

Technical Services | Statement of Work for:

<Project Title>

Presented to:

<Client Name>

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Version: 0.1

Presented by:

XXXXX, Account Executive
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TABLE OF CONTENTS

EXECUTIVE SUMMARY 3

ENGAGEMENT LIFE CYCLE & ACTIVITIES 3

 Phase 1: Engagement Preparation 3

 Phase X: TBD 3

DELIVERABLES 4

 Deliverable Acceptance..... 4

PROJECT MANAGEMENT APPROACH & ACTIVITIES 4

ENGAGEMENT CONSIDERATIONS 5

 Scheduling Requirements..... 5

 Rescheduling or Cancellation..... 6

 Change Control..... 6

 Completion and Acceptance..... 6

ENGAGEMENT RESPONSIBILITIES 6

 Responsibilities of Kudelski Security..... 6

 Responsibilities of <Client Name> 6

CONTACT INFORMATION 7

PRICING 7

 Billing and Payment 8

EXECUTION OF SOW..... 8

APPENDIX: GENERAL TERMS AND CONDITIONS 9

EXECUTIVE SUMMARY

COMPONENT	DETAILS
Document Type	Statement of Work ("SOW")
Client	
Title	
Purpose / Objectives	
Scope	
Effort / Duration	
Deliverables / Outputs	
Location of Services	
Governing Terms	See "Appendix: General Terms and Conditions"

ENGAGEMENT LIFE CYCLE & ACTIVITIES

Phase 1: Engagement Preparation

Prior to the Kudelski Security team starting the work, we will host and lead a kickoff call with <Client Name>'s designated sponsor and point of contact (i.e. the "designated engagement manager" or "DEM") to gather detailed information necessary to ensure a successful engagement.

The primary goals of this kickoff call are:

- Validate that goals and scope are accurately captured in the SOW.
- Ensure activities and prerequisites are understood and coordinated prior to commencement.
- Identify any obstacles or challenges to completion.
- Identify key stakeholders from all parties involved who need to be included in the engagement updates and escalations.
- Agree on secure communication path.
- Discuss timelines for the engagement's commencement and duration.

Phase X: TBD

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DELIVERABLES

DELIVERABLE	DESCRIPTION

Deliverable Acceptance

All deliverables defined in this SOW are subject to inspection and acceptance by the designated <Client Name> DEM. <Client Name> will agree upon and document any specific acceptance criteria with Kudelski Security during the Kickoff Call, prior to commencement of the associated work. Any special requests (such as additional content or non-standard templates) not stated within this SOW will require a Change Order.

Kudelski Security will provide for one (1) round of draft review, during which <Client Name> will be given an opportunity to review and comment to ensure a deliverable is complete and accurate and that it meets expectations. <Client Name> is responsible for distributing any deliverables to appropriate stakeholders, obtaining feedback, and consolidating that feedback into a single view for Kudelski Security consultants to update appropriately. Kudelski Security will provide the finalized deliverable for <Client Name> acceptance or rejection. If the deliverable does not conform to the agreed-upon acceptance requirements, <Client Name> shall notify Kudelski Security in writing, setting forth <Client Name> rejection and the basis of the nonconformity. Kudelski Security shall correct such nonconformity within a mutually agreeable timeframe.

<Client Name> will accept or reject the deliverable(s) within five (5) business days of completing each iteration. If <Client Name> does not accept or reject the deliverable(s) within this period, the deliverable(s) shall be considered accepted by <Client Name>.

PROJECT MANAGEMENT APPROACH & ACTIVITIES

Kudelski Security will assign a dedicated Project Manager to oversee the engagement from initiation to closure. This Project Manager is responsible for ensuring the engagement runs smoothly and expectations are met. Kudelski Security's Project Management process is broken down into three (3) phases: project initiation, project execution, and project closure. The key aspects of each phase are as follows:

NAME	DESCRIPTION
Project Initiation	<ul style="list-style-type: none"> • Schedule and conduct engagement kick-off meeting. • Review engagement scope with the team and gain agreement from all parties. • Establish communication plan and templates. • Develop timeline and milestones based on input from the team. • Define team members and schedule resources based on timeline and milestones. • Define metrics for a successful engagement.

NAME	DESCRIPTION
Project Execution	<ul style="list-style-type: none"> • Provide status updates to client as agreed upon during project initiation phase. • Monitor project schedule and budget. • Deliver on the engagement as outlined in the project initiation phase.
Project Closure	<ul style="list-style-type: none"> • Deliver all final documents as agreed upon per the proposal. • Conduct client feedback session to identify highlights of the project and opportunities for improvement on a go forward basis. • Coordinate invoicing between client and Kudelski Security accounting team.

