

MASTER SERVICES AGREEMENT

This MASTER SERVICES AGREEMENT (the “**Agreement**”) sets out the terms and conditions under which **Cloud611 Corp** with office location at 1429 Avenue D #352, Snohomish, WA 98290, USA, shall provide certain information technology, consulting and related services (the “**Services**”) to the client (“**Client**” or “**Customer**”) identified in the statement of work (“**SOW**”) referencing this Agreement, such SOW having been entered into between Cloud611 and Client (collectively, the Parties and individually each, a “**Party**”).

In consideration of these mutual promises and covenants, the Parties hereby agree as follows:

1. INTRODUCTION.

- a. Words importing the singular include the plural and vice versa, as the context may require.
- b. The use of headings and the division of this Agreement into sections are for convenience of reference only and shall not affect the interpretation of this Agreement.
- c. “Hereof”, “hereto” and “hereunder” and similar expressions mean and refer to this Agreement taken as a whole.
- d. “Includes” and “including” means “including, without limitation”.

2. TERM; TERMINATION.

- a. The term of this Agreement will begin on the effective date of the SOW and continue until terminated in accordance with Section 2(b) below (the “**Term**”).
- b. This Agreement may be terminated at any time by either Party upon: (i) at least thirty (30) days’ written notice to the other Party for any or no reason; (ii) written notice, if the other Party breaches any material term of this Agreement and such breach remains uncorrected for fifteen (15) business days following written notice from the other Party; or (iii) upon written notice in the event that the other Party is adjudged bankrupt, or a receiver is appointed on account of its insolvency; provided that in each case the Agreement shall continue to govern for the purposes of any outstanding SOWs.
- c. Upon any termination, Client shall pay Cloud611 for all Services performed, all Deliverables and Third Party Products provided, and all accrued charges and costs incurred up to the effective date of termination.

3. STATEMENTS OF WORK.

- a. From time-to-time, the Parties may enter into separate SOWs which shall set out:
 - i. the Services provided by Cloud611 to Client;
 - ii. any applicable written material created by Cloud611 for Client in connection with the Services (the “**Deliverables**”). Deliverables shall expressly exclude Third Party Products (as defined below);
 - iii. the fees payable by Client to Cloud611; and
 - iv. such additional terms and conditions that may be necessary.
- b. Each SOW shall be incorporated into and governed by this Agreement and will become effective upon execution by an authorized representative of each Party. Material changes to the price, scope, dates, responsibilities, or other provisions in the SOW (each, a “**Change**”) or any other modifications or amendments to the SOW, shall be agreed upon in writing by the Parties by way of a new SOW or a change request form. This Agreement shall take precedence in any conflict or inconsistency between this Agreement and a SOW (except to the extent that a term of a fully-executed SOW expressly amends a term of this Agreement for the purposes of that SOW only).
- c. Entities which are directly or indirectly controlling, controlled by or under common control (each, an “**Affiliate**”) with Client may enter into SOWs under this Agreement provided that such Affiliate has approved credit terms with Cloud611. If credit terms are not approved, Client and such Affiliate shall be jointly and severally liable for the payment obligations of Affiliate in relation to such SOW.
- d. Client may purchase third party hardware, software and subscription products (including software licenses, software as a service and other cloud computing products) and services in respect of such products (including maintenance, support or warranty services) (the “**Third Party Products**”) from Cloud611, either separate from or in connection with a SOW. Terms and conditions related to the resale of Third Party Products by Cloud611 are set forth at https://Cloud611.com/files/pdf/ProductPurchases_TermsAndConditions.pdf.
- e. General assumptions and Client responsibilities in respect of Services are set forth in Schedule A. Additional assumptions and responsibilities may be set out in a SOW.

4. WARRANTY; ACCEPTANCE.

- a. Cloud611 warrants that the Services will be performed in a good and workmanlike manner, and in accordance with generally accepted industry standards applicable to such services. Cloud611 shall re-perform, at its expense, any Services it provided which did not comply with this warranty brought to its attention within five (5) business days following the completion/closeout of the Services, following which the Services are

deemed accepted by Client. This will be Client's sole and exclusive remedy for a breach of the warranty provided in this Section 4(a).

