

SCHEDULE A SERVICE ORDER FORM

Facility: STG

Tonaquint Data Centers, LLC, d/b/a/ ValorC3 Data Centers ("TDC") 1108 West 1600 South Bldg D St George Utah 84770 Tel: (888) 414-8818

Subscription Term: 36 Months

Customer

Weber County Attorneys Office 2380 Washington Blvd., Ste 230 Odgen, UT 84401

Attn: Accounting

Contact: Jamie Pitt

Telephone:

Email: jpitt@co.weber.ut.us

Company

Tonaquint Data Centers, LLC, d/b/a/ ValorC3 Data Centers ("TDC") Quote #: Q-00712

Prepared By: Ian Madsen Created Date: 2/11/2025 Valid Until: 6/13/2025

Product: laaS

Billing Remit to Address:

1108 W 1600 S St. George, UT 84770

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Wire Instructions
ABA Number/Swift: 323371076

Account: 1706135113

Monthly Recurring Charges

Qty	Name	Description	Price	Total
4.00	Zerto License	License per VM	\$55.13	\$220.52
12.00	Zerto CPU Reservation	Reserved Resources per CPU	\$2.97	\$35.64
32.00	Zerto RAM Reservation	Reserved Resources per GB vRAM	\$2.01	\$64.32
2,000.00	Tier 2-SSD Zerto Replication - GB- DRaaS	Price per GB Tier II	\$0.04	\$80.00
2.00	CPU per Core	Price per vCPU	\$21.50	\$43.00
4.00	RAM per GB	Price per GB vRAM	\$9.50	\$38.00
1,600.00	Tier 1-SSD VM Storage - GB-Prod	Price per GB Tier I	\$0.08	\$128.00
5.00	Veeam Cloud Connect License per VM	License per VM	\$12.75	\$63.75
4,000.00	Tier 3-HDD - GB-Backup	Tier III San Storage	\$0.03	\$120.00
1.00	Managed Firewall Service	Managed Firewall Service	\$60.00	\$60.00
1.00	/29	IP Block /29, 8 Public IP's	\$32.00	\$32.00
4.00	CPU per Core	Price per vCPU	\$21.50	\$86.00
16.00	RAM per GB	Price per GB vRAM	\$9.50	\$152.00
4.00	SQL VM CPU (per month per 2vCPU)	MS SQL VCPU	\$140.00	\$560.00
100.00	Tier 1-SSD VM Storage - GB-Prod	Price per GB Tier I	\$0.08	\$8.00

Qty	Name	Description	Price	Total
7,200.00	Tier 3-HDD - GB-Backup	Tier III San Storage	\$0.03	\$216.00
1.00	VPN Access Site to Site	VPN	\$60.38	\$60.38
4.00	CPU per Core	Price per vCPU	\$23.33	\$93.32
6.00	RAM per GB	Price per GB vRAM	\$9.50	\$57.00
4.00	SQL VM CPU (per month per 2vCPU)	MS SQL VCPU	\$140.00	\$560.00
100.00	Tier 1-SSD VM Storage - GB-Prod	Price per GB Tier I	\$0.08	\$8.00
4.00	CPU per Core	Price per vCPU	\$21.50	\$86.00
8.00	RAM per GB	Price per GB vRAM	\$9.50	\$76.00
2,000.00	Tier 1-SSD VM Storage - GB-Prod	Price per GB Tier I	\$0.08	\$160.00
			TOTAL:	\$3,007.93

Non-Recurring Charges

Notes

This Service Order is subject to and incorporates by reference a Master Services Agreement, and/or any other agreement (however titled) executed by TDC and Customer for Services (The "Master Agreement"). In the event of a conflict between the Master Agreement and the express terms of this Service Order, the terms of the Service Order shall prevail.

Invoicing shall commence as of the Service Commencement Date on which the Services provided under this Service Order# Q-00712 are installed and available for Customer's use.

Execution of this Service Order shall be considered conclusive evidence of Customer's acceptance of the terms and conditions contained herein as well as the Master Agreement. Except as otherwise provided herein, the Service(s) set forth on this Service Order shall be provided for the Term set form in the Master Agreement. If the Term is not set forth in the Master Agreement, this Service Order Form shall be coterminous with the first Service Order executed by Customer and TDC.

At no time shall Customer's total power draw (A feed, B feed or A feed and B feed combined) exceed 80% of the primary (A feed) allotment.

Tonaquint Data Centers, LLC dba ValorC3 Data Centers	Customer:	Weber County Attorneys Office
Signature:	Signature:	
Name:	Name:	
Title:	Title:	
Date:	Date:	
Tonaquint Data Centers, LLC dba ValorC3 Data Centers		
Signature:		
Name:		
Title:		
Date:		



MASTER SERVICES AGREEMENT

This **MASTER SERVICES AGREEMENT**, dated as of this 9th day of July, 2025 (the "**Effective Date**"), is entered into by and between Weber County Attorney's Office, a governmental entity and political subdivision of the State of Utah, ("**Customer**"), and Tonaquint Data Centers, LLC, d/b/a ValorC3 Data Centers, a Utah limited liability company ("**TDC**"), (each a "Party" and collectively, the "Parties").

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WHEREAS, TDC provides Colocation, Private Cloud, Dedicated Internet Access, Disaster-Recovery-as-a-Service, Back-up-as-a-Service, software-defined infrastructure and other network and services virtually and from its data center facilities as set forth in more detail herein (collectively, the "**Services**");

WHEREAS, Customer desires to engage TDC and TDC agrees to provide certain of the Services to Customer in accordance with the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree as follows:

<u>Section 1.</u> <u>Defined Terms.</u> Initially capitalized terms shall have the following meanings, or the meanings assigned to them in the other Sections of this Master Services Agreement:

- 1.1. "Agreement" means this Master Services Agreement, together with the TOU, any Service Schedules and associated Service Level Agreements (SLAs) attached to or incorporated into and made a part this Master Services Agreement, and any Service Order Form incorporated herein and made a part hereof in accordance with the terms hereof, along with all written amendments hereto entered into between Customer and TDC.
- 1.2. "TOU" means TDC's Terms of Use governing the Customer's use of the Services and TDC's facilities as located at https://valorc3.com/documents and as amended from time to time.
- 1.3. "Business Day" means Monday through Friday, 8:00 a.m. to 6:00 p.m., United States Mountain Time, excluding any public holiday on which commercial banks are not open for business.
- 1.4. "Chronic Failure" means the occurrence of a default or persistent defaults that constitute a breach of SLA terms and that meets or meet the criteria established for a "Chronic Failure" event as specifically described in a Service Schedule.
- 1.5. **"Force Majeure Event"** means any event beyond TDC's control, including but not limited to a significant failure of a part of a power grid or utility, significant failure of the Internet, natural disaster, war, riot, insurrection, epidemic, pandemic, strikes or other organized labor action, terrorist activity or other events of a similar magnitude or type.
 - 1.6. "Initial Payment" shall have the meaning ascribed to it at Section 4.1.
- 1.7. "Protected Information" means any (i) "non-public personal information," as that term is defined in the Gramm-Leach-Bliley Act, (ii) "protected health information" as that term is defined in the regulations under to the Health Insurance Portability and Accountability Act, (iii) all information that identifies an individual, such as name, social security number or other government issued identification number, date of birth, mother's maiden name, unique biometric data, unique electronic identification number, address, or telecommunication number, and (iv) information that falls within the definition of "personal data," "personal information" or any comparable terms used in the applicable data protection or privacy laws of any country, state or territory that has enacted data protection or privacy laws, as in effect as of the Effective Date and as subsequently enacted.
- 1.8. "Service Commencement Date" means, unless otherwise specified on a Service Order Form, the date that TDC sends Customer an electronic mail notice confirming that the Service has been delivered or made available by TDC to Customer.
- 1.9. "Service Level Agreement" or "SLA" means, for each particular Service, a service level agreement (SLA) appended to or made a part of an applicable Service Schedule, governing the performance objectives of such Service as rendered by TDC.
- 1.10. "Service Schedule" means a schedule attached or appended to this Agreement setting forth a description of a particular Service, which schedule may include an SLA relating to such Service.



- 1.11. "Service Order Form" means a purchase order, order form or other ordering document based upon the form attached as **Schedule A** hereto, or sent separately via electronic mail to the Customer, that incorporates this Master Services Agreement by reference and that has been or will be signed by Customer and TDC.
 - 1.12. "Supplemental Services" means the services described in Section 2.2 below.

Section 2. Services.

