

## ***GRANITENET SOFTWARE CLOUD SERVICE SUBSCRIPTION AGREEMENT***

This **GRANITENET SOFTWARE CLOUD SERVICE SUBSCRIPTION AGREEMENT** ("Agreement") by and between **CUES, Inc.** a Delaware corporation, located at 3600 Rio Vista Ave, Orlando, Florida 32805 ("Provider"), and the City of Redmond Wastewater Division, located at 18080 NE 76th Street Redmond, WA 98052, ("Subscriber") Hereinafter, the Provider and Subscriber may be collectively referred to as "the Parties" or where appropriate singularly, as a "Party".

**WHEREAS**, Provider desires to provide Subscriber with access to Provider's GraniteNet Software Cloud Service (referred to herein as "GNET Cloud") hosted on the Amazon Web Services ("AWS") platform; and

**AND WHEREAS**, Subscriber desires to subscribe to Provider's Services (defined below) pursuant to this Agreement at the rates and terms set forth in the Products and Service Order defined in Section 1 and attached hereto and incorporated in this Agreement.

NOW THEREFORE, In consideration of the mutual covenants, promises, terms, and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound hereby, Provider and Subscriber agree as follows:

**Contract Documents.** The Agreement between the Parties includes the following exhibits which are attached hereto are hereby incorporated in this Agreement.

1. Product and Service Order (**Exhibit 1**)
2. CUES Representations about GraniteNet Cloud Security & SLA's (**Exhibit 2**).

### **1. Definitions**

- 1.1 "AWS" means the Amazon Web Services Platform on which the Provider's Services are hosted.
- 1.2 "Documentation" means certain Provider documentation that describes the use, functions, features, or purpose of the Services or any component thereof, in any medium, which is delivered to Subscriber by Provider under this Agreement, including, but not limited to, Provider's user manuals, recommended best practices, training materials, instructions, and complete or partial copies of the foregoing.
- 1.3 "Effective Date" means the date on which the Subscriber's responsible designee signs this Agreement.
- 1.4 "GNET Access" means the process by which Provider enables its subscribers to access the AWS Platform.
- 1.5 "Initial Subscription Term" means the period of time specified on the Product and Service Order.
- 1.6 "Intellectual Property Rights" means patent, copyright, trade secret, know-how, trademark, trade dress rights, and any other intellectual property or proprietary rights in the Services, Software, and all processes and facilities utilized by or on behalf of Provider to provide the services contemplated herein.
- 1.7 "Product and Service Order" (hereinafter "Order" or "Exhibit 1") means the Products and Service Order, attached hereto as Exhibit 1, that sets forth the software and subscription details to which the Agreement applies, and any unique product-specific terms applicable to Subscriber's

subscription, which may be updated from time-to-time with additional Products and Services as requested by the Subscriber to the Provider in writing according to the terms of this Agreement.

- 1.8 "Permitted Users" means (a) Subscriber's employees (including temporary employees and contract employees) authorized by Subscriber, in a writing with Provider, to access and use the Services on Subscriber's behalf, and (b) Subscriber's service providers that need to access to the Services, provided such third parties are subject to written restrictions comparable to the restrictions on use in this Agreement and may only use the Services for purposes of providing Services to Subscriber. The acts and omissions of Permitted Users shall be deemed the acts and omissions of Subscriber.
- 1.9 "Renewal Subscription Term" means any extension to this Agreement, commencing upon the expiration of the Initial Subscription Term or any extensions thereto, as provided in this Agreement or otherwise in the Order as defined herein.
- 1.10 "Services" means the hosted cloud solution provided to the Subscriber for use by Permitted Users, which may include GNET WebOffice, WebSync and WebInspect software applications and other desired GNET Cloud Products, depending upon what applications are included in the Order (Exhibit 1).
- 1.11 "Subscriber Content" or "Subscriber Data" (used interchangeably) means the data or content Subscriber collects or stores using GNET Cloud and any data entered into and/or generated by Subscriber and its Permitted Users using the Services.
- 1.12 "Subscription Fees" means Subscriber's fees for various packages and options of different services pursuant to the applicable sales offering as set forth in the Order, which is paid by Subscriber for access to the Services.
- 1.13 "Subscription Term" means the Initial Subscription Term together with any renewal Subscription Terms.
- 1.14 "Term" means the term of the Agreement, which begins on the Effective Date and continues until: (i) this Agreement is terminated by a Party as provided herein or (ii) this Agreement expires as provided herein, whichever is earlier.
- 1.15 "Usage Observations" has the meaning set out in Section 6.9.

## **2. Access Rights, License and Services**

2.1. Access. Subject to the terms of this Agreement and during the Subscription Term, Provider grants to Subscriber non-exclusive, non-transferable access rights for each Permitted User using GNET Access to access and use the Services specified in the Order, which may include: GraniteNet "WebOffice", "WebSync", "WebInspect" and other desired GNET Cloud products available through the Provider and accessible on the Amazon Web Services (AWS) Platform.

2.2. Adding Permitted Users and/or Modifying Services. In the event that the Subscriber desires to increase the Services being purchased, the Subscriber and Provider must enter into an agreed amendment to the Order to provide for the additional modified Services and corresponding Subscription Fees. In the event that Subscriber desires to add Permitted Users, the Subscriber

must (a) first pay a one-time User Activation fee to Provider to set up and configure a user account for each such requested Permitted User; and (b) enter into an agreed amendment to the Order to pay for the additional Subscription Fees. Any amendments to the Order shall be in writing, reflect the new scope and Subscription Fee(s) and be agreed to by both Parties. Notwithstanding anything herein to the contrary, amendments to the Order may also be accomplished by the issuance of an additional purchase order by the Subscriber and accepted, in writing, by the Provider, with the understanding between the Parties that, beyond updates to the quantity of Permitted Users, revised Subscription Fees, and/or any additional Services purchased by Subscriber, no new terms or conditions will be introduced into this Agreement via this method.

**2.3. AWS Platform**. Subscriber understands and acknowledges that the Services are hosted by AWS within a cloud environment owned and operated by AWS.

**2.4. Obligations, Responsibilities and Restrictions of Subscriber and Permitted Users**: Log-In Credentials provided by the Provider are for Subscriber's internal use only by Permitted Users performing work on Subscriber's behalf in accordance with the subsections below, and Subscriber shall not sell, transfer or otherwise provide Log-In Credentials to or allow access to the Services by any other entity or person. Permitted Users of Subscriber will be required to comply with Amazon Web Services (AWS) Terms of Use and/or Privacy Policies, as applicable, available at <http://aws.amazon.com/aup/> and <http://aws.amazon.com/privacy/> in order to gain access the Services.

2.4.1. Subscriber is responsible for all activities that occur under Subscriber's account, unless such activities are due to the gross negligence or willful misconduct of Provider.

2.4.2. Subscriber may allow Permitted Users to use the Services as intended, including, as applicable, rights to upload, download, store, view, retrieve, query, serve, and execute Subscriber Data, and use GraniteNet WebSync Modules and the WebInspect application to upload Subscriber Data, provided such Subscriber Data is owned, licensed or lawfully obtained by the Subscriber. Subscriber is solely responsible for the introduction and use of its associated Subscriber Content stored within the GNET Cloud. Subscriber is responsible for ensuring that its Subscriber Data and use of the Services by Subscriber and its Permitted Users complies with the terms of this Agreement as well as any applicable third party provider terms and all applicable laws, including data protection and export control laws.

2.4.3. Subscriber shall not, and shall not permit any Authorized User to, without the express written consent of Provider: (a) reverse engineer, reverse assemble, decompile, or disassemble any technology or software included or used in the underlying the Services; (b) otherwise attempt to discover the source code to any underlying technology or software included in the Services; (c) translate or migrate any of the underlying technology or software underlying the Services into another format, language, or hardware platform; (d) make the Services available to anyone other than Permitted Users; (e) alter or remove any copyright, trademark or other proprietary notices on or within the Services, underlying software or Documentation; (f) create derivative works based upon the Services or underlying software in whole or in part; (g) develop or modify any software based on ideas, processes or materials incorporated into the Services or (h) knowingly permit any third party to do any of the foregoing.