- b. Client shall accept or reject Deliverables in writing within five (5) business days of receipt, otherwise such Deliverable shall be deemed accepted by Client. Client shall clearly state in writing the reasons for any rejection. Within five (5) business days of a notice of rejection, Cloud611 shall present a commercially reasonable corrective plan of action to Client, and shall then resubmit the corrected Deliverable to Client. This will be Client's sole and exclusive remedy for rejected Deliverables under this Section 4(b).
- c. Client may not reject any Service or Deliverable if the grounds for rejection are based, in whole or in part, on: (i) Client's use of a Service or Deliverable in a manner not permitted or contemplated under this Agreement or the SOW; (ii) modification of any Service or Deliverable other than by Cloud611; (iii) the use or combination of any Service or Deliverable with materials not supplied by Cloud611; (iv) information supplied by Client to Cloud611 that is included in or relied upon to provide any Service or Deliverable; or (v) Client's negligence, breach or willful misconduct.
- d. CLOUD611 MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS OR IMPLIED, IN FACT OR IN LAW, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

5. FEES; PAYMENT; TAXES.

- a. Client shall pay Cloud611 the fees set forth in the applicable SOW, such payment to be made by wire transfer or certified cheque, unless a different payment method is agreed to by Cloud611 in writing. Client shall also pay the reasonable travel and living expenses of Cloud611 personnel that are incurred in the performance of Services. Client shall also be responsible for all applicable taxes, except for taxes imposed on Cloud611's income or arising from the employment relationship between Cloud611 and its personnel.
- b. Subject to Client receiving approved credit terms from Cloud611, Client shall pay invoiced amounts within thirty (30) days of the invoice date. If credit terms are not provided, all amounts are payable in advance of delivery of the Services and/or Third Party Products.
- c. Overdue invoices shall be subject to the lesser of: (i) an interest rate of 1.5% per month, or (ii) the maximum amount allowed by law, calculated monthly from the date payment was due until the date payment is made, without prejudice to any other rights, or remedies which Cloud611 may have under this Agreement, at law or in equity. Payments by Client will thereafter be applied first to accrued interest and then to the principal unpaid balance. Client will reimburse Cloud611 for all costs (including, without limitation, reasonable legal fees) associated with collecting payments that are past due.

- d. In addition to the termination rights set forth in section 2 above, and without limiting any other rights or remedies which Cloud611 may have under this Agreement, at law or in equity, Cloud611 may by written notice suspend work under a SOW as of the date specified in such notice upon Client's failure to pay Cloud611 any amount required to be paid to Cloud611.

6. CONFIDENTIALITY.

- a. To the extent that confidential and proprietary information of a Party ("**Confidential Information**") is exchanged and received in connection with this Agreement, the receiving Party agrees to maintain the confidential nature of the Confidential Information of the disclosing Party in its possession by taking reasonable steps to protect such Confidential Information from unauthorized use, access and disclosure; such steps shall be at least equal to those taken by the receiving Party to protect its own Confidential Information. Confidential Information does not include: (i) information that was publicly available at the time of disclosure or that becomes publicly available other than by a breach of this provision by the receiving Party; (ii) information previously known by or developed by or for the receiving Party without use of or access to the Confidential Information of the disclosing Party; or (iii) information that the receiving Party rightfully obtains without restrictions on use and disclosure.
- b. The receiving Party may disclose the Confidential Information of the disclosing Party to its or its Affiliates' employees or independent contractors provided that such party has a need to know and is required to maintain the confidentiality of such information on terms no less stringent than those contained in this Section 6. The receiving Party may also disclose Confidential Information of the disclosing Party in accordance with a judicial, government or agency order or law, provided that the receiving Party required to make such disclosure shall, to the extent permitted, provide the disclosing Party with reasonable prior notice of such disclosure and shall comply with any applicable protective order or equivalent that applies to such disclosure. In addition to the foregoing, Cloud611 may disclose the Confidential Information of Client to its third party vendors or subcontractors provided that such party: (i) is providing Third Party Products or Services in connection with this Agreement; (ii) has a need to know the information; and (iii) is required to maintain the confidentiality of such information on terms no less stringent than those contained in this Section 6.
- c. The receiving Party shall be liable to the disclosing Party for any breach of the receiving Party's confidentiality obligations committed by any person or entity to whom the receiving Party is permitted to disclose the Confidential Information of the disclosing Party pursuant to this Section 6. Upon request by the disclosing Party, the receiving Party shall return all originals, copies, records, notes and summaries of the Confidential Information or, at the disclosing Party's option, certify the destruction of the same. Notwithstanding the foregoing, the receiving Party may retain archival copies of the

Confidential Information for legal, regulatory or compliance purposes, and nothing shall require the erasure, or destruction of back-up media made in accordance with its document-retention procedures.