- 2.1. **Services**. Contingent upon Customer's satisfaction of TDC's KYC and credit check process and security requirements as set forth at Section 4.1, and TDC's verification of information provided by Customer for the purpose of establishing the Service, TDC shall provide the Services to Customer pursuant to the terms of a Service Order Form and related Service Schedule and SLA.
- 2.2. **Supplemental Services**. In addition to the Services, TDC may, from time to time at Customer's request, perform certain additional services on an hourly or fixed fee basis, which may include the customization of the Services and other professional services related to the Services. TDC shall only be required to perform Supplemental Services pursuant to an agreed Service Order Form and will be invoiced at TDC's then current rates or other rates approved in advance in writing by Customer and TDC.
- Section 3. Term. Unless earlier terminated in accordance with the terms hereof, this Agreement shall commence on the Effective Date and remain in effect until the third (3rd) anniversary of the Service Commencement Date for the initial Service(s) ordered by Customer pursuant to a Service Order Form (the "Initial Term"); provided, however, that this Agreement shall renew automatically for a period of two (2) additional years (the "Renewal Term"). The term of each Service Order Form shall begin on the Service Commencement Date for the applicable Service(s) for that Service Order Form and, unless terminated earlier in accordance with the terms set forth herein or therein, continue until the earlier to occur of the expiration date stated therein or the expiration or termination of this Agreement (each a "Service Order Initial Term"), except that if no renewal term has been set forth therein nor otherwise established by the agreement of the Parties, until the expiration or termination of the Agreement or early termination of such Service Order Form, the Service Order Form shall automatically renew for one period of two (2) additional years (the "Service Order Renewal Term"). The Initial Term and any Renewal Term, as applicable, shall collectively be referred to as the "Term". Under no circumstances will any Service Order Form survive the expiration or earlier termination of this Agreement. This contract shall not exceed a total period of five years. If the parties desire to continue services, a new contract shall be signed after following Customer's required procurement process.
- 3.1 **Holdover.** Subject to the terms of this Section 3.0, should Customer not surrender the Space in accordance with the terms of this Agreement on or before the expiration or earlier termination of the Term, Customer shall be deemed to be occupying the entire Space as a tenant-at-sufferance or 'tenant at will' (i.e., TDC shall be permitted to cause Customer to surrender and vacate at any time). During such period, Customer shall pay to TDC the MRC attributable to the Space and Services in an amount equal to one hundred fifteen percent (115%) of TDC's then-current list rates then in effect for such Services (the "Holdover MRC"). For the avoidance of doubt, TDC shall be permitted to cause Customer to surrender and vacate at any time that Customer is a tenant-at-sufferance or a tenant at will. The Parties agree that any and all Holdover MRC paid to Licensor represents a fair and reasonable estimate of the costs that Licensor will incur as a result of Customer's failure to vacate the Space in accordance with the terms of this Agreement.
- 3.2 **Elective Termination.** Either Party may effect elective termination of this Agreement, and any Service Order Form incorporated herein and made a part hereof in accordance with the terms hereof, effective as of the expiration of the Initial Term or Renewal Term, without payment of any early termination liability or liquidated damages, by providing no less than one hundred twenty (120) days' prior written notice of the termination to the other Party. For the avoidance of doubt, elective termination by Customer shall be made to services@valorc3.com.

Section 4. Payments.

4.1. Credit Approval and Deposits. TDC reserves the right to carry out a KYC and credit check of Customer at any time prior to acceptance of a Service Order Form and may request that Customer provide sufficient information relating to its credit, financial and other information as TDC may reasonably require to confirm Customer's and its representatives' bona fides in accordance with customary standards. Customer hereby authorizes TDC to obtain information about the Customer's commercial activities and financial condition from third parties, including, without limitation, banks, credit reporting agencies and other businesses that provide like information. Upon TDC's request, Customer will make a deposit or provide other security (the "Security Deposit") for the payment of charges as specified by TDC, in an amount equal to three (3) times the monthly recurring charge ("MRC") plus any non-recurring charge ("NRC") agreed upon under the Service Order Form as a condition to TDC's acceptance of any Service Order Form (the "Initial Payment"). The amount of the required Security Deposit may be increased by TDC, at its election, upon the occurrence of: (a) an authorized increase by TDC of an MRC or NRC in accordance with the terms hereof or of the applicable Service Order Form, or (b) Customer's failure to pay an MRC or NRC within five (5)



Business Days of the due date thereof for two (2) subsequent months. The Security Deposit will be held by TDC as security for payment of the Service fees and Supplemental Fees and may be drawn against to cover any outstanding MRC or NRC obligations not satisfied by the due date thereof. Customer shall be required to replenish the Security Deposit following any such draw down or pursuant to subsections (a) or (b) above not later than five (5) Business Days following TDC's written request for such additional funds. When Service to Customer is terminated or expired, the amount of the Security Deposit (less deductions for MRCs, NRCs and other obligations owed by Customer to TDC) will be credited to Customer's account and any remaining credit balance will be refunded within thirty (30) days of such termination. Customer acknowledges and agrees that any failure by it to comply with any request made by TDC under this Section shall constitute a material breach of this Agreement.

- 4.2. Fees and Payments. Customer shall pay fees for the Services as stated in each Service Order Form and for any Supplemental Services as described in Section 2.2 or codified in a Service Order Form. Unless otherwise set forth in a Service Order Form, TDC's initial invoice under a Service Order Form shall include any applicable set up or NRCs and a prorated portion of the applicable MRCs from the Service Commencement Date to the last day of the calendar month containing the Service Commencement Date. Following the Service Commencement Date, MRCs shall be invoiced in advance on or about the first day of each calendar month and shall be due and payable by Customer to TDC within twenty (20) Business Days. Invoices for NRCs and Supplemental Services shall be due and payable by Customer to TDC within twenty (20) Business Days of receipt of an invoice for any such NRCs and Supplemental Services. All invoices shall be delivered to Kim Rhodes at krhodes@webercountyutah.gov.
- 4.3. **Adjustment of Fees and Charges**. Customer's MRCs shall be increased on or after each anniversary of the Initial Service Commencement Date provided, however, that such increase, which may be in addition to increased pass-through charges as permitted in Section 4.8, shall not exceed five percent (5%) annually except to the extent such increase represents a pass-through of any increase in TDC's costs of Service. In the event that Customer is provided any discounts, temporarily reduced rates, or promotional credits on a Service Order Form, said discounts, rates, or credits will only be effective during the Service Order Initial Term of this Agreement as set forth in the Service Order Form, and shall not be effective during any Service Order Renewal Term.
- 4.4. Late Payments; Suspension. TDC may suspend any or all Services upon not less than five (5) Business Days' written notice to Customer if any undisputed payment for any Service is overdue by more than ten (10) Business Days, in addition to utilizing the Security Deposit as laid out in clause 4.1. Following payment of any such overdue obligation by Customer or replenishment of the Security Deposit as laid out in clause 4.1, and prior to the termination of this Agreement or the applicable Service Order Form in accordance with their respective terms, TDC will reinstate the Services. TDC may charge interest on amounts overdue by ten (10) Business Days or more at the lesser of one and one-half percent (1.5%) per month or the 30 day Secured Overnight Financing Rate (SOFR) as defined by the Federal Reserve Bank of New York (https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index). In addition, upon demand, Customer shall pay TDC's costs of collection for all overdue arising hereunder or pursuant to a Service Order, including reinstatement fees, collection agency fees, attorneys' fees and court costs.
- 4.5. **Disputes**. Customer may, in good faith, dispute any invoiced amount (each a "Disputed Amount") by providing written notice to TDC not later than twenty (20) Business Days following the invoice date for payment of the applicable invoice. TDC and Customer covenant and agree to undertake commercially reasonable efforts to resolve the dispute within thirty (30) days following the written notice from the Customer. Any open dispute that is not diligently pursued by the Customer beyond the thirty (30) day period will be considered closed in favor of TDC and accepted in full. In the event that Customer ultimately agrees or is required to pay any Disputed Amount, Customer shall have thirty (30) days from the date of the resolution of the dispute to make payment and Disputed Amounts will not bear interest or late charges of any kind.
- 4.6. **Early Termination**. Customer acknowledges that the amount of MRC for each Service is based on Customer's agreement to pay such MRC for the entire then current Service Order Term. Without limiting any other remedy available to TDC arising from any early termination of a Service Order Form (other than as a result of TDC's breach), all fees due under this Agreement, including MRCs to come due and payable for the remainder of the Term (following such early termination), shall become due and payable fifteen (15) days following such early termination of a Service, (the "**Early Termination Fee**").
- 4.7. **Taxes**. All fees for Services shall be exclusive of all federal, state and local taxes (including, without limitation, sales, use, transfer, privilege, excise, VAT, GST, consumption and other similar taxes), fees, duties, governmental assessments, impositions and levies imposed on the transaction in question (including, without limitation, the delivery of Services), all of which Customer shall pay in full, other than taxes on TDC's income or any real estate taxes and any taxes related to the employment of TDC employees, and unless Customer has a valid exemption certificate.
- 4.8. **Third-Party Costs**. Due to the fact that costs to TDC for electrical power, telecommunications services and other services, licenses and materials from third-party providers used to provide and to support the Services may increase from time to time, TDC reserves the right to adjust fees for Services to account for such cost increases. Customer shall receive notice of any increase in MRC or NRC charges upon not less than thirty (30) days' written notice, which increased charges may include an administrative component.