2.4.4. The Services may be unavailable and/or their performance may be negatively affected by scheduled and unscheduled maintenance. Provider will use reasonable efforts to notify Subscriber in advance of scheduled maintenance, but Provider may be unable to provide advance notice of unscheduled or emergency maintenance. Notwithstanding the foregoing, the Provider shall use commercially reasonable efforts to provide the Services in accordance with the provisions contained in Exhibit 2 attached hereto and incorporated herein.

### **3. Payment**

3.1. **Subscription Fees.** Subscriber shall pay Provider the undisputed Fees ("Subscription Fees") set forth in the Order. Such Subscription Fees may include the following:

3.1.1. **Implementation Fee.** This fee is a one-time fee for the set-up and implementation of the Services.

3.1.2. **Annual Subscription Fee.** This fee is payable annually in advance for Subscriber's access to the Services. The annual Subscription Fees for the first year of the Subscription Term will be invoiced upon the commencement of the Subscription Term. The annual Subscription Fees for all subsequent years of the Subscription Term will be payable prior to the anniversary date of the start of the Subscription Term.

3.1.3. **User Activation Fee.** This fee is a one-time fee for the Provider to set up each Permitted User to be provisioned to use the Services in accordance with this Agreement.

3.1.4. **Fees for Additional Services.** In the event that Subscriber increases the scope of Services, Provider shall invoice Subscriber the applicable fees as identified in an updated Order.

3.1.5. During any Subscription Term, Provider shall have the right, in its sole discretion, to increase the Subscription Fees by up to three percent (3%) for any Renewal Subscription Term by providing Subscriber with at least thirty [30] days' notice before the end of the then-current Subscription Term.

3.2. **Taxes.** Fees stated in any Order do not include applicable taxes. Unless Subscriber is a tax-exempt entity and provides Provider with reasonable documentation demonstrating tax-exempt status, Subscriber agrees to pay all taxes required of it by law.

3.3. **Invoice Terms.** Subscriber shall pay in full all undisputed amounts owed in an invoice within thirty (30) days from the invoice date except as otherwise provided in an Order.

### **4. Term and Termination**

4.1. **Initial Subscription Term.** The Services will be provided for the Initial Subscription Term agreed to between the Parties and stated in the Order. In no event, however, shall the Initial Subscription Term be less than one year.

4.2. Renewal Subscription Term. Upon the expiration of the Initial Subscription Term, the Agreement shall be automatically renewed for consecutive one (1) year periods, unless at least sixty (60) days prior to the renewal date, either Party gives the other Party written notice of its intent not to renew the Agreement. During any renewal term of the Agreement, the terms, conditions and provisions set forth in this Agreement shall remain in effect unless modified in accordance with the terms of this Agreement.

4.3. Material Breach by Provider. Subscriber may terminate this Agreement, including any and all access and usage rights for the Services provided herein, upon written notice, for a material breach by the Provider that is not cured within thirty (30) days after written notice of such material breach is provided. If Subscriber terminates this Agreement in accordance with this Section 4.3, and if such termination occurs within the first twelve (12) months of the Initial Term of this Agreement, Subscriber shall be entitled to receive a refund of its Implementation Fee, as well as, a prorated refund of its Service Fees within 30 days of termination.

4.4. Material Breach by Subscriber. Provider may terminate this Agreement and all access and usage rights for the Services in the event of a material breach by the Subscriber that is not cured within thirty (30) days after written notice of such material breach is provided. Subscriber's failure to pay any undisputed invoiced Subscription Fees or taxes when due is a material breach.

4.5. Other Grounds for Termination. Either Party may, upon the provision of written notice, immediately terminate this Agreement and or suspend its performance thereunder, if the other Party (i) files for bankruptcy, (ii) becomes insolvent, (iii) ceases to do business, or (iv) violates any terms of use of this Agreement, any third party providers terms of use and/or any violation of laws.

4.6. Termination by Provider. Provider may terminate this Agreement, on written notice, if: (i) the Parties agree that the provision of the Services to Subscriber is no longer commercially viable, (ii) the Services are deemed, or Provider reasonably believes the Services, or any portion thereof, violate an applicable local, state, or federal law or regulation, (iii) Provider has a reasonable belief that the continued provision of Services puts Provider, or its systems at any operational or security risk, or (iv) the underlying software or technology is no longer used in connection with the Services. If such an event happens within the first twelve (12) months of the Initial Term of the Agreement, Subscriber shall be entitled to receive a refund of its one-time Implementation Fee, as well as, a prorated refund of remaining Subscription Fees and Additional Service Fees within 30 days of termination.

4.7. Effect of Termination. Access and usage rights for the Services will automatically terminate upon termination of this Agreement. Notwithstanding anything to the contrary in the Agreement, after the termination or expiry of this Agreement, except as otherwise provided herein, the Subscriber, at no additional cost to the Subscriber, shall be allowed up to thirty (30) calendar days to retrieve its Subscriber Data from storage. Subscriber will have no further right to access or use the Services. After thirty (30) calendar days from the termination date, Subscriber Content may be deleted or inaccessible to Subscriber. Provider shall reasonably cooperate with Subscriber to facilitate export of Subscriber's Data with an understanding that should Subscriber's Data exceed its monthly download quota as defined in the Order, an additional charge may be incurred. Within thirty (30) calendar days from termination, Subscriber will immediately return or, if instructed by Provider, destroy all GNET cloud materials, documents related to the Provider's Services, Documentation, and/or any other Provider Confidential Information.

4.8. If this Agreement expires or is terminated for any reason, Subscriber may continue to utilize the Services for a "Transition Period" of up to thirty (30) days after expiration or termination of this Agreement, subject to payment of all undisputed applicable Subscription Fees ("the "Transition Period"). Should Subscriber require further assistance during the Transition Period, Provider may, in its sole discretion, offer additional transition services at Provider's then-current rates. In any event, upon request from Subscriber, Provider shall reasonably cooperate with Subscriber to export Subscriber's Data with an understanding that should Subscriber's Data exceed its monthly download quota, additional charges may be incurred.

## **5. Confidential Information**

- 5.1. "Confidential Information" means any trade secret or other information of Provider or Subscriber, whether of a technical, business, or other nature, which is disclosed by one Party ("Discloser") to the other Party ("Recipient") orally or in writing and that is of a nature that a reasonable person would understand to be confidential, but specifically excludes any anonymized data.
- 5.2. Provider Confidential Information specifically includes, but is not limited to: Documentation, GNET Cloud Materials, Usage Observations, and suggestions concerning the GNET Cloud Service, or any other information about or involving the GNET Cloud Service. Subscriber shall not disclose (including, but not limited to, in a press release or other public statement) any Provider Confidential Information, except as agreed by Provider in writing in advance of such disclosure.
- 5.3. Confidential Information does not include any information that: (a) was known to Recipient before receiving it from the Discloser; (b) is independently developed by Recipient without use of or reference to any Confidential Information of the Discloser; (c) is received from a third party who had a lawful right to disclose such information (without corresponding confidentiality obligations) to it; or (d) is or becomes part of the public domain through no fault or action of the Recipient.
- 5.4. Recipient will: (a) use the Confidential Information of the Discloser solely for the purpose(s) for which it is provided; (b) not disclose Confidential Information to competitors of the Discloser, (c) not disclose such Confidential Information to any third party, and (d) protect such Confidential Information from unauthorized use and disclosure to the same extent that it protects its own Confidential Information of a similar nature, but using no less than a reasonable degree of care in consideration of the nature of the Confidential Information. However, Recipient may disclose Confidential Information to its employees, agents or contractors who need to know such Confidential Information in order to obtain or provide the Services hereunder so long as Recipient limits the scope of disclosure of Confidential Information to only that which is necessary under the circumstances. Recipient shall ensure that any employees, agents, or contractors to whom it discloses Confidential Information are bound by obligations of confidentiality and use restrictions that are no less protective than those set forth in this Agreement, and that such individuals use the Confidential Information solely for the purpose of providing or receiving the Services. Each Party will be responsible for any improper disclosure of Confidential Information by such Party's employees, agents, or contractors.
- 5.5. Recipient may disclose Confidential Information of Discloser to the extent required to satisfy any legal requirement of a competent governmental or regulatory authority, provided that (to the extent permitted by law) it promptly advises Discloser prior to making such disclosure and

provides Discloser a reasonable opportunity to object to such disclosure or take such other action as it considers appropriate to protect the Confidential Information.