Maintaining clear channels of communication will be necessary to ensure any project success. Kudelski Security will conduct status meetings, which may include updates on project status and issues identified and addressed (such as schedule, deliverables, project quality, and team interaction). In addition, Kudelski Security will provide notification of issues requiring <Client Name> involvement. Kudelski Security expects that any issues identified will be resolved promptly to avoid impacting the project timelines.

ENGAGEMENT CONSIDERATIONS

Scheduling Requirements

Kudelski Security cannot schedule services or determine detailed engagement timelines until the SOW is mutually executed. Following SOW signature, Kudelski Security’s Project Management Office (PMO) will contact <Client Name>’s Designated Engagement Manager (DEM) to set engagement start dates based on then-current scheduling factors for both parties. Kudelski Security is committed to completing the project within a timeframe that is agreed upon with <Client Name> during the kickoff meeting. However, engagement start and/or end dates cannot be guaranteed, as many factors outside of Kudelski Security’s control can alter project timelines.

<Client Name> also acknowledges that:

- Kudelski Security engineers will be scheduled as follows:
 - For onsite work, at a minimum of eight (8) hours per day.
 - For remote work, at a minimum of four (4) hours per day.
- Standard bill rate, as specified in Appendix C to DIR Contract No. DIR-TSO-4274, will apply to hours worked during normal business hours (i.e. Monday-Friday, 8:00 AM to 6:00 PM, local time at the specified engagement location).
- Premium bill rate, as specified in Appendix C to DIR Contract No. DIR-TSO-4274, will apply to hours worked outside of normal business hours (e.g. evenings, weekends). Premium bill rate is equivalent to time-and-a-half or 150% of Standard rate.
- Work will not be performed on a scheduled holiday unless mutually agreed to.
- Kudelski Security resources are limited to no more than 15 consecutive hours of work. If additional hours are required, the Project Manager may utilize additional resources (with approval).
- Work will not be performed during a recognized holiday unless mutually agreed to in writing. A list of recognized holidays will be provided by Kudelski Security upon request.

- Any work performed during a scheduled holiday will be charged at 150% for every hour worked (equivalent of time-and-a-half of the engagement bill rate). Kudelski Security holidays may be provided by the Kudelski Security Project Manager.

Rescheduling or Cancellation

Kudelski Security and <Client Name> require one (1) week's written notice in advance of the engagement start date for cancelling or rescheduling any services. If cancellation or rescheduling occurs with less than one (1) week notice of the scheduled start date, Kudelski Security or <Client Name> [the cancelling party] agrees to pay a fee of \$2,500 per consultant assigned. Any nonrefundable and/or nontransferable travel expenses will be billed to and paid by <Client Name> at actual cost in accordance with Appendix A, Section 8F to DIR Contract No. DIR-TSO-4274. Notices can be sent to: KSIPMO@kudelskisecurity.com and <Client Notice address>.

Change Control

Kudelski Security will not perform any additional work outside of the scope described in this SOW without a signed Change Order. If unforeseen factors affect the scope or effort of the project, Kudelski Security will provide a Change Order for <Client Name> to review and sign before any work outside the original scope is performed or additional expenses are invoiced to <Client Name>. The Change Order will specifically address any variance from the original SOW and the associated costs and provide a brief explanation of the requirements for the changes.

Completion and Acceptance

Upon completion of the services, (or applicable portion), including any deliverables, Kudelski Security will provide written notification to <Client Name>'s DEM indicating completion and requesting written acceptance of a Certificate of Completion and Acceptance. <Client Name> will promptly review the notification and provide a written response. If this response indicates that Kudelski Security has not satisfactorily completed the services, the parties will discuss or meet and use good faith to resolve the issues. If <Client Name> does not respond in writing within ten (10) business days of receipt of Kudelski Security's notice of completion, then the services are considered accepted.

ENGAGEMENT RESPONSIBILITIES

Responsibilities of Kudelski Security

Kudelski Security assumes responsibility for and will directly manage its personnel. Kudelski Security shall have no responsibility for non-Kudelski Security contracted personnel or third parties engaged on the project unless expressly agreed to in writing.

Responsibilities of <Client Name>

<Client Name> will:

- Provide an employee to serve as "designated engagement manager" ("DEM"). The DEM will be responsible for scheduling <Client Name> resources for required meetings, interviews, and other needs deemed necessary to complete the project work as scoped. The DEM will serve as the first point of escalation for any project-related requests or issues.
- For any assets that are not hosted or do not belong to <Client Name>, attain written consent from the third party to perform a penetration test on such managed assets prior to the engagement start date.