Section 5. TOU. Customer's and its end users' use of the Services shall at all times comply with TDC's then-current TOU. TDC may, in its reasonable commercial judgment, amend the TOU from time to time. Any such amendments to the TOU shall be effective on thirtieth (30th) day following TDC's notice to Customer that an amendment has been made or the posting of such amended TOU. However, if: (i) the amendment would materially and adversely affect Customer, (ii) Customer provides TDC with a written notice describing its objection to the amendment in reasonable detail within ten (10) Business Days of the effective date of the amendment, and (iii) TDC does not agree to waive the amendment as to Customer within five (5) days after such Customer notice, then the existing TOU shall remain in effect until the end of the existing Initial Term or Renewal Term, after which period the amended TOU shall take effect. TDC acknowledges that Customer is engaged in the prosecution of criminal cases, and as such, that certain Customer files and documents related to prosecuting criminal cases may not be in full compliance with the Inappropriate Content clause of TDC's then current TOU.

Suspension of Service. TDC may suspend Services to Customer without liability if: (i) it reasonably believes that the Services are being used in violation of this Agreement or applicable law; (ii) there is a denial of service attack on Customer's servers or another event occurs for which TDC reasonably believes that the suspension of Services is necessary to protect its network and/or other customers; or (iii) requested by law enforcement or a government agency. TDC shall undertake best efforts to provide Customer written notice at least twenty-four (24) hours in advance of a suspension under this Section 6, unless law enforcement or a government agency directs otherwise, or suspension on shorter or contemporaneous notice is necessary to protect TDC and/or TDC's other customers from an imminent and significant risk. TDC shall not suspend the Services if the grounds for the suspension are cured during the notice period. TDC shall promptly reinstate suspended Services once the reasons for the suspension of Services have been cured.

Section 7. Representations, Warranties and Covenants.

- 7.1. **Mutual**. TDC represents and warrants to Customer, and Customer represents and warrants to TDC, that: (i) it has the power and authority to enter into this Agreement and to perform its obligations under this Agreement; (ii) it has taken all necessary action on its part to authorize the execution and delivery of this Agreement and (iii) the execution and delivery of this Agreement and the performance of its obligations hereunder do not conflict with or violate applicable laws or regulations, and do not conflict with or constitute a default under its charter documents or any agreement to which it is a party.
- 7.2. **Customer**. Customer represents, warrants and covenants to TDC that: (i) the information Customer has provided to TDC for the purpose of establishing an account with TDC is accurate; (ii) Customer will not use the Services in violation of any federal, state or other law, rule or regulation; (iii) Customer shall not resell or make available any of the Services to any person or entity except to the extent expressly set forth herein or in a Service Order Form; and (iv) Customer shall perform its security and other obligations set forth in this Agreement and all Service Schedules. Customer shall be responsible for all unauthorized use of the Services by any person or entity, except as otherwise expressly set forth in this Agreement.

7.3. **TDC**.

- 7.3.1. TDC will perform all Services (1) in accordance with the provisions of this Agreement (including applicable Exhibits), and (2) in a timely, professional and workmanlike manner with a level of care, skill, practice and judgment consistent with best industry standards and practices for similar services and will devote adequate resources to meet TDC's obligations under this Agreement.
- 7.3.2. TDC represents and warrants that the Services and TDC's facilities contain and will contain, upon acceptance by Customer pursuant to Section 2.3, no computer instructions, including, but not limited to, any virus, Trojan horse, worm, trapdoor, backdoor or malicious code, the purpose of which is (i) to disrupt, damage, destroy, alter or interfere with the use or operation of any of the software, firmware, hardware, services, data, programs or computer or telecommunications facilities; or (ii) to perform functions whose result is to disrupt the use or operation of Customer's network or information technology systems.
- 7.3.3. TDC will design and maintain a control environment for the Services aligned with global information security practices and standards, to include third-party attestation frameworks such as SSAE / SOC 1 and SOC 2.
- 7.3.4. TDC shall have a business continuity/disaster recovery plan ("BCP") for the cloud Services provided to Customer as laid out in a Virtual Cloud and Network Services Service Schedule and shall reasonably cooperate with Customer in the development, testing, and execution of the BCP to be used by TDC in the event of a disaster within TDC's networks and facilities used to provide said Services.

Version: March 2025

Section 8. Indemnification; Insurance.



- 8.1. TDC agrees to indemnify and hold harmless Customer from and against any and all losses, liabilities, damages, injuries, claims, demands and expenses, including legal expenses, but only to the extent caused by the negligent acts or omissions of TDC in connection with its obligations under this Agreement. TDC's obligation to indemnify Customer is not limited or waived in any way by compliance or non-compliance with the insurance requirements of this Agreement.
- 8.2. Customer agrees to indemnify and hold harmless TDC from and against any and all losses, damages, injuries, claims, demands, and expenses, including legal expenses, arising from or related to Customer's use of the Services, to the extent caused by Customer's negligence, willful misconduct, or breach of this Agreement. This indemnity includes any third-party claims related to or arising out of the Customer's use of the Services, Products, and related materials.
- 8.3. Patent, Copyright, Trade Secret. Notwithstanding any other provision in this Section 8, if TDC determines in its sole discretion that any Service may involve any product that may become subject to a claim of infringement or misappropriation, TDC may elect to (a) obtain the right of continued use of such product, or (b) replace or modify such product to avoid such claim. If TDC does not elect to do so, then all applicable Services involving the product shall terminate. This Section states TDC's entire liability and Customer's sole and exclusive remedies for patent or copyright infringement and trade secret misappropriation.
 - 8.4. Insurance. The Parties shall comply with any insurance requirements set forth in an applicable Service Schedule.
- Section 9. Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, CUSTOMER AGREES AND ACKNOWLEDGES THAT TDC MAKES NO REPRESENTATION OR WARRANTY TO CUSTOMER, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES, INCLUDING ANY REPRESENTATION OR WARRANTY AS TO THE CONDITION, QUALITY, FITNESS FOR USE OR FOR A PARTICULAR PURPOSE OR MERCHANTABILITY OF THE SERVICES. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, TDC DOES NOT WARRANT OR REPRESENT THAT THE SERVICES WILL BE UNINTERRUPTED, ERROR-FREE OR COMPLETELY SECURE. CUSTOMER ACKNOWLEDGES THAT THERE ARE RISKS INHERENT IN INTERNET CONNECTIVITY THAT COULD RESULT IN THE LOSS OF CUSTOMER'S PRIVACY, CONFIDENTIAL INFORMATION AND PROPERTY.

Section 10. Limitation of Damages.

- 10.1. **Credits**. THE CREDITS DESCRIBED IN ANY APPLICABLE SERVICE SCHEDULE AND SERVICE ORDER FORM ARE CUSTOMER'S SOLE REMEDY FOR TDC's FAILURE TO MEET THE SERVICE REQUIREMENTS STATED IN SUCH DOCUMENTS.
- 10.2. **No Consequential Damages.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY LOST PROFITS, OR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND, ARISING IN CONNECTION WITH THIS AGREEMENT, EVEN IF THE PARTY HAS BEEN ADVISED OR SHOULD BE AWARE OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY PUNITIVE DAMAGES.
- 10.3. **Monetary Limitation**. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, THE MAXIMUM AGGREGATE MONETARY LIABILITY OF EITHER PARTY UNDER ANY THEORY OF LAW (INCLUDING BREACH OF CONTRACT, TORT, STRICT LIABILITY AND INFRINGEMENT) SHALL NOT EXCEED SIX (6) TIMES THE MRC PAYABLE UNDER THE APPLICABLE SERVICE ORDER FORM(S) IN EFFECT AT THE TIME OF THE OCCURRENCE OF THE EVENT GIVING RISE TO THE CLAIM. THE FOLLOWING LOSSES OR DAMAGES, IF A PARTY IS LEGALLY LIABLE FOR THEM, ARE NOT SUBJECT TO THE FOREGOING LIMITATION: (A) AN INDEMNIFICATION OBLIGATION FOR A THIRD- PARTY CLAIM ARISING HEREUNDER OR UNDER A SERVICE SCHEDULE; (B) DAMAGES FOR BODILY INJURY OR DEATH OR DAMAGE TO REAL OR TANGIBLE PERSONAL PROPERTY ARISING FROM A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; (C) DAMAGES THAT CANNOT BE LIMITED UNDER APPLICABLE LAW; (D) DAMAGES ARISING FROM A PARTY'S BREACH OF ITS CONFIDENTIALITY OBLIGATIONS, OR (E) DAMAGES ARISING OUT OF A PARTY'S BREACH OF ITS DATA SECURITY OBLIGATIONS ARISING HEREUNDER (COLLECTIVELY, THE "EXCLUSIONS").