Provider recognizes the Subscriber is a municipal entity subject to the Washington State Public Records Act, Chapter 42.56 RCW, and that Subscriber is obligated to disclose records upon request unless a specific exemption from disclosure exists. Nothing in the Agreement is intended to prevent the Subscriber's compliance with the Public Records Act, and Subscriber shall not be liable to Provider due to Subscriber's compliance with any law or court order requiring the release of public records.

- 5.6. Upon the expiry or termination of this Agreement and at the request of the Discloser, Recipient will promptly return or destroy (and provide certification of such destruction) any materials in any medium that contains or refers to Discloser's Confidential Information and in no event more than thirty (30) days of the request to do so. Subject to the confidentiality obligations herein, Recipient may retain copies of Discloser's Confidential Information to the extent required to document its performance or for compliance with applicable laws or regulations and Provider may also retain Subscriber Data in its backups, archives and disaster recovery systems until such Subscriber Data is deleted in the ordinary course.
- 5.7. Each Party shall take all necessary steps designed to ensure that the provisions of this Section are not violated by any employee, service provider, Permitted User or any other person under Subscriber's control or in its service.

## **6. Ownership, Restricted Rights, Security**

- 6.1. Provider IP Rights. Provider owns and shall retain all rights, title and interests in and to the Services, including all intellectual property rights in and to the Services (including all Usage Observations and any other improvements, enhancements, modifications and derivative works for the Services) and the software incorporated therein, and the Documentation, as the proprietary product of Provider.
- 6.2. Data Ownership. Subscriber shall retain ownership of all Subscriber Data. Subscriber shall have no rights to any data in Provider's proprietary format; however, Provider shall reasonably cooperate with Subscriber to export Subscribers Data from the GNET Cloud in a mutually agreed file format at Subscriber's request in accordance with the terms herein. Subscriber warrants and represents that it has obtained all required consents and/or provided all required notifications to allow Provider to collect, use, process, transfer, store, access, disclose and use Subscriber Data as contemplated under this Agreement.
- 6.3. Anonymized Data License. Subscriber hereby grants Provider a limited right to aggregate and/or anonymize the Subscriber Data during the Term of this Agreement and an unlimited, perpetual and irrevocable rights and permissions as are necessary or useful to use, reproduce, and distribute such aggregated and/or anonymized Subscriber Data for any legal purpose. Provider's rights to collect, use process, transfer, store, access, disclose and use Subscriber Data are limited to those necessary to deliver the Services and as set out herein.
- 6.4. Subscriber's Usage Information. To improve its Services and the technical performance of the Services, Provider shall be permitted to collect information about Subscriber's use of the GNET Cloud, including CPU and GPU utilization, memory usage, IO performance, content type, client

session length, transmission latency, client geographic and network locations, video and audio quality, and error and information messages.

- 6.5. **Subscriber Branded License.** Certain features of the Services may require the use of Subscriber's name, logo, trademarks, and/or tradenames ("Subscriber Branding"). Should Subscriber's use of the Services require Subscriber Branding, upon Subscriber's prior written approval, Subscriber grants Provider a license to reproduce, copy, distribute and use such Subscriber Branding in Provider's provision of the Services. Subscriber represents and warrants

that Subscriber has the necessary rights and consents to grant the use of the Subscriber Branding to Provider.

- 6.6. Provider Intellectual Property. Certain portions of the Services may be branded with Provider's or other third party providers' trademarks, logos and copyright notices. Subscriber agrees that it will not hide, remove, obscure, modify or otherwise change any such trademarks, logos or notices.
- 6.7. Security and Data Privacy. This Agreement permits the Subscriber to store Subscriber Data in the GNET Cloud, which is hosted in a certified data center which is external to the Subscriber's premises. Provider acknowledges that Subscriber's Data is a valuable asset of the Subscriber and that, in entering into this Agreement, the Subscriber is relying upon Provider's representations of the security, availability, and processing within the GNET Cloud to protect through encryption and preserve the confidentiality and privacy of Subscriber's Data.
  - 6.7.1. Subscriber shall be responsible for managing Subscriber Data and the management, operation and verification of local IT controls to access the GNET Cloud and the Services. Subscriber shall be responsible for all activities that occur under its account by its Permitted Users and for unauthorized access due to the fault of Subscriber. Provider shall only be responsible for unauthorized access to Subscriber's account as set forth in this Section 6.
  - 6.7.2. Provider shall be responsible for protecting and securing Subscriber Data from unauthorized access, loss or corruption of Subscriber Data due to the gross negligence or willful misconduct of Provider and in the event thereof, to the extent reasonable, restoration of Subscriber Data. Provider shall be responsible for the security configuration and management tasks within the GNET Cloud Service (including backup of data, updates and security patches), any application software or utilities installed on the instances, the configuration of the firewall (called a security group) on each instance. Unless due to the default of the Subscriber or a party contracted by the Subscriber other than the Provider, Provider shall, in the event of any such loss, corruption or destruction due to the gross negligence or willful misconduct of Provider, restore the Subscriber Data to the restoration point in the last daily backup performed. This restoration will be Provider's sole obligation and liability and Subscriber's sole remedy in the event of loss, corruption or destruction of Subscriber Data.
  - 6.7.3. Subscriber shall be responsible for all activities of persons, employees, subcontractors, customers and service providers that have a direct relationship with Subscriber, including but not limited to those contracted with, operated, maintained, controlled and managed by Subscriber and including Permitted Users and parties with which the Subscriber has a contractual relationship, such as internet service providers, IT subcontractors and data security providers.
  - 6.7.4. Subscriber shall be responsible to ensure Subscriber's Data is free from viruses when uploaded in the GNET Cloud.
- 6.8. Provider Access to Subscriber Content. Provider will not access or use Subscriber's Data except as necessary to maintain or provide the Services, or as necessary to comply with the law or a binding order of a governmental body. Provider will not (a) disclose Subscriber's Data to any government or third party or (b) move Subscriber's Data from the GNET Cloud, except in each case as necessary to comply with the law or a binding order of a governmental body. Unless it would violate applicable law or a binding order of a governmental body, Provider will give Subscriber notice of any legal requirement or order referred to in this Section.

6.9. **Service Improvement.** To improve and enhance the GNET Cloud Service, Provider may request and Subscriber agrees to confidentially provide information relating to Subscriber's access and functional use of the GNET Cloud Service, including observations or information regarding the performance, features and functionality of the GNET Cloud Service, when and in the form reasonably requested by Provider ("Usage Observations"). Provider will own and may use and evaluate all Usage Observations for its own purposes to improve the Service. Subscriber will not use any Usage Observations except for Subscriber's internal business purposes of identifying improvements for the Provider's GNET Cloud Service.

