

# OWL360IT INC.

## GENERAL SERVICES AGREEMENT

The customer identified in the quote [the "Customer"] desires OWL360IT Inc. ["OWL360IT"] to provide certain services;

**1. Services:** Services ["Service(s)"] will be composed of the services and for the fees described on the applicable Schedules attached hereto. Additional Services may be added from time to time by the parties entering into additional Schedules that refer to this Agreement. Nothing in a Schedule may amend this Agreement unless the Schedule explicitly states that the Schedule is amending this Agreement, and refers to the section being amended. Any specifications, work requests, statements of work, budgets or other documents that are signed by the parties or explicitly incorporate by reference within other signed documents from time to time form part of this Agreement and the applicable Schedule under which they are prepared.

**2. Fees:** Customer will pay OWL360IT the one-time and recurring monthly fees specified in the applicable Schedule. All amounts are subject to the payment of all applicable taxes. OWL360IT may change any fees payable under this Agreement by giving at least 60 days written notice in advance, which shall not commence prior to the end of any Term for the applicable Service indicated on the applicable Schedule.

Pricing contained in a Schedule may be based on certain assumptions and exclusions. If any assumptions and exclusions set out on a Schedule turn out to be incorrect, OWL360IT may treat any additional work required as a change request from the Customer under the terms of Section 5 herein.

One-time fees are payable in advance or at the time the service is provided, as outlined in the applicable Schedule. Recurring monthly fees and fees for other Services are payable monthly in arrears within 30 days of the date of invoice.

Any payments, or any deposits paid for any Services, are not refundable absent default by OWL360IT

Any payment not made when due will be subject to interest of two percent [2%] per month compounded monthly [equivalent to a yearly interest rate of 26.86%]. Failure by the Customer to pay the invoiced amount within 15 days of the date of invoice may result in immediate termination of services without notice.

**3. Service Details:** Customer shall nominate one individual as a contact for OWL360IT to perform the Services. Communications regarding the Services will only be between that contact and the OWL360IT contact specified on the applicable Schedule. Either party may change that contact by giving written notice.

The Customer may be required to provide external internet access to OWL360IT for full, timely Services. Any costs of such access shall be that of the Customer.

Customer shall restrict OWL360IT from accessing Customer's systems outside the system being supported, if applicable. Without limiting the generality of other sections of this Agreement, OWL360IT shall not be responsible for any effects its actions cause to any of the Customer's systems or data resulting from its ability to access systems other than that being supported.

**4. Term:** This Agreement will commence upon execution. The term of the various Services shall begin on the date contained in the applicable Schedule and will continue thereafter for the term specified on the applicable Schedule, unless terminated by either party as permitted by this Agreement. Absent a specified Term in a Schedule, ongoing Services will be for an initial Term of one year, followed by a monthly term terminable by either party on 30 days notice.

**5. Change Control:** If the Customer desires to make changes to the Services, it shall make a written request to OWL360IT. OWL360IT shall provide the Customer with a written response within ten [10] business days; or such longer period as the parties may agree, detailing: [i] how the proposed change will be implemented; [ii] any effect it will have on the schedule for the performance of Services; [iii] any effect it will have on the performance of the



OWL360IT INC.  
GENERAL SERVICES AGREEMENT

Services; and [iv] any additional costs required. If the Customer desires to proceed with the change it must provide written authorization to proceed, in which case the change shall be deemed to be part of this Agreement.

**6. Software License:** The Services may include the use of software provided by OWL360IT [the "Software"] either [a] installed on the Customer's systems or [b] hosted on systems controlled by OWL360IT and accessed by the Customer via the internet. A Schedule will identify such Software and state whether the Software is licensed on a traditional perpetual use basis, or on a periodic time-limited access basis. If the Services include the provision of Software installed on the Customer's systems on the traditional perpetual use basis, OWL360IT grants to the Customer a non-exclusive, non-transferable license [the "License"] to use the object code of the Software identified on the applicable Schedule on the terms contained herein. If the Services include the use of Software on a periodic time-limited basis either [a] installed on the Customer's systems or [b] hosted on systems controlled by OWL360IT and accessed by the Customer via the internet - OWL360IT grants to the Customer a non-exclusive, non-transferable license [the "License"] to access and use the object code of the Software identified on the applicable Schedule on the terms contained herein. In any of the above, the Customer may use the Software only on or for the number of servers, users, or other limitations contained on a Schedule.