Section 11. Termination.

- 11.1. **By Customer**. Customer may terminate a Service Order Form before the expiration of the Initial Term or any Renewal Term without liability to TDC (except for amounts due for Services through the effective date of such termination and subject to Section 4.6)) as follows: (i) upon the occurrence of a Chronic Failure relating to such Service Order Form; or (ii) TDC materially violates any other provision of this Agreement and fails to cure the violation within thirty (30) days following receipt of Customer's written notice describing the violation in reasonable detail.
- 11.2. **By TDC**. TDC may terminate this Agreement or a Service Order Form before the expiration of any Initial Order Term or any Renewal Term without liability to Customer as follows: (i) upon not fewer than five (5) Business Days' written notice, if Customer is overdue by more than sixty (60) days on the payment of any amount due under this Agreement or a Service Order Form (provided that such overdue payment shall continue to be due and payable by Customer following such termination); (ii) Customer materially violates any other provision of this Agreement or a Service Order Form and fails to cure the violation within thirty (30) days after a written notice from TDC



describing the violation in reasonable detail or (iii) after notice to Customer of at least ninety (90) days, if TDC is threatened with a claim for intellectual property misappropriation or infringement related to the provision of the Services and, in TDC's sole discretion, it is unable to modify the Services in a manner that avoids a potential risk of liability pursuant to such claim.

Section 12. Confidentiality; Data Protection.

- Confidential Information. "Confidential Information" means all proprietary and confidential information disclosed by 12.1. one Party to the other, whether before or after the execution of this Agreement, including: (i) with respect to TDC, TDC's unpublished prices and other terms of the Services, audit and security reports, server configuration designs, data center designs (including non-graphic information observed by Customer on a tour of a data center), and all other trade, business, financial and technology information about TDC and its operations that TDC considers to be its confidential and proprietary property, (ii) with respect to Customer, content transmitted to or from, or stored by Customer on, TDC servers and (iii) with respect to both Parties, all other information that is marked as "confidential" or if disclosed in non-tangible form, is verbally designated as "confidential" at the time of disclosure and confirmed as confidential in a written notice given by the disclosing Party to the receiving Party within ten (10) Business Days following such disclosure. Confidential Information shall not include any information that (a) was in the public domain or enters the public domain through no act or omission on the part of the receiving Party; (b) is rightfully disclosed to the receiving Party by a source not bound by a confidentiality agreement with the other Party hereto; (c) was in the possession of the receiving Party prior to receipt from the disclosing Party as evidenced by the books and records of the receiving Party; or (d) is developed by the receiving Party after receipt of Confidential Information from the disclosing Party independent of the Confidential Information of the disclosing Party and such independent development is evidenced by the contemporaneous books and records of the receiving Party. The exceptions described in this Section shall not apply to any information that would otherwise be considered Confidential Information and that is or relates to Protected Information provided by individual employees, consumers or customers to TDC or to Customer that is derived using any such information. Any such Protected Information shall remain confidential in all circumstances.
- 12.2. **Use and Disclosure**. Each Party agrees not to use the other Party's Confidential Information except in connection with the performance or use of the Services, as the case may be, or the exercise of its rights under this Agreement. Each Party agrees not to disclose the other Party's Confidential Information to any person or entity, except as provided in Section 12.3.
- 12.3. **Disclosure of Confidential Information**. Notwithstanding anything to the contrary contained in this Section 12, each Party may disclose any of the Confidential Information of the other Party if, and only to the extent, required to do so by any law, governmental regulation or court order; provided, that the Party making such disclosure shall give prompt notice thereof, if legally permitted to do so, to the other Party in as far in advance as practicable prior to such disclosure and shall cooperate with the other Party, at such other Party's expense, to obtain a protective order regarding such disclosure.
- 12.4. The Parties acknowledge that Customer is a governmental entity subject to the Utah open records law known as the Utah Government Records Access and Management Act, Utah Code Ann., Section 63G-2-101 et seq., as amended ("GRAMA"); that certain records within Customer's possession or control, including without limitation, this Agreement (but not including (i) proprietary software or (ii) materials to which access is limited by the laws of copyright or patent), may be subject to public disclosure; and that any Customer's confidentiality obligations shall be subject in all respects to compliance with GRAMA. Customer hereby informs TDC that if it provides Customer with records that TDC believes should be protected from disclosure for business reasons must, pursuant to Section 63G-2-309 of GRAMA, provide to Customer with the record, a written claim of business confidentiality and a concise statement of reasons supporting such claim. Non-specific statements of confidentiality (such as, but not limited to, designating or marking a document confidential or proprietary in a cover letter, header, footer or watermark) are insufficient to claim confidentiality under GRAMA. Pricing information is not generally protected from disclosure under GRAMA. Notwithstanding any provision to the contrary in this Agreement, Customer may disclose any information or record to the extent required by GRAMA or otherwise required by law or a governing body of Customer.

12.5. Data Security Measures.

- 12.4.1 TDC shall implement and maintain administrative, technical and physical safeguards (the "Security Procedures") designed to: (i) ensure the security and confidentiality of Confidential Information and of Protected Information; (ii) protect against any anticipated threats or hazards to the security or integrity of Confidential Information and Protected Information; (iii) protect against unauthorized access to or use of Confidential Information and Protected Information that could result in harm to Customer, its employees, customers or consumers; and (iv) detect relevant identity theft "red flags" that may arise in the performance of the Services. TDC shall, upon detecting a red flag as described in clause (iv) either report the red flag to Customer or take appropriate steps to prevent or mitigate identify theft associated with such red flag.
- 12.4.2 If TDC becomes aware of any actual or suspected unauthorized access to Confidential Information and/or Protected Information (an "Incident"), TDC will take appropriate actions to contain and mitigate the Incident, including notification to Customer as soon as possible, but at most within forty-eight (48) hours of confirming the Incident (subject to any delay requested by an appropriate law enforcement agency), to enable Customer to expeditiously implement its response program. Upon request



of Customer, TDC will cooperate with Customer to investigate the nature and scope of any Incident and to take appropriate actions to mitigate, remediate and otherwise respond to the Incident or associated risks.

Section 14. Miscellaneous.

- 14.1. **Solicitation of Employees**. Neither Party shall solicit or hire any employee of the other Party to become an employee of, or consultant to, the other Party, for the Term and for a period of 1 year following the expiration or the termination of this Agreement or any Service Order Form for any reason. Nothing in this paragraph will be interpreted or construed to restrict a Party's right to solicit or recruit through an employment or referral agency or through advertisements, job postings, or similar means or prohibit a Party from hiring any such employee of the other Party who is contacted directly by an employment or referral agency without being prompted by such Party, or answers an advertisement or job posting, or otherwise voluntarily applies for hire without being prompted by such Party.
- Ownership. Each Party acknowledges and agrees that the other Party retains exclusive ownership and rights in its trade secrets, inventions, copyrights and all other intellectual property of such other Party, and that TDC shall own all rights, title and interest in and to all ideas, concepts and inventions and all intellectual property rights related thereto that TDC may develop in the course of performing the Services. Customer does not acquire any ownership interest or rights to possess any of TDC's servers or other hardware and has no right of physical access to the TDC's servers or other hardware. The Parties shall not, directly or indirectly, reverse engineer, decompile, disassemble or otherwise attempt to derive source code or other trade secrets from any other Parties' intellectual property. Upon termination of this Agreement, Customer shall promptly release any Internet Protocol numbers, addresses or address blocks assigned to Customer in connection with the Service and agrees that TDC may take action to change or remove any such Internet Protocol addresses. The terms of this paragraph shall survive the expiration or termination of this Agreement.
- 14.3. **Amendment**. Except as otherwise expressly provided herein, no amendment of this Agreement shall be binding upon either Party hereto unless such amendment is set forth in a writing and executed by both Parties hereto. Any waiver of any breach of any provision of this Agreement shall only be effective if in a writing and executed by both Parties hereto and only to the extent specifically set forth in such writing.
- 14.4. **No Assignment**. Customer shall not assign this Agreement or any part hereof without TDC's prior written consent, which consent shall not be unreasonably withheld or delayed. Customer shall not sublicense any of its rights under this Agreement, nor shall Customer delegate or subcontract to any person or entity any of the performance of Customer's duties hereunder. Additionally, Customer shall not have any right to market and/or re-brand the Services purchased by it as its own product and services or to resell the Services to third parties unless it has all required legal and/or regulatory licenses and consents from all relevant Governmental Authorities and has obtained TDC's written consent, which may be withheld in TDC's sole discretion. Customer shall be solely responsible and liable for any misuse of Services by Customer's customers or any third parties in respect of Customer's resale of Services and shall indemnify and hold harmless TDC against any and all claims or proceedings arising from or related to such resale of Services by Customer. In case of resale of Services, Customer shall not (i) refer to TDC in any marketing or service literature except with TDC's prior written consent; or (ii) act or purport to act on behalf of TDC.
- 14.5. **Counterparts**. This Agreement may be executed in counterparts delivered electronically, and each such counterpart hereof shall be deemed to be an original instrument, and all such counterparts together shall constitute but one agreement.
- 14.6. **Notice**. All notices and other communications under this Agreement shall be in writing and shall be delivered personally, by nationally recognized overnight courier or by electronic mail to the appropriate Party at its address set forth in the Service Order Form, or at such other address as such Party may provide in writing to the other Party hereto in accordance herewith from time to time. Any such other notice so delivered shall be effective when personally delivered, the next Business Day after being sent by electronic mail with a copy thereof retained by the sender, or one (1) day after deposit with such courier with delivery charges prepaid.
- 14.7. **Entire Agreement; Order of Precedence**. This Agreement (consisting of the Service Order Form entered into between Customer and TDC; the TOU; the General Terms and Conditions; and all Schedules attached to the Service Order Form or this Agreement, which may include, but not be limited to any related Service Level Agreements) constitutes the entire understanding between the Parties hereto with respect to the subject matter hereof. The Parties hereto agree that this Agreement supersedes and replaces any and all other agreements, whether oral or in writing, regarding the subject matter hereof. In the event of a conflict between the terms of this Agreement, the following documents shall take precedence in the following order: the terms of this Agreement, any applicable Service Schedule and any applicable Service Order Form.
- 14.8. **No Third Party Beneficiary**. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their successors and assigns. No other person or entity is an intended third party beneficiary of or shall be deemed to be a third party beneficiary of, any of the terms and conditions of this Agreement.