## **7. Warranties; Disclaimers**

- 7.1. Each Party warrants that it has the right and power to enter into this Agreement and to perform its obligations herein. Provider hereby warrants that it has the right to provide the Services and grant access to Subscriber in the manner provided in this Agreement.
- 7.2. Provider warrants that the Services shall materially conform to the specifications in the then-current Documentation. Provider's sole obligation under this warranty (which shall be Subscriber's exclusive remedy) shall be to use reasonable efforts to correct demonstrated material defects in the Services, and supply Subscriber with access to a corrected version of such Services, or a commercially reasonable workaround as soon as practicable after Subscriber has notified Provider of such defects. Provider's warranty obligations hereunder shall not apply to the extent a non-conformity results from use of the Services or Software contrary to the terms of this Agreement or the instructions in any related materials.
- 7.3. EXCEPT AS SPECIFICALLY SET FORTH ABOVE IN SECTIONS 7.1 AND 7.2, TO THE MAXIMUM EXTENT ALLOWED BY LAW, THE SERVICES ARE PROVIDED "AS IS." AND PROVIDER AND ITS LICENSORS, VENDORS AND SERVICE PROVIDERS DO NOT MAKE ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, OR ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE, AND PROVIDER EXPRESSLY DISCLAIMS ANY AND ALL SUCH WARRANTIES.
- 7.4. PROVIDER DOES NOT WARRANT THAT: (A) OPERATION OF ANY OF THE SERVICES SHALL BE UNINTERRUPTED OR ERROR-FREE OR (B) THAT FUNCTIONS CONTAINED IN THE SERVICES SHALL MEET THE SUBSCRIBER'S REQUIREMENTS.
- 7.5. SUBSCRIBER ACKNOWLEDGES AND AGREES THAT PROVIDER IS NOT RESPONSIBLE FOR: (I) THE ACCURACY OR INTEGRITY OF ANY DATA SUBMITTED BY SUBSCRIBER OR PERMITTED USERS OR (II) THE PERFORMANCE OF SUBSCRIBER'S OR PERMITTED USER'S EQUIPMENT, SUBSCRIBER OR (III) ANY DOWNTIME, LOSS OR CORRUPTION OF, BREACH OF OR LOSS OF DATA THAT OCCURS AS A RESULT OF TRANSMITTING OR RECEIVING DATA OR VIRUSES BY OR FROM SUBSCRIBER VIA THE INTERNET.

## **8. Infringement Remedy**

- 8.1. In the event the Services become, or in Provider's opinion are likely to become, the subject of a claim of infringement of a patent, trade secret or copyright, Provider may, in its sole discretion, (a) procure for Subscriber, at no cost to Subscriber, the right to continue to use the Services, (b) replace or modify the Services, at no cost to Subscriber, to make them non-infringing, provided that substantially the same functionality is provided by the replacement or modified Services, or (c) if in Provider's judgment the right to continue to use the Services cannot be reasonably

procured or the Services cannot reasonably be replaced or modified, terminate the Agreement with respect to all or part of the Services and grant Subscriber a pro-rated refund on any advance Subscription Fees already paid for such terminated Services for the remainder of the Subscription Term paid.

- 8.2. In addition to its obligations under Section 8.1 above, Provider will fully defend, indemnify, and hold Subscriber and Subscriber's Indemnitees (for example council members, officers, partners, employees, and agents) harmless from and against any loss, cost, and expense in connection with a third-party claim that the Services infringe on any trade secret or copyright of others. Provider's obligations under this indemnification are expressly conditioned on the following:
  - 8.2.1. Subscriber must promptly notify Provider in writing of any such claim; and
  - 8.2.2. Provider or its vendor or service providers, as applicable, must have sole control of the defense of any such claim and of all negotiations for its settlement or compromise; and
  - 8.2.3. Subscriber must reasonably cooperate with Provider to facilitate the settlement or defense of the claim.
  - 8.2.4. Provider will have no obligation under this Section 8.2 or otherwise with respect to any infringement claim based on or relating to: (i) any intellectual property provided by Subscriber which is included or embedded in, or interfaces with, the Services; (ii) modification of the Services, or Documentation, by a person other than Provider, or on Provider's behalf; (iii) use of the Services other than in accordance with this Agreement; or (iv) use of the Services in combination with other products or services where such combination or use was not required or approved in writing by Provider.

## **9. Limitation of Liability**

- 9.1. IN NO EVENT WILL SUBSCRIBER OR PROVIDER BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES IN CONNECTION WITH THE PROVISION, USE OR PERFORMANCE OF THE SERVICES OR SOFTWARE REGARDLESS OF THE THEORY OF LIABILITY EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY LOSS OF PROFITS, LOSS OF REVENUES, OR LOSS OF BUSINESS ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT.
- 9.2. IN NO EVENT SHALL THE MAXIMUM AGGREGATE LIABILITY OF ANY PARTY EXCEED THE AMOUNT OF SUBSCRIPTION FEES PAID BY SUBSCRIBER DURING THE TWELVE (12) MONTHS PRECEDING THE DATE ON WHICH THE CLAIM FIRST ACCRUED.

## **10. Miscellaneous**

- 10.1. Conflicts. In the event of a conflict between the terms of this Agreement and any Exhibit hereto, the Agreement is controlling.

- 10.2. Public Announcements. Conditional upon Subscriber's prior written approval, Subscriber grants Provider and its affiliates the right to use Subscriber's name, logo, trademarks and/or trade names in press releases, product brochures, internal reports, shareholder reports, proposals and demos indicating that Subscriber is a Subscriber of Provider. Except for disclosures required by public companies, all other public statements or releases shall require the mutual consent of the Parties.
- 10.3. Independent Contractor. The relationship of the Parties hereunder is that of independent contractors, and neither Party shall be considered to be a partner, joint venture, employer or employee of the other under this Agreement. This Agreement creates no agency in either Party, and neither Party has any authority whatsoever to bind the other Party in any transaction or make any representations on behalf of the other Party.
- 10.4. Audit. Provider, in its sole discretion, may audit Subscriber's use of the Services at any time to verify compliance with the terms of this Agreement. Subscriber agrees to cooperate with such audit and provide Provider with reasonable assistance and access to information. If the audit reveals a violation by Subscriber, Subscriber shall pay Provider all undisputed fees actually due and pay all costs and fees for such audit in addition to any other remedy available to Provider under the terms of this Agreement. If Provider determines or reasonably believes any Subscriber Data violates the terms of this Agreement, Provider will notify Subscriber and request that such data be removed from GNET Cloud. If Subscriber fails to remove the data within two (2) business days of its receipt of Provider Notice, Provider shall remove or suspend Subscriber's Services in its sole discretion.
- 10.5. Survival. Neither expiration nor termination of this Agreement shall terminate those obligations and rights of the Parties pursuant to provisions of this Agreement which by their express terms are intended to survive and such provisions shall survive the expiration or termination of this Agreement. Without limiting the foregoing, the respective rights and obligations of the Parties under Sections 5, 6, 7, 8, 9 and 10 shall survive the expiration or termination of this Agreement regardless of when such termination becomes effective.
- 10.6. Amendment. No change or modification of this Agreement shall be valid unless in writing and signed by all Parties to this Agreement; provided, however, Exhibit 1 can be updated as provided in Section 2.2.
- 10.7. Notice. Any claim, payment, demand, invoice, notice or declaration of any kind which must be delivered to the other Party, shall be in writing and served: (i) personally; (ii) by a recognized overnight courier providing a written confirmation of delivery; or (iii) by United States first-class mail (postage prepaid), addressed to the Party at its address set forth below or at such address as either Party may advise the other in writing from time-to-time. Notices given hereunder shall be deemed to have been given on: (i) the date of personal delivery; (ii) the date of delivery as documented by the overnight courier; or (iii) on the third business day after the date of mailing.