The Customer will not: [a] reproduce, sell, rent, assign, lease, sublicense, distribute, pledge, serve third parties, market or commercially exploit, in any way, except as provided in this Agreement the Services or any component thereof; [b] use the Services to process data for other parties or for any purpose or function whatsoever other than for its own internal use or; [c] use the Services except as authorized herein; [d] reverse engineer, decompile, disassemble or create derivative works from any software that is part of the Service, except and only to the extent such activity is expressly permitted by applicable law notwithstanding such limitation; [e] remove, modify or obscure any copyright, trademark or other proprietary rights notices that appear on any software or that appear during use of any Services; or [f] use the Services for activities that are illegal or unethical.

**7. Ownership:** The Software is owned by OWL360IT, not the Customer. If the Services include changes or additions to existing Software, or the creation of any new software, OWL360IT shall own same, which shall be useable by the Customer on the same terms as the Software.

OWL360IT has no ownership interest in any Customer data, or other content or software the Customer provides to OWL360IT or places on the Services. Upon termination of the relevant Services, the Customer will remove all uploaded software, data and content that resides on any OWL360IT operated systems upon the termination date for that Service. OWL360IT will provide any reasonable assistance required by the Customer to do so. OWL360IT will delete all Customer software, data and content residing on any OWL360IT operated systems no less than 15 days and no more than 60 days after the termination date.

**8. Support:** Upon payment by the Customer of the Support fee as described in the applicable Schedule, OWL360IT shall provide support ["Support"] for specified Software on the terms contained on the applicable Schedule. Support does not include any enhancements or customizations.

**9. Third Party Software:** Any third party software required for the Services to operate must be purchased separately by the Customer unless provided by OWL360IT as part of or in addition to the Services. Third party software is provided by OWL360IT only if it is identified on a Schedule and is subject to the license terms of the relevant software vendor,

The Software may include open source software, or other third party created content, for which the Customer is subject to and must abide by the terms of the applicable open source or third party license.

**10. Default:** This Agreement and each Schedule is effective until terminated.

OWL360IT may terminate this Agreement [or one or more Schedules at its discretion - leaving this Agreement and other Schedules in force] or suspend the provision of Services, if not cured within 15 days following receipt of



OWL360IT INC.  
GENERAL SERVICES AGREEMENT

notice of default, upon the occurrence of any of the following events: [a] Customer fails to comply with any provision of this Agreement, uses the Services beyond the scope described herein, or fails to pay when due; [b] Customer attempts to assign, sub-license, or otherwise transfer any of its rights under this Agreement without the consent of OWL360IT; or [c] Customer files an assignment in bankruptcy or is or becomes bankrupt and/or insolvent, upon the appointment of a receiver for all or substantially all of the property or assets of the Customer, upon the making of any assignment or attempted assignment for the benefit of creditors or on the institution by Customer of any act or proceeding for the winding up of its business.

Upon termination, OWL360IT may retain any pre-paid fees as liquidated damages.

**11. Export Control:** Software may be subject to export or import regulations in other countries. Customer agrees to comply and adhere to all such regulations.

**12. Customer Responsibility:** The Customer is responsible for all activity conducted using the Services. OWL360IT will take reasonable steps to protect the Services [other than for Software residing on the Customer's systems] from being disrupted by malicious attacks but OWL360IT is not responsible for the actions and use of the Service resulting from hackers, malware or malicious attacks.

The Customer must respond to requests by OWL360IT for information or approvals in a timely manner – failure to do so may result in delays for which OWL360IT is not responsible. The commencement date for the delivery of Services starts when the Customer meets all required terms defined in a Schedule, such as the signing of documents, deposit payments, or the provision of information or approvals. OWL360IT recommends all customers utilize cyber insurance for further protection against hackers and financial loss from hackers.

**13. Service Levels:** OWL360IT will use commercially reasonable efforts to keep any Services under its control operational on a continuous basis, subject to reasonable maintenance requirements and matters beyond OWL360IT's reasonable control.

**14. Warranty:** OWL360IT will use reasonable efforts to enforce any service level and warranty obligations of its suppliers.