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14.9. Validity. In case any one or more of the provisions contained in this Agreement should be determined by a court of



competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby and the Parties hereto agree to negotiate in good faith to replace such invalid, illegal or unenforceable provision with a replacement provision to carry out the intent of such provision to the fullest extent lawful.

- 14.10. **Governing Law and Jurisdiction**. This Agreement shall be governed by the laws of the State of Utah without regard for its conflict of laws principles. The Parties irrevocably and unconditionally submit to the jurisdiction of the federal and state courts located within the State of Utah for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement.
- 14.11. **Force Majeure**. TDC shall not be in breach or default, in the event TDC is unable to fulfill any of its obligations under this Agreement (and any Service Order Form) or is delayed in doing so, if such inability or delay is caused by reason of Force Majeure Event, and TDC's obligations under this Agreement shall be suspended by any such Force Majeure Event. If such inability or delay is not remedied within forty-five (45) days of the commencement of such Force Majeure Event, Customer may, at its option, terminate its obligations under any affected Service Order Form upon ten (10) days' written notice to TDC.
- 14.12. **Remedies.** Money damages would not be a sufficient remedy for a breach of certain obligations under this Agreement. In addition to any other remedies that might otherwise be available to at law or in equity, the Parties may seek and obtain specific performance and injunctive relief against the commission or continuation of any such breach or any anticipatory breach of this Agreement, without bond.
- 14.13. **Survival**. The following Sections of this Agreement shall survive any termination or the expiration of this Agreement: Sections 1, 3, 4, 7, 8, 9, 10, 11, 12, and 14.
- 14.14. **Independent Contractor**. Customer shall at all times act as and be considered an independent contractor hereunder. Nothing herein contained shall create any employment, agency, partnership, distributorship, joint venture or any other business relationship between Customer and TDC, other than that of an independent contractor user of the Services. Customer shall have no authority to obligate or bind TDC with respect to any matter, or make any contract, sale, agreement, warranty or representation, express or implied, on TDC's behalf.
- 14.15. **Limitation on Actions**. No legal action, regardless of its form, whether in contract or tort, including negligence, related to or arising out of this Agreement, may be brought by either Party more than one (1) year after the cause of action first accrued.
- 14.16. **Attorneys' Fees**. In disputes concerning this Agreement, the parties shall be responsible for paying their own attorneys' fees and costs.
- 14.17. **Governmental Immunity.** Customer is a governmental entity as set forth in the Governmental Immunity Act of Utah, Title 63G, Chapter 7, Utah Code Annotated (the "Immunity Act"). Customer does not waive any defenses otherwise available under the Immunity Act, nor does any Party waive any limits of liability provided by the Immunity Act which immunity and damage caps are expressly preserved and retained. Customer retains the same privileges and immunities from liability when responding to a request for assistance outside its jurisdictional area as it possesses in the performance of its duties within its own territorial jurisdiction. All obligations imposed upon the Customer or their employees and volunteers by virtue of the execution of this Agreement are considered within their current scope of employment with each Party.
- 14.18. **Utah's Governmental Data Privacy Act.** Utah state law requires a contractor to be subject to the requirements of Utah Code title 63A, Chapter 19, to the same extent as a governmental entity, with regard to the personal data processed or accessed by the contractor. See Utah Code section 63A-19-401(4). "Personal data" is defined in Utah Code section 63A-19-101. TDC certifies that it is familiar with, and will comply with, the requirements of Utah Code title 63A chapter 19, to the same extent as required of Customer, with regard to the personal data processed or accessed by TDC as a part of its duties under this Agreement.
- 14.19. **Terms Generally**. The Section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement or any part thereof. The definitions in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references herein to Sections and Exhibits shall be deemed to be references to Sections of, and Exhibits to, this Agreement unless the context shall otherwise require. If any action or notice is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action or notice may be deferred until, or may be taken or given on, the next Business Day. Unless otherwise specifically indicated, the word "or" shall be deemed to be inclusive and not exclusive.



Signatures

IN WITNESS WHEREOF, the undersigned, intending to be legally bound, have executed this Master Services Agreement as of the Effective Date.

TONAQUINT DATA CENTERS, LLC d/b/a ValorC	3 Data Centers
Signature:	-
Name:	-
Title:	
TONAQUINT DATA CENTERS, LLC d/b/a ValorC	3 Data Centers
Signature:	<u>-</u>
Manage	
Name:	-
Title:	
CUSTOMER	
Signature:	-
Name:	
Title:	



SERVICE SCHEDULE TO MASTER SERVICES AGREEMENT

VIRTUAL CLOUD AND NETWORK SERVICES

This **Virtual Cloud and Network Services Schedule** (the "**Service Schedule**"), dated as of this 7th day of July, 2025, entered into by and between Weber County Attorney's Office, a governmental entity and political subdivision of the State of Utah, ("**Customer**"), and Tonaquint Data Centers, LLC, d/b/a ValorC3 Data Centers, a Utah limited liability company ("**TDC**"), is subject to and made a part of that certain Master Services Agreement, dated July 7th, 2025 (the "**MSA**"), by and between TDC and Customer, (each a "Party" and collectively, the "Parties"). Capitalized terms used but not defined herein shall have the meaning ascribed to them in the MSA.

WHEREAS, TDC currently owns, controls and/or holds a license or leasehold interest in and to certain premises at data center facilities, and operates and maintains cloud infrastructure facilities at such data center facilities from which it delivers various virtual cloud, private cloud, disaster recovery, back-up and other software-defined services (collectively, the "Cloud Services");

WHEREAS, Customer intends to procure certain Cloud Services from TDC pursuant to the terms and conditions set forth herein and in each applicable Service Order Form.

NOW, THEREFORE, in consideration of the foregoing and for other valuable consideration, TDC and Customer hereby agree as follows:

Section 1. Defined Terms.