To Provider at:

**Cues, Inc.**  
**Attn: President & Legal Counsel**  
3600 Rio Vista Ave  
Orlando, FL 32895

To Subscriber at:

**City of Redmond**  
15670 NE 85<sup>th</sup> St.  
Redmond, WA 98052

- 10.8. **Assignment.** Except as otherwise provided in this section, neither Party will assign this Agreement or delegate any of its duties, in whole or in part, without the prior written consent of the other Party. No consent of the other Party will be required when the assignment is to one of the assigning Party's Affiliates, or through a change of control of the assigning Party, including through merger, acquisition, or a sale of all or substantially all of its business related to this Agreement. An authorized assignee of either Party will be subject to and bound by the terms of this Agreement. If any assignee does not agree to be bound by all of the terms and obligations of this Agreement, or if any assignment is made in breach of the terms of this Agreement, then that assignment is and will be null and void and of no force or effect.
- 10.9. **Force Majeure.** Neither Party shall be in default or otherwise liable for any delay in or failure of its performance under this Agreement if such delay or failure arises by any reason beyond its reasonable control, including any act of God or the common enemy or earthquakes, floods, fires, epidemics, pandemics, riots, telecommunications delays, failure of electrical power, lightning, national emergency, war, action of court or public authority, terrorist act, military action, civil disturbance, internet outages, failures or delay in transportation or communications. The Parties will promptly inform and consult with each other as to any of the above causes which in their judgment may or could be the cause of a delay in the performance of this Agreement.
- 10.10. **Waiver.** The waiver by either Party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or any other provision hereof.
- 10.11. **Severability.** In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms. With respect to any unenforceable provision, the applicable arbitrator or court shall deem the provision modified to the extent necessary, in such adjudicator's opinion, as to render such term or provision enforceable, and the rights and obligations of the Parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the Parties set forth herein.
- 10.12. **Governing Law and Venue.** The laws of the State of Washington, without regard to conflict of laws principles, will govern all matters relating to or arising out of this Agreement, its subject matter and the transactions it contemplates, including, without limitation, the validity, construction, performance and enforcement of the Agreement and any legal actions relating to its subject matter. Each Party hereto submits to and accepts generally and unconditionally the jurisdiction of those courts with respect to any dispute arising related to this Agreement. Each Party hereby irrevocably waives any objection to the laying of venue of any such action or proceeding in the above-described courts. The prevailing Party to any dispute or litigation concerning or related to

this Agreement shall be entitled to recover its costs, expenses and reasonable attorney fees incurred in connection with the dispute or litigation.

**10.13. Dispute Resolution.**

10.13.1. **Good Faith Negotiation** –The parties agree to engage in good faith efforts to settle any Disputes (hereinafter “Dispute”) by negotiations between them prior to engaging in arbitration. Such negotiations are to include, at a minimum, (a) written notice by the party asserting a Dispute describing in detail the legal, evidentiary, and business bases of the Dispute and any proposed remedy or solution; (b) a written response to such notice describing in detail the receiving party's disagreements, if any, with the sending party's description of the bases of the Dispute and proposed remedy or solution; and (c) one or more discussions between executives with authority to resolve the Dispute. Unless otherwise mutually agreed by the Parties in writing, the period for negotiation will be deemed ended forty-five (45) days after receipt of the initial written notice. Arbitrator(s) shall have the authority to award sanctions for any party's failure to participate in good faith in these required notices, responses, and negotiations.

10.13.2. **Arbitration**. The parties agree to first utilize good faith efforts to resolve any Dispute informally between the parties in accordance with the terms of this Section 10.13 of this Agreement. Within ten (10) days after good faith attempts to resolve the underlying matter have proven to be unsuccessful, any unresolved controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be referred to nonbinding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The arbitration shall be conducted as swiftly as is reasonably possible under the circumstances. The arbitration shall be conducted before one neutral arbitrator to be selected in accordance with the Commercial Rules of the American Arbitration Association and shall proceed under the Expedited Procedures of said Rules, irrespective of the amount in dispute. The arbitration shall be held in the venue established in Section 10.12 unless the Parties mutually agree upon another place. In its award, the arbitral authority shall fix and apportion the costs of arbitration. Except as provided in this Agreement, no lawsuit shall be filed prior to the entry of a written award by the arbitral authority. The award of the arbitral authority shall be non-binding, however, if after forty-five (45) days from the date of the award, no party files a separate lawsuit in a court of competent jurisdiction to resolve the dispute, controversy or claim, the award will become final and non-appealable and the award may be enforced by any court having jurisdiction over the Party according to Section 10.12 of this Agreement. Each party will be responsible for its own attorneys' fees and an equal portion of any costs related to the arbitration.

10.14. **Data Access.** Subscriber shall have access to Subscriber Data via a Structure Query Language (SQL) backup file, subject to the terms of this Agreement.

10.14.1. Access Method. Data access will be provided through [describe method, e.g., Secure FTP, etc.] at a frequency of [describe how often this SQL backup file will be made available].

10.14.2. Access Levels. Subscriber's access will be limited to [describe any limitations, e.g., administrative account(s), etc.]

**11. Insurance.** Provider shall maintain cyber liability insurance coverage with a limit of liability of at least \$1,000,000.00 USD per occurrence and in the aggregate during the term of this Agreement. Provider shall deliver to Subscriber a certificate of insurance evidencing such coverage and shall promptly notify Subscriber in writing of any cancellation, non-renewal, material change in coverage, or change in the insurance provider. In the event of such change or cancellation, Provider shall ensure that equivalent coverage is maintained without interruption.

**12. Counterparts.** This Agreement may be signed and delivered by the Parties in counterparts, with the same effect as if each of the Parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

**SIGNATURES TO FOLLOW ON NEXT PAGE**

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed by their properly and duly authorized officers or representatives as of the date first set forth below.

SUBSCRIBER

CUES, INC.

---

*Signature*

---

*Signature*

---

*Printed Name*

---

*Printed Name*

---

*Title*

---

*Title*

---

*Date*

---

*Date*

Business Tax Certificate No.  
(As applicable)

Approved as to form and legality:

---

Entity's Attorney Signature  
(As applicable)

---

Date



## EXHIBIT 1

### Product and Service Order

10/23/2025

Quote#Q-05759

Brandon Beuhler  
REDMOND, CITY OF (WA) WASTEWATER (MAIN)  
WASTEWATER DIVISION  
18080 NE 76TH STREET  
REDMOND WA 98052-5023  
UNITED STATES  
Office: 425-556-2272  
[bbuehler@redmond.gov](mailto:bbuehler@redmond.gov)

Brandon Beuhler:

Thank you for the opportunity to quote the GraniteNet Asset Inspection and Decision Support software platform from CUES, the most trusted brand in North America for pipeline inspection technology.

For more than two decades, CUES has supplied the industry with the most innovative and extensible software platform available to help utilities and contractors alike achieve their regulatory and productivity goals. Our clients demand software that is able to be customized to meet their needs while supporting the process flows unique to their organization. GraniteNet offers unmatched flexibility to create many different types of inspections in addition to CCTV assessments such as cleaning inspections, smoke test inspections, GPS surveys, inclination surveys, hydrant inspections, light pole inspections etc. Additionally, this new software platform offers a very simple User Interface to allow people to quickly become proficient users, often in a matter of minutes.

For those organizations that desire more advanced capabilities such as GIS map (ESRI/Cartograph) integration, CMMS integration (Cityworks, Maximo, Infor Hansen), User Management controls, enterprise database support (Oracle & SQL), a Web-based Portal, custom Scoring formulas, etc., the CUES GraniteNet software platform can meet the needs of the REDMOND, CITY OF (WA) WASTEWATER (MAIN) now or in the future as the requirements evolve.

The following is a short description of each GraniteNet software package and the suggested optional modules to be included in the software package for the REDMOND, CITY OF (WA) WASTEWATER (MAIN).

Please feel free to contact me with any questions, comments or concerns.

Sincerely,  
Nino Rivas  
[nrivas@cuesinc.com](mailto:nrivas@cuesinc.com)  
Office:(407) 795-2791  
Mobile:(407) 795-2791



## GraniteNet Defect Coding As A Service

CUES provides PACP 6 and PACP 7 coding services to carefully evaluate sanitary mainline pipelines so that you and your crews do not have to. Using CUES' proprietary Artificial Intelligence and machine learning algorithms, video inspections are uploaded to the CUES Cloud where they are processed by its "AI machine". After the machine has rendered its evaluation with PACP defect codes associated to the frames within the video stream where the defects are located, each inspection is routed to a certified PACP coder for final review and certification. Once approved, the coded inspections are provided to the customer for review and acceptance.