- Provide access with necessary consents, permissions, and authorizations to all proprietary information, hardware and software applications, and other systems necessary, whether owned, leased, or licensed, before starting services and until services are completed,
- Execute all data gathering activities in an efficient manner and submit data to Kudelski Security personnel within a commercially reasonable response time. Any delays incurred in acquiring this information may result in the need for a Change Order and rescheduling of the engagement, at the discretion of Kudelski Security.
- Abide by Standard Operational Procedures, applicable regulations, manuals, texts, briefs and other materials associated with the engagement and the hardware/software noted throughout this SOW.
- Provide the necessary staff availability to complete identified tasks and/or to participate in interviews to ensure <Client Name> the agreed upon completion dates, tasks or deliverables.
- Provide access to any necessary facility and/or remote access to complete the engagement during normal business hours or other agreed times.
- Perform a complete back-up of all data and software prior to the start of services.
- Be responsible for any equipment orders needed to complete the scope of this SOW.
- Provide access to any necessary facility and/or remote access to complete the project.
- Rack, stack, and power any devices needed to complete the project.
- Ensure that all equipment is covered by a current support entitlement contract. Evaluation licenses or hardware must be converted to fully licensed and entitled levels before commencement of the engagement.

CONTACT INFORMATION

NAME	FUNCTION	PHONE	EMAIL
CLIENT CONTACTS			
xxxxxx			
KUDELSKI SECURITY CONTACTS			

PRICING

Kudelski Security will invoice this project on a time-and-materials basis according to the rates shown below. All amounts shown in USD currency and exclusive of applicable taxes. All quoted rates shall be in accordance with Appendix C Pricing Index, to DIR Contract No. DIR-TSO-4274.

EXPENSE	RATE	DURATION	COST

Billing and Payment

- <Client Name> will be invoiced monthly for actual hours worked, subject to applicable minimums, plus expenses.
- Any required accommodation and/or travel to and from the engagement location(s) specified in this SOW will be invoiced monthly at cost. Kudelski Security will use commercially reasonable efforts to travel as efficiently and cost effectively as possible given timing and travel requirements in accordance with Appendix A, Section 8F to DIR Contract No. DIR-TSO-4274.
- Payment terms for all invoices are NET 30 days from invoice date.

EXECUTION OF SOW

This SOW is governed by DIR Contract No. DIR-TSO-4274, its appendices, the General Terms and Conditions in the Appendix and effective on the date of last signature below. By signing, you accept those Terms and Conditions. Upon signature, email to KSIPMG@KudelskiSecurity.com. If submitted via DocuSign, the SOW will route automatically. If this SOW is not signed within 30 days of the publish date, all services, terms, and prices herein are subject to change and/or rescoping.

Kudelski Security, Inc.

<Client Name>

Authorized Signature	Authorized Signature
Name (Print)	Name (Print)
Title	Title
Date	Date