OWL360IT will correct at no additional cost any failure of the Services to function in accordance to written specifications that have been included in a Schedule, provided that [a] such failure has been brought to OWL360IT's attention in writing within 60 days after the earlier of any installation of the Software on the Customer's systems, or the Customer's access to the Services if not installed on the customer's systems, and [b] the Customer has paid all amounts owing to OWL360IT.

OWL360IT does not warrant that the Services are error free, that it will operate without problems or without interruption, or that it will satisfy the Customer's expectations.

The warranty herein provided does not apply, and Support shall not be provided, if the Services [a] have been altered, except by OWL360IT; [b] have not been installed, operated, repaired, or maintained in accordance with instructions supplied by OWL360IT, or; [c] have been integrated with other programs that have been wrongly programmed or subject to data integrated with the Services that is incorrect.

The Customer acknowledges that OWL360IT may provide Services using services and software provided by third parties. OWL360IT may also resell hardware to the Customer. Notwithstanding anything else contained in this Agreement, OWL360IT's, and such third parties, warranties and liabilities for any matters arising from such services, software and hardware shall not exceed those provided to OWL360IT from such third party suppliers.

**15. Limitations:** All promises made by OWL360IT are contained in this agreement. No promises implied by law [whether described as warranties, conditions, representations, or otherwise, and whether relating to merchantability, fitness, non-infringement, or otherwise] apply.



OWL360IT INC.  
GENERAL SERVICES AGREEMENT

Customer cannot collect any damages from OWL360IT for any reason [whether under legal theories of contract, tort, negligence, strict liability, operation of law or otherwise] that are not direct damages or exceed the amount paid by Customer to OWL360IT hereunder for any goods or services that the claim arises from for the 6 month period prior to the date the matter of the claim occurred.

OWL360IT relies on these limitations when entering this agreement and setting its fees. They are a fundamental and essential part of our arrangement, and apply even if this agreement has failed in its fundamental or essential purpose or been fundamentally breached.

**16. Governing Law:** This Agreement shall be interpreted in accordance with and governed by the laws of the Province of Ontario, Canada, excluding conflicts of laws provisions and excluding the United Nations Convention on Contracts for the International Sale of Goods. The parties hereby submit to the non-exclusive jurisdiction of the courts of Ontario, and the Federal Court of Canada. Any actions against OWL360IT must be commenced in the courts of Ontario or the Federal Court of Canada.

**17. Dispute Resolution:** To resolve disputes which may arise between the parties, any party will notify the other in writing of its intent to escalate to each parties' President or CEO.

If the issue is not resolved within ten [10] days, then the resolution of the dispute shall be referred to a mediator chosen by the parties. If the parties are unable to agree on a mediator, then either party may apply to a judge of the Ontario Court [General Division], and such judge shall appoint an independent mediator with relevant experience and sufficient qualifications to provide mediation services to the Parties.

If the parties are unable to resolve the dispute with the assistance of the mediator, within fifteen [15] days of the appointment thereof, the dispute shall be settled by arbitration in accordance with the Arbitrations Act [Ontario]. If the Customer does not have a Canadian business establishment, the arbitration shall be in accordance with the International Commercial Arbitration Act [Ontario]. The award of the arbitration shall be final and binding upon the parties hereto, and enforceable in any court of competent jurisdiction. The venue for any arbitration hereunder shall be Windsor, Ontario.

Nothing in this section shall defer or interfere with the entitlement of either party to obtain injunctive relief.

**18. Confidential Information:** Confidential Information is all information of either party that is not generally known to the public, whether of a technical, business or other nature [including, without limitation, trade secrets, know-how and information relating to technology, business plans, assets, liabilities, prospects, finances, source and object code, product capabilities or lack thereof, identity and number of a party's employees or contractors and their backgrounds or knowledge, identity of customers or business partners], that is disclosed by a party to the other or that is otherwise learned by the other in the course of its discussions or business dealings with the other, and that has been identified as being proprietary and/or confidential or that by the nature of the circumstances surrounding the disclosure or receipt ought to be treated as proprietary and/or confidential.