## GraniteNet Cloud SaaS WebOffice

The **GraniteNet SAAS Cloud Hosting Service**, powered by Amazon Web Services, is a complete solution provided by CUES to enable each organization to transform their on-premise infrastructure to the Cloud to build an effective business and technology strategy. CUES, as an Amazon Technology Partner, provides a turnkey solution comprised of Wastewater/Public Works asset management software - and hosting - that can be implemented by CUES cloud specialists in amazingly fast turnaround times. The GraniteNet SAAS Cloud Service is offered as a one year contract which includes by default a dedicated virtual database server, a web server, a 5 TB storage volume for inspection media, a 1 TB monthly data download capacity from the Cloud, and access for 1 administrative Permitted User. Increased Permitted Users, storage capacity or monthly download capacities can be added for an additional annual cost as needed. CUES Cloud customers immediately gain access to and redundancy from the AWS infrastructure that CUES configures for its Cloud customers including back-ups, server patch maintenance and OS upgrades. CUES and AWS are responsible for protecting the infrastructure that runs all of the services offered in the AWS Cloud, commonly referred to as "Security of the Cloud". GraniteNet's Web applications are secured via Amazon Security Groups and an Amazon Web Application Firewall (WAF). The GraniteNet SAAS Cloud Service will substantially carry forward AWS' standard service level commitment policies published online.

The complete Cloud Hosting service also includes the **GraniteNet WebOffice (Viewer)** solution which is a browser-based, read only Web Application built for assessing infrastructure, videos and statuses about assets from virtually any portable device (iPad, Android, Chrome Book, Surface Pro, smart phone, etc.) with an internet connection. It streamlines operations by enabling real time, map-driven views into the condition of utility infrastructure as well as the status of tasks assigned to crews for greater efficiency and productivity. No software needs to be installed by end users. Simply log in and view productivity dashboards, review inspections, run filtered reports, and generate PDF's to share to others from virtually any internet-connected device.

By default the Cloud SAAS service also provides **GraniteNet WebSync** which is a powerful connectivity tool that enables entities with vehicular field crews to use encrypted internet connectivity to transmit inspection data and video from the field (such as trucks, mobile inspectors, etc.) wirelessly to the Cloud SAAS. There's no need for carrying storage drives. Inspectors simply finish their inspection and the transfer will begin automatically in the background while new inspections are started or while crews move to the next location.

Unlike some inferior methods being used by others, WebSync is unique in that it truly synchronizes data instead of merely making a copy of a file at a location such as Drop Box or Google Docs - which requires a manual two-step process susceptible to human error. Whether synching out new, incomplete inspection tasks to the field trucks from WebOffice or synching in data from the field to the Cloud, WebSync happens at the database level to ensure precise, up-to-the-minute statuses that do not require human intervention. Additionally with growing cyber threats, many organizations can no longer afford to risk intrusions that can happen when portable media devices are connected to the network. WebSync is highly secure because it uses Web API's that provide Secure Sockets Layer (SSL) security that can be encrypted. Data exchange happens quickly so that QA/QC reviewers do not have to wait for inspectors to physically return with storage drives.

### SaaS Terms and Conditions:



The CUES SaaS solution is provided under the GraniteNet Software Cloud Service Terms and Conditions available in the following link: [SaaS Terms:https://saasterms.granitenetweb.com](https://saasterms.granitenetweb.com) These terms are specifically aligned with the scope of services outlined in this Sales Order and it is CUES expectation that upon receipt of a corresponding Purchase Order, these Terms will prevail in the event of any conflict. During any Subscription Term, Provider shall have the right, in its sole discretion, to increase the Subscription Fees by up to three percent (3%) for any Renewal Subscription Term by providing Subscriber with at least thirty [30] days' notice before the end of the then-current Subscription Term.

## WebOffice Edit User Activation

For activation of user for use on GraniteNet WebOffice.

## GraniteNet WebOffice Edit User Annual Subscription

GraniteNet WebOffice Edit User is an annual subscription which enables a user to connect from any computer to securely log in to the GraniteNet Web environment with the ability to perform the following tasks:

- Create, edit and delete objects
- Edit media of objects (take snapshot, link observations)
- Calculate scores
- Accept/reject tasks

## GraniteNet WebSync Module

The GraniteNet WebSync Module allows users to transfer encrypted inspection data, asset information, and media, via the internet, back and forth between a GraniteNet license in the field and the office.

## GraniteNet Annual Prescriptive Planning Service (PPS)

The PPS is an annual service that provides automated decision support recommendations that prescribe rehabilitation/ replacement actions to take against pipeline assets based on the types and severities of PACP observation codes. Using a CUES proprietary and customizable formula within the GraniteNet inspection software, the service will evaluate each inspection and, when required, its decision matrix will automatically suggest the decision(s) to be taken to repair or replace assets based on an out-of-the-box set of rules that CUES has defined with input from customers. These "suggestions" can be modified based on the Engineering Department's requirements as an additional professional service. The PPS decision matrix is based on a pipeline's observation codes (only) including their count (major codes, minor codes, how many codes per inspection, etc.) to arrive at an automated decision for rehabilitation/replacement courses of action such as "Replace within one year", "Replace immediately – imminent failure likely", "Point repair – Severe", "Full Lining", "Dig and Replace", "Heavy Clean and CIPP", "Re-inspect (5 yrs)", "Re-inspect (10 yrs)", etc. The PPS does not perform mathematical calculations such as "Grade 5" or "Grade 10", but it's formula embedded in GraniteNet's Prescriptive Planning Module determines courses of action to take based on the noted observation codes and the categories they fall into. The suggested actions are output from the GraniteNet Cloud in the form of scheduled reports or viewable in online dashboards to streamline operations and made visible in GIS (exported to GIS or created as Dynamic Layers created via the GraniteNet desktop software) for planning and scheduling for in-house crews and contractors. Both the NASSCO PACP and Formula Fields Modules are prerequisites to utilize this Service delivered via the CUES Cloud. Additional Artificial Intelligence and PACP certified Defect Coding services can be combined with the overall deliverable to clients of the CUES Cloud as well.



During any Subscription Term, Provider shall have the right, in its sole discretion, to increase the Subscription Fees by up to three percent (3%) for any Renewal Subscription Term by providing Subscriber with at least thirty [30] days' notice before the end of the then-current Subscription Term.


**Software**

<b>PART #</b>	<b>GraniteNet Software &amp; Services</b>	<b>Asset Id</b>	<b>PRICE</b>	<b>QTY</b>	<b>Subtotal</b>	<b>Actual</b>
GF101	GraniteNet Defect Coding As A Service		\$0.32	250,000	\$0.32	\$80,000.00
GY111	GraniteNet Cloud SaaS WebOffice		\$20,600.00	1	\$20,600.00	\$20,600.00
GN615	WebOffice Edit User Activation		\$1,040.00	1	\$1,040.00	\$1,040.00
GY107	GraniteNet WebOffice Edit User Annual Subscription		\$500.00	1	\$500.00	\$500.00
GN600	GraniteNet WebSync Module		\$1,560.00	2	\$1,560.00	\$3,120.00
GY108	GraniteNet Annual Prescriptive Planning Service		\$9,000.00	1	\$9,000.00	\$9,000.00

**Software TOTAL:** \$114,260.00

**TOTAL:** \$114,260.00

Total Estimated Annual Recurring Costs for additions below: \$110,100

Includes:

GY113 SaaS WebOffice Cloud Service \$20,600

Defect Coding Contract Annually @250,000k -.32PLF – \$80,000 (billed per linear foot monthly)

GY108: GraniteNet Prescriptive Planning Service \$9,000

GY107 WebOffice Edit Per User Subscription \$ (1x \$500)

\* We will make sure the SQL database backup is made available for your access per the Agreement.