APPENDIX: GENERAL TERMS AND CONDITIONS

- 1. Agreement.** The scope of services, additional terms in this engagement or statement of work, these General Terms and Conditions, the annexes, attachments, and exhibits are collectively referred to as the "SOW". DIR Contract No. DIR-TSO-4274, its appendices, and this SOW forms the entire agreement between the Client and Kudelski Security and supersedes and replaces any previous communications, representations or agreement, written or oral. In the event of a conflict, the Order of Precedence shall be as stated in Section 1C of DIR Contract No. DIR-TSO-4274 . The sale of or an order to perform any services is expressly conditioned on Client's assent to the terms of this SOW. Except as stated in DIR Contract No. DIR-TSO-4274, and its appendices, any other additional or inconsistent terms or conditions, including warranties or indemnities, in a purchase order, authorization to proceed, or other document or communication from the Client or course of dealings between the parties or usage of trade are expressly disclaimed and rejected.
- 2. Payment.** Unless expressly listed in the SOW, invoices are due as indicated in Appendix A, Section 8, to DIR Contract No. DIR-TSO-4274 and on Kudelski Security's invoice without any set-off, offset or deduction of any payment not due, taxes or otherwise in the currency indicated on the invoice. Kudelski Security may invoice Client for installment of services. Payment or credit terms are at Kudelski Security's sole discretion and this SOW is subject to Kudelski Security's credit approval. Client must provide appropriate credit references upon request and authorize Kudelski Security to obtain credit history from the references. Contract Enforcement and dispute resolution shall be handled in accordance with Appendix A, Section 11, to DIR Contract No. DIR-TSO-4274. Unless otherwise provided by applicable law, any credits provided to Client by Kudelski Security expire if unused within 12 months from the date the credit was issued.
- 3. Term and Termination.** This SOW begins on the date of last signature and ends upon completion of the services. Termination of this SOW shall be handled in accordance with Appendix A, Section 11 to DIR Contract DIR-TSO-4274..
- 4. Intellectual Property.** Except as stated in Appendix A, Section 5 of DIR Contract No. DIR-TSO-4274, Kudelski Security retains all right, title and interest in any pre-existing intellectual property which may be used in performing the services, including any modifications or improvements made during the performance of the services (Kudelski Security Property). Except for Kudelski Security Property and subject to Client's full payment of applicable invoices, any deliverable specifically created and developed by Kudelski Security for Client under this SOW is owned by Client. If any Kudelski Security Property is contained in any deliverable, Kudelski Security grants Client a worldwide, non-exclusive, royalty-free, perpetual, non-sublicensable, license to use Kudelski Security Property for Client's own internal business operations. Neither Party grants the other Party the right to use its trademarks, service marks, trade names, copyrights, other intellectual property rights in any promotion, publication or press release without the prior written consent of the other Party.
- 5. Warranties, Remedies and Disclaimers.** Kudelski Security warrants that the services and any deliverable created from the services will be performed: (a) in a workmanlike and professional manner consistent with generally accepted industry standards, and (b) substantially conform to the written specifications of the SOW for 30 calendar days from completion. Client's sole and exclusive remedy and Kudelski Security's entire liability with respect to this services warranty will be, at Kudelski Security's option and expense, to either use its reasonable commercial efforts to re-perform any non-conforming services not in substantial compliance with the warranty in this SOW or refund amounts paid by Client related to the portion of the services not in substantial compliance. In each situation, re-perform or refund, Client must notify Kudelski Security in writing within ten business days after the completion of the services. Kudelski Security will have 30 calendar days or mutually agreed upon timing to remedy any non-conforming services. Time expended in re-performance does not extend any warranty period. EXCEPT AS SET FORTH IN THIS SOW, KUDELSKI SECURITY MAKES NO OTHER, AND EXPRESSLY DISCLAIMS ALL OTHER, REPRESENTATIONS, WARRANTIES, CONDITIONS OR COVENANTS, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING WITHOUT LIMITATION, ANY STATUTORY, EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, DURABILITY, TITLE, ACCURACY OR COMPLETENESS OR NON-INFRINGEMENT) RELATED TO THE PERFORMANCE OR NON-PERFORMANCE OF THE SERVICES, INCLUDING THE PERFORMANCE OF ANY HARDWARE OR SOFTWARE USED IN PERFORMING SERVICES AND ANY RESULTS TO BE OBTAINED FROM THE SERVICES. Client acknowledges that no employee of Kudelski Security or its affiliates is authorized to make any representation or warranty on behalf of Kudelski Security or any of its affiliates that is not expressly in this SOW. Kudelski Security has no obligation if the claim is the result of an unauthorized modification by Client or its agents, material change in Client's environment, abuse, misuse or damage outside the control of Kudelski Security.
- 6. Insurance.** Required insurance coverage shall be as stated in Appendix A, Section 10N, to DIR Contract No. DIR-TSO-4274