- **1.1** "Backup Data" means all Customer Data targeted for back-up, either from Customer's network to a TDC Network, or hosted in a TDC data center.
- 1.2 "Cloud System" means the operating systems, application software, designs, architecture, external communications networks, firewalls, load balancers, routers, infrastructure and other hardware maintained by TDC to enable Customer to access the Cloud Services.
- **1.3** "Customer Data" means any and all electronic data or information submitted by Customer to the Cloud Services or any and all electronic data and information of Customer captured by the Cloud Services.
 - **1.4** "Customer Network" as defined in Clause 3.2 below.
 - **1.5** "DDoS" means distributed denial of service.
- **1.6 "External Service Provider"** means a third party with whom TDC may contract to perform or provide all or any portion of the Cloud Services.
 - **1.7 "Hosted Environment"** means the environment managed by TDC in which the Cloud System primarily resides.
- **1.8** "Malicious Code" means viruses, worms, malware, ransomware, Trojan horses, time bombs, or any other similar harmful or malicious software, programs, agents, code, files or scripts.
- 1.9 "Minimum Commitment MRC" means an amount equal to eighty percent (80%) of the aggregate MRC specified in the current Service Order Form(s) for the Service Order Initial Term or Service Order Renewal Term, as applicable, for Cloud Services covered under this Service Schedule.
- **1.10** "Overage Charge Threshold" means an amount equal to one hundred and twenty percent (120%) of the aggregate MRC specified in the current Service Order Form(s) for the Service Order Initial Term or Service Order Renewal Term, as applicable, for Cloud Services covered under this Service Schedule.
- **1.11** "Recovery Point Objective" or "RPO" means the point in time, prior to the time the first transaction is lost or from the time the Cloud Services became unavailable, to which Backup Data has been restored. The RPO will be specified in Exhibit A, Service Level Agreement, as amended from time to time.
- **1.12** "Recovery Time Objective" or "RTO" means the maximum elapsed time required to complete the recovery of Backup Data. The RTO will be specified in Exhibit A, Service Level Agreement, as amended from time to time.



- **1.13** "Scheduled Maintenance" means maintenance of which TDC will notify Customer by email at least five (5) business days in advance.
- **1.14** "TDC Network Availability" means the percentage of minutes during a calendar month that the Cloud Services have not incurred a Service Outage. TDC Network Availability is calculated as follows: (43,200 total number of minutes of Service Outage during the calendar month) divided by 43,200.
- **1.15** "Services Outage" means any period of time during which the TDC Network or Cloud System is unable to send or receive data.
- **1.16** "Service Order Term" means the Service Order Initial Term and Service Order Renewal Term for each applicable Service Order Form governed under this Service Schedule.
 - **1.17** "User" is an authorized individual within the Customer's organization that accesses the Cloud Services.

Section 2. License.

- **2.1** Cloud Services. Subject to the terms set forth herein, the MSA, applicable Service Order Form(s), and Customer's payment of applicable MRC and NRC obligations, TDC shall make the Cloud Services available to Customer during the applicable Service Order Term. This Service Schedule applies to the following Cloud Services and such other Services as TDC shall agree upon from time to time, in its sole discretion, in a Service Order Form governed under this Service Schedule:
- (a) Virtual/Cloud Platform Services. TDC maintains, manages and operates server and hardware infrastructure, configured using software-defined platforms and networks to offer virtualized Cloud Services to customers on a multi-tenant or a single tenant basis. Such Cloud Services include compute, network, hosting, and storage functions. Such Cloud Services shall only be accessible to Customer and its Users via a web or online portal.

(b) Backup and Disaster Recovery Services.

- (i) Backup and Disaster Recovery Services ("BDR Services") provide Customer with a back-up of Customer Data resident on Customer's designated TDC Cloud Systems and configured by Customer, which will be described and captured in a Sales Order Form.
- (ii) TDC provides BDR Services to Customer on server and storage resources in the Customer's network or from utility computing infrastructure, and provides management and support services for the BDR Services. Customer is solely responsible for the integrity of all Backup Data. TDC will back-up Backup Data "as is, where is", with all faults, and will restore Backup Data in the same format in which it is backed up. TDC will install and configure the BDR Services for Customer and provide a demonstration and test to a designated Customer representative to confirm for Customer that the Backup Service is capable of backing up and recovering Backup Data from Customer's Network.
- (iii) Each BDR Service is allotted dedicated storage capacity according to the Cloud Services and related options purchased by Customer. The Hosted Environment may stop accepting, processing or delivering Backup Data when the purchased limit is reached, causing a loss of Cloud Service availability or loss of Backup Data. TDC will not be responsible for such losses, and such losses of Service availability will not be included in any service credit calculations.
- (c) **Software Defined Interconnection Services.** TDC utilizes interconnections to customers to provide virtualized network services, to include on-ramps to all public Clouds (e.g. AWS, Azure, GCP, etc.) and virtual connectivity to thousands of datacenters globally and to SaaS providers and security platforms.
- (d) **DDoS Mitigation Services.** DDoS Mitigation Services, as triggered by Customer notification to TDC of a DDoS attack, consist of TDC providing mitigation at the time of such DDoS attack by routing Customer's traffic through an External Service Provider network. DDoS Mitigation Services can be purchased on a defined Service Term or on an as needed basis.
- (i) When the Customer notifies TDC of a DDoS attack and provides TDC with the impacted Internet Protocol addresses, TDC, via its External Service Provider, will begin applying measures to block malicious packets while allowing the flow of non-suspect traffic to Customer's network. The DDoS Mitigation Services will use reasonable efforts to attempt to configure measures to minimize the effects of the DDoS attack and to reduce disruption of Customer's non-suspect traffic.

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(ii) If TDC in its reasonable judgement determines that a DDoS attack is impacting, or may impact, the Cloud System



and TDC network, TDC may, without incurring any liability, take any action, including but not limited to blackhole filtering of Customer's traffic, which filtering would result in all traffic destined to Customer being dropped.

2.2 External Service Provider. Customer acknowledges and agrees that TDC may contract with one or more External Service Providers to fulfill its obligations hereunder, provided, however, that TDC shall remain responsible for the provision of the Cloud Services. Customer agrees to communicate solely with TDC (and not any External Service Provider) regarding the Cloud Services unless instructed by TDC otherwise in writing.

Section 3. Customer Responsibilities.

- 3.1 Customer shall be responsible for providing its own network access to the Cloud Services. To the extent applicable, Customer and TDC shall agree on a mutually acceptable form of Internet connectivity, which Customer shall provide and retain in operable condition at all times. Such method of connectivity must be reserved for the use of TDC's services representatives on a 24-hour basis. Customer acknowledges that failure to maintain such connectivity will negatively impact TDC's ability to provide support and other services to Customer. Customer must maintain a minimum of 100 Mbps of dedicated throughput to limit service interruption and performance degradation.
- **3.2** Customer shall maintain Customer-owned equipment, computer equipment, Customer-managed networks, and Customer-managed systems and systems interfaces to standards appropriate for cloud-based computing. Customer is solely responsible for generating and formatting all data and the complete operation and provisioning of all third-party software applications installed on the Customer's servers, the hardware and firmware on which Customer's data and applications are resident, and the designated servers and network connected computers (collectively, the "**Customer Network**").
- **3.3** Customer shall make available qualified personnel who have the appropriate technical and application skills, and information reasonably necessary to assist TDC in the initial configuration of the Cloud Services for Customer's environment.
- **3.4** Customer shall identify at least one (1) administrator, who shall have sufficient skill to manage and respond to issues and work with TDC staff on the integration and use of the Cloud Services.
- **3.5** Customer shall provide timely notification to TDC of any issues for which it requires support. Customer shall use commercially reasonable efforts to assist TDC in identifying, isolating and replicating issues found in the Cloud Services. Customer shall be responsible for any and all retention of data, records or information required by law.
- 3.6 Customer shall (i) be responsible for Users' compliance with this Service Schedule, (ii) be solely responsible for the accuracy, quality, integrity and legality of Customer Data and of the means by which it acquires Customer Data, (iii) use commercially reasonable efforts consistent with industry-best standards to prevent unauthorized access to or use of the Cloud Services, and notify TDC promptly of any such unauthorized access or use, and (iv) use the Cloud Services only in accordance with this Service Schedule and applicable laws and government regulations.
- 3.7 Customer shall ensure that only authorized Users have access to any identifications or passwords to access the Cloud Services and shall not disclose such identifications or passwords to any other individual. Customer acknowledges and agrees that it is solely responsible for strictly maintaining the confidentiality and integrity of such identifications and passwords and Customer shall indemnify and hold harmless TDC from and against any liability, damages, or costs arising from Customer's failure to comply with this obligation. Customer shall notify TDC immediately in writing if the security or integrity of an identification or password has been compromised.
- 3.8 Customer shall not knowingly: (a) use the Cloud Services to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights, (b) use the Cloud Services to store or transmit Malicious Code, (c) interfere with or disrupt the integrity or performance of the Cloud Services or third-party data contained therein, (d) attempt to gain unauthorized access to the Cloud Services or their related systems or networks, or otherwise violate TDC's AUP.
- 3.9 Customer shall be responsible for encrypting, marking, or classifying any Customer Data for framework compliance (for example HIPAA, PCI, etc.) prior to ingestion/transfer/replication into the Cloud System. TDC's framework certifications are only representative of data formatted to the Cloud System. This means backup data, replicated data, and virtualized data only have meaning and visibility to the relevant Cloud Service, and any PII, PCI, or other meaningful or sensitive data, from the customer perspective and information systems, is obfuscated and abstracted from TDC's purview.
- **3.10** Customer shall be invoiced for, and be responsible for paying, the greater of (a) the Minimum Commitment MRC during the Service Order Initial Term or Service Order Renewal Term, as applicable, regardless of utilization of Cloud Services, and (b) the applicable MRC calculated for the actual Cloud Services utilized in the applicable period.