7. INTELLECTUAL PROPERTY RIGHTS.

- a. Intellectual property rights, including patents, copyrights, trade secrets, trademarks and service marks and all similar proprietary rights ("**Intellectual Property Rights**") that belong to Client, shall remain the sole and exclusive property of Client.
- b. Client will own all Deliverables except as follows: Cloud611 will retain ownership in all working papers, pre-existing materials and any general skills, know-how, processes, or other Intellectual Property Rights (including a non-Client-specific version of any Deliverables) which Cloud611 may have discovered or created independently or as a result of the Services ("**Cloud611 Information**"). Cloud611 grants Client a non-exclusive, non-transferable license (without any right to sublicense except to Client's Affiliates and permitted assigns on the same terms as those set out herein) to use such Cloud611 Information included in the Deliverables for Client's own internal use as part of such Deliverables.
- c. Cloud611 Information and any working papers and internal documentation prepared by or for Cloud611 in connection with the Services, Deliverables or this Agreement shall remain the sole and exclusive property of Cloud611. Cloud611 Information shall be deemed Confidential Information of Cloud611.
- d. Cloud611 is providing the Services and Deliverables solely for Client's internal use and benefit. The Services and Deliverables are not for a third party's use, benefit or reliance and Cloud611 disclaims any contractual or other responsibility or duty of care to others based upon the Services or Deliverables. Client acknowledges that Cloud611 provides similar services to other clients and that nothing in this Agreement shall be construed to prevent Cloud611 from carrying on such business or from acquiring, licensing, marketing, distributing, developing for itself or others or having others develop for it similar products, services or materials performing the same or similar functions as the Services and Deliverables contemplated by this Agreement or any SOW.
- e. Client hereby grants to Cloud611 a limited, non-exclusive, right and license to Client's Intellectual Property Rights that are necessary for Cloud611 to perform the Services. Client acknowledges and agrees that Cloud611 may transfer the foregoing license to its subcontractors as necessary to perform the Services.

8. INDEMNIFICATION.

- a. Cloud611 shall indemnify Client against any losses, damages and costs (including reasonable legal fees) awarded against Client to the extent arising from a third party claim, action or proceeding brought against Client alleging that the use of a Deliverable by Client infringes a third party's Intellectual Property Right valid in Canada or the United States (a "Claim"). Should the Deliverable become, or in the opinion of Cloud611 be likely to become, the subject of a Claim, Cloud611 may, at its reasonable option: (i) procure for Client the right to use the Deliverable; (ii) replace or modify, in whole or in part, the Deliverable to make it non-infringing and substantially comparable in functionality; or (iii) require the return of the Deliverable and promptly refund to Client any fees paid by Client to Cloud611 which are reasonably attributable to such Deliverable. Notwithstanding the foregoing, Cloud611 assumes no liability for a Claim based on the: (A) use of a Deliverable in a manner not permitted or contemplated under the Agreement or SOW; (B) modification of any Deliverable other than by Cloud611; (C) use or combination of any Deliverable with third party materials; (D) information supplied by Client or Client's authorized third party to Cloud611; or (E) Client's negligence, breach or willful misconduct. THE FOREGOING STATES CLOUD611'S ENTIRE LIABILITY AND CLIENT'S SOLE AND EXCLUSIVE REMEDIES FOR CLAIMS OF INTELLECTUAL PROPERTY INFRINGEMENT.
- b. The foregoing obligations under this Section 8 are conditioned upon the indemnified Party: (i) notifying the indemnifying Party promptly in writing of any such action (provided that the indemnifying Party's obligations shall only be diminished to the extent that a delay prejudices the indemnifying Party's defense of such matter); (ii) giving the indemnifying Party sole control of the defense and/or settlement of such action; and (iii) giving the indemnifying Party all reasonable information and assistance (at the indemnifying Party's expense).

