and maintenance for the particular System purchased by Customer, together with installation instructions. Such updates and upgrades may (but not necessarily shall) include new versions, new functionality and features, security enhancements, and bug fixes. Such Software updates and upgrades shall not include any customization or nonstandard enhancements, or third party operating system, database and other third party software.

Customer's rights to install and use System Software updates and upgrades are limited, and shall be strictly in accordance with the ShotSpotter System Software License supplied with the System (which is an essential part of this Agreement). Any and all rights not granted expressly in such License are hereby reserved. For the terms and conditions of your limited license to Software and documentation, and updates and upgrades, supplied under this Agreement please refer to that document, which is incorporated by reference into this Agreement.

D. <u>Training</u> ShotSpotter, at the specific request of the Customer, will provide one onsite training event per year (if then-current year's agreement is current) for up to one week. Training shall consist of, but not be limited to, retraining existing certified operators and new operators of the system including Dispatch, Patrol, Forensics and Crime Analyst.

E. Expert Witness Services ShotSpotter, at the specific request of the customer, will provide qualified individual(s) for the purposes



of expert witness testimony for any incident which the ShotSpotter System locates an incident and the incident information is deemed by the customer to be valuable to the customers prosecutorial requirements. ShotSpotter requires at least three week notice of such a requirement in writing from the customer. Customer must include dates, times, specific locations and a point of contact for ShotSpotter personnel. Customer agrees to reimburse ShotSpotter within thirty (30) days after the date of ShotSpotter's invoice for all costs actually incurred by ShotSpotter personnel for lodging and travel, and in addition a per diem allowance not to exceed \$300 per person per day, This benefit shall only be available to customer if customer is fully current with their maintenance payments, and if customer is not current with their maintenance payments, then customer may become current under the terms and conditions set forth herein. In the case that customer is not current with their maintenance payments, then an expert witness shall NOT be assigned until customer becomes current with their maintenance.

F. Forensic Reports ShotSpotter, at the specific request of the customer, will provide a total of two (2) detailed incident reports per year for any incident which the ShotSpotter System stores incident information if such information is deemed by the customer to be valuable to the customer's prosecutorial requirements. Such reports must be requested 72 hours in advance in writing to the assigned ShotSpotter project manager. Customer should expect delivery of these reports within 3 business days after receipt of the request. Additional reports are available within 72 hours of the receipt of an approved purchase order in the amount of \$1,000 per additional report. This benefit shall only be available to customer if customer is fully current with their

maintenance payments, and if customer is not current with their maintenance payments, then customer may become current under the terms and conditions set forth herein. In the case that customer is not current with their maintenance payments, then forensic reports shall NOT be generated nor provided to customer until customer becomes current with their maintenance.

3. CUSTOMER'S OBLIGATIONS

Customer agrees to perform, and ShotSpotter's obligations to provide the foregoing support and maintenance services are conditioned and dependent upon the Customer's timely and strict performance of, the following obligations:

- **A.** Customer shall pay ShotSpotter all sums due under the Agreement as and when they are due.
- B. To the extent that any System components are to be installed or used in premises or locations not owned by Customer, Customer is solely responsible for obtaining (at its sole expense) any permissions, permits, licenses, or leases necessary for ShotSpotter to access, remove, repair, replace or install such component on such premises and/or locations. Customer is also solely responsible for obtaining permission for continuing access to such locations and premises by ShotSpotter personnel and contractors, for so long as the components remain in such location.
- C. Any demolition, restoration, or alteration of property required for repair, removal, replacement, or installation of ShotSpotter equipment will not be covered by the extended warranty, and will be done at your sole risk and expense, at ShotSpotter's then prevailing terms and labor rates for such work, if done by ShotSpotter personnel or



contractors. Customer is also solely responsible for obtaining (at its sole expense) all legally required governmental permits and/or licenses for all support, maintenance, and warranty work on the System and all components thereof.