The pricing outlined above pertains to the procurement of the CUES AI Defect Coding Service for a total linear footage of 250,000 feet designated for Redmond, WA. The quoted rate for Defect Coding Services stands at 32 cents (\$0.32) per linear foot, as indicated in the provided pricing details. Defect Coding Services will be invoiced on a monthly basis, calculated based on the actual linear feet processed during the billing period.

Additionally, this quote includes our GraniteNet Prescriptive Planning service for all existing and ongoing inspections. GraniteNet Prescriptive Planning is an annual service, requiring yearly renewal.

As the steward for the Recipient's data, CUES invests significant overhead to ensure that every inspection is cataloged and tracked in detail. Inherent in its performance of processing video to identify defects, there is a certain baseline "minimum length" of 40 linear feet expected to justify CUES infrastructure costs.

For inspections that are partially processed by the AI service but are discovered to not meet the quality standards required by NASSCO (blurry video, lighting loss, camera under water, etc.), at ten dollar (\$10) Rejected Fee will be charged for the inspection. For clients who supply stand alone video files independent from an asset inventory which rely upon video titling information to link the "orphaned" video to a known asset ID or address, a ten dollar (\$10) Orphaned Video fee will be charged per inspection. It is understood that the CUES DCAAS service will create a defect tied to the video's frame counter (without the availability of actual distance encoder values) to estimate distance traveled in the pipeline using a time-based, frame counting method. Finally, if the client's video format is not in the MPEG4.H264 streaming video format, CUES can offer a service to convert the video so that it's AI can process the video. The cost of the conversion depends on the quantity of videos to convert and will be defined in the Service Order as deemed necessary by the CUES salesperson upfront.

For Additional information, please review the CUES AI DEFECT CODING AS A SERVICE TERMS AND CONDITIONS DISCLOSURE document. Please contact your CUES Software Sales Representative for any questions or clarifications.



This Quotation is valid for 90 days for the itemized products and services listed herein and is subject to the following Terms and Conditions. Delivery of a purchase order by Subscriber pursuant to this quotation shall be deemed to be an acceptance by Subscriber of these Terms and Conditions. Pro-rata payments shall become due upon the shipment of goods and/or delivery of services. Provider shall not be liable or penalized for any delays beyond its reasonable control, including but not limited to acts of God, acts of Subscriber, carrier delays, accidents, etc. In the event of any such delay, delivery or performance shall be extended accordingly and shall not relieve Subscriber of its obligation to accept and make payment net 30 days from the date deliverables are provided. Past due invoices are subject to 1.5% per month (18% APR) charge or as permitted by applicable law. Payments made by credit card may be subject to an additional 3% finance fee at the time of processing. No merchandise will be acceptable for return without a Material Return Authorization Number written on the outside of the package. No returns will be accepted on used electrical parts. This quote is provided in US dollars and does not include tax.



10/7/2025  
Quote#Q-05760

Brandon Beuhler  
REDMOND, CITY OF (WA) WASTEWATER (MAIN)  
WASTEWATER DIVISION  
18080 NE 76TH STREET  
REDMOND WA 98052-5023  
UNITED STATES  
Office: 425-556-2272  
[bbuehler@redmond.gov](mailto:bbuehler@redmond.gov)

Brandon Beuhler:

Thank you for the opportunity to quote the GraniteNet Asset Inspection and Decision Support software platform from CUES, the most trusted brand in North America for pipeline inspection technology.

For more than two decades, CUES has supplied the industry with the most innovative and extensible software platform available to help utilities and contractors alike achieve their regulatory and productivity goals. Our clients demand software that is able to be customized to meet their needs while supporting the process flows unique to their organization. GraniteNet offers unmatched flexibility to create many different types of inspections in addition to CCTV assessments such as cleaning inspections, smoke test inspections, GPS surveys, inclination surveys, hydrant inspections, light pole inspections etc. Additionally, this new software platform offers a very simple User Interface to allow people to quickly become proficient users, often in a matter of minutes.

For those organizations that desire more advanced capabilities such as GIS map (ESRI/Cartograph) integration, CMMS integration (Cityworks, Maximo, Infor Hansen), User Management controls, enterprise database support (Oracle & SQL), a Web-based Portal, custom Scoring formulas, etc., the CUES GraniteNet software platform can meet the needs of the REDMOND, CITY OF (WA) WASTEWATER (MAIN) now or in the future as the requirements evolve.

The following is a short description of each GraniteNet software package and the suggested optional modules to be included in the software package for the REDMOND, CITY OF (WA) WASTEWATER (MAIN).

Please feel free to contact me with any questions, comments or concerns.

Sincerely,  
Nino Rivas  
[nrivas@cuesinc.com](mailto:nrivas@cuesinc.com)  
Office:(407) 795-2791  
Mobile:(407) 795-2791

## GraniteNet ESRI Implementation

The implementation service of ESRI maps and map data within CCTV operations includes integration consultation, documentation, and training with the client's office staff by a CUES software division implementation specialist in accordance with the unique business requirements of the organization. An ESRI Implementation service with GraniteNet is required for any organization that has not defined, or has changed, their GIS mapping profiles which allow for the seamless import and export of GIS data. CUES shall provide integration consultation, documentation, and training with the client's office staff through a series of guided instruction sessions performed via a remote virtual meeting tool called Zoom. CUES will work with an appointed resource/project manager from the organization to define the goals and then collaboratively create the standard operating procedures desired by the organization. As a best practice, initiating the Implementation Service well in advance of receiving a vehicle/field equipment is critical to ensure a smooth deployment, often with basic field training, that leverages the integration. Before a CUES technical resource is assigned to the implementation project, a GraniteNet ESRI Pre-Implementation Checklist must be completed by the client and submitted to CUES. Once it is received by CUES and verified that all prerequisites are met to begin the work, the client's Implementation Service request will be placed into a queue where CUES will assign the appropriate implementation specialist Project Manager based on the order in which the Checklist was received. Due to the fluctuating availability of resources needed by both parties to complete the implementation, the actual start date for the project may vary.

The Checklist requests that a "Readiness Date" be provided which means the date the customer will be ready to start the implementation work with CUES. CUES will plan its resource availability around this important date so that it can establish the date for the completion of the work which shall be within forty five (45) business days from the Readiness Date. For each business day the implementation extends beyond the Readiness Date due to the Organization's failure to complete its key tasks or other Organization delays impacting the implementation, a "Time Extension Fee" will be applied on the 46th business day following the Organization's readiness date in the amount of fifty dollars (\$50) per business day, invoiced monthly, until the implementation is completed.

## GraniteNet Web Server Implementation

The GraniteNet Web Server Implementation Includes the following provided by a CUES Web Software Implementation Specialist:

- Dedicated project management for installation and configuration of Web Server
- Remote web sessions to plan, execute, and test implementation of Web Server into GraniteNet Office Environment and GIS maps (if available)
- Office training and access to follow-up sessions as needed

Before a CUES technical resource is assigned to the implementation project, a Pre-Implementation Checklist must be completed by the client and submitted to CUES. Once it is received by CUES and verified that all prerequisites are met to begin the work, the client's Implementation Service request will be placed into a queue where CUES will assign the appropriate implementation specialist Project Manager based on the order in which the Checklist was received. Due to the fluctuating availability of resources needed by both parties to complete the implementation, the actual start date for the project may vary.

The Checklist requests that a "Readiness Date" be provided which means the date the customer will be ready to start the implementation work with CUES. CUES will plan its resource availability around this important date so that it can establish the date for the completion of the work which shall be within forty five (45) business days from the Readiness Date. For each business day the implementation extends beyond the Readiness Date due to the Organization's failure to complete its key tasks or other Organization delays impacting the implementation, a "Time Extension Fee" will be applied on the 46th business day following the Organization's readiness date in the amount of fifty dollars (\$50) per business day, invoiced monthly, until the implementation is completed.