9. LIMITATION OF LIABILITY.

- a. EXCEPT FOR A PARTY'S BREACH OF ITS CONFIDENTIALITY OBLIGATIONS UNDER SECTION 6 OR CLIENT'S BREACH OF THE LICENSE TO USE CLOUD611 INFORMATION PROVIDED FOR IN SECTION 7(B), IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY LOSSES, DAMAGE OR EXPENSES OF ANY KIND, OR FOR BUSINESS INTERRUPTION, LOST OR CORRUPTED DATA, LOST REVENUE, LOST PROFITS, LOST SAVINGS OR ANY OTHER COMMERCIAL OR ECONOMIC LOSS OF ANY KIND, EVEN IF IT HAS BEEN ADVISED OF THEIR POSSIBLE EXISTENCE, OR EVEN IF SAME WERE REASONABLY FORESEEABLE.
- b. CLOUD611'S TOTAL LIABILITY UNDER THIS AGREEMENT AND THE APPLICABLE SOW(S) SHALL BE LIMITED TO THE DOLLAR VALUE OF THE FEES PAYABLE UNDER THE SOW(S) APPLICABLE TO THE CLAIM.

- c. IN NO EVENT SHALL CLOUD611 BE LIABLE FOR CLIENT'S FAILURE TO SUFFICIENTLY BACK UP OR PROTECT ITS DATA OR FOR ANY CLAIM MADE BY CLIENT OR ANY OTHER PERSON TO THE EXTENT SUCH CLAIM ARISES OUT OF MATERIALS PROVIDED BY CLIENT TO CLOUD611 FOR USE IN DEVELOPING, PERFORMING OR CUSTOMIZING ANY SERVICES OR DELIVERABLES.
- d. TO THE FULLEST EXTENT PERMITTED BY LAW, THE ABOVE LIMITATIONS SHALL APPLY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION, DEMAND OR CLAIM, INCLUDING BUT NOT LIMITED TO, BREACH OF CONTRACT, NEGLIGENCE, TORT OR ANY OTHER LEGAL THEORY, AND SHALL SURVIVE FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT OR OF ANY REMEDY CONTAINED HEREIN. THE ALLOCATIONS OF LIABILITY IN THIS SECTION 9 REPRESENT THE AGREED AND BARGAINED FOR UNDERSTANDING OF THE PARTIES AND CLOUD611'S COMPENSATION UNDER THIS AGREEMENT REFLECTS SUCH ALLOCATIONS.

10. EMPLOYEE SOLICITATION.

Neither Party shall solicit for employment, nor directly or indirectly induce the termination of employment, of any of the other Party's personnel during the term of such personnel's assignment to or work under a SOW and for the period of twelve (12) months following termination of such assignment. The foregoing restrictions shall not apply if one Party's personnel seeks employment with the other Party as a result of a response to a general solicitation (such as in a newspaper, trade journal, online posting or other advertisement or job fair).

11. PERSONNEL/SUBCONTRACTORS.

Cloud611 will attempt to honour Client's request (if any) for specific Cloud611 personnel to perform the Services, subject to scheduling and staffing considerations; provided, however, that Cloud611 reserves the right to determine which of its personnel shall be assigned to perform the Services, and to replace or reassign such personnel during the term of any SOW. Cloud611 will ensure that its personnel comply with all reasonable instructions and directions issued by Client when on Client's premises. Cloud611 may delegate performance of certain Services to any Cloud611-selected independent contractor or subcontractor, provided that Cloud611 shall not be relieved of any of its duties, obligations or responsibilities hereunder by use of such independent contractor or subcontractor.

12. MISCELLANEOUS.

- a. **Force Majeure.** Neither Party shall be deemed to be in default hereunder or liable for any delay or failure to perform its obligations hereunder that is caused, in whole or in part,

from any act or omission or causes beyond such Party's reasonable control, including, acts of God, war, earthquakes, fire, floods, storms, labour disputes, malfunction or failure of third party systems or services (including telecommunications services), electrical or environmental system malfunction, worms, viruses or other similar causes (each, a "**Force Majeure Event**"). Delivery and performance dates will be equitably extended to the extent of any such delays. Each Party will promptly notify the other upon becoming aware that any such delay has occurred or is likely to occur and will use commercially reasonable efforts to minimize any resulting delay in or interference with the performance of its obligations under this Agreement.