- D. Customer shall not alter, modify, repair, augment, enhance, replace, substitute, disconnect, use in connection with any third party product, or relocate, or allow any alteration, modification, repair, augmentation, enhancement, replacement, substitution, modification, disconnection, de-installation, integration, bundling, combination, use in connection with third party products, or relocation of any component of the System, without ShotSpotter's prior written consent. Only ShotSpotter personnel or contractors may alter, modify, repair, augment, enhance, replace, substitute, disconnect, de-install, or use in connection with third party products, System components and software. Failure to comply with the obligations of this section will void the extended warranty provided herein.
- **E.** If a component or System appears to be defective, Customer must immediately inform ShotSpotter or its authorized Integrator.
- F. Customer is responsible for safeguarding and insuring System equipment and software from and against loss, damage or theft.

 Customer should notify ShotSpotter immediately regarding any damage to or loss of equipment or damage to software, but losses or damage due to theft, vandalism or criminal acts are not covered under the extended warranty.
- **G.** Customer, in the event that a Metro (fixed) System is purchased, shall afford ShotSpotter secure (i.e. Virtual Private Network) access from your ShotSpotter System to ShotSpotter's server over Customer's

existing Internet connection or over a dedicated link, at Customer's sole cost and expense. Customer shall use best efforts to ensure that this access is up at all times, (24 x7 x 365), for the purposes of ShotSpotter's monitoring and supporting the System. Customer may also, from time to time and with prior coordination with ShotSpotter, be required to provide the same connection on a temporary basis to the RDS base computer for the purposes of updating or maintaining the software

- H. Customer shall cause the System to be operated by competent and qualified personnel in accordance with any operating instructions furnished by us and in connection with the services provided under this Agreement. Customer shall not use the System, or permit the System to be used, in any manner or for any purpose for which the System is not designed or reasonably suited. Any such use shall void the extended warranty.
- I. ShotSpotter or its representatives may, at reasonable times on reasonable notice, with your permission, enter Customer's premises for purposes of inspecting, examining or repairing the System. As to components installed on the property of others, Customer shall use its best efforts to obtain permission for ShotSpotter and its representatives to enter onto such property for such purposes. ShotSpotter shall not be responsible for any delays or failures to inspect, examine and/or repair caused by its inability to gain entry to property for such purposes for any reason
- Customer shall comply with all applicable laws, rules and regulations relating to the goods and services provided hereunder.

4. IP INFRINGEMENT; EXCLUSIVE REMEDY

Subject to the terms and conditions



hereof. ShotSpotter agrees to defend and indemnify Customer (provided it is the actual End-user Customer of the ShotSpotter System) from and against losses, suits, damages, liability and expenses (including reasonable attorney fees) arising out of a claim asserted in a lawsuit or action against the end-user customer by a third party unrelated to the customer, in which such third party asserts a claim that the ShotSpotter System and/or Software, when used in accordance with ShotSpotter's specifications and for the purposes intended, infringes any United States patent which was issued by the U.S. Patent and Trademark Office, or United States copyright which was registered by the U.S. Copyright Office, as of the effective date of Customer's agreement to purchase the ShotSpotter System.

Provided, however, that ShotSpotter shall have the right to choose counsel to defend such suit and/or action, and to control the settlement (including determining the terms and conditions of settlement) and the defense thereof, and that Customer shall provide ShotSpotter with reasonably prompt written notice of any such suit or action, and of any oral, written or other communication or other information or circumstances of which Customer becomes aware that could reasonably be expected to lead to such a suit or action (including any and all cease and desist demands or warnings, and offers or invitations to enter license agreements), and shall provide ShotSpotter all reasonable assistance and information in connection with ShotSpotter's investigation and defense of any claim of infringement.