Confidential Information shall not include [except for any personally identifiable information about an individual that relevant privacy legislation or policies do not allow to be disclosed]: [a] any Confidential Information that is in the public domain at the time of its disclosure or which thereafter enters the public domain through no action of the receiving party, direct or indirect, intentional or unintentional; [b] any Confidential Information which the receiving party can demonstrate was in its possession or known to it prior to its receipt, directly or indirectly, from the other party; [c] any Confidential Information that is disclosed to the receiving party by another party not in violation of the rights of the other party or any other person or entity; and [d] any Confidential Information which is either compelled by law or by the order of a court of competent jurisdiction to be disclosed.

The parties shall [i] not use Confidential Information for any purpose other than that contemplated by this Agreement; [ii] not disclose Confidential Information to anyone without the prior written authorization of the



OWL360IT INC.  
GENERAL SERVICES AGREEMENT

disclosing party, during the term of this Agreement or at any time thereafter; [iii] handle, preserve and protect Confidential Information with at least the same degree of care that it affords or would afford to its own Confidential Information, including taking all reasonable efforts to avoid disclosure of such Confidential Information to any third party, at any time; [iv] disclose Confidential Information only to its employees or subcontractors who require such information in order to perform the party's obligations with the other, and are under confidentiality obligations.

Notwithstanding the above, OWL360IT may for promotional purposes (i) identify the Customer as a customer by using its logo and name; and (ii) mention the solution OWL360IT provided the Customer and the value it provided. When doing so OWL360IT will not imply anything negative regarding the Customer prior to the solution or as a whole.

**19. Privacy:** The parties will treat any personal information in the possession of the other party that they may have access to under this Agreement as required under applicable privacy legislation and each party's own privacy policy as it exists from time-to-time. Neither party shall use or disclose such personal information in any way except pursuant to the other party's instructions or to the extent necessary to perform this Agreement. OWL360IT will use security measures adequate to the sensitivity of the personal information to protect personal information. If OWL360IT subcontracts any part of its obligations hereunder it will obtain contractual obligations similar to this section from the subcontractor.

**20. Non-Solicitation:** During the term of this Agreement, and for a period of 12 months thereafter, the Customer will not (directly or indirectly) recruit, hire as an independent contractor, or offer employment to any individual or entity that is then, or has been within the previous 12 months, an employee or subcontractor of OWL360IT. If the Customer breaches this section, the Customer shall pay to OWL360IT as liquidated damages and not as a penalty (the customer acknowledging that the cost and time to OWL360IT to train and bring a new employee or subcontractor to an efficient level can be significant) an amount equal to two times the employee's base annual salary as at the date of termination of employment with OWL360IT, or two times the annual fees paid by OWL360IT to the subcontractor as at the date the subcontractor's services with the Customer commence.

**21. Prior Agreement:** This Agreement contains the complete and exclusive statement of the agreement between the parties and supersedes all prior and contemporaneous agreements, purchase orders, understandings, proposals, negotiations, representations or warranties of any kind whether written or oral. No oral or written representation that is not expressly contained in this Agreement is binding on either party. This Agreement cannot be amended or modified, other than by a change made in writing, dated and executed by the parties. If there is both an executed and a click-wrap version of this Agreement, the executed version shall govern if the terms differ.

**22. Survival:** The provisions of this Agreement pertaining to Confidential Information, privacy, license rights and restrictions, and non-solicitation shall survive the termination of this Agreement. Other sections pertaining to rights and obligations which by their nature should survive termination are hereby confirmed to so survive.

**23. Force Majeure:** OWL360IT is not liable for an omission or delay in the execution of its obligations hereunder caused by an event beyond its reasonable control. The time for the performance of the obligation that is so delayed shall be extended by a reasonable time, provided that payments shall not be delayed.

**24. Notice:** All required notices, or notices which may be provided in accordance with this Agreement, shall be in writing and shall be duly provided for if the notice is remitted to its addressee by courier, mail, or e-mail (provided that notices sent by e-mail are only effective if the recipient confirms receipt by reply email), if to OWL360IT to the address at the bottom hereof, and if to the Customer to the address set out on the applicable Schedule, or such other address as the party which is to receive the notice indicates to the party providing the notice, in the manner provided for in this section. Every notice delivered in the manner provided for herein shall



OWL360IT INC.  
GENERAL SERVICES AGREEMENT

be deemed to have been received: when delivered or by e-mail the first business day after the date received; or the fifth business day following the date of mailing, if sent by mail.