## DCAAS Implementation

Our AI-enhanced defect coding service provides a streamlined, turnkey process for converting your inspection footage into fully coded, NASSCO-compliant reports. Once footage is submitted, our system automatically processes each inspection, applies certified defect codes, and performs quality checks to ensure accuracy and consistency. Completed results are delivered directly back into GraniteNet—organized, review-ready, and immediately usable for planning, reporting, and asset management workflows. The implementation requires no added software, no workflow changes, and minimal training, allowing your team to begin submitting inspections and receiving coded results within days.



Software

PART #	GraniteNet Software & Services	Asset Id	PRICE	QTY	Subtotal	Actual
GN576	GraniteNet ESRI Implementation		\$7,270.00	1	\$7,270.00	\$7,270.00
GN579	GraniteNet Web Server Implementation		\$6,230.00	1	\$6,230.00	\$6,230.00
GN618	DCAAS Implementation		\$5,200.00	1	\$5,200.00	\$5,200.00
<b>Software TOTAL:</b>						<b>\$18,700.00</b>

**TOTAL: \$18,700.00**

This Quotation is valid for 90 days for the itemized products and services listed herein and is subject to the following Terms and Conditions. Delivery of a purchase order by Subscriber pursuant to this quotation shall be deemed to be an acceptance by Subscriber of these Terms and Conditions. Pro-rata payments shall become due upon the shipment of goods and/or delivery of services. Provider shall not be liable or penalized for any delays beyond its reasonable control, including but not limited to acts of God, acts of Subscriber, carrier delays, accidents, etc. In the event of any such delay, delivery or performance shall be extended accordingly and shall not relieve Subscriber of its obligation to accept and make payment net 30 days from the date deliverables are provided. Past due invoices are subject to 1.5% per month (18% APR) charge or as permitted by applicable law. Payments made by credit card may be subject to an additional 3% finance fee at the time of processing. No merchandise will be acceptable for return without a Material Return Authorization Number written on the outside of the package. No returns will be accepted on used electrical parts. This quote is provided in US dollars and does not include tax.



## EXHIBIT 2

### CUES Representations about GraniteNet Cloud Security and SLA's

CUES is an Amazon Technology Partner that provides software and connectivity services on AWS.

As a customer of CUES, you (the "Subscriber") gain access to Cloud hosted infrastructure that CUES will configure for you that will run GraniteNet software using AWS services specified within the GraniteNet Cloud service Product and Service Order. This "Representations" document is intended to be made a part of your **GRANITENET SOFTWARE CLOUD SERVICE SUBSCRIPTION AGREEMENT** (the "Agreement") with CUES. It is expected that detailed technical evaluations and demonstrations have been completed previously through a customer's internal due diligence process. Furthermore, it is understood that that you are solely responsible for limiting the sharing of your organization's sensitive data, adhering to your organization's security requirements, and complying with all applicable laws and regulations. You are responsible for any personal data that you transmit into or out of the GraniteNet Cloud. For more detailed "Security and Data Privacy" legal information please review the relevant sections of the above referenced Agreement. The following representations shall set forth at a high level the technical safeguards that CUES implements to protect its Subscriber's Content within the GraniteNet Cloud.

#### **Security and Data Protection**

CUES and AWS are responsible for protecting the infrastructure that runs all of the services offered in the AWS Cloud, commonly referred to as "Security of the Cloud". However, Security and Compliance are a shared responsibility among all of the parties who utilize the Cloud.

Cloud security is a high priority for CUES to provide to its customers. As a Technology Partner of the largest Cloud infrastructure provider in the world, GraniteNet Cloud leverages the certifications that AWS has gained for compliance with ISO/IEC 27001:2013, 27017:2015, 27018:2019, and ISO/IEC 9001:2015 and CSA STAR CCM v3.0.1.

These certifications are performed by independent third-party auditors on behalf of AWS and this widely-recognized international security standard specifies that AWS:

- Systematically evaluates its information security risks, taking into account the impact of threats and vulnerabilities.
- Designs and implements a comprehensive suite of information security controls and other forms of risk management to address customer and architecture security risks.
- Executes an overarching management process to ensure that the information security controls meet AWS's needs on an ongoing basis.



Certification for compliance with ISO/IEC has been achieved by AWS for the following components used in the GraniteNet Cloud:

Amazon Elastic Compute Cloud (EC2)	AWS Backup
Amazon CloudWatch	Amazon Virtual Private Cloud (VPC)
Amazon Elastic Block Store (EBS)	Amazon Route 53
AWS Web Application Firewall (WAF)	Elastic Load Balancing (ELB)

In addition to providing the software, infrastructure and services for the GraniteNet Cloud, CUES also implements a pre-defined set of AWS blueprints and guardrails to help CUES customers adopt Security Best Practices. The GraniteNet Cloud leverages the robust AWS toolsets noted below to govern and enforce policies and to detect violations for a comprehensive and layered security posture:

Amazon Control Tower

Amazon Config

Amazon Security Hub

AWS GuardDuty & Guardrails

### **Password Management, Authentication Controls and Encryption**

While CUES is responsible for providing continuous oversight over the data hosted on the infrastructure it provides, you as the customer (“Subscriber”), assume responsibility for any activities that occur under the Log-In Credentials issued to your Permitted Users by CUES (“Provider”), regardless of whether such activities are undertaken by you, your employees, agents, subcontractors, or any other third party. You are responsible for maintaining the secrecy and security of the Log-In Credentials provided to you.

CUES provides you with application-level User Access Controls via the GraniteNet User Management Module to set up groups, roles and privileges for GraniteNet Permitted Users. Additionally, to access the GraniteNet Cloud, CUES shall provision Log-In access to enable Permitted Users to use the GraniteNet Cloud service that runs the GraniteNet suite of applications. You are responsible for the security of both of these separate User Account Log-Ins and you should never provide or share your credentials with a third party. CUES will deploy a password policy that will regularly require users to create and regularly change complex passwords.

CUES uses AWS encryption solutions by default for industry-standard Transport Layer Security (TLS) encryption to encrypt Subscriber Content in transit for transport layer security via web communication sessions. Additionally by default, CUES uses encryption at rest with a minimum encryption protocol of Advanced Encryption Standard (AES) 256-bit encryption. In addition, CUES also provides by default additional layers of protection through encryption for backups and snapshots within the GraniteNet Cloud service.

### **Service Commitments:**

As a Technology Partner of AWS, CUES will honor and follow the service commitment policies detailed for each of the services provided within the GraniteNet Cloud service as published online by AWS for failure to meet the service commitments and hourly commitments specified. Several examples are provided below and any can be referenced online as needed.

Since Amazon AppStream 2.0 is the primary connectivity service that CUES will provide, it uses commercially reasonable efforts to make AppStream available to you with a Monthly Uptime Percentage of at least 99.9% during any monthly billing cycle. CUES will follow the policies detailed in the Amazon AppStream Service Level Agreement published online by Amazon should it fail to meet its Service Commitment. [\[AppStream SLA\]](#)

Under the Amazon Compute Service Level Agreement for single EC2 Instances, CUES will use commercially reasonable efforts to ensure that each individual Amazon EC2 instance (“Single EC2 Instance”) has an Hourly Uptime Percentage of at least 90% of the time in which that Single EC2 Instance is deployed during each clock hour (the “Hourly Commitment”). In the event any Single EC2 Instance does not meet the Hourly Commitment, you will not be charged for that instance hour of Single EC2 Instance usage. [\[AWS EC2 SLA\]](#)

Central to GraniteNet Cloud is Amazon S3, an object storage built to store and retrieve any amount of data from anywhere on the Internet. It’s a simple storage service that offers industry leading durability, availability, performance, security, and virtually unlimited scalability at very low costs. The S3 Standard storage class is designed for 99.99% availability, the S3 Standard-IA storage class is designed for 99.9% availability. Please refer to its SLA published online. [\[AWS S3 SLA\]](#) For more detailed information please contact your technical resource at CUES.