3.11 In the event the Customer's MRC for Cloud Services for any period exceeds the Overage Charge Threshold, an Overage Charge of fifteen percent (15%) shall be applied to the Customer's aggregate MRC for Cloud Services for that period. TDC shall provide the Customer written notification (which may be via electronic mail) that the Overage Charge Threshold has been exceeded within ten (10) business days in the month immediately following the overage. Customer may cure application of the Overage Charge by executing a Service Order Form, subject to approval by TDC, committing the Customer to a higher MRC such that the Overage Charge Threshold would not be breached.

Section 4. Intellectual Property Rights.

- 4.1 Customer acknowledges that the Cloud System, computer programs, system protocols and system documentation manuals made available or supplied by TDC to Customer, all copies thereof and modifications thereto, and the intellectual property rights therein are proprietary to TDC and TDC's licensors, as applicable, and title thereto remains in TDC and TDC's licensors, as applicable. Customer shall receive only such rights as are expressly granted herein.
 - 4.2 As between TDC and Customer, Customer exclusively owns all rights, title and interest in and to all Customer Data.
- **4.3** TDC shall have a royalty-free, worldwide, transferable, sublicensable, irrevocable, perpetual license to use or incorporate into the Cloud Services any suggestions, enhancement requests, recommendations or other feedback provided by Customer, including patrons, relating to the Cloud Services.

Section 5. Data Processing.

- **5.1** Customer shall reasonably cooperate with TDC to implement any data privacy measures deemed necessary or desirable by applicable law, regulation or industry.
- 5.2 TDC, its Affiliates and third-party suppliers may process personal data to perform obligations under this Service Schedule. Customer warrants that it has obtained the necessary consents in accordance with applicable data protection laws to enable TDC to carry out such acts. Customer will indemnify TDC for any costs, expenses or other liability which arise due to Customer's failure to obtain required consents.

Section 6. Service Requirements and Specifications.

- 6.1 TDC shall: (i) provide to Customer basic support, defined as resolution of issues with login credentials and inspection of virtual tenant, for the Cloud Services at no additional charge, and/or upgraded support if purchased, (ii) use commercially reasonable efforts to make the Cloud Services available 24 hours a day, 7 days a week, except for: (a) Scheduled Maintenance, or (b) any unavailability to the extent caused by a Force Majeure Event, and (iii) provide the Cloud Services only in accordance with applicable laws and government regulations.
- **6.2** TDC strives to maintain continuous uptime of the Cloud Services and to comply with service level requirements applicable to each Cloud Service in accordance with the Service Level Agreement attached hereto as Exhibit A. Uptime means that the Cloud Services are functioning substantially in their intended manner.
- **6.3** TDC is not responsible for acts or omissions of Customer or its representatives or third parties that result in failure or disruption of the Cloud Services.
- 6.4 Customer understands and agrees that TDC does not control the transfer of data to or from the Customer Network and other portions of the Internet and TDC makes no representation or warranty that TDC will be able to prevent third party disruptions of such transfers. Performance of the Cloud Services depends in large part on the Internet services provided or controlled by third parties. At times, actions or inactions of such third parties can impair or disrupt Customer's connections to the Internet (or portions thereof). Although TDC will use commercially reasonable efforts to take the action it deems appropriate to remedy and avoid such events, TDC cannot guarantee that such events will not occur. Accordingly, TDC disclaims any and all liability resulting from or related to such events to the extent such events are not directly caused by TDC or any of its agents or subcontractors.
- 6.5 Neither Customer nor its representatives shall attempt in any way to circumvent or otherwise interfere with any security measures of TDC relating to the Cloud Services. Any such attempts may, among other things, cause failure of, or disruption to, the Cloud Services. Any failure of, or disruption to, the Cloud Services resulting from a violation of this Section 6.5 shall not be considered Scheduled Maintenance. Customer shall not access or attempt to access TDC's internal network or the information of other customers.
- **6.6** TDC does not provide Malicious Code detection on any dedicated hardware started and configured by Customer or its Users. Customer is solely responsible for protecting all the self-configured servers and users that interact with the TDC Network.



- BDR Service will back-up Backup Data that has been properly defined and stored in Customer Network and will recover such Backup Data. TDC warrants that it will achieve the recovery time objective (RTO) and recovery point objective (RPO) set forth at Exhibit A. TDC makes no representation or warranty as to the quality, contents or formatting of Backup Data, nor as to Customer Network capacity, under any circumstances, as Customer acknowledges that TDC is not responsible for Backup Data, Customer applications, nor other aspects of Customer Network that may be corrupted or that may not function before the back-up occurs. TDC makes no representation or warranty as to the functionality of Customer's network. Customer acknowledges that any data that exists between back-ups is vulnerable to loss. TDC will not restore, provide any storage media or send out any Customer Data pertaining to terminated Cloud Services. It is Customer's responsibility to back-up and migrate Customer Data prior to termination of Customer's Cloud Service or any other action that can lead to deletion of any of Customer Data from the Cloud Services.
- **6.8** Customer Data restore requests may be initiated by the Customer through an electronic mail to support@valorc3.com as an extended service request, subject to availability of the relevant Customer Data.

Section 7. Maintenance.

- **7.1** Scheduled Maintenance. In order to maintain performance, TDC performs Scheduled Maintenance within its published maintenance windows. This may require that specific Cloud Services be suspended during the maintenance period. Loss of TDC Network Availability due to Scheduled Maintenance shall not be included as a Service Outage for purposes of calculating TDC Network Availability or any service credits. TDC will use commercially reasonable efforts to notify Customer in advance of any Scheduled Maintenance that may adversely affect Customer's use of the Services.
- **7.2 Emergency Maintenance**. TDC may need to perform emergency maintenance, including security patch installation and hardware replacement. TDC will not be able to provide Customer with advanced notice of emergency maintenance. Loss of TDC Network Availability due to emergency maintenance shall not be included as a Service Outage for purposes of calculating TDC Network Availability.

Section 8. Disaster Recovery.

- **8.1 Disaster Recovery and Data Continuity.** Disaster Recovery and Data Continuity plans exist for all TDC data center facilities. The Disaster Recovery and Data Continuity plans are reviewed and updated on a quarterly basis. Additional updates are made between quarterly reviews to adjust plans for as infrastructure changes require plan updates.
- **8.2** Recovery Points Objectives and Recovery Time Objectives. TDC's RPO is twenty-four (24) hours. The 24-hour RPO means that data is expected to be restored to a point not more than 24 hours prior to the time the first transaction is lost or from the time the Cloud Services became unavailable. TDC's RTO is twenty-four (24) hours. The 24-hour RTO means that within 24 hours of a declared disaster by TDC, the systems impacted must be back online for Customer access in accordance with applicable specifications.

Section 9. Indemnification: Limitation of Liability.

- 9.1 TDC agrees to indemnify and hold harmless Customer from and against any and all losses, liabilities, damages, injuries, claims, demands and expenses, including legal expenses, but only to the extent caused by the negligent acts or omissions of TDC in connection with its obligations under this Agreement. TDC's obligation to indemnify Customer is not limited or waived in any way by compliance or non-compliance with the insurance requirements of this Agreement.
- 9.2 Customer agrees to indemnify and hold harmless TDC from and against any and all losses, damages, injuries, claims, demands, and expenses, including legal expenses, arising from or related to Customer's use of the Services, to the extent caused by Customer's negligence, willful misconduct, or breach of this Agreement. This indemnity includes any third-party claims related to or arising out of the Customer's use of the Services, Products, and related materials.
- **9.3** If a third party asserts a claim against Customer that the TDC Network or Cloud System, or any part thereof, or that the Cloud Services acquired under this Service Schedule infringe a valid patent, trademark or copyright, TDC will defend, indemnify and hold harmless the Customer against that claim and pay reasonable costs including attorney's fees and amounts finally awarded by a court against Customer or included in a settlement approved by TDC, which shall not be unreasonably withheld.
- 9.4 Each Party's entire liability for all claims related to or arising under this Service Schedule will not exceed the amount of any actual direct damages incurred by the other Party up to: (i) the amounts paid by Customer to TDC (if not recurring); or (ii) the prior twelve (12) months' charges (if recurring), for the Cloud Services which are the subject of the claim, regardless of the basis of the claim. The following amounts, if a Party is legally liable for them, are not subject any limitation set forth in this Section 9.4: (a) any indemnification obligation for a third-party claim referred to in this Section; (b) damages for bodily injury or death or damage to real or tangible personal property arising from