Further provided, however, that this section shall not apply and ShotSpotter shall have no obligation to defend and indemnify Customer in the event the Customer or a reseller, integrator, service provider or supplier modifies, alters,

substitutes, or supplements any of the ShotSpotter System, ShotSpotter System Components or Software, or to the extent that the claim of infringement arises from or relates to the integration, bundling, merger or combination of any of the same with other hardware, software, systems, technologies, or components, functions, capabilities or applications not supplied by ShotSpotter as part of the ShotSpotter System, nor shall it apply to the extent that the claim of infringement arises from or relates to meeting or conforming to any instruction, design, direction or specification furnished by the Customer, nor to the extent that the ShotSpotter System Components or Software are used for or in connection with any purpose, application or function other than detecting and locating gunshots exclusively through acoustic means.

If, in ShotSpotter's opinion, the System, or any ShotSpotter System Component or Software may, or is likely to become, the subject of such a suit or action, does become the subject of a claim asserted against a customer in a lawsuit which ShotSpotter is or may be obliged to defend under this section, or is determined to infringe the foregoing patents or copyrights of another in a final, nonappealable judgment subject to ShotSpotter's obligations under this section, then ShotSpotter may in full and final satisfaction of any and all of its obligations under this section, at its option: (1) procure for Customer the right to continue using the affected component(s) or Software, (2) modify or replace such component(s) or Software to make it or them non-infringing, or (3) refund to the purchaser the purchase price paid for the ShotSpotter System, less reasonable depreciation, without further liability to Customer or its supplier, whereupon the Customer shall return the allegedly infringing ShotSpotter System components or Software to ShotSpotter.



THE FOREGOING SECTION STATES THE ENTIRE LIABILITY OF SHOTSPOTTER AND CUSTOMER'S AND ITS SUPPLIERS' EXCLUSIVE REMEDY FOR OR RELATING TO INFRINGEMENT OR CLAIMS OR ALLEGATIONS OF INFRINGEMENT OF ANY PATENT, COPYRIGHT, OR OTHER INTELLECTUAL PROPERTY RIGHTS IN OR TO THE SYSTEM, SYSTEM COMPONENTS, AND SOFTWARE. THIS SECTION IS IN LIEU OF AND REPLACES ANY OTHER EXPRESSED, IMPLIED OR STATUTORY WARRANTY AGAINST INFRINGEMENT OF ANY AND ALL INTELLECTUAL PROPERTY RIGHTS.

5. <u>LIMITED WARRANTIES EXCLUSIVE;</u>
<u>DISCLAIMERS</u>— IMPORTANT: READ
CAREFULLY —

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE LIMITED WARRANTIES EXPRESSLY SET FORTH ABOVE ARE EXCLUSIVE, AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED OR STATUTORY. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY SET FORTH HEREIN, AND NO PRIOR STATEMENTS, REPRESENTATIONS, OR COURSE OF DEALING BY ANY SHOTSPOTTER REPRESENTATIVES SHALL VARY, EXPAND OR MODIFY THESE WARRANTIES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES OF NON-INFRINGEMENT, QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OF ANY SERVICES OR ANY GOODS PROVIDED INCIDENTAL TO THE SERVICES PROVIDED

UNDER THIS AGREEMENT ARE HEREBY EXPRESSLY DISCLAIMED AND SUPERSEDED BY THE EXCLUSIVE LIMITED EXPRESS WARRANTY AND DISCLAIMERS SET FORTH HEREIN.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING LIMITATIONS AND DISCLAIMERS, WHILE THE SHOTSPOTTER SYSTEM IS NOT DESIGNED, SOLD, OR INTENDED TO BE USED TO DETECT, INTERCEPT, TRANSMIT OR RECORD ORAL OR OTHER COMMUNICATIONS OF ANY KIND, SHOTSPOTTER CANNOT CONTROL HOW THE SYSTEM AND ITS COMPONENTS ARE USED, AND, ACCORDINGLY, SHOTSPOTTER DOES NOT WARRANT OR REPRESENT, EXPRESSLY OR IMPLICITLY, THAT USE OF THE SHOTSPOTTER SYSTEM WILL COMPLY OR CONFORM TO THE REQUIREMENTS OF FEDERAL, STATE OR LOCAL STATUTES, ORDINANCES AND LAWS, OR THAT USE OF THE SYSTEM WILL NOT VIOLATE THE PRIVACY RIGHTS OF THIRD PARTIES, YOU SHALL BE SOLELY RESPONSIBLE FOR USING THE SYSTEM IN FULL COMPLIANCE WITH APPLICABLE LAW AND THE RIGHTS OF THIRD PERSONS.