- b. **No Agency.** This Agreement will not be construed to create an agency, representative, joint venture, employment relationship, or partnership between the Parties. The Parties are and remain independent contractors. Neither Party has the authority to bind the other or to incur any liability or otherwise act on behalf of the other.
- c. **Assignment and Binding Effect.** Neither Party may assign its interest in this Agreement or a SOW to a third party without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed; provided however that either Party may, without the consent of the other Party, assign this Agreement or a SOW to an Affiliate of such Party. This Agreement and SOW shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.
- d. **Governing Law.** This Agreement, any SOW and any claims arising out of or related to this Agreement or any SOW shall be governed by: (i) for clients in Canada, the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to conflict of laws rules; and (ii) for clients in the United States, the laws of the State of New York and the federal laws of the United States applicable therein, without regard to conflict of laws rules. The Parties hereby irrevocably attorn to the exclusive jurisdiction of such courts hereby consent to the personal jurisdiction of such courts and expressly waive all defenses of lack of personal jurisdiction and forum non-conveniens. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.
- e. **Severability.** If any provision in this Agreement or a SOW is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and all other remaining provisions or parts thereof shall continue in full force and effect.
- f. **Survival.** Sections 4, 5, 6, 9, 10 and 12 shall survive the termination or expiry of this Agreement.
- g. **Notices.** Any notice required to be given to Cloud611 shall be in writing and shall be personally delivered or sent by courier or email as follows:

Cloud611 Corp

1429 Avenue D #352
Snohomish, WA 98290

Attention: General Counsel
Phone: +1 206-21-0090
Email: info@cloud611.com

In the case of Client, notices shall be sent to the latest address which Cloud611 has on file, or to such other address as the Client may by written notice indicate to Cloud611. Any such notice given by either Party in accordance with the foregoing will be deemed to have been received by the other Party, on the next business day following the date of delivery or transmission.

- h. **Entire Agreement.** This Agreement, the attached Schedule(s) and each fully-executed SOW, collectively constitute the entire agreement between the Parties concerning the subject matter hereof and supersede all written or oral prior agreements or understandings with respect thereto, including, without limitation, any proposals, price quotes, or purchase order terms and conditions.
- i. **Amendment and Waiver.** No amendment or variation to this Agreement shall be effective unless in writing and signed by authorized representatives of both Parties. No waiver of any provision of this Agreement is binding unless it is in writing and signed by all the parties to this Agreement entitled to grant the waiver. For greater certainty, forbearance or indulgence by either Party in any regard shall not constitute a waiver of any provision of this Agreement.
- j. **Counterparts.** This Agreement may be executed and delivered in counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument. A party's electronic transmission of a duly executed copy of this Agreement to the other party shall constitute effective delivery by that party of this Agreement.

SCHEDULE A – SOW ASSUMPTIONS AND CLIENT RESPONSIBILITIES

1. SOW Assumptions

Unless otherwise set forth in a SOW:

- i. Cloud611 will be entitled to rely upon any routine instructions, authorizations, approvals or other information provided to Cloud611 by Client.

- ii. All work shall be scheduled and performed during normal Cloud611 business hours, Monday through Friday, 8:30am – 5:30pm, except statutory holidays (in the jurisdiction in which the Services are performed);
- iii. Delays, errors or omissions that are not attributable to Cloud611 may result in a Change;
- iv. Any errors, incompatibilities, or defects in Client's software, hardware or systems or any Third Party Products may result in a Change.
- v. The Services do not include the provision of and cost for Third Party Products, third party technical support calls/ticket submission and support agreements with third parties vendors. vi. Cloud611 shall not be responsible for any modifications or alterations in respect of a Service or Deliverable made by parties other than Cloud611; and
- vi. All work will be performed remotely, unless otherwise agreed to by the Parties.

2. Client Responsibilities

Client understands that Cloud611's performance under a SOW is dependent on Client's timely and effective satisfaction of the responsibilities below and in the applicable SOW. Client shall:

- i. provide adequate working space at Client's site where required;
- ii. provide necessary system access for Cloud611 personnel, including remote access where required;
- iii. provide Cloud611 with the information it reasonably requires to perform the Services;
- iv. designate a Client Primary Contact who will be the focal point for a SOW and who shall have the authority to act on Client's behalf;
- v. notify Cloud611 of any relevant issues of which Client is aware that will impact the Services; and
- vi. perform all appropriate backups and be solely responsible for its data, including taking sufficient steps to protect itself against loss or corruption of data.