- a Party's gross negligence or willful misconduct; (c) damages that cannot be limited under applicable law; (d) damages for breach of a Party's confidentiality obligation; or (e) damages arising out of a Party's breach of a its data security obligations arising hereunder or under the Agreement; provided, however, that a Party's liability for the foregoing claims shall be capped at one million dollars (\$1,000,000) in aggregate.
- **9.5** Neither Party will be liable for special, incidental, exemplary, indirect or economic consequential damages, or lost profits, business, value, revenue, goodwill or anticipated savings, even if advised of the possibility of such damages. The foregoing limits and exclusions apply collectively to each Party, its affiliates, contractors, and suppliers.
- 9.6 In connection with TDC's liability for any claims arising under or with respect to Section 8.4 (e) (Breach of data security obligations), TDC shall pay the reasonable and documented costs incurred by Customer in connection with the following items: (a) costs of any required forensic investigation to determine the cause of the breach; (b) providing notification of the security breach to applicable government and relevant industry self-regulatory agencies, to the media (if required by applicable Law) and to individuals whose personal information may have been accessed or acquired; (c) providing credit monitoring service to individuals whose personal information may have been accessed or acquired for a period of one year after the date on which such individuals were notified of the unauthorized access or any longer period required under applicable law; and (d) standard costs incurred in connection with Customer's industry, such as data restoration or reconstruction costs and other direct damages incurred by individual(s) whose personal information may have been accessed or acquired to the extent awarded to such individual(s) by a court of competent jurisdiction or paid to them pursuant to a settlement agreed upon by Customer. NOTWITHSTANDING THE FOREGOING, OR ANYTHING IN THE AGREEMENT TO THE CONTRARY, TDC SHALL HAVE NO RESPONSIBILITY TO PAY COSTS OF REMEDIATION THAT ARE DUE TO NEGLIGENCE, WILLFUL MISCONDUCT AND/OR FRAUD BY CUSTOMER OR ITS EMPLOYEES, AGENTS, OR CONTRACTORS.

Section 10. Insurance; Indemnification

General Liability Insurance, provided by a carrier licensed to do business within the state where the Premises are located, insuring against all hazards and risks customarily insured against by persons leasing and operating a multi-tenant data center. The policy shall be written on a per-occurrence basis with blanket contractual liability coverage with respect to the use of the Premises and operation of business therein, with a limit of not less than Two Million Dollars (\$2,000,000) and aggregate umbrella coverage of not less than an additional Five Million Dollars (\$5,000,000). TDC shall maintain property insurance perils written on a "Special form" basis at full replacement cost value. The definition of property includes data and media. TDC's policies shall contain provision(s) providing that such insurance shall be primary insurance insofar as TDC is concerned, with any other insurance maintained by Customer being excess and non-contributing with the insurance of the TDC required hereunder and providing coverage for the contractual liability of TDC to indemnify Customer. TDC shall place the policies required herein with a carrier having an AM Best rating of A- or better. The policies shall provide that TDC's insurers issue appropriate waiver of subrogation rights endorsements to all insurance policies carried in connection with Services provided under this Service Schedule. Upon request, TDC shall promptly deliver to Customer certificates of insurance issued by the insurance company or its authorized agent for the policies. The insurance requirements set forth herein are independent of any indemnification and other obligations, or to limit either Party's liability.

Section 11. Term And Termination.

11.1 Chronic Failure. Customer may terminate a Service Order Form without additional liability within thirty (30) days of the occurrence of a Chronic Failure of the Cloud Services. An event of "Chronic Failure" shall be deemed to have occurred in the event that three or more SLA faults or breaches occur during a calendar quarter.



EXHIBIT A

Service Level Agreement

Section 1. Service Availability.

In the event that TDC does not meet a Network Availability Percentage of 99.9% in a month, Customer shall be entitled the services credits related to Cloud Services MRCs as described below.

Section 2. Availability Credits.

If TDC's Network Availability measured for any completed calendar month is below the SLA, TDC will issue a credit ("**Availability Credit**") against one month's MRCs within sixty (60) days of the loss of Service Availability incident. The Availability Credit will be calculated as follows:

Service Level Failure/ Availability	Service Credit Amount Due to Customer	
100% but ≥ 99.9%	No Service Credit	
≤ 99.9% but ≥ 99.8%	10%	
≤ 99.8% but ≥ 99.7%	25%	
≤ 99.6% but ≥ 99.5%	50%	
≤ 99.5%	100%	

Section 3. Back-Up and Disaster Recovery Service Level.

3.1 Back-Up

- (a) Cloud Services customer can purchase back-ups of all system and application environments. Database back-ups can be configured to allow full recovery of the Cloud System and Customer Data in the event of a disaster. In addition, database back-ups allow for point in time recovery in the production hosted environments for all customer applications. For all production applications, full database back-ups are performed daily.
 - (b) Back-ups are scheduled to run daily and retention is configurable based on customers' requirements.

Back-up Type	Occurrence	Retention Period
Back-up	Daily	Configurable

(c) Customer may request copies of back-ups for download which will be provided through a secure FTP server established by TDC. Customer Data restore requests are submitted through an electronic email to support@valorc3.com or TDC's NOC as a standard support ticket. TDC will, on a best-efforts basis, expedite processing of all restore requests within five (5) Business Days of receiving the request.

3.2 Disaster Recovery and Failback

- (a) **Recovery.** TDC's RTO is one (1) hour. The one (1) hour RTO means that within one (1) hour of a Customer declaring a disaster by opening a ticket in the TDC portal (a "**Recovery Declaration**"), the recovery of Backup Data will be completed. TDC's RPO is fifteen (15) minutes. The fifteen (15) minute RPO means that data is expected to be restored to a point not more than fifteen (15) minutes prior to the time the first transaction is lost or from the time the Cloud Services became unavailable.
- (b) **Failback.** The Customer shall have fourteen (14) business days to run in TDC's cloud after the Recovery Declaration. After fourteen (14) business days, TDC will amend the customer's Service Order Form(s) to reflect the dedicated storage capacity (the "laaS") then being utilized. The Customer shall have a maximum of 60 days to failback to the Customer Data source environment, and to notify TDC of such failback by opening a ticket in the TDC portal (a "**Failback Declaration**"), after which the amended Service Order Form will govern for the remaining period of the Service Order Initial Term or Service Order Renewal Term.



Section 4. DDoS Mitigation Services

If a Cloud Services are ordered with DDoS Mitigation Services, then the following performance parameter will apply to DDoS Mitigation Services only. In addition, the following performance parameter will not apply to testing of DDoS Mitigation Services.

Description Goal		Product Credit (applied as percentage of MRC for DDoS Defense)		
Time to Initiate Mitigation	60 minutes from initial notification of DDoS attack by Customer to TDC	61-90 minutes = 50%	Over 90 minutes = 100%	

Section 5. General SLA Matters

- 5.1 Network Availability Credit Request and Payment Procedures. To request a TDC Network Availability credit or any other service credit made available under this SLA, (a) Customer must be in good standing with TDC, (b) Customer must open a technical support ticket by emailing support@valorc3.com reporting an apparent Service interruption within 72 hours of the event, and (c) Customer must send an email or written Service Availability Credit request to billing@valorc3.com the calendar month immediately following the month for which Customer is requesting a service credit. Service credit requests must include Customer's name or TDC account number and the dates and specific times for which Customer is requesting Cloud Service credits. TDC will compare information provided by Customer to TDC's own service performance data. A Cloud Services credit will be issued only if TDC confirms from such data that a Cloud Services credit is applicable. The limits and sole remedies regarding Cloud Services credits under this SLA are set forth in this Section 5.
- 5.2 Limits On Service Availability Credit & Sole and Exclusive Remedies. The total service credit due to Customer for any Cloud Service that failed to meet an SLA requirement may not exceed 100% of the MRC for the affected Cloud Service charged to Customer during the calendar month for which the Network Availability Credit or other service credit is to be issued. Only one Network Availability Credit is available in any given calendar month. Notwithstanding anything set forth in this SLA, the service credits described in this SLA are Customer's sole and exclusive remedies in connection with any loss of Network Availability or breach by TDC of an SLA. Credits are applicable only toward use of the Cloud Service and are not convertible into cash or any type of refund.
- **5.3 Exclusions.** Any SLA failure or breach will not be deemed to have occurred to the extent a Cloud Service is unavailable or in breach of an SLA requirement as a result of: (a) any act or omission of the Customer or its end-users; (b) the failure or malfunction of Customer equipment or systems owned or controlled by Customer; (c) Maintenance; or (d) a Force Majeure Event. The duration of any Service Outage or TDC Network unavailability also does not include time during which TDC is not able to access to the premises necessary to restore the Service due to Customer's security system, Force Majeure, or otherwise.