FURTHER, REGARDLESS OF ANY PRIOR STATEMENTS, REPRESENTATIONS, OR COURSE OF DEALINGS BY ANY SHOTSPOTTER REPRESENTATIVES, WE <u>DO NOT</u> WARRANT OR REPRESENT, EXPRESSLY OR IMPLICITLY, THAT THE SHOTSPOTTER SYSTEM OR ITS USE WILL: RESULT IN THE PREVENTION OF CRIME OR HOSTILE ENEMY ACTION, APPREHENSION OR CONVICTION OF ANY PERPETRATOR OF ANY CRIME, MILITARY PROSECUTION OF ANY ENEMY FORCE, OR DETECTION OR NEUTRALIZATION OF ANY CRIMINAL.



COMBATANT OR THREAT; PREVENT ANY LOSS, DEATH, INJURY, OR DAMAGE TO PROPERTY DUE TO THE DISCHARGE OF A FIREARM OR OTHER WEAPON; IN ALL CASES DETECT AND PLOT THE LOCATION OF ALL FIREARM **DISCHARGES WITHIN THE DESIGNATED COVERAGE AREA; IN ALL CASES TRACK THE** LOCATION OF FRIENDLY FORCES OR SHOTSPOTTER SENSORS; OR THAT THE SHOTSPOTTER-SUPPLIED NETWORK WILL REMAIN IN OPERATION AT ALL TIMES OR UNDER ALL CONDITIONS. ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, OF FITNESS FOR HIGH RISK PURPOSES REQUIRING FAIL-SAFE PERFORMANCE ARE HEREBY EXPRESSLY DISCLAIMED.

YOU AND WE EACH ACKNOWLEDGE AND AGREE THAT THE SHOTSPOTTER SYSTEM IS NOT A CONSUMER GOOD, AND IS NOT INTENDED FOR SALE TO OR USE BY OR FOR PERSONAL, FAMILY OR HOUSEHOLD USE.

6. TERMINATION

A. ShotSpotter may terminate this Agreement, if Customer breaches or violates any of the terms of this Agreement, and fails to cure the breach or violation within fifteen (15) days after notice from ShotSpotter, or immediately if Customer fails to timely pay any sums it owes to ShotSpotter or resellers or distributors of any System component. In the event of termination by ShotSpotter under this section, no prorated rebate or refund of support and maintenance fees will be given, and, in order to restore support and maintenance coverage, Customer will be responsible for payment of the lapsed coverage fees set forth in section 1(C) hereof.

B. Either party may terminate this

Agreement, upon written notice, if the other party becomes insolvent or bankrupt.

7. PROTECTION OF CONFIDENTIAL

INFORMATION. Unless you obtain prior written consent from us you shall not reproduce, use for purposes other than those expressly permitted herein, disclose, sell, license, afford access to, distribute, or disseminate any information: concerning the ShotSpotter System obtained in connection with the System purchase, installation or operation, and designated by us from time to time as confidential; ShotSpotter System documentation, use and operations manuals; and output data created or compiled by the ShotSpotter System (collectively, "Confidential Information"). You shall use reasonable controls to protect the confidentiality of and restrict access to all such Confidential Information to those persons having a specific need to know the same for purposes expressly authorized herein, and render unreadable prior to discarding, all records containing our Confidential Information. In any event such controls shall not be less protective than those you use to secure and protect your own confidential information.