7. **Infringement.** Infringements shall be handled in accordance with Appendix A Section 10A.3 to DIR Contract No. DIR-TSO-4274.
8. **Limitation of Liability.** Limitation of Liability shall be handled in accordance with Appendix A, Section 10K to DIR Contract No. DIR-TSO-4274.
9. **Backup and Security.** Client has the sole responsibility for the adequate protection and backup of systems, software and data that may be impacted by the services. Client will, among other measures, establish a backup procedure enabling Client to restore systems, software and data that existed before the start of services by Kudelski Security or its authorized subcontractors.
10. **Third Party Software.** Third-Party Underlying and Derivative Works shall be handled in accordance with Appendix A, Section 5I to DIR Contract No. DIR-TSO-4274 and Contract Section 7, of DIR Contract No. DIR-TSO-4274.
11. **Confidential Information.** Subject to Sections 5E and 10H of Appendix A, to DIR Contract No. DIR-TSO-4274;
 - 11.1 "Confidential Information" means information disclosed by one Party to the other Party either directly or indirectly, in writing, orally or by drawings or inspection of samples, equipment or facilities; including (a) information identified by the disclosing Party, in writing or orally, as confidential at the time of disclosure; (b) information relating to the disclosing Party's technology, products, solutions and services used, provided and/or owned by the disclosing Party, including without limitation, technical data, trade secrets, know-how, research, product plans, ideas or concepts, products, services, software, inventions, patent applications, techniques, processes, developments, algorithms, formulas, technology, designs, schematics, drawings, engineering and hardware configuration information, operations, business and financial results or financial plans or strategies, including but not limited to Client, customer lists, markets, financial statements and projections, product pricing, marketing information, financial or other strategic business, plans or information; and (c) the content and terms of the SOW. Information is not deemed Confidential Information if it (i) is known to the receiving Party before receipt from the disclosing Party directly or indirectly from a source other than one having an obligation of confidentiality to the disclosing Party, (ii) becomes known (independently of disclosure by the disclosing Party) to the receiving Party directly or indirectly from a source other than one having an obligation of confidentiality to the disclosing Party, (iii) becomes publicly known or otherwise ceases to be confidential, except through a breach of the SOW by the receiving Party, or (iv) is independently developed by the receiving Party.
 - 11.2 Neither Party will use or disclose Confidential Information from the other Party without the prior written consent of the other Party except where (i) if in the documented opinion of counsel shared with Client, the disclosure is required by applicable law or regulation (including securities laws regarding public disclosure of business information) or by an order of a court or other governmental body having jurisdiction after taking steps to maintain its confidentiality where practicable including giving the other Party advanced written notice and opportunity to intervene and seek a protective order for the disclosure; or (ii) reasonably necessary to be made to that Party's, or its affiliates', employees, officers, directors, consultants, attorneys, accountants and other advisors, or (iii) necessary for a Party to perform its obligations under this SOW.
 - 11.3 Kudelski Security and Client will restrict disclosure of Confidential Information to only those personnel who have a need to know and will bind the personnel to obligations of confidentiality to the same extent that each Party is bound under this SOW, and each Party warrants that it has the right to disclose the information it discloses. Upon written request by either Party, the other Party will promptly return all Confidential Information, including copies, to the disclosing Party of the Confidential Information.
12. **Force Majeure.** Shall be handled in accordance with Appendix A, Section 11C, to DIR Contract No. DIR-TSO-4274.
13. **Non-solicitation and Non-Hire.** Without the written consent of the other Party, neither Party will directly or indirectly solicit, divert or otherwise take away any employee of the other Party during the term of this SOW and for a period of 12 months following its expiration or termination. This obligation does not apply where an employee of a Party has unilaterally responded to a general recruitment advertisement or hiring campaign that was not specifically targeting the employee.
14. **Assignment, Subcontracting and Successors.** Neither Party may assign this SOW or any of its rights or obligations except as stated in Section 4D, of Appendix A to DIR Contract No. DIR-TSO-4274.
15. **Arbitration and Governing Law.** Any dispute, controversy or claim arising out of or in relation to this SOW, including the validity, invalidity, breach or termination, will be resolved in accordance with Sections 4C and 11, of Appendix A to DIR Contract No. DIR-TSO-4274 .
16. **Miscellaneous.** In the event of a conflict with these or any other terms with DIR Contract No. DIR-TSO-4274, the DIR contract terms shall take precedence. No provision of this SOW may be waived, amended or modified by either Party except by a written agreement signed by authorized representatives of both Client and Kudelski Security. Any delay or failure by either Party to exercise any right or remedy will not constitute a waiver of that Party to enforce its rights. The relationship between Kudelski Security and Client is that of independent contractors and not that of employer-employee, partnership or joint venture. All rights and obligations of the Parties under this SOW automatically terminate with completion of services, except for payment obligations or other terms which by their nature are intended to survive termination including limitation of liability, warranty disclaimers, and this survival provision. If any part of this SOW is found by a court of competent jurisdiction to be invalid, illegal or unenforceable, all other parts will remain in effect. Headings in this SOW are for reference purposes only and are not to be interpreted as being part of this SOW. Acceptance of this SOW may be made in electronic form showing the signature of both parties. The Parties agree that electronic signatures may be used and will be legally valid, effective, and enforceable. Notices provided under this SOW must be in writing and will be deemed received upon the earlier of: 1) actual receipt; 2) three days after mailing, if mailed postage prepaid by regular mail or airmail; or 3) one day after notice is sent by express courier. Notice to Kudelski Security will be sent to: 5090 N. 40th Street, Suite 450 Phoenix, AZ 85018 Attn: Legal.