- 8. <u>NOTICES</u> Any notice or other communication required or permitted to be given under this Agreement shall be in writing at such party's address or number or at such party's last known address or number. The party's addresses may be changed by written notice to the other party as provided herein.
- 9. FORCE MAJEURE. In no event shall ShotSpotter be liable for any delay or default in its performance of any obligation under this or any other agreement caused directly or indirectly by an act or omission of Customer, or persons acting under its direction and/or control, fire, flood, act of God, an act or



omission of civil or military authority of a state or nation, strike, lockout or other labor disputes, inability to secure, delay in securing, or shortage of labor, materials, supplies, transportation, or energy, failures, outages or denial of services of power, telecommunications or computer networks, acts of terrorism, sabotage, vandalism, hacking, natural disaster or emergency, war, riot, embargo or civil disturbance, breakdown or destruction of plant or equipment, or arising from any cause whatsoever beyond ShotSpotter's reasonable control. At ShotSpotter's option and following notice to Customer, any of the foregoing causes shall be deemed to suspend such obligations of ShotSpotter so long as any such cause shall prevent or delay performance, and ShotSpotter agrees to make and Customer agrees to accept performance of such obligations whenever such cause has been remedied.

10. DEFAULT; REMEDIES. Upon the occurrence of any default by or breach of Customer's obligations, we may at our option, effective immediately, either: (i) terminate our future obligations under this agreement, terminate your License to use the ShotSpotter System, ShotSpotter System Components and Software, repossess the Software and any components not yet paid for in full, and proceed in any lawful manner against you for collection of all charges that have accrued and are due and payable, in which case this agreement shall terminate as soon as your obligations to us are satisfied, or (ii) accelerate and declare immediately due and payable all remaining charges for the remainder of the agreement and proceed in any lawful manner to obtain satisfaction of the same. In either case, you

shall also be responsible for paying costs and reasonable attorneys' fees incurred by or on behalf of us in enforcing our rights, as well as applicable repossession, shipping, repair and refurbishing costs.

11. LIMITATIONS ON LIABILITY

IN NO EVENT SHALL EITHER PARTY, OR ANY OF ITS AFFILIATES OR ANY OF ITS/THEIR RESPECTIVE DIRECTORS, OFFICERS, MEMBERS, ATTORNEYS, EMPLOYEES, OR AGENTS, BE LIABLE TO THE OTHER PARTY UNDER ANY LEGAL OR EQUITABLE THEORY OR CLAIM, FOR LOST PROFITS, LOST REVENUES, LOST BUSINESS OPPORTUNITIES, EXEMPLARY, PUNITIVE, SPECIAL, OR CONSEQUENTIAL DAMAGES, EACH OF WHICH IS HEREBY EXCLUDED BY AGREEMENT OF THE PARTIES, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER ANY PARTY OR ANY ENTITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

IN ANY EVENT, EXCEPT FOR ITS IP INFRINGEMENT INDEMNITY OBLIGATIONS **UNDER SECTION 4 HEREOF, SHOTPSOTTER'S** CUMULATIVE LIABILITY FOR ALL LOSSES, **CLAIMS, SUITS, CONTROVERSIES, BREACHES** OR DAMAGES FOR ANY CAUSE WHATSOEVER (INCLUDING, BUT NOT LIMITED TO, THOSE ARISING OUT OF OR RELATED TO THIS AGREEMENT) AND REGARDLESS OF THE FORM OF ACTION OR LEGAL THEORY SHALL NOT **EXCEED TWO TIMES THE AMOUNT PAID TO** SHOTSPOTTER UNDER THIS AGREEMENT, OR THE AMOUNT OF INSURANCE MAINTAINED BY SHOTSPOTTER AVAILABLE TO COVER THE LOSS, WHICHEVER IS GREATER. THE FOREGOING LIMITATIONS SHALL APPLY WITHOUT REGARD TO ANY FAILURE OF ESSENTIAL PURPOSE OF ANY REMEDIES GIVEN HEREIN.



12. GENERAL

A. <u>No Agency</u>. Neither ShotSpotter nor any of its employees is an agent or representative of Customer, and the Customer is solely responsible for obtaining any required authorizations from any governmental agency, body or commission and for compliance therewith.

B. Compliance with Laws. You shall comply with all applicable laws, statutes and regulations relating to the sale, distribution, and use of the Products and the performance of your duties and obligations hereunder.

C. Severability and Interpretation. If any provision, in whole or in part, of this Annual Support and Maintenance Agreement and the agreement or order to which they are appended is held invalid or unenforceable for any reason, the invalidity shall not affect the validity of the remaining provisions of these Annual Support and Maintenance Agreement, agreement and order, and there shall be substituted for the invalid provision a valid provision which most closely approximates the intent and economic effect of the invalid provision. No part of Annual Support and Maintenance Agreement, agreement or order shall be interpreted in favor or against any party because such party or its counsel drafted the relevant provision. No course of dealing, usage, custom of trade or communication between the parties shall modify or alter any of the rights or obligations of the parties under these Annual Support and Maintenance Agreement.

D. <u>Integration, Amendment and Waiver</u>. This Annual Support and Maintenance Agreement, and the agreement or order of

which it is a part, together with any other exhibits or appendices thereto, constitute the entire understanding between ShotSpotter and you. No other documents or representations shall be used in interpreting it. Any and all written or oral agreements heretofore existing between the parties are expressly cancelled and/or superseded. Any other document, proposal, specification, statement of work, marketing collateral, or representation which may vary, amend or supplement these terms and conditions will not be binding unless agreed to in a writing signed by appropriate representatives of both ShotSpotter and Customer. No modification, variance, amendment or waiver of any part of such Annual Support and Maintenance Agreement, or agreement or order of which it is part, shall be binding upon either party, whether written, oral, or in any other medium, unless made in writing and signed by authorized representatives of both parties. All the parties' rights and duties are material and time is of the essence; no waiver of any rights hereunder shall be deemed effective unless in writing executed by the waiving party; no of either party's breach of any provision of this Annual Support and Maintenance Agreement shall constitute a waiver of any prior or subsequent breach of the same or any other provision, and no failure to exercise, and no delay in exercising, any right(s) hereunder on either party's part shall operate as a waiver of any such right; all of the parties' rights are cumulative; and, no single or partial exercise of any right hereunder shall preclude further exercise of such right or any other right.

E. <u>Benefit and Burden; Assignment</u>. Subject to the following provisions, these Annual



Support and Maintenance Agreement and the agreement or order of which they are a part shall be binding upon permitted successors and assigns and shall inure to the benefit of the parties and their respective permitted successors and assigns only.

successors and assigns only. NOTWITHSTANDING THAT THE SOFTWARE, ASSOCIATED SYSTEM, AND ITS OUTPUT DATA MAY BE USED FOR LAW ENFORCEMENT, MILITARY, PUBLIC SAFETY, AND FORCE PROTECTION PURPOSES, THERE ARE NO THIRD PARTY BENEFICIARIES INTENDED TO BENEFIT FROM THESE GENERAL TERMS AND CONDITIONS OF SALE, OR THE AGREEMENT OR **ORDER OF WHICH THEY ARE A PART.** Customer may not assign or transfer these Annual Support and Maintenance Agreement, or the agreement or order of which they are a part, or any of the rights granted therein, in whole or in part, by operation of law or otherwise, without ShotSpotter's express prior written consent. ShotSpotter may assign or transfer these Annual Support and Maintenance Agreement and ShotSpotter's rights and obligations hereunder, in whole or in part, to any third party without the necessity of obtaining Customer's consent. No assignee for the benefit of Customer's creditors, custodian, receiver, trustee in bankruptcy, debtor in possession, sheriff or any other officer of a court, or other person charged with taking custody of Customer's assets or business, shall have any right to continue or to assume or to assign these without our express consent.

F. Public Entity Crimes

As provided in Sections 287.132-133, Florida Statutes, by entering into this Agreement or performing any work in furtherance thereof, we certify that we, our affiliates, suppliers, subcontractors, and any other contractors who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida

Department of Management Services within the thirty-six (36) months immediately preceding the date hereof.

G. Choice of Law and Dispute Resolution.

The validity, performance, and construction of this agreement shall be governed by the laws of the United States of America and the State of Florida, as applicable, without giving effect to the conflict of law principles thereof. The United Nations Convention on Contracts for the International Sale of Goods is expressly disclaimed and shall not apply. If the parties disagree as to any matter governed by these Annual Support and Maintenance Agreement, then ShotSpotter and Customer shall promptly consult with one another and make diligent, good faith efforts to resolve the disagreement, by negotiation. Should the dispute not be resolvable within a reasonable time after commencement of such negotiations, it shall be mediated before one or more mediators mutually acceptable to both parties. Costs of mediation will be allocated as part of the resolution in mediation, but absent such resolution, shall be paid equally by the parties.

If such effort is unsuccessful, except as provided herein, any controversy or claim arising out of or relating to these Annual Support and Maintenance Agreement, or the breach thereof, or use of the ShotSpotter System, shall be settled by binding arbitration in Palm Beach County, Florida, in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitrator(s) shall have the right to render equitable, as well as other, awards and relief. The parties agree that the underlying agreement between the parties involves



interstate commerce, and that, notwithstanding any choice of law provision in this agreement, any arbitration hereunder shall be governed by the Federal Arbitration Act. In addition to any other remedies to which it may be entitled, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs (including expert witness fees and costs) incurred in connection with enforcing its rights or defending itself.

TO THE EXTENT PERMITTED BY THE LAW
OF THE FORUM, ALL PARTIES IRREVOCABLY
WAIVE ANY AND ALL RIGHTS THEY MAY HAVE
TO A TRIAL BY JURY IN ANY JUDICIAL
PROCEEDING INVOLVING ANY CLAIM
RELATING TO OR ARISING UNDER THIS
AGREEMENT OR ANY OTHER AGREEMENT
BETWEEN THE PARTIES HERETO.

Notwithstanding the foregoing or any other provision of any other agreement, ShotSpotter shall be entitled to seek temporary, preliminary

and permanent injunctive and other equitable relief in a federal or state court located a judicial district encompassing Palm Beach County, Florida, in the event that Customer violates or breaches, or threatens to violate or breach, the restrictions of the limited license granted to Customer, or otherwise violates or infringes, or threatens to violate or infringe, ShotSpotter's intellectual property, trade secret and/or proprietary or confidentiality rights, including, without limitation, exceeding the scope of the limited and restricted license rights granted in the License. Customer hereby expressly consents to submit to the jurisdiction of such Courts, and hereby waives and covenants not to object thereto, or to assert lack of personal jurisdiction, or that such Court is an improper venue or an inconvenient forum, in connection with such a proceeding. In addition to any other remedies to which it may be entitled, ShotSpotter shall be entitled to recover its reasonable attorneys' fees and costs (including expert witness fees and costs) incurred in connection with enforcing and protecting its rights in such an equitable proceeding

.IN WITNESS THEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives on the date(s) shown below.

SHOTSPOTTER, INC.		Riviera Beach Police Department, FL
By: (Authorized Signature)	Ву:	Mustles (Authorized signature)
Name: Gregg Rowland		Name:
Title: SVP Sales and Marketing		Title:
Date: December 28, 2009 REVIEWED FOR LEGAL SUFFICIENCY	Ву:	Date:
CITY OF TIVE A BEACH Date:		Name: