



**CITY OF SCOTTSDALE
CITY SERVICES – SOFTWARE AS A SERVICE CONTRACT**

THIS CONTRACT is entered into the 31st of July, 2024 ("Effective Date"), by and between the City of Scottsdale, an Arizona municipal corporation ("City") and Aerodome, Inc., a Delaware corporation whose principal place of business is 56 Crosby St, NY, NY 10011, ("Contractor"). The Contract shall refer to the City and Contractor individually as a "Party" and collectively as the "Parties."

RECITALS

The City desires to contract for a fully remote, fully automated, multi-station, multi-drone capable Drone as First Responder (DFR) platform capable of providing air support for any call for service from a centralized and remote location.

The Contractor is duly qualified to provide such software and to perform the requested services.

In consideration of their mutual promises and obligations, the Parties agree as follows:

1.0 DESCRIPTION, ACCEPTANCE, DOCUMENTATION

Contractor will act under the authority and approval of the Contract Administrator for the City, named below, to provide the required services set forth in this Contract.

1.1 SERVICE DESCRIPTION

The Services to be provided by Contractor are as set forth in that statement of work / Proposal ("SOW") attached hereto as **Exhibit A**, and incorporated herein by reference. If any provision incorporated by reference from the SOW conflicts with any provision of this Contract, the provision of the the SOW will control.

1.2 ACCEPTANCE AND DOCUMENTATION

No later than five (5) business days after the Effective Date, the Parties shall develop a final Project Development and Delivery Process and Schedule which shall substantially conform to the Sections entitled Program Overview, Timeline, and Pricing in the Proposal and include, as applicable, final system requirements and deliverables, a project plan, a start date, training, and performance and payment terms consistent with Schedule C, Service Fee. The final Project Development and Delivery Process and Schedule shall be attached to and incorporated within this Contract as Schedule H, provided however, if the parties do not create a separate final Project Development and Delivery Process and Schedule, then the above cited Proposal Sections shall be deemed incorporated as Schedule H.

1.2 ACCEPTANCE AND DOCUMENTATION – CONT'D

- A. To the extent applicable, the Contract Administrator will review and approve each task to determine acceptable completion.
- B. The City will provide all necessary information to the Contractor for timely completion of the tasks specified in this section.
- C. To the extent any artifacts are created that the parties mutually agree would be owned by the City as memorialized in the Project Development and Delivery Process and Schedule, then all such artifacts, including but not limited to, data compilations, studies, and reports are to be and will remain the property of the City and must be delivered to the Contract Administrator in accordance with the Project Development and Delivery Process and Schedule.

2.0 CONTRACT DOCUMENTS

In addition to this City Services Contract, and the SOW (including the Proposal), the following documents are incorporated by this reference and shall comprise the agreement of the Parties under this Contract:

- A. Schedule A, Software Product Description;
- B. Schedule B, City's Technical Environment;
- C. Schedule C, Service Fee;
- D. Schedule D, Acceptance Testing;
- E. Schedule E, Maintenance Services;
- F. Schedule F, Warranties;
- G. Schedule G, Software as a Service (SaaS);
- H. Schedule H, Project Development and Delivery Process and Schedule.
- I. Schedule I, SOW.

3.0 BILLING RECORDS, AUDIT, FEES

3.1 BILLING RECORDS, AUDIT

To the extent fees are billed on a time and materials basis, Contractor shall record the time spent for each task and submit same to the Contract Administrator. Contractor must maintain all books, papers, documents, accounting records and other evidence pertaining to cost and pricing data, including time billed and costs incurred, and make these materials available for audit by the City in accordance with Section 5.7 of this Contract.

3.2 FEE SCHEDULE

Contractor will be paid according to the Service Fee attached as Schedule C to this Contract. The Service Fee is inclusive of all Contractor services, software, and other deliverables under this Contract and includes Contractor's "Subscription Fee," the annual fee the City agrees to pay to subscribe to Contractor's software and services. Subscription Fee price level changes are not retroactive. Prices for each price level are fixed at the time the subscription is first placed and apply throughout the subscription term.

As set forth in Section 4.1, and if exercised by the City, the City agrees to pay annual subscription renewal fees as set forth in Schedule C and the SOW for up to four (4), additional, one (1) year periods after the Initial Term (defined below). Each such renewal fee shall be payable in advance in accordance with the SOW terms.

No later than thirty (30) days prior to the end of the fifth (5th) subscription period, the Parties shall confer and agree upon whether to extend this Contract for additional subscription periods and mutually acceptable subscription fees.

3.3 PAYMENT APPROVAL

The Contract Administrator shall approve all charges prior to authorizing any payments. Approval shall be limited to confirming pricing is consistent with that set forth in the SOW and Schedule C.

3.3.1 PAYMENT TERMS

The City's payment terms are payment within thirty (30) days after the Contract Administrator's approval. In no event will the City issue any payment prior to receipt of an original, approved form of invoice containing accurate invoice and reference numbers. The City is not liable for delays in payment caused by Contractor's failure to send invoices to the address specified below:

City of Scottsdale
Accounts Payable
7447 E. Indian School Road, Suite 210
Scottsdale, Arizona 85251-4468

Contractor shall forward an electronic copy to the Contract Administrator or designee:

Michael Keran
Scottsdale Police Department
9065 E Via Linda
Scottsdale, AZ 85258
mkeran@scottsdaleaz.gov

4.0 TERM, EXTENSION, TERMINATION

4.1 TERM AND EXTENSION

This Contract shall be effective as of the date first stated above. The Contractor representative and Contract Administrator shall agree upon a work start date which shall be no more than fifteen (15) working days following the Effective Date. Time is of the essence with regard to performance of Contractor's services.

The initial subscription term shall be for three (3) years and shall commence on a mutually agreed upon date in accordance with the SOW and Schedule H. The City

and Contractor may mutually agree to extend this Contract for up to two (2) additional one (1) year periods upon the Contract Administrator's recommendation and the Purchasing Director's concurrence.

4.2 TERMINATION

Termination for Convenience: City reserves the right to terminate this Contract or any part of this Contract for its sole convenience with thirty (30) days prior written notice. In the event of any termination, Contractor must immediately stop all work, and must immediately cause any of its suppliers and subcontractors to cease all work. As compensation in full for services performed to the date of any termination, the Contractor will receive the cancellation fee as set forth in the SOW. Contractor will not be paid for any work done after receipt of the notice of termination nor for any costs incurred by Contractor's suppliers or subcontractors which Contractor could reasonably have avoided.

Cancellation for Cause: City may also cancel this Contract with seven (7) days' notice for cause in the event of the Contractor's default or if the Contractor fails to comply with any of the material terms and conditions of this Contract and has not cured the same within thirty (30) days of receipt of City's notice of default. Unsatisfactory performance as determined by the Contract Administrator or failure to provide City, upon request, with adequate assurances of future satisfactory performance are examples of grounds whereby the City may cancel this Contract for cause. In the event of cancellation for cause, City will not be liable to Contractor for any amount other than fees due for the services provided, and Contractor will be liable to City for any and all damages the City sustains by reason of the default or failure which gave rise to the cancellation.

In the event Contractor is in material violation of any federal, state, county, or local law, regulation or ordinance, the City may terminate this Contract immediately upon providing such notice to the Contractor.

If the City improperly cancels this Contract for cause, the cancellation for cause will be converted to a termination for convenience in accordance with the provisions of this Section 4.2.

4.3 FUNDS APPROPRIATION

If the City Council does not appropriate funds to continue and pay for charges under this Contract, the City may terminate this Contract at the end of its then-current fiscal period without any obligation to pay any cancellation fees. The City agrees to give written notice of such termination to the Contractor at least 30 (thirty) days prior to the end of its current fiscal period and will pay to the Contractor all approved charges in accordance with the SOW.

4.4 POST TERMINATION ASSISTANCE

Upon termination of this Contract, Contractor shall provide to the City any post-termination assistance Contractor generally makes available to customers of its SaaS services at the Contractor's current rate for these services. Contractor shall implement an orderly return of the City's data and other assets or otherwise

provide secure disposal of same. The Contractor shall provide all City data in a City defined, industry standard format based on the then-current or planned City platforms including, but not limited to, database, operating systems, and physical media, inclusive of attachments, in their native format.

Upon Contract termination, Contractor shall not take any action to intentionally erase any City data for a period of one hundred and eighty (180) days after the effective termination date. After such period, the Contractor shall have no obligation to maintain or provide any such data and shall thereafter, unless legally prohibited, delete all City data in Contractor's systems or otherwise in its possession or control.

5.0 GENERAL TERMS

5.1 ENTIRE AGREEMENT

This Contract and the Contract Documents identified in Section 2.0 constitute the entire understanding of the Parties and supersede all previous representations, written or oral, with respect to the services specified. This Contract may not be modified or amended except by a written document executed by each Party's authorized representatives.

5.2 ARIZONA LAW AND JURISDICTION

This Contract shall be governed and interpreted according to the laws of the State of Arizona without regard to conflicts or choice of law provisions. Any action to enforce any provision of this Contract or to obtain any remedy under this Contract will be brought in the appropriate federal or superior court located in Maricopa County, Arizona, and each Party expressly and irrevocably consents to such jurisdiction and venue.

5.3 MODIFICATIONS

Any amendment, modification or variation from the terms of this Contract must be in writing and will be effective only after approval of all parties signing the original Contract.

5.4 ASSIGNMENT

Services covered by this Contract may not be assigned or sublet, in whole or in part, without first obtaining the written consent of the Purchasing Director and Contract Administrator, which consent shall not be unreasonably withheld, conditioned or delayed. Prior to any assignment of services, the Purchasing Director and Contract Administrator shall have the opportunity to conduct an investigation of the new entity to determine if it is able to provide the services under this Agreement. An authorized assignee shall be deemed to have all the rights and obligations of the assigning Party.

5.5 **SUCCESSORS AND ASSIGNS**

This Contract extends to and is binding upon Contractor, its successors and assigns, including any individual, company, partnership or other entity with or into which Contractor merges, consolidates or is liquidated, or any person, corporation, partnership or other entity to which Contractor sells its assets.

5.6 **CONTRACT ADMINISTRATOR**

The Contract Administrator for the City is Michael Keran or designee. The Contract Administrator will oversee the execution of this Contract, assist the Contractor in accessing the organization, audit billings, approve payments, establish delivery schedules, approve addenda, and assure Certificates of Insurance are current, conform to the Contract requirements, and are in City's possession. The Contractor will direct reports and special requests through the Contract Administrator.

5.7 **RECORDS AND AUDIT RIGHTS**

Contractor's records (hard copy, as well as computer readable data), and any other supporting evidence considered necessary by the City to substantiate charges and claims related to this Contract are open to inspection and subject to audit and/or reproduction by City's authorized representative to the extent necessary to adequately permit evaluation and verification of the cost of the work and that invoices, change orders, payments or claims submitted by the Contractor or any of its payees conform with the terms of the Contract. The City's authorized representative must be given access, at reasonable times and places as mutually agreed, to all of the relevant Contractor's contract records and project personnel in accordance with the provisions of this Section throughout the term of this Contract and for a period of three (3) years after last or final payment. Any audit is subject to agreement of confidentiality reasonably acceptable to Contractor. The scope of such audit shall be limited to records related only to the accuracy of the charges to the City and shall not extend to any information relating any other Contractor customer.

Contractor shall use commercially reasonable efforts to require all subcontractors and material suppliers (payees) to comply with the provisions of this Section, ideally by insertion of these Contract requirements in a written contract agreement between Contractor and payee, or as Contractor otherwise deems appropriate or practicable, provided if Contractor is not practically able to take such actions, as determined in Contractor's reasonable discretion, it shall so inform such parties of the requirements herein. These requirements will also apply to any and all subcontractors.

Any adjustments and/or payments which must be made as a result of any audit or inspection of the Contractor's invoices and/or records will be made no more than ninety (90) days from presentation of City's findings to Contractor.

5.8 ATTORNEY'S FEES

In the event either Party brings any action for any relief, declaratory or otherwise, arising out of this Contract, or on account of any breach or default hereof, the prevailing Party will be entitled to receive from the other Party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which will be considered to have accrued on the commencement of the action and will be enforceable regardless of whether the action is prosecuted to judgment.

5.9 BUSINESS AND SYSTEM DESIGN REQUIREMENTS

RESERVED.

5.10 INDEPENDENT CONTRACTOR

The services Contractor provides under the terms of this Contract are that of an independent contractor and not an employee, or agent of the City. The City may report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099.

City will not withhold income tax as a deduction from contractual payments unless required under federal or state law. As a result of this, Contractor may be subject to I.R.S. provisions for payment of estimated income tax. Contractor is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

5.11 CONFLICT OF INTEREST

The City may cancel any contract or agreement, without penalty or obligation, if any person working as an employee or contractor for either Party and significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other Party to the contract in any capacity or a contractor to any other Party to the contract with respect to the contract's subject matter. The cancellation will be effective when all other parties to the contract receive the City's written notice, unless the notice specifies a later time (A.R.S. §38-511).

5.12 NOTICES

All notices or demands required to be given in accordance with the terms of this Contract must be given to the other party in writing, delivered by hand, facsimile, or e-mail or registered or certified mail, at the addresses stated below, or to any other address the Parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of Contractor:

Attn: Brett Kanda
8605 Santa Monica Blvd #812255
West Hollywood, California 90069-4109 US
brett@aerodome.com
818-515-5659

Attn: Michael Keran
City of Scottsdale
9065 E. Via Linda, Scottsdale, AZ 85258
mkeran@scottsdaleaz.gov

Notices will be deemed received on date delivered, if delivered by hand, on the date recorded by the hardware if sent by facsimile or e-mail, and on the delivery date indicated on receipt if delivered by certified or registered mail.

5.13 FORCE MAJEURE

Neither Party will be responsible for delays or failures in performance resulting from acts beyond its control. These acts include, but are not limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, or power failures.

5.14 TAXES

Contractor will be solely responsible for any and all tax obligations which may result from the Contractor's services under this Contract. The City will have no obligation to pay any amounts for such taxes, of any type, incurred by the Contractor.

All payments hereunder shall be in U.S. dollars (USD) and shall be net of any taxes, tariffs, or other governmental charges. Contractor shall be responsible for paying all taxes, fees, assessments and premiums of any kind payable on its income, employees, and operations. The City shall be responsible for the payment of sales taxes on delivered goods or software, if any.

5.15 ADVERTISING

No advertising or publicity concerning the City using the Contractor's services shall be undertaken without prior written approval of such advertising or publicity by the City of Scottsdale Contract Administrator and by the City Attorney.

5.16 CAPTIONS

The captions used in this Contract are solely for the convenience of the Parties, do not constitute a part of this Contract and are not to be used to construe or interpret this Contract. All recitals and attached schedules, exhibits, and attachments are deemed incorporated as part of this Contract by this reference.

5.17 SUBCONTRACTORS

During the performance of this Contract, the Contractor may, with notice to the City, engage subcontractors as may be required for timely completion of the required services specific to City only, provided however, that notice shall have been deemed provided for all subcontractors currently working for Contractor as of the Effective Date herein.

In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Contract remains with the Contractor.

5.18 CHANGES IN THE WORK

The City may at any time, as the need arises, order changes within the scope of the work without invalidating this Contract. If any changes increase or decrease the amount due under the Contract documents, or in the time required for performance of the work, the City will authorize an equitable adjustment by a written Change Order.

The City will execute a formal Change Order based on the Contractor's detailed written quotations for work related changes and/or a time of completion variance. All Change Orders are subject to the City's Procurement Code, rules, and procedures.

5.19 COMPLIANCE WITH FEDERAL AND STATE LAWS

The Contractor understands and acknowledges the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1989 apply to its services under this Contract.

5.20 IMMIGRATION LAW COMPLIANCE

Under the provisions of A.R.S. §41-4401, the Contractor warrants to the City that the Contractor and all its subcontractors will comply with all federal immigration laws and regulations that relate to their employees and that the Contractor and all its subcontractors now comply with the E-Verify Program under A.R.S. §23-214(A).

A breach of this warranty by the Contractor or any of its subcontractors will be considered a material breach of this Contract and may subject the Contractor or Subcontractor to penalties up to and including termination of this Contract or any subcontract. The Contractor will take appropriate steps to assure that all subcontractors comply with the requirements of the E-Verify Program. The City may consider the Contractor's failure to assure compliance by all its subcontractors with the E-Verify Program may be considered a material breach of this Contract by the City

The City retains the legal right to inspect the papers of any employee of the Contractor or any subcontractor who works on this Contract to ensure that the Contractor or any subcontractor is complying with the warranty given above.

The City may conduct random verification of the employment records of the Contractor and any of its subcontractors to ensure compliance with this warranty,

subject to appropriate obligations of confidentiality and compliance with all data protection laws by City. The Contractor agrees to indemnify, defend and hold the City harmless for, from and against all losses and liabilities arising from any and all violations of these statutes.

5.21 ISRAEL BOYCOTT PROHIBITION

By executing this contract, [Contractor] certifies that it is not currently engaged in and will not for the duration of this contract engage in boycott activity proscribed by A.R.S. § 35-393 et seq.

5.22 FORCED LABOR OF ETHNIC UYGHURS

Contractor warrants and certifies that it does not currently, and agrees for the duration of the contract that it will not, use:

- 1) The forced labor of ethnic Uyghurs in the People's Republic of China.
- 2) Any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.
- 3) Any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

If Contractor becomes aware during the term of the Agreement that the Contractor is not in compliance with this paragraph, the Contractor shall notify the City within five business days after becoming aware of the noncompliance. Failure of Contractor to provide a written certification that the Contractor has remedied the noncompliance within one hundred eighty (180) days after notifying the public entity of its noncompliance, this Agreement shall terminate unless the Term of this Agreement shall end prior to said one hundred eighty (180) day period.

5.23 NO PREFERENTIAL TREATMENT OR DISCRIMINATION

In accordance with the provisions of Article II, Section 36 of the Arizona Constitution, the City will not grant preferential treatment to or discriminate against any individual or group on the basis of race, sex, color, ethnicity or national origin.

5.24 INDEMNIFICATION

To the fullest extent permitted by law, Contractor, its successors, assigns and guarantors, must defend, indemnify and hold harmless City of Scottsdale, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, related to, arising from or out of, or resulting from a third-party claim alleging (i) that Contractor's software infringes a United States intellectual property right, or (ii) the recklessness, or intentional wrongful conduct by Contractor in the performance of this Contract, including but not limited to, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts

any of them may be liable and any injury or damages claimed by any of Contractor's and Subcontractor's employees.

Insurance provisions in this Contract are separate and independent from the indemnity provisions of this section and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this section shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

5.25 CONTRACTOR ON SITE SAFETY REPORTING REQUIREMENTS

For any non-construction City supplier whose service contract(s) (either singular or in aggregate) results in the contractor working 500 or more hours on site at a City of Scottsdale location(s) in any one calendar quarter, the contractor must provide the following documentation to the Contract Administrator:

- The contractor's most recent OSHA 300A (if applicable);
- All accident reports for injuries that occurred in the City under the contract during the most recent review period;
- The contractor's current worker's compensation experience modifier.

Contractor shall provide the above information at the end of the initial annual term and by February 1st of each year thereafter as long as the contract is in effect. Upon request, the Contract Administrator will forward this information to the City's Risk Management Division.

6.0 INSURANCE

A current standard Acord Certificate is acceptable.

Failure to provide an appropriate Certificate of Insurance will result in rejection of your certificate and delay in Contract execution.

Additionally, Certificates of Insurance submitted without referencing an RFP and Contract number may be subject to rejection and returned or discarded.

6.1 Insurance Representations and Requirements

6.1.1 General:

Contractor agrees to comply with all applicable City ordinances and state and federal laws and regulations.

Without limiting any obligations or liabilities of Contractor, Contractor must purchase and maintain, at its own expense, this Contract's stipulated minimum insurance with insurance companies properly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of B ++ 6 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to City of Scottsdale. Failure to maintain insurance as specified may result in termination of this Contract at City of Scottsdale's option.

6.1.2 No Representation of Coverage Adequacy:

By requiring the insurance stated in this Contract, the City of Scottsdale does not represent that coverage and limits will be adequate to protect Contractor. City of Scottsdale reserves the right to review any and all of the insurance policies and/or endorsements required by in this Contract but have no obligation to do so. Failure to demand any evidence of full compliance with the insurance requirements stated in this Contract or failure to identify any insurance deficiency does not relieve Contractor from, nor may it be construed or considered a waiver of Contractor's obligation to maintain the required insurance at all times during the performance of this Contract.

6.1.3 Coverage Term:

All insurance required by this Contract must be maintained in full force and effect until all work or services required to be performed under the terms of this Contract are satisfactorily performed, completed and formally accepted by the City of Scottsdale, unless specified otherwise in this Contract.

6.1.4 Claims Made:

In the event any insurance policies required by this Contract are written on a "claims made" basis, coverage shall continue uninterrupted throughout the term of this Contract by keeping coverage in force using the effective date of this Contract as the retroactive date on all "claims made" policies. The retroactive date for exclusion of claims must be on or before the effective date of this Contract, and can never be after the effective date of this Contract. Upon completion or termination of this Contract, the "claims made" coverage shall be extended for an additional three (3) years using the original retroactive date, either through purchasing an extended reporting option; or by continued renewal of the original insurance policies.

6.1.5 Policy Deductibles and or Self Insured Retentions:

The policies stated in these requirements may provide coverage which contain deductibles or self-insured retention amounts. Any deductibles or self-insured retention are not applicable to the policy limits provided to City of Scottsdale. Contractor is solely responsible for any deductible or self-insured retention amount for claims made based on Contractor's breach of this contract.

6.1.6 Use of Subcontractors:

If any work under this Contract is subcontracted in any way, Contractor shall use commercially reasonable efforts to execute a written agreement with Subcontractor containing substantially similar Indemnification Clause and Insurance Requirements stated in this Contract protecting City of Scottsdale and Contractor. Contractor will be responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements. Notwithstanding the foregoing, Contractor is responsible for Subcontractor performance under this Agreement unless other stated herein and any failure to obtain the agreements with subcontractors as noted herein shall not be considered a default under this Contract.

6.1.7 Evidence of Insurance and Required Endorsements:

Before beginning any work or services under this Contract, Contractor must furnish City of Scottsdale with Certificate(s) of Insurance, or formal endorsements as required by this Contract, issued by Contractor's insurer(s) as evidence that policies are placed with acceptable insurers as specified in this Contract and provide the required coverage, conditions, and limits of coverage and that any coverage and provisions are in full force and effect. If a Certificate of Insurance is submitted as verification of coverage, City of Scottsdale will reasonably rely upon the Certificate of Insurance as evidence of coverage but any acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this agreement. Certificates will specifically cite the following provisions endorsed to the Contractor's policy:

1. City of Scottsdale, its agents, representatives, officers, directors, officials and employees must be named an Additional Insured under the following policies:
 - a) Commercial General Liability
 - b) Auto Liability
 - c) Excess Liability - Follow Form to underlying insurance as required.
2. Contractor's insurance must be primary insurance as respects performance of subject contract.

6.1.7 Evidence of Insurance and Required Endorsements – Cont'd

3. All policies, except Professional Liability insurance, if applicable, waive rights of recovery (subrogation) against City of Scottsdale, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by Contractor under this Contract.
4. If the Contractor receives notice that any of the required policies of insurance are materially reduced or cancelled, it will be Contractor's responsibility to provide prompt notice of same to the City, unless such coverage is immediately replaced with similar policies.

6.2 Required Coverage

6.2.1 Commercial General Liability:

Contractor must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy must cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying.

6.2.2 Workers Compensation Insurance:

Contractor must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes applicable to Contractor's employees engaged in the performance of work or services under this Contract and must also maintain Employers' Liability Insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee and

\$500,000 disease policy limit. If the Contractor is a sole proprietor or a single member limited liability company with no employees, and has elected not to purchase Workers' Compensation Insurance; a completed and signed Workers' Compensation Waiver Form will substitute for the insurance requirement.

7.0 SEVERABILITY, AUTHORITY, COUNTERPARTS

7.1 SEVERABILITY

If any term or provision of this Contract is found to be illegal or unenforceable, then despite this illegality or unenforceability, this Contract will remain in full force and effect and that term or provision will be considered deleted.

7.2 AUTHORITY

Each party warrants and represents that it has full power and authority to enter into and perform this Contract, and that the person signing on behalf of each has been properly authorized and empowered to enter this Contract. Each party further acknowledges that it has read, understands, and agrees to be bound by this Contract.

7.3 COUNTERPARTS

This Contract may be executed in one or more counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument.

8.0 REQUEST FOR TAXPAYER I.D. NUMBER & CERTIFICATION I.R.S. W-9 FORM

Upon request, the Contractor shall provide the required I.R.S. W-9 Form which is available from the IRS website at www.IRS.gov under their forms section.

9.0 DONATIONS

No donations allowed. To avoid the appearance of impropriety, Contractor shall not make any donation to the City, of any goods or services during the term of this Agreement, unless it has specifically been approved by the City Manager or designee.

IN WITNESS WHEREOF, the parties have executed this Contract by affixing their signatures

CONTRACTOR: Aerodome

Brett Kanda

Signature

SVP, Business Development

Title

8605 Santa Monica Blvd PMB 812255 West Hollywood, California 90069-4109 US
Company Address

CITY OF SCOTTSDALE

CITY OF SCOTTSDALE REVIEW:

By: *Jenn Myers*

Jenn Myers, MPA, CPPO, NIGP-CPP, CPPB
Purchasing Director or Designee

By: *Denise Plug*

Denise Plug
Risk Management Contract Coordinator

By: *Bianca M. Lochner*

Bianca M. Lochner
Information Technology, C.I.O.

CITY CONTRACT ADMINISTRATOR:

By: *Michael Keran*

Michael Keran
Director

APPROVED AS TO FORM:

By: *Lindsay Hampshire*

Sherry R. Scott, City Attorney
Lindsay Hampshire
Assistant City Attorney

SCHEDULE A

Software Description

The City of Scottsdale will use the (name) Software as a Service to_____.

The Software functions shall be in accordance with the SOW. Contractor and City will create a Project Development and Delivery Process and Schedule [Schedule H]. Upon the Parties' mutual agreement on Schedule H,.

ADD ANY OTHER DESCRIPTIVE MATERIAL TO BE CLEAR OF EXPECTATIONS.

No third party software is required to be installed on any City of Scottsdale computer systems for full functionality of the Services.

LICENSE

General. Contractor grants City a License to the services ordered by City in accordance with the SOW, subject to City's obligation to pay and any rights and limitations described below and in the Contract, including the SOW. This License is non-exclusive, non-perpetual, and is not transferable. Contractor reserves all rights in and to the Software not expressly granted.

Authorized Users. Only users who have administrator privileges may add additional authorized users to the Service up to and including the total number of user Licenses purchased during the subscription period. The City will designate a minimum of one employee as an Authorized User. Authorized User employees will access the Service solely to support the City. User Licenses cannot be shared or used by more than one individual Authorized User and cannot be reassigned to a new user to replace a current Authorized User who has terminated employment or otherwise changed job status or function and no longer uses the Service. However, a user who has administrator privileges may delete an Authorized User from the Service and add a new Authorized User to the Service to replace the former Authorized User.

Limitations on use. City shall not reverse engineer, decompile or disassemble the service or Software, except where applicable law so permits it despite this limitation. City shall not rent, lease, lend, resell, or host to or for third parties any Contractor service or Software.

Contractor will not own any Content. Contractor shall perform regular backups of Content for the purpose of recovery in the event of a failure in Contractor's data centers. Except as set forth in the SOW, City, not Contractor, shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, propriety, and intellectual property ownership or right to use such Content.

Software Description

Definitions "Content" means data, data files, figures, project and personnel information, and any other City materials posted or stored on Contractor's Software.

"Service(s)" means the (name) Software as a Service provided to the City under this Contract.

SCHEDULE B
Technical Environment

RESERVED.

SCHEDULE C
Service Fee

COMPENSATION

- A. Contract Price: The total contract price and services included by year are as set forth in the SOW.
- B. Invoicing: To receive payment, Contractor shall submit an invoice for each annual payment upon completion of each year of the Contract. Contractor's invoice shall include the contract number and the relevant payment milestone(s). If Contractor is in compliance with this Contract, City shall pay each approved invoice within thirty (30) days of receipt of an approved form of invoice.

Contractor's training plan, materials, and delivery shall be in accordance with Section (section entitled "Timeline") of the Contractor's Proposal.

UPTIME REPORTS AND NOTICE OF MAINTENANCE

- A. Upon City's request, Contractor will make available City's downtime reports calculated on a monthly basis.
- B. Desired uptime is 24 hours a day, 7 days a week
- C. Contractor shall provide the City with a minimum of forty-eight (48) hours advance notice for scheduled maintenance, unless in the event of an emergency when notice shall be provided as soon as possible.

SCHEDULE D

Acceptance Testing

The Parties shall prepare a written Acceptance Test Plan to verify that the Services operate in accordance with the requirements of the Contractor's and/or manufacturers' published specifications and any additional specifications referenced in this Contract. The Contractor shall have a product support representative readily available for the duration of Acceptance Testing.

Acceptance Testing. The City and Contractor shall cooperatively validate the Service's functions and specifications, its conformance with performance standards, and any other acceptance criteria stated in the SOW or agreed upon during the engagement. This validation shall take place during Phase _____ – Readiness and shall follow the Test Plan as set forth in Schedule H.

If the City determines the Software's performance cannot be validated, the City shall deliver to Contractor written notice setting forth in reasonable detail the nature of the failure. Contractor shall have ten (10) business days to correct such failure, after which acceptance testing and validation shall be repeated for an additional period until the Services perform in material compliance with all validation criteria for a period of ten (10) consecutive business days.

Final Acceptance. "Final Acceptance" shall mean a written final acceptance of the Services by the Contract Administrator for the City or his/her designee. Final Acceptance shall occur no later than ten (10) business days after the validation described in the above paragraph has been successfully completed. Final Acceptance shall be limited to verifying the Services perform in accordance with Contractor's published specifications.

Acceptance Testing

RESERVED

SCHEDULE E

Maintenance Services

Maintenance shall include the detection and correction of any defect in the Services and the implementation of all modifications, enhancements, and upgrades planned by Contractor.

Maintenance services are included within this Contract as a part of the Annual Subscription Fee as described in Schedule C.

During the time that the Services are under Contractor maintenance, Contractor shall maintain the original functionality by:

Correcting or replacing the Services or any component or module and provide services necessary to remedy any defect; and

Supplying updated user guides as necessary in Contractor's sole discretion, for the City to maintain complete and current documentation of the use of the Services.

Updates / upgrades of the Services may be incorporated for bug fixes, new features, or other enhancements included in future versions. For each upgrade and/or enhancement, Contractor warrants and represents that the installation of such upgrade and/or enhancement shall not adversely affect the City's business while using the Software as a Service (SaaS) product.

Telephone Support. Contractor shall maintain telephone service during regular business hours (8 a.m. to 5 p.m. Arizona local time) to assist the City in reporting errors and providing first-line support in the use and operation of the Software.

Maintenance Services

Internet Email. Contractor shall maintain an email address for the express purpose of providing support. This special email address shall be managed by software which tracks problem progress on an incident-by-incident basis in order to ensure a timely turn-around for the City.

Limitations on Support. The City agrees that the point of contact for maintenance and support of the Services shall be limited to two (2) designated employees at any one time, who will act as support liaison between the Contractor and the City.

Upon receipt of notice of an error, Contractor will assign a priority level as determined by the City to the error according to the following criteria:

Level 1 Critical - An error that results in the Software being completely non-functional or inoperative;

Level 2 High - An error that results in the Software being substantially non-functional or inoperative;

Level 3 Minor – An error that results in the Software operating or performing other than as represented in the Documentation, but

which does not have a material adverse impact on the performance of the Software;

Level 4 Low- An error suggesting a Software improvement may be preferred

Contractor will make reasonable efforts to correct the error or provide a work-around solution for each priority level and, if a work-around is the immediate solution, will make reasonable efforts to provide a final resolution of the error. Reasonable effort will be made to respond to the incident within the following time frames after receiving notice and sufficient information and support from the City:

<u>Priority Level</u>	<u>Initial Response</u>
Level 1	Eight (8) hours
Level 2	Twenty-four (24)
Level 3	Five (5) business days
Level 4	Twenty (20) business days

SCHEDULE F

Warranties

Contractor hereby warrants and represents to City as follows:

Ownership. Contractor is the owner of the Services, and component thereof, or otherwise has the right to grant to City use of the Services without violating the rights of any third party, and there is currently no actual or threatened suit by any such third party based on Contractor's alleged violation of such right.

Warranty Period. Contractor shall provide to City, as part of the agreed upon annual subscription fee, all upgrades, updates, and fixes, and reasonably necessary telephonic, electronic and/or written consultation requested by City in connection with its use and operation of the Services in accordance with Contractor's standard support services and offering.

Quality. Contractor will employ industry available anti-virus protection for the purposes of preventing introduction into the Services any known malware, viruses, worms and Trojan horses, when delivered by the Contractor,. All work performed by the Contractor pursuant to this Agreement shall be performed in a professional and workmanlike manner by staff with the necessary skills, experience and knowledge.

Documentation. All documentation is in all material respects complete and accurate, and will enable City technical staff and employees with ordinary skills and experience to utilize the Services in the manner specified in the user documentation provided by Contractor. Contractor will upgrade the documentation to reflect all new releases and any and all other modifications, enhancements, upgrades, and error corrections provided by Contractor as reasonably necessary for use of the Services. All such documentation updates will be of equal or greater quality to the initial documentation provided to the City.

Service Warranty. Throughout any annual subscription term, Contractor warrants that it shall maintain the Service in accordance with its documentation and specifications, and take commercially reasonable steps to remedy any failure of the Services to perform in accordance with the same.

Representations. Contractor warrants that all items, materials, information and representations of any kind submitted in its Proposal and any Software demonstrations were and are true and correct.

Third Party Software. Contractor provides no warranties or guarantees with respect to Third Party Software.

SURVIVAL OF WARRANTIES

The representations, warranties, obligations, and indemnities contained in this Contract that, by their sense and context, are intended to survive the performance thereof by either or both Parties shall so survive the completion of performance and termination of this Contract.

DISCLAIMER

Contractor does not warrant that the Software or Services will be error-free or uninterrupted or that all errors will be corrected, and other than the express warranties herein, disclaims all other warranties, including without limitation, all implied warranties, including for merchantability, fitness for a particular purpose, usage or custom, or non-infringement.

SCHEDULE G
Software as a Service (SaaS)

In lieu of obtaining a Software License to use Contractor's application software on the City's in-house servers, the City of Scottsdale is contracting hereunder for Software as a Service (SaaS).

The following clauses are incorporated as part of the accompanying City Services Contract with _____ ("Contractor") for the purpose of protecting City Data and Confidential Information (hereafter, "Data") and preserving the City's ability to perform necessary tasks.

As used herein, "Software as a Service" shall mean a style of computing whereby Contractor delivers to the City, as a service, scalable and elastic IT-enabled capabilities (applications, development platforms, infrastructure, and/or other services) that reside outside the City and are accessible via the internet in accordance with Contractor's description of services, specifications and documentation.

1. The Contractor shall provide the computer power, storage, and networking infrastructure as necessary to run the SaaS application software and ensure the application is available to the City on-demand. Contractor assumes all responsibility for the computing environment supporting the hosted applications and ensuring the applications, databases, updates, and operating systems meet industry standards and applicable federal and state laws.
2. The Contractor shall, at all times, provide secure physical facilities for storing the City's Data. Contractor shall use commercially reasonable efforts to assure all such facilities will, reasonably protect the City's stored Data in accordance with current industry practices from physical threats, natural disasters, hostile elements, and any form of intrusion or access by other parties.
3. The Contractor shall, at all times, employ reasonable physical, technical and administrative safeguards in the processing and protection of all City Data, including, but not limited to, use encryption technology, for all Data at rest and in transit.
4. The Contractor shall provide offsite Data backup storage via media (e.g., tape) or SaaS application via internet (i.e., Cloud), including rotation, retention, and periodic testing of data backups. Contractor shall use reasonable efforts to provide backup or replication procedures to assure the City's Data is reasonably available at all times during City working hours. Contractor shall provide and implement testing and disaster recovery programs and shall demonstrate same to the City's satisfaction.
5. The Contractor shall arrange for prompt retrieval of Data storage records and records of destruction as the City may require.
6. Contractor shall preserve the Data for record retention periods as the City may specify. Unless otherwise instructed by the City to destroy any Data, Contractor shall return all Data in a mutually agreed upon media state no later than thirty (30) days following termination of the City Services Contract or other predetermined periodic schedule agreed to and attached to the Contract.
7. The City shall own all right, title, and interest in the City's Data and Confidential Information. The Contractor shall not reproduce, disclose, publish, sell, or otherwise use

the City's Data in any form or manner except as necessary to perform and administer the Contract. The Contractor has no rights of access to or use of the City's Data other than as strictly required to perform services pursuant to, and administer, this Contract. Contractor's use or disclosure of the City's Data or any other Confidential Information without the City's express, written consent is prohibited and grounds for immediate contract termination.

8. Subject to the terms of the SOW, the City hereby designates the following as City's Confidential information: All City Data provided hereunder, including, but not limited to records, files, forms, documents and other data regardless of format; Meta-Data either described or embedded in the Data and City documents; current and prospective City employee and applicant information, including, but not limited to, names, addresses, social security numbers, email addresses, and telephone numbers; and such other Confidential Information as may be designated by the City to the Contractor.
9. Reserved.
10. Security Incident or Data Breach Notification: The Contractor shall inform the City of any security incident or data breach of which it becomes aware.
 - a. Breach Reporting Requirements: If the Contractor has actual knowledge of or reasonably believes there has been a data breach that affects the security of any City content that is designated as Confidential under subsection (8) of this Schedule G or subject to A.R.S. § 18-551 et seq, the Contractor shall:
 - (1) notify the City Contract Administrator as soon as practicable and in no event later than 72 hours after the breach, and
 - (2) take commercially reasonable measures to address the data breach in a timely manner.
 - b. The Contractor shall, at City's cost (1) cooperate with the City as reasonably requested by the City to investigate and resolve the data breach, (2) promptly implement necessary remedial measures, if necessary, and (3) document responsive actions taken related to the data breach, including any post-incident review of events and actions taken to make changes in business practices in providing the services.
 - c. Unless otherwise stipulated, if a data breach is a direct result of the Contractor's breach of its contract obligation to encrypt personal data or otherwise prevent its release, the Contractor shall bear the costs associated with the following:
 - (1) the investigation and resolution of the data breach;
 - (2) notifications to individuals, regulators or others as required by state law;
 - (3) a credit monitoring service required by state or federal law;
 - (4) a website or a toll-free number and call center for affected individuals if required by state or federal law; and
 - (5) reasonably completing all corrective actions .
10. Notification of Legal Requests: The Contractor shall contact the City upon receipt of any discovery requests, litigation holds, discovery searches and expert testimonies related to the City's data under this contract or which in any way might reasonably require access to the City's data. The Contractor shall not respond to subpoenas, service of process or other legal requests related to the City's data under this contract without first notifying the City

and allowing a reasonable time for the City to object, unless prohibited by law from providing such notice.

12. Reserved.

13. Reserved.

14. The terms and conditions of this contract Attachment are material to the Parties' agreement, and any Contractor failure to materially comply with the terms set forth herein shall be grounds for the City to cancel this contract for cause as set forth in Section 4.2.

**Statement of Work
Attached as Exhibit A**

SCHEDULE H
Project Development and Delivery Process and Schedule

PER SECTIONS ENTITLED "PROGRAM OVERVIEW", "TIMELINE", AND "PRICING" IN THE PROPOSAL / SOW.

EXHIBIT A
AERODOME SCOPE OF WORK
in following pages



NEXT GENERATION AIR SUPPORT



SCOTTSDALE POLICE DEPARTMENT

DRONE AS FIRST RESPONDER PROPOSAL

04/24/2024

Assistant Chief Rich Slavin
rslavin@scottsdaleaz.gov

Tyler Roberts
Business Development Manager
tyler@aerodome.com
(858) 405-7183

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EXECUTIVE SUMMARY

Aerodome has developed a fully remote, fully automated, multi-station, multi-drone DFR platform capable of providing air support for any call for service within 3-minutes. From a centralized and remote location, Aerodome's software enables a teleoperator to deploy a strategically positioned drone to a call for service with a single click of a button.



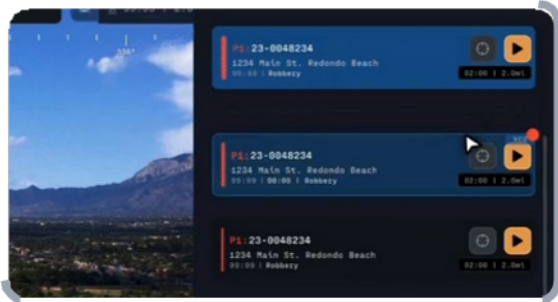
In an average of 86 seconds, the drone will arrive at the call for service. Utilizing its high-powered zoom camera, laser rangefinder, night vision and thermal imaging capabilities, the system allows the teleoperator to capture the smallest of details, such as identifying firearms or reading the license plate numbers of suspect vehicles.

Designed to arrive on scene before patrol resources, the system allows for a rapid response to high priority calls for service rendering it one of the most effective de-escalation tools on the market. Furthermore, deploying the system to medium priority and low priority calls enables the agency to adjust resource allocation as needed, or clear the call entirely. This force multiplication capability allows patrol resources to dedicate more time to high priority incidents without compromising overall response times.

Aerodome has spearheaded remote operations with True Beyond Visual Line of Sight (BVLOS) capabilities. Traditional programs rely on rooftop based visual observers, resulting in a multi-person workflow for DFR operations. Through our advanced airspace awareness sensors and the implementation of our Air Traffic Awareness software module, we've successfully created a digital visual observer that exceeds human capabilities and replaces the need for human observers.

DRONE AS FIRST RESPONDER

1 RECEIVE CALL FOR SERVICE



2 UAV RESPONDS TO THE CFS



3 UAV PROVIDES LIVE VIDEO FEED

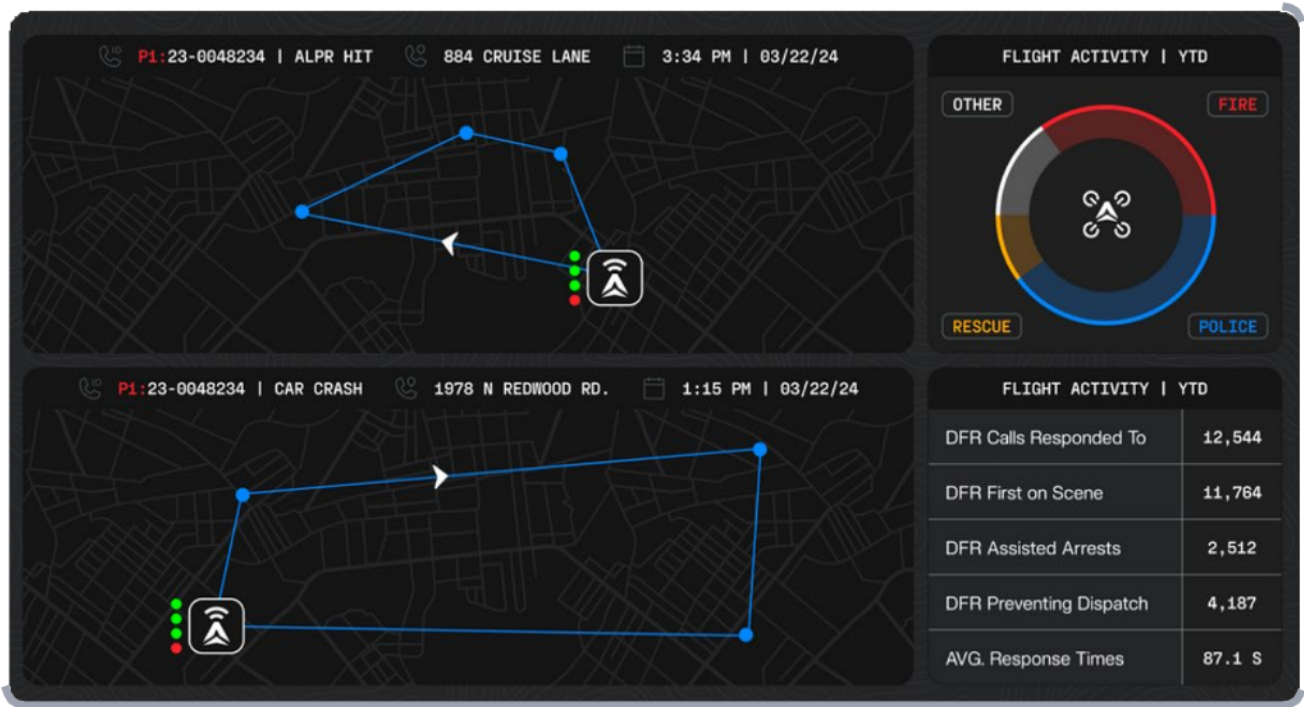


4 AUTONOMOUSLY RETURNS & LANDS



Drone as First Responder (DFR) employs drones strategically placed at high points around cities, which are remotely operated by a pilot, to arrive on scene prior to the patrol response and provide next generation air support capabilities. Public safety agencies have faced significant challenges in recruiting and staffing sworn officers, intensifying pressure on existing field assets. Consequently, response times to an escalating call volume are increasing, exacerbating the backlog in CAD queues. By arriving to calls for service anywhere in the operational area within 3-minutes, the live video feed allows for officers to gain critical situational awareness, which can help de-escalate potentially catastrophic encounters. It can also reduce or completely eliminate the need for a patrol response allowing the agency to effectively allocate understaffed patrol resources.

SUCCESS METRICS OF DFR



CLEAR CALLS FOR SERVICE

Clear an average of 15% of calls-for-service without using patrol resources.



REDUCE RESPONSE TIMES

Reduce response times by an average of 71%.



ARRIVE FIRST ON SCENE

Aerodome drones reach calls-for-service within an average of 86 seconds, providing critical intelligence to responding officers.



LOCATE SUBJECTS

Locate and assist in the apprehension of significantly more suspects who would have otherwise avoided detention.



TECH OVERVIEW



The Aerodome platform is a comprehensive, all-in-one air support operating system (ASOS) which includes the hardware, software, airspace detection network, and services needed for NextGen DFR (DFR 2.0) operations.



HARDWARE

- Aircraft + Payload
- Docking Station
- Airspace Detection Sensors



SOFTWARE

- Air Traffic Awareness (ATA) Module
- Flight Operations Module
- Spectator Module
- Flight Log and Mission Reporting Module
- Community Engagement Module



SETUP AND SERVICES

- Setup & Support
- RPIC Approval Program

//HARDWARE



AIRCRAFT + PAYLOAD

MATRICE 350



53 MPH MAX SPEED

Twice as fast response speeds as alternative aircraft decreasing DFR response times by 50%.



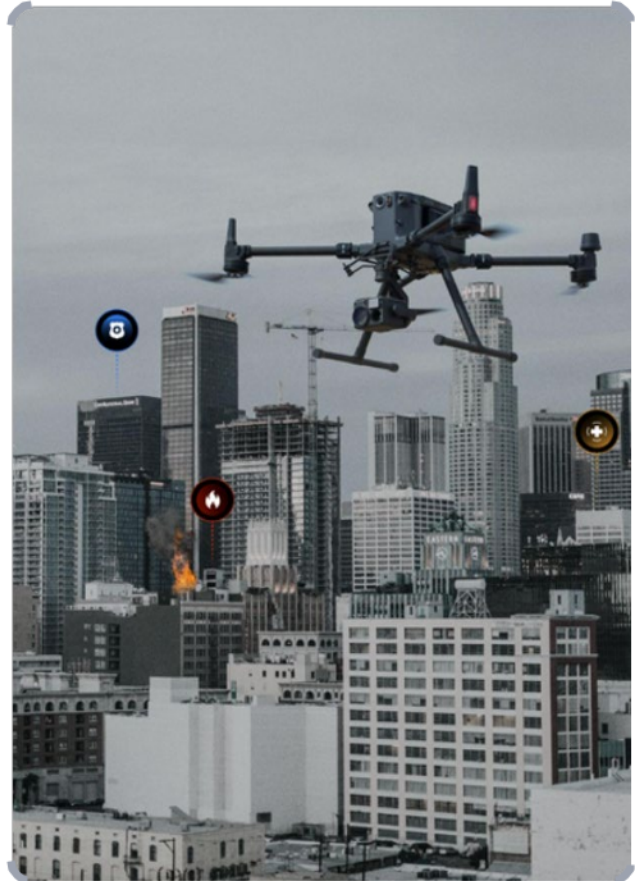
55 MINUTE BATTERY LIFE

Depending on the distance of the call from the launch location, the aircraft is on scene anywhere from 15 - 40 minutes.



3.5 NM RANGE

Best-in class 1080p video range and connectivity to ensure safe operations anywhere in a 3.5 NM radius from each Aerodome station.



200X ZOOM,
THERMAL

The H20T payload offers 200x blended zoom, 1200 m laser rangefinder, and a 640 x 512 radiometric thermal camera allowing for unprecedented aerial imaging capabilities. The H20N adds full night vision for advanced night-time operations.



ATLAS 350 DRONE DOCK

// HARDWARE

EXCLUSIVELY PROVIDED BY AERODOME AND POWERED BY HEXTRONICS

Utilizing a robotic arm, the dock can hotswap batteries in minutes ensuring a fast turnaround time and optimal battery health. The dock, outfitted with an HVAC system, is able to withstand a wide range of temperatures.



FULLY REMOTE & AUTOMATED

The dock allows one RPIC to control and maintain multiple UAVs throughout the city without the need for another human in the workflow.



3 MINUTE BATTERY SWAP

The battery swap solution allows the drones to be ready for launch 10x faster than any other solution.



SAFEGUARDED FROM WEATHER

The dock is rated IP55. It can withstand heat up to 120°F and cold down to -5°F as well as heavy rainfall and snow.



AIRSPACE DETECTION SENSORS

EXCLUSIVELY PROVIDED BY AERODOME

These sensors are used in conjunction with the Air Traffic Awareness module to replace the need for human visual observers in BVLOS operations.



3D RADAR

A multi-beamforming, 360 degree and 3D radar, this can detect manned aircraft over 4 miles away,



ADS-B

A combination of ground and cloud-based ADS-B sensors to detect ADS-B broadcasting aircraft.



COUNTER-DRONE SCANNER (RF)

A 360 degree radiofrequency scanner that can detect DJI and non-DJI drones in the airspace.



REMOTE ID (RID)

A sensor that identifies and tracks drones by decoding their Remote-ID broadcast.



//SOFTWARE



FLIGHT OPERATIONS

// SOFTWARE

The Flight Operations Module allows a teleoperator to remotely control a drone with a 1080p feed, utilize night vision and thermal cameras, automatically navigate to locations, and constantly display weather and safety information.



REMOTELY CONTROL UAVs CITY WIDE

Control all the drones in the city with one interface, flying them safely and with complete awareness.



INTEGRATE CAD, ALPR, & MORE

Use data from all integrated interfaces, including CAD, ALPR systems, gun shot detection systems, and more.



SPECTATOR

// SOFTWARE

The Spectator Module allows patrol officers, watch commanders, dispatchers, real-time crime center staff, command staff, and any other individuals authorized by the agency to enhance their situational awareness, both before and while patrol units are on the scene.



STREAM AGENCY-WIDE

Both permanent and temporary access can be given to watch the video feed. Every stakeholder in a call response can gain the situational awareness they need.



VIEW ON ANY DEVICE

The stream can be viewed through computer screens, televisions, smartphone, and tablet and requires very little connection strength for 1080p video quality.



AIR TRAFFIC AWARENESS

All airspace awareness sensors integrate into this central point to paint a complete picture of the airspace. The ATA Module is integrated with the flight operations screen, so the pilot can be notified of any potential conflicts. The drone can also be set to auto-mitigate threats if the pilot isn't paying attention.



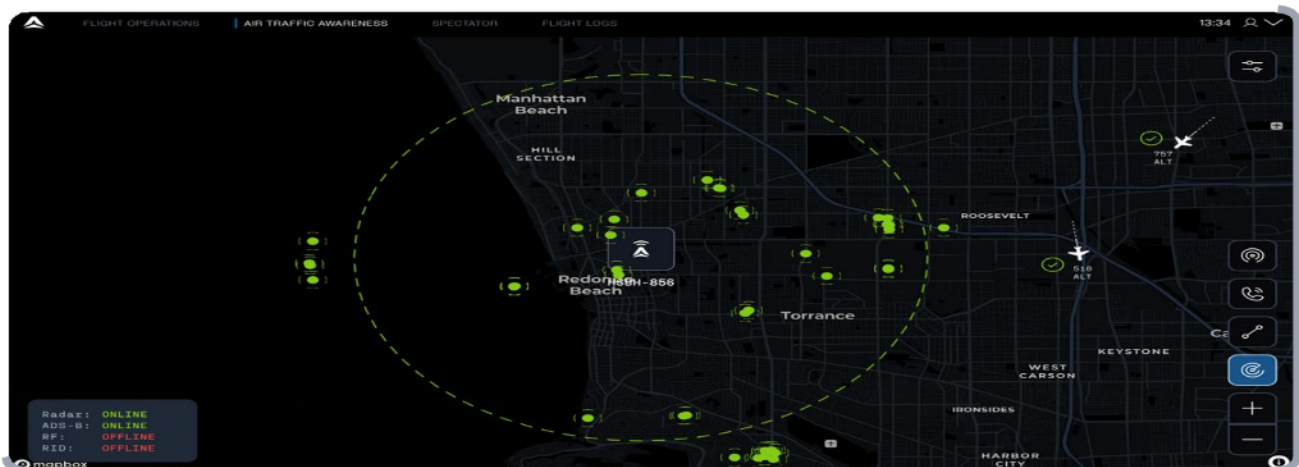
**RADAR, ADS-B,
RID, RF SENSORS**

All of the sensors used to detect and track aircraft in the area are fused into one pane of glass for a seamless detect and avoid experience. Warnings can then be easily communicated to the flight operations screen and pilot.



**NO VISUAL
OBSERVERS**

The single greatest limiting factor to last-generation DFR has been the need for visual observers in order to monitor the airspace. ATA allows the agency to remove visual observers, turning DFR into a true force multiplier.



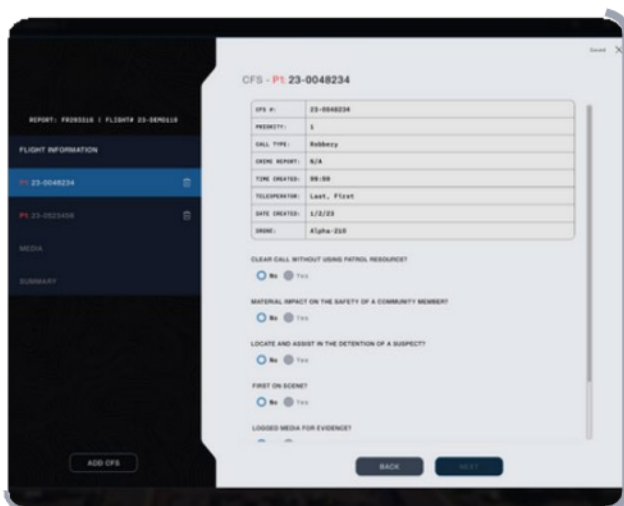
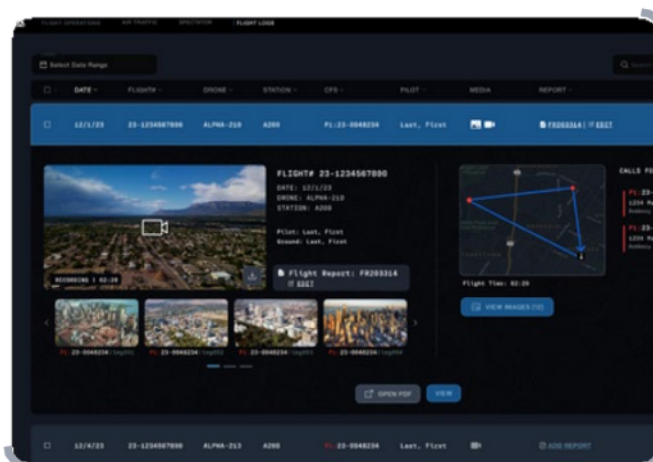
FLIGHT LOGS & MISSION REPORTING

The Flight Log Module aggregates all historical flights, showcasing flight maps, durations, telemetry data, collected media, and mission reports in one location, facilitating compliance and easy data sharing.



ALL FLIGHTS & RECORDED MEDIA

After each flight, all of the flight details are logged. Any pictures and recordings taken during the flight mission can be viewed here and downloaded for proper chain of evidence procedures.



MANAGE REPORTS AND METRICS

A mission report is automatically generated based on CAD data associated with the mission. Details like response times, first on scene %, and more relevant data is collected and added to the dashboard.



COMMUNITY ENGAGEMENT

The Community Engagement Module features a public dashboard that automatically updates with redacted DFR flight details and success metrics, promoting transparency and accountability effortlessly.



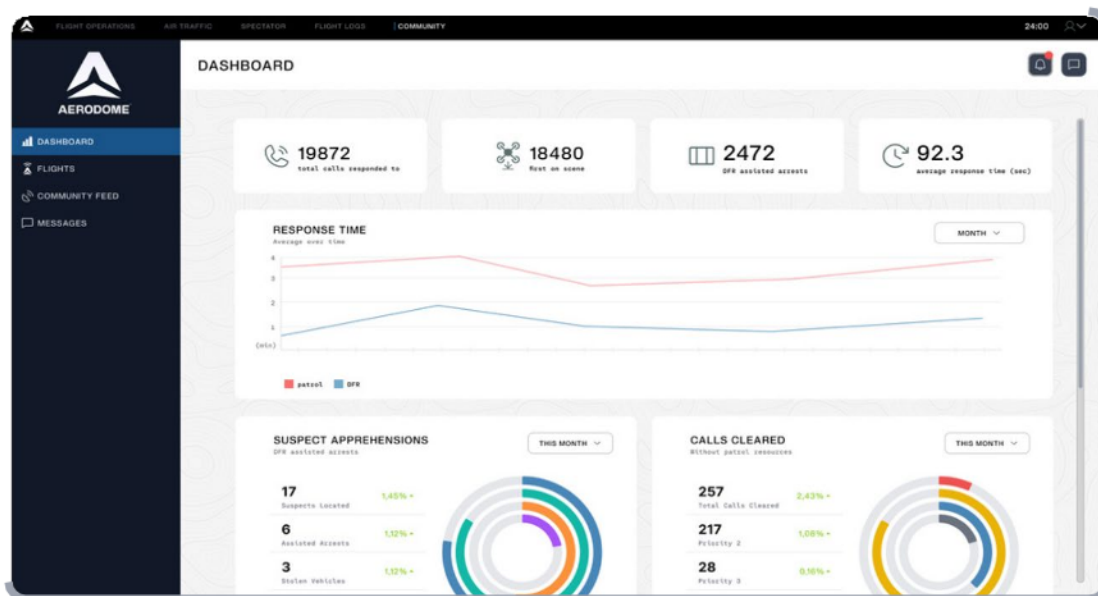
PUBLIC FACING FLIGHT LOGS

Flight logs are automatically updated in the system, ensuring transparency by providing accessible, redacted flight data for community members.



SUCCESS DASHBOARD

Success metrics of the DFR program are displayed in real-time on a public dashboard, illustrating its positive community impact through quantifiable results.



//SERVICES



SETUP & SUPPORT SERVICES

Aerodome's services encompass the entire process of initiating and maintaining your program, from 0 to 1. We apply for and obtain your FAA waivers, consult with you on your SOP and DFR policies, train your personnel as needed, and facilitate the smooth installation of all software and hardware. We have a dedicated team with over 20 years of experience in integrating with public safety software systems, including over 15 different CAD integrations.



FAA REGULATORY WORK

Assistance with obtaining all necessary FAA waivers and then remaining compliant.



SOP AND POLICY CONSULTING

Help in developing or modifying existing policies.



TRAINING

Providing all training for personnel on DFR operations.



INTEGRATIONS

Integration with CAD, RTCC, ALPR, and gunshot detection software systems.



COMMUNITY ENGAGEMENT

consult on engaging the community to foster transparency and trust, starting long before the first flight.



CONTINUOUS SUPPORT

Comprehensive support to ensure the ongoing success of your program.





Aerodome's Air Traffic Awareness Module (ATA) integrates a 3D radar capable of a 4-mile detection radius in any direction into its software. This allows RPICs to deconflict with any aircraft in the vicinity and ensures safe BVLOS flights. Aerodome applies for the FAA waiver on behalf of the department, but until the FAA approves the department's use of the ATA module, Aerodome will contract and pay for staffed RPICs at the selected locations at no extra cost.

Once the FAA approves the use of the ATA module at the selected locations, the RPICs will be removed from the rooftop and replaced by the Atlas 350 battery swapping dock. This transition leads to a fully remote BVLOS DFR operation.

This process allows for an agency to immediately initiate a comprehensive DFR program while they wait for the necessary FAA approvals to fly without visual observers, at no additional cost.

All these provisions are included under the same annual contract, as per the terms provided below.

// PROGRAM OVERVIEW

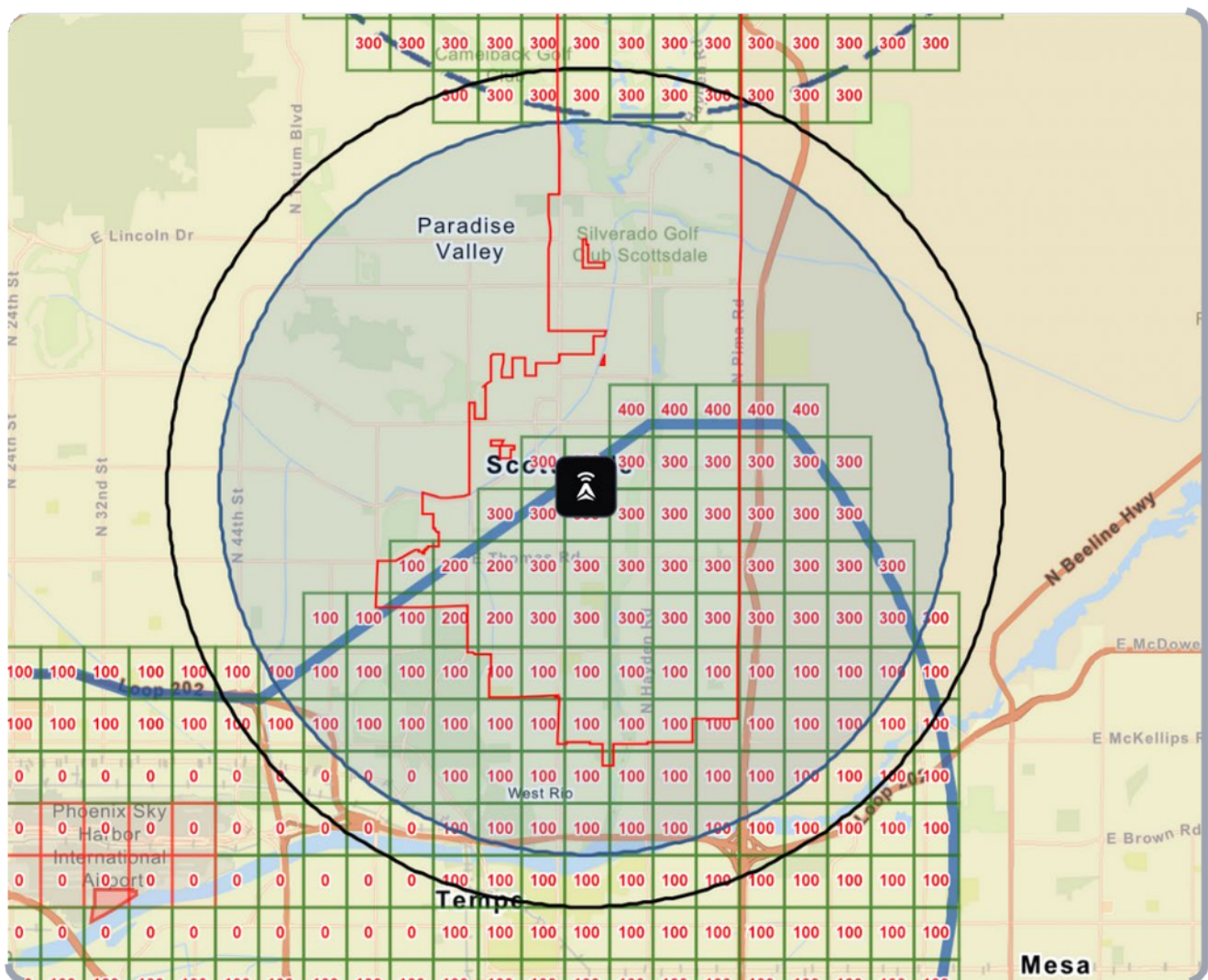


PROGRAM LAYOUT

The following is a suggested deployment location for the initial Aerodome station. The location has been selected based on airspace analysis and feedback from the department on call volume and ease of access to the hardware.

Launch Location (3.5 NM Radius)

Scottsdale Performing Arts Center: 7380 E 2nd St, Scottsdale, AZ 85251



TIMELINE

The proposed timeline commences on the date of our first kickoff call, scheduled upon reaching mutual agreement to work together. Depending on the agency's primary needs, priorities can be adjusted, and timelines remain flexible.

These timelines are estimates and may change based on agency priorities.



WEEK 1

-
- ▶ Integration roadmap established for CAD, etc.
 - ▶ Hardware order placed.
 - ▶ Apply for BVLOS COA with VOs.



WEEK 6

-
- ▶ UAV Arrives
 - ▶ Rooftop pilots are onboarded
 - ▶ In-person software training, implementation, and QA.



WEEK 12-16

-
- ▶ Radar arrives and initial data collection begins for FAA waiver submission.



WEEK 20

-
- ▶ Radar data collection is complete and waiver is submitted.

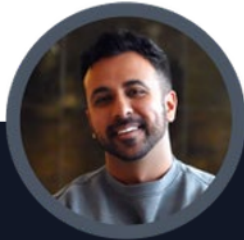


WAIVER APPROVED

-
- ▶ Pilots are removed from the rooftop and docks are installed.

PERSONNEL ASSIGNED

The Aerodome team has over 30 years of experience in the public safety technology sector and more than 16 years of experience in both unmanned and manned aviation.



RAHUL SIDHU

CHIEF EXECUTIVE OFFICER

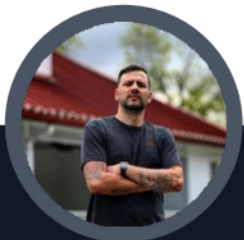
As the air support manager for Redondo Beach PD, Rahul set up the second ever DFR program in the world. His involvement in every deployment serves to ensure the quality of the integration of DFR into patrol operations.



TYLER ROBERTS

BUSINESS DEVELOPMENT MANAGER

Having set up more than 10 fully functioning DFR programs and obtained over 20 beyond visual line of sight waivers, Tyler's involvement will be to ensure the department and the deployment team are fully aligned on the program deliverables and timelines.



JOSHUA PRUIT

SENIOR CUSTOMER SUCCESS
MANAGER

With 10 years experience, he is a public safety UAS operations specialist having trained hundreds of agencies. He will lead the setup and continued support of the program.



JESSE NIWA

SENIOR DEPLOYMENT
ENGINEER

Jesse Niwa has 10 years of experience in public safety IT, building and deploying interfaces for both his local PD and over 50 law enforcement agencies. He will lead the technical integrations.



PRICING

Based on a 3 Year Contract

Our all-in-one contract includes hardware leasing, cutting-edge software, comprehensive training, and ongoing support, ensuring your agency has everything needed for efficient emergency response operations. As the industry evolves, our yearly model lets you access next-generation equipment with predictable annual costs.

Item and Description	Quantity	Unit Price	Total
Aerodome DFR Station M350, H20T, 16 TB65 Batteries, Hextronics Atlas 350 Battery Swapping DFR Docking Station, DFR Software, 3D Radar, Aerodome Regulatory Services, SOP Development, Training, Other Aerodome Services	1	\$307,133	\$307,133 / Year

Notes:

- Annual pricing is based on a 3 year contract and includes free hardware upgrades (to include drones, docks, and sensors) as newer hardware becomes integrated into the platform.
- Payment terms are net 30 from date of deployment
- A cancellation penalty will be charged if the contract is terminated at the end of year 1 or 2
 - Year 1: \$89,035
 - Year 2: \$59,356
- The proposed pricing can scale up or down depending on the needs of the agency.
- This contract also includes RPIC services for 40 hours a week, supported by Flying Lion LLC
- Once a "Beyond Visual Line of Sight (BVLOS) without Visual Observers (VOs)" waiver is obtained by the FAA, Flying Lion pilots will be removed. A docking station will be installed, prior to waiver approval, under the same contract at the previously stated annual price for the remainder of the contract term.
- If a new contract is executed based on a new proposal, it will supersede this proposal and any subsequent contract entirely. This will allow Scottsdale PD to expand into a larger contract without any concerns about the existing contract.

EXHIBIT A

AGREEMENT FOR UNMANNED AIR SUPPORT AS A SERVICE (UASaaS) PROGRAM FOR DRONE RESPONSE SERVICES

This Agreement for Unmanned Air Support as a Service (UASaaS) Program for Drone Response Services ("**Agreement**") is entered into on _____ ("**Effective Date**"), by and between Aerodome, Inc., a Delaware corporation having its principal place of business at 56 Crosby St, NY, NY 10011 ("**Aerodome**") and City of Scottsdale, an Arizona municipal corporation ("**Customer**"), and hereby incorporated in that statement of work ("SOW") between the parties.

WHEREAS, Customer has determined that it is in the interests of public safety for it to have the ability to utilize unmanned drones during crisis incidents, public emergencies, and in certain public safety operations, to the extent permitted by law;

WHEREAS, Aerodome is in the business of providing unmanned drone services and equipment;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Customer and Aerodome agree as follows:

1. DEFINED TERMS

Capitalized terms used in this Agreement have the meanings set forth in this Section 1, or as defined elsewhere in this Agreement.

1.1 "Authorized Users" means any user of the Aerodome Products, Documentation, and/or Equipment with the explicit, implicit, or tacit authorization of Customer.

1.2 "Confidential Information" has the meaning set forth in Section 17 (Confidential Information) of this Agreement.

1.3 "Documentation" means any documents, information, directions, explanations, or material, concerning the Equipment and/or the Aerodome Products, produced by or for Aerodome, for the use of the Equipment and/or Aerodome Software, in whatever form, and including without limitation the Specifications.

1.4 "Equipment" has the meaning set forth in Section 2.1 of this Agreement.

1.5 "Intellectual Property Rights" means all intellectual property and proprietary rights anywhere in the world under the laws of any state, country, territory, and/or other jurisdiction, as may now exist or hereafter come into existence, whether statutory, common law, or otherwise, including without limitation any and all patent rights (including patent applications and disclosures), copyright rights, trade secret rights, moral rights, know-how, database rights, mask work rights, rights of publicity, Marks (whether registered or unregistered), and all goodwill relating to the foregoing and any and all applications therefore and registrations, renewals, and extensions thereof. "Mark" means any trademark, trade name, trade dress, service mark, corporate name, design, logo, device, domain name, and/or other indicator of the source or origin of any product or service.

1.6 "Aerodome Products" means the Aerodome Software and the Aerodome Website Portal.

1.7 "Aerodome Proposal" means the form of document attached as the Aerodome Proposal, and incorporated herein by reference, and which document, when executed by both parties hereto, shall form a part of this Agreement and be subject to the terms hereof.

1.8 “Aerodome Software” means the primary software licensed to allow users to interface with the drone, view the live stream, and send commands to the drone during active situations.

1.9 “Specifications” means those standards by which the Equipment and Aerodome Products must be operated, as set forth in Schedule B attached hereto and incorporated herein by reference.

1.10 “Unmanned Air Support as a Service Fees” has the meaning set forth in Section 6 (Prices and Fees) of this Agreement.

1.11 “Website” means the websites of Aerodome, Inc., the primary web page URL of which is <https://www.aerodome.com/>.

2. UNMANNED AIR SUPPORT A SERVICE SALE

2.1 Lease of Equipment. Aerodome shall lease to Customer the unmanned systems and related equipment described in the Aerodome Proposal (the “**Equipment**”) at the price described in the Aerodome Proposal upon the terms and conditions set forth in this Agreement. Aerodome maintains ownership of all the Equipment. Each year, as specified in the Aerodome Proposal, the Customer will be provided with a designated number of batteries set forth in the Aerodome Proposal. Customer may purchase additional Equipment (e.g., batteries prior to 500 complete charging cycles, hardware damaged due to Customer’s error, additional spares, etc.) at Aerodome’s then current list price, which will be made available to Customer upon request.

2.2 Licenses to Aerodome Software and Aerodome Website Portal. Subject to the terms and conditions hereof and compliance therewith, including timely payments of all amounts due hereunder, Aerodome hereby grants to Customer, during the term of this Agreement, a limited, non-exclusive, revocable, non-sublicensable, and non-transferable license to use the Aerodome Software, solely as installed in the Equipment (in the number of copies equal to one per drone, as such number of drones is set forth in Aerodome Proposal, and as such Equipment is delivered to Customer in accordance with Section 2.4, solely on Customer’s premises at the address set forth in the preamble hereto, and solely for Customer’s internal business purposes). Subject to the terms and conditions hereof and compliance therewith, Aerodome grants to Customer a limited, nonexclusive, revocable, non-transferable, non-sublicensable right during the Term to access and use the Aerodome Website Portal by means of login functionality located on the Aerodome Websites.

2.3 FAA Regulatory Waivers. Aerodome will acquire and transfer any FAA regulatory waivers obtained for the Customer to the appropriate Customer account. Following its receipt of such documents, the Customer shall own these documents and Aerodome shall bear no liability for these documents. Aerodome will assist the customer in renewing them during the term of the agreement.

2.4 Delivery. Aerodome shall make the Equipment available to Customer at Customer’s address set forth in the Aerodome Proposal (“**Delivery Point**”). Transportation and use of the Equipment after delivery at the Delivery Point shall be entirely at Customer’s own risk and expense. In the event that Customer disassembles the Equipment to facilitate transportation, Aerodome shall bear no responsibility for reassembly of the Equipment. If for any reason Customer fails to accept delivery of the Equipment by the date fixed pursuant to Aerodome’s notice stating that the Equipment is available at the Delivery Point, or if Aerodome is unable to make the Equipment available at the Delivery Point within a reasonable time after the delivery date owing to any act or omission of Customer or its representatives, including without limitation the failure to provide appropriate instructions, documents, licenses, or authorizations: (i) Customer shall bear the risk of loss to the Equipment; (ii) the Equipment shall be deemed to have been delivered; and (iii) Aerodome, at its option, may store the Equipment until collected by Customer, whereupon Customer shall be liable for all related costs and expenses (including, without limitation, storage and insurance). Once the Equipment and Aerodome Products are made available as the Delivery Point, Customer is responsible for any resulting use of the Equipment and Aerodome Products by all Authorized Users and all third-parties who may gain access to the same.

2.5 Pilot Services. Upon Customer's request, Aerodome will make available an employee or independent contractor pilot (each a "**Pilot**") available to Customer for purposes of operating the Equipment (hereafter the "**Pilot Services**") at the pricing set forth in the Aerodome Proposal. The Pilot Services shall be considered part of the "Services" (as defined below). When operating the Equipment, the Pilot shall comply with the reasonable requests of Customer. Such Pilot Services may be used for up to forty (40) hours per week during the Term. Customer's use of the Pilot Services shall not alleviate any of Customer's obligations set forth herein. Customer shall provide Pilots with a safe working environment when on Customer's premises.

3. LOSS AND DAMAGE OF LEASED EQUIPMENT

3.1 Customer assumes and shall bear the entire risk of loss, damage to, theft or destruction of, all leased Equipment, from any cause not otherwise subject to the Limited Warranty set forth in Section 9. LOSS OR DAMAGE TO THE EQUIPMENT, OR ANY PART OF IT, SHALL NOT RELIEVE CUSTOMER OF ANY OBLIGATION UNDER THIS LEASE AGREEMENT. Customer's obligations with respect to this Section 3 shall commence upon delivery of the Equipment.

3.2 Customer agrees to immediately notify Aerodome of any accident or event of loss or damage involving the Equipment. The notification shall include any information as may be pertinent to Aerodome's investigation of such accident, loss, or damage, or which Customer may reasonably require.

4. USE RESTRICTIONS

4.1 Protection of Equipment. Customer acknowledges and agrees that the design, construction, and internal components, and other elements, of the Equipment provided under this Agreement are Confidential Information (and may include valuable trade secrets) and, as such, is protected under the terms of this Agreement. Disclosure of such would cause Aerodome and its suppliers irreparable injury and damage. To ensure the protection of such information, Customer acknowledges that it is a reasonable precaution not to, and Customer agrees not to, open or disassemble or reverse engineer the Equipment, nor any piece or component thereof, nor to otherwise investigate the internal components and operations of any of the Equipment. Customer agrees to use reasonable precautions to protect the Equipment from theft, inspection, investigation, discovery of the Equipment's components, design, construction, and/or other elements, and any unauthorized use.

4.2 Use Restrictions. During the Term hereof, Customer shall not use the Equipment, Aerodome Products, and/or Documentation for any purposes except as set forth in this Agreement. Without limiting the foregoing and except as otherwise expressly set forth in this Agreement, Customer shall not at any time, directly or indirectly: (i) copy, modify, or create derivative works of the Aerodome Products and/or Documentation, in whole or in part; (ii) rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer, or otherwise make available the Aerodome Products and/or Documentation; (iii) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to the source code of the Aerodome Products and/or Documentation, in whole or in part; (iv) reverse engineer, disassemble, or gain access to the interior components of the Aerodome Products and/or Documentation; (v) remove any proprietary notices from the Aerodome Products and/or Documentation; (vi) use the Aerodome Products and/or Documentation in any manner or for any purpose that infringes, misappropriates, or otherwise violates any Intellectual Property Right or other right of any person, or that violates any applicable law; or (vii) build a product or service that is competitive with Aerodome Products. Unless covered by the Limited Warranty in Section 9, Customer is responsible and liable for all uses of the Aerodome Products and/or Documentation resulting from access provided by Customer, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Without limiting the generality of the foregoing, Customer is responsible for all acts and omissions of Authorized Users, and any act or omission by an Authorized User that would constitute a breach of this Agreement if taken by Customer will be deemed a breach of this Agreement by Customer.

5. PREPARATION SERVICES. Aerodome agrees to provide the services set forth in Schedule A, attached hereto and incorporated herein (the "Services"). Customer agrees to cooperate and abide by the requirements and standards, as set forth in such Schedule A and in this Agreement.

6. UNMANNED AIR SUPPORT AS A SERVICE FEES

6.1 Unmanned Air Support as a Service Price. The Aerodome Proposal dictates the equipment, software, personnel, and Services and the entire Services corresponding fees. Buyer shall pay the Unmanned Air Support as a Service Fees by wire transfer or check in immediately available \$USD funds using the wire transfer instructions provided by Aerodome on the Aerodome Proposal.

6.2 Payment Terms. All Fees hereunder are due within fifteen (15) days of Aerodome's invoice date, or as otherwise set forth in Schedule 1. Except as expressly set forth in this Agreement, the prices and fees set forth herein are non-refundable and non-cancelable. Aerodome reserves the right to charge interest on all amounts due or payable hereunder that are not paid when due, at a rate of one and one-half percent (1.5%) per month, or the highest rate permitted by applicable law, whichever is less. Customer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, reasonable attorneys' fees.

6.3 Taxes. Unless exempt under applicable law, Customer is responsible for all taxes incurred on the purchase of Services and leasing of Equipment hereunder, provided that Customer shall not be responsible for any taxes imposed on, or with respect to, Aerodome's income, revenues, gross receipts, personnel, or real or personal property or other assets. If Customer is claiming any exemption, it shall provide Aerodome a current exemption certificate prior to the commencement of any Services hereunder.

7. TERM. The term of this Agreement commences on the Effective Date of this Agreement and continues until terminated as provided under this Agreement (the "Term"). Each Aerodome Proposal shall commence and expire and/or terminate according to the terms set forth in such Aerodome Proposal (each a "Proposal Term"). Either party may terminate the Agreement if there are no then-active Aerodome Proposals. On expiration or termination of the Agreement, all licenses provided hereunder by Aerodome shall immediately expire.

8. TERMINATION

8.1 Termination for Cause. In addition to any remedies that may be provided in this Agreement, either party may terminate this Agreement with immediate effect upon written notice to the other party, if: (i) the other party is in material breach of this Agreement, and such breach continues for sixty (60) days (10 days for non-payment) ("Notice Period") after the breaching party's receipt of written notice of breach, provided however, that the breaching Party has the right to cure the breach within the applicable Notice Period; (iii) the other party becomes insolvent, files a petition for bankruptcy, or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors; or (iv) there are no then-active Proposals.

8.2 Post-termination. Following any termination, expiration, or cancellation of this Agreement or the licenses granted herein: (i) immediately upon receipt of Aerodome's instructions, Customer will destroy or send to Aerodome (at Customer's expense) all copies of the Aerodome Software and the Documentation; (ii) Customer's rights to continue to use the Aerodome Products and Documentation shall immediately cease and all licenses shall immediately terminate; (iii) all of Aerodome's obligations hereunder shall cease; (iv) all Equipment will be returned to Aerodome at the address provided at that time; and (iv) all Confidential Information of the other party shall be returned, or upon the approval of the disclosing party, destroyed no later than thirty (30) days after the effective date of termination. As needed to accomplish the return and/or destruction of the Aerodome Software, Aerodome may, in its sole discretion and at Customer's expense, provide services to assist Customer.

8.3 Survival. Upon termination or expiration of this Agreement, Sections 8.2, 13-20 of this Agreement will survive and continue in full force and effect. This includes, but is not limited to, provisions related to

confidentiality, indemnification, and limitation of liability. The termination of this Agreement for any reason will not release either Party from any obligations incurred prior to termination of this Agreement or that thereafter may accrue in respect of any act or omission prior to such termination.

9. LIMITED WARRANTY

9.1 Aerodome Products Limited Warranty. Aerodome warrants that during the applicable Proposal Term ("Warranty Period"), the Aerodome Products (including all modifications, updates, and upgrades thereto) obtained pursuant to such Aerodome Proposal, when installed, operated, and used as provided in the Documentation (including the Specifications) and in accordance with the terms of this Agreement will perform substantially in accordance with the Documentation. Such limited warranty set forth above shall only apply if Customer (i) notifies Aerodome in writing of a warranty claim before the expiration of the Warranty Period; (ii) has promptly installed all updates, upgrades, and/or maintenance releases previously made available by Aerodome; and (iii) as of the date of notification, is in compliance with all terms and conditions of this Agreement (including the payment of all prices and fees then due and owing) ("Warranty Claim"). In the case of a Warranty Claim, Aerodome's sole responsibility is to repair or replace the Aerodome Products with products of equivalent functionality.

9.2 Website Service Level. Aerodome will use commercially reasonable efforts to ensure the accessibility of the Aerodome Website Portal and to ensure that updates to the foregoing shall not degrade its functionality, capabilities, or features. Aerodome will, to the extent practicable, give Customer advance notice prior to initiating an unplanned maintenance operation, and such notice shall indicate the estimated timing of such unplanned maintenance operation.

9.3 Equipment Manufacturer's Warranties. To the extent permitted by law, Aerodome agrees to pass through all Equipment manufacturer's warranties in accordance with such warranty's terms and conditions. AERODOME SHALL NOT BE LIABLE WHATSOEVER FOR DAMAGES CAUSED BY OR ARISING FROM DEFECTS OR MALFUNCTIONS STEMMING FROM THE EQUIPMENT MANUFACTURED BY THIRD PARTIES AND LEASED VIA AERODOME AND ALL REMEDIES IN CONNECTION WITH THE SAME SHALL BE LIMITED TO REPAIR OR REPLACEMENT AS SET FORTH IN THE APPLICABLE MANUFACTURER'S WARRANTY.

9.4 Warranty Limitations / Disclaimer.

(a) THE WARRANTIES ABOVE SHALL NOT APPLY TO (I) DEFECTS, ERRORS, DAMAGES, OR LOSS RESULTING FROM CORRECTIONS, REPAIRS OR SERVICE NECESSITATED BY CUSTOMER'S OR USER'S SYSTEM, COMPUTERS, SERVERS, AND/OR OTHER EQUIPMENT OR ITS USE; (II) NEGLIGENCE, ABUSE, MISUSE, OR INTENTIONAL DAMAGE IN CONNECTION WITH ANY USE OF THE EQUIPMENT OR AERODOME PRODUCTS; (III) USE OF THE EQUIPMENT OR AERODOME PRODUCTS OUTSIDE THE PURPOSE, SCOPE, OR MANNER OF USE AUTHORIZED BY THIS AGREEMENT OR IN ANY MANNER CONTRARY TO THE DOCUMENTATION OR AERODOME'S INSTRUCTIONS; (IV) THE EQUIPMENT OR AERODOME PRODUCTS USED IN CONJUNCTION WITH ANY TECHNOLOGY (INCLUDING ANY SOFTWARE, HARDWARE, FIRMWARE, SYSTEM, OR NETWORK), EQUIPMENT OR SERVICE NOT PROVIDED BY AERODOME OR SPECIFIED FOR CUSTOMER'S USE IN THE DOCUMENTATION, UNLESS OTHERWISE EXPRESSLY PERMITTED BY AERODOME IN WRITING; (V) MODIFICATIONS TO THE EQUIPMENT AND AERODOME PRODUCTS BY ANYONE OTHER THAN AERODOME WITHOUT AERODOME'S PRIOR WRITTEN PERMISSION; (VI) USE OF ANY VERSION OF THE EQUIPMENT AND/OR AERODOME PRODUCTS OTHER THAN THE MOST CURRENT VERSION, OR FAILURE TO TIMELY IMPLEMENT ANY MODIFICATION, UPDATE, AND/OR REPLACEMENT OF SUCH MADE AVAILABLE BY AERODOME; OR (VII) DUE TO FORCE MAJEURE.

(b) EXCEPT AS MAY BE EXPRESSLY PROVIDED IN SECTION 9 HEREOF, THE EQUIPMENT, AERODOME SOFTWARE, AERODOME PRODUCTS, DOCUMENTATION, SERVICES, AND ALL RELATED PRODUCTS AND SERVICES ARE PROVIDED TO CUSTOMER "AS IS" AND "WITH ALL FAULTS. TO THE EXTENT PERMITTED BY LAW, THE ABOVE WARRANTIES AND REMEDIES ARE EXCLUSIVE. AERODOME DISCLAIMS ALL OTHER WARRANTIES, REMEDIES, AND CONDITIONS, WHETHER ORAL, WRITTEN, STATUTORY, OR IMPLIED. IF STATUTORY OR IMPLIED WARRANTIES CANNOT BE LAWFULLY DISCLAIMED, THEN SUCH WARRANTIES ARE LIMITED TO THE

DURATION OF THE WARRANTY DESCRIBED ABOVE AND BY THE PROVISIONS IN THIS AGREEMENT. AERODOME DOES NOT WARRANT THAT THE AERODOME SOFTWARE AND/OR AERODOME PRODUCTS WILL RUN PROPERLY ON, AND/OR INTEROPERATE WITH, ALL HARDWARE AND/OR OPERATING SYSTEMS, THAT SUCH WILL MEET THE REQUIREMENTS OF CUSTOMER, OR OPERATE IN THE COMBINATIONS WHICH MAY BE SELECTED FOR USE BY CUSTOMER OR ANY USER OR THAT THE OPERATIONS OF SUCH WILL BE UNINTERRUPTED OR ERROR FREE OR THAT IT IS SECURE FROM HACKING OR OTHER UNAUTHORIZED INTRUSION.

9. LIMITATION ON LIABILITY. IN NO EVENT SHALL EITHER PARTY, NOR ITS DIRECTORS, EMPLOYEES, AGENTS, PARTNERS, SUPPLIERS OR CONTENT PROVIDERS, BE LIABLE UNDER CONTRACT, TORT, STRICT LIABILITY, NEGLIGENCE, BREACH OF WARRANTY OR ANY OTHER LEGAL OR EQUITABLE THEORY WITH RESPECT TO THE SUBJECT MATTER OF THIS AGREEMENT (I) FOR ANY LOST PROFITS, DATA LOSS, COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, OR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND WHATSOEVER, SUBSTITUTE GOODS OR SERVICES (HOWEVER ARISING), (II) FOR ANY BUGS, VIRUSES, TROJAN HORSES, OR THE LIKE (REGARDLESS OF THE SOURCE OF ORIGIN) IN THE AERODOME SOFTWARE OR AERODOME PRODUCTS, UNLESS RESULTING FROM AERODOME'S BREACH OF LIMITED WARRANTY, IN WHICH CASE SECTION 9 SHALL PROVIDE THE EXCLUSIVE REMEDY, OR (III) EXCEPT FOR THE PARTY'S RESPECTIVE INDEMNIFICATION OBLIGATIONS, FOR ANY DIRECT DAMAGES IN EXCESS OF (IN THE AGGREGATE) THE FEES PAID (OR PAYABLE) BY CUSTOMER TO AERODOME HEREUNDER IN THE TWELVE (12) MONTHS PRIOR TO THE EVENT GIVING RISE TO A CLAIM HEREUNDER.

10. INDEMNIFICATION

10.1 Mutual Indemnification. Each party ("Indemnitor") shall defend, indemnify, and hold harmless the other party, its affiliates and each of its and its affiliates' employees, contractors, directors, suppliers and representatives (collectively, the "Indemnitee") from all liabilities, claims, and expenses paid or payable to an unaffiliated third party (including reasonable attorneys' fees) ("Losses"), that arise from or relate to any third-party claim (i) that the Customer's use of the Aerodome Products (in the case of Customer as Indemnitor) or (ii) that the Aerodome Products (in the case of Aerodome as Indemnitor), infringes, violates, or misappropriates any third party intellectual property or proprietary right; (iii) asserting Losses resulting from the willful misconduct by the Indemnitor party; or (iv) for bodily injury (including death) or damage to tangible property resulting from the negligence of the Indemnitor party.

10.2 Procedures. Each Indemnitor's indemnification obligations hereunder shall be conditioned upon the Indemnitee providing the Indemnitor with: (i) prompt written notice of any claim (provided that a failure to provide such notice shall only relieve the Indemnitor of its indemnity obligations if the Indemnitor is materially prejudiced by such failure); (ii) the option to assume sole control over the defense and settlement of any claim (provided that the Indemnitee may participate in such defense and settlement at its own expense); and (iii) reasonable information and assistance in connection with such defense and settlement (at the Indemnitor's expense). The foregoing indemnification obligations in Section 11 (ii) do not apply to Aerodome to the extent any infringement arises from any services, information, products, equipment, technology, materials or data, including any Customer Data (or any portions or components of the foregoing) (i) are not created or provided by Aerodome, (ii) made in whole or in part in accordance to Customer specifications, (iii) modified after delivery by Aerodome, (iv) combined with other products, processes or materials not provided by Aerodome (where the alleged Losses arise from or relate to such combination), (v) where Customer continues allegedly infringing activity after being notified thereof or after being informed of modifications that would have avoided the alleged infringement, or (vi) Customer's use of the Service, Aerodome Products, or Equipment is not strictly in accordance with the terms of this Agreement.

11. INTELLECTUAL PROPERTY OWNERSHIP.

11.1 Intellectual Property Rights. Customer acknowledges and agrees that Aerodome and its licensors and suppliers retain and own all rights, title, and interests in and to the following, and in and to all Intellectual Property Rights therein: (i) the Aerodome Website, Aerodome Products, Aerodome Software, Aerodome

Website Portal, Aerodome Services, and any and all other services and products related thereto; (ii) the components and any and all other materials, content, data and/or information provided and/or made available by Aerodome in connection with any of the foregoing (but excluding content and/or data provided exclusively by Customer); all know-how and proprietary design and configuration of the Equipment; and (iii) any and all configurations, derivative works, developments, modifications, adaptations, changes, alterations, edits, conversions, improvements and/or the like made to, arising out of, and/or resulting from any of the foregoing.

11.2 Reservation of Rights. All rights not expressly granted under this Agreement, are reserved to Aerodome and its licensors and suppliers, and there are no implied rights. Under no circumstances will anything in this Agreement be construed as granting, by implication, estoppel, or otherwise, a right or license to any party's Intellectual Property Rights or proprietary technology other than in strict accordance with the terms of this Agreement.

11.3 Feedback. Customer shall, and hereby does, grant to Aerodome a nonexclusive, worldwide, perpetual, irrevocable, transferable, sublicensable, royalty-free, fully paid-up license to use and exploit any suggestions, enhancement requests, feedback, or recommendations relating to the Services, Equipment or Aerodome Products ("Feedback") for any purpose, without limitation, and without expectation of compensation, whether provided by Customer, its Authorized Users, or any other third-party in connection with this Agreement.

12. DATA.

12.1 Customer Data. For purposes of this Agreement, "Customer Data" means any data, information or other material provided, uploaded, or submitted by Customer to Aerodome in the course of using the Aerodome Products. Customer shall retain all right, title and interest in and to the Customer Data, including all Intellectual Property Rights therein. Notwithstanding anything to the contrary, Customer hereby provides a limited license and right to Aerodome to use and modify (but not disclose) the Customer Data for the purposes of providing the Services and the Aerodome Products to Customer and, on an anonymized and aggregated basis only, for purposes of improving, testing, operating, promoting and marketing Aerodome's products and services. Aerodome may use photographs or videos solely for internal research and development purposes, unless Customer provides written authorization for other uses, such as demonstration or marketing, in each case subject to applicable laws. Customer shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness of, and right to use and share as set forth herein, all Customer Data. Aerodome shall use commercially reasonable efforts to maintain the security and integrity of the Customer Data. Aerodome is not responsible to Customer for unauthorized access to Customer Data or the unauthorized use of the Aerodome Products unless such access is due to Aerodome's gross negligence or willful misconduct. Customer agrees and acknowledges that Customer Data may be irretrievably deleted if Customer's account is ninety (90) days or more delinquent.

12.2 Aerodome Data. Customer Data does not include, and Aerodome Data (defined herein) expressly includes, any data to the extent processed by, resulting as an output of, or based on the usage of, the Services, Equipment or Aerodome Products, including without limitation data collected by Aerodome's radar and radio frequency sensors. Such Aerodome data shall be Aerodome's Confidential Information. Aerodome shall own all rights to (i) any data input into the Services, Equipment or Aerodome Products by or on behalf of Aerodome (not including any Client Data) and (ii) any aggregated and anonymized data extracted or derived from the Services, or use of the Equipment or Aerodome Products, including all aggregated and anonymized usage data, statistical data, transactional data, metadata, market data, flight logs and flight history, telemetry data and logs, fleet information including drone serial numbers and models, connected device information including radar data concerning the surrounding airspace, and other aggregated and anonymized data collected from user data and files (collectively, "Aerodome Data"). Without limiting the generality of the foregoing, Aerodome reserves the right to create and market public indexes, analysis or insights created from such data. Customer agrees that it will not share, sell,

transfer, or many available any data generated by the Aerodome Products, including all Aerodome Data to which it may have access, to any third party without the prior express written consent of Aerodome.

13. COMPLIANCE.

13.1 Customer agrees to comply with applicable laws, rules, and regulations with respect to the ownership, possessions, and operation of the Equipment.

13.2 The Aerodome Products, Equipment, and all services provided hereunder are subject to all applicable export control laws and regulations, including without limitation those of the United States Government. Customer and Authorized Users agree that not to directly or indirectly export, re-export, divert, release, provide access to, transfer or disclose such, or any derivative thereof, to any prohibited or restricted destination, end-use or end-users or to anyone who requires a United States export license or other license, except in accordance with all relevant export control laws and regulations which may require it to obtain necessary licenses, approvals or permissions from the appropriate U.S. governmental authority and all required foreign authorities prior to undertaking such activities.

14. DISPUTE RESOLUTION

14.1 In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement or the breach thereof, the parties hereto shall use their best efforts to settle such disputes, claims, questions, or disagreement. To this effect, the parties shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

14.2 If the parties do not reach such a solution, the proper venue for resolving any dispute shall be Maricopa County, Arizona.

15. CONFIDENTIAL INFORMATION.

15.1 Definition. "Confidential Information" means any information in any form related to this Agreement, its execution, and its purposes disclosed by a party (the "**Discloser**"), or disclosed on behalf of such party by its affiliates or representatives, to the other party (the "**Recipient**"). This includes without limitation any trade secrets, technology, technical data, source code, object code, software, inventions, know-how, and information that Discloser considers and treats as confidential or proprietary, or that a reasonable person would believe is confidential or proprietary based on the nature of the information and the circumstances of disclosure. Confidential Information does not include information that (i) at the time of disclosure, is available to the general public, (ii) becomes available to the general public through no fault of Recipient, (iii) is received by Recipient at any time from a third party without breach of a non-disclosure or confidentiality obligation to Discloser, (iv) is known to Recipient at the time of disclosure, as demonstrated by documentary evidence, (v) is developed independently by Recipient without access to any of Discloser's Confidential Information, or (vi) is approved for disclosure by prior written permission of Discloser or a corporate officer of Discloser, including without limitation pursuant to the terms of this Agreement.

15.2 Restrictions. Recipient shall use Discloser's Confidential Information solely for the purposes of performing its obligations and exercising its rights under this Agreement (the "Purpose"). Except as explicitly permitted in this Agreement, Recipient shall not disclose to any third party any of Discloser's Confidential Information that is obtained directly or indirectly from Discloser or its affiliates or representatives, regardless of whether such third party is a partner, contractor, affiliate, or another party related to the Recipient. Recipient may only disclose the Confidential Information of Discloser to its representatives who need to know it to fulfill the Purpose and are bound by confidentiality obligations comparable to those set forth herein. Recipient must inform any such representative of the confidential nature of the information and cause the representative to comply with the terms of this Agreement as if it were the Recipient. Recipient will be liable for any breach of this Agreement by any such representative. Recipient will exercise the same degree of care toward the Confidential Information as Recipient exercises toward its own confidential information, but not less than reasonable care. Recipient agrees to take all reasonable steps to protect the secrecy of, and avoid disclosure or use of, the Discloser's Confidential Information in order to prevent it from falling into the public domain or possession of unauthorized persons. Recipient agrees to immediately notify Discloser in writing of any use and/or disclosure in violation of this Agreement. Each party, however, may disclose Confidential Information of the other pursuant to the order or requirement of a court, administrative agency, or other governmental body, provided that the disclosing party gives reasonable notice to the other party to contest such order or requirement. Recipient acknowledges and agrees that any such breach or threatened breach of these terms of confidentiality may cause irreparable injury to Discloser so that, in addition to any other remedies available, Discloser may seek injunctive relief against the threatened or actual breach. Without limiting the generality of the foregoing, Recipient shall continue to protect the Confidential Information of Discloser indefinitely, as it relates to trade secrets contained in the Equipment and/or Aerodome Products.

16. GENERAL.

16.1 Assignment and Change in Control. Customer may not assign this Agreement without Aerodome's prior written consent. Services covered by this Agreement may not be assigned or sublet, in whole or part, without first obtaining the written consent of Customer's Purchasing Director and Contract Administrator, which shall not be unreasonably withheld, conditioned, or delayed. Prior to any assignment of services, Customer's Purchasing Director and Contract Administrator shall have the opportunity to conduct an investigation of the new entity to determine if it is able to provide the services. Subject to the foregoing, this Agreement shall be fully binding upon, inure to the benefit of, and be enforceable by, the Parties hereto and their respective, permitted successors and assigns.

16.2 Governing Law. The validity of this Agreement, the enforcement of their terms, and the interpretation of the rights and duties of the parties shall be governed by the laws of the State of Arizona, without regard to its conflict of law provisions.

16.3 Electronic Signatures; Headings. The parties agree that signatures required by this Agreement may be in electronic form. The captions, headings, and/or titles used in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement.

16.4 Severability. If for any reason a court of competent jurisdiction or arbitration panel finds any provision of this Agreement invalid or unenforceable, that provision of the Agreement will be enforced to the maximum extent permissible, and the other provisions of this Agreement will remain in full force and effect.

16.5 Waiver; Cumulative Rights. The failure by either party to enforce any provision of this Agreement will not constitute a waiver of future enforcement of that or any other provision. Except where otherwise specified, the rights and remedies granted to a party under this Agreement are cumulative and in addition to, and not in lieu of, any other rights or remedies which the party may possess at law or in equity.

16.6 Notices. All notices under this Agreement will be in writing and will be deemed to have been duly given when received, if personally delivered; when receipt is electronically confirmed, if transmitted by facsimile or e-mail; the day after it is sent, if sent for next day delivery by recognized overnight delivery service; and upon receipt, if sent by certified or registered mail, return receipt requested. Either party may change its address for

notices under this Agreement by giving written notice to the other party by the means specified in this paragraph.

16.7 Amendment. This Agreement may not be supplemented, amended, and/or modified at any time unless the parties hereto execute a written instrument that (i) must be in a mutually agreed upon written or electronic format, (ii) must be clearly designated as an amendment, addendum, or modification, and (iii) must be signed by an authorized representative of each party. The Parties stipulate and agree that an exchange or series of written or electronic correspondences shall not be deemed to be such a written instrument, for supplemental, amendment or modification purposes.

16.8 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto, and those specifically referenced herein, and their respective successors and permitted assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

16.9 Entire Agreement. This Agreement and the City of Scottsdale City Services – Software as a Service Contract contain the complete understanding and agreement of the parties and supersede all prior or contemporaneous agreements or understandings, oral or written, relating to the subject matter herein. Any waiver, modification, or amendment of any provision of this Agreement will be effective only if in writing and signed by duly authorized representatives of the parties.

16.10 Relationship of the Parties. The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, franchise, business opportunity, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.

16.11 Force Majeure. Neither party shall be liable under this Agreement or to any third-party for any liability, failure or delay in performance under this Agreement (other than for delay in the payment of money due and payable hereunder) for causes beyond their reasonable control and occurring without their fault or negligence, including, but not limited to, acts of God, acts of government, civil unrest, natural disasters, epidemic, pandemic, war, or fires ("Force Majeure Event"). In the event of any such Force Majeure Event, the affected party shall give prompt written notice to the other party and shall use commercially reasonable efforts to promptly mitigate any resultant delay in performance of this Agreement. Any period of Force Majeure Event shall not be included in the computation of any time period specified in any provision of this Agreement. Further, either party may terminate this Agreement without liability to the other if a Force Majeure Event continues substantially uninterrupted for a period of sixty (60) days or more, with written notice to the other party. Provided however, that if a party is reasonably able to continue its performance under the Agreement in a manner that is not significantly detrimental, despite the occurrence of a Force Majeure Event, such party shall continue to comply with its obligations under this Agreement. The party claiming relief under the force majeure clause must demonstrate that they took all reasonable steps to mitigate or avoid the force majeure event and its consequences, and must notify the other party as soon as possible of the force majeure event and the steps taken to mitigate or avoid it.

SCHEDULE A

SERVICES

Aerodome makes no warranties regarding the efficacy of the trainings detailed below.

1. AIRWORTHINESS TRAINING

Aerodome will make commercially reasonable efforts to provide training for the Customer to maintain the airworthiness of its drones, including compliance-related trainings. .

Customer shall be responsible for ensuring that all crew, including pilot in command, visual observer, sensor or payload operator, or other persons necessary for the safe operation of the flight have the qualifications, experience, licenses, and certificates required by applicable Federal Aviation Administration regulations and that all have the necessary skill required to perform their duties. After completion of training, Customer shall be responsible for maintaining the airworthiness of drones and ensuring operations are in line with all applicable laws and regulations.

The training will be conducted via both online and in-person methods, as agreed upon by both parties. The frequency and duration of training will be mutually decided and scheduled to the convenience of the Customer.

2. FLIGHT TRAINING

Aerodome will provide FAA BVLOS waivers and train Customer on compliance matters related to such waivers. Aerodome will start with one deployment location at a time, and work their way up to the agreed upon number of deployment locations for all UAS. As part of the BVLOS process, Aerodome will provide training materials to the Customer to certify all employees of the Customer's choosing as Visual Observers (VOs) to help aid in BVLOS operations.

Aerodome will provide training to officers on how to download Aerodome Software and use it. This will consist of:

- Showing how to access Aerodome on their respective internet devices
- Showing how to view a live stream through the application
- Showing how to control the drone using the application
- Showing how to report problems if they come across them on the application

The training will be conducted via both online and in-person methods, as agreed upon by both parties. The frequency and duration of training will be mutually decided and scheduled to the convenience of the Customer.

3. EQUIPMENT TRAINING

There will also be training for the Customer to use the Equipment. This training will consist of:

- Going over the maintenance list for the drone, and how to maintain airworthiness
- Teaching how to fly the drone autonomously using Aerodome Software
- Teaching how to fly the drone manually using the remote controller

The training will be conducted via both online and in-person methods, as agreed upon by both parties. The frequency and duration of training will be mutually decided and scheduled to the convenience of the Customer.

4. DEPLOYMENT SUPPORT

Aerodome will teach Customer how to dispatch the Hardware using the Software for 911 calls.

Only personnel authorized by Customer may have access to the Live Stream from the drone. They will also be taught on how to use Aerodome's software to view said stream on any internet-connected device.

Authorized personnel may have access to the Aerodome Software, which can convey the current status of the drone, and how to tell the drone to conduct additional maneuvers if needed.

All operations will be conducted by a Pilot in Command (PIC), who will be an FAA-certified pilot, and have manual override control of the drone to prevent malfunctions. Customer will provide the PICs needed to sustain this program.

Aerodome will assist in drafting a Standard Operating Procedure (SOP) as well as department policies regarding access, deployments, privacy, and community engagement.

Aerodome will ensure correct implementation of each Aerodome station and its included equipment which may or may not include the aircraft, on-prem servers, charging dock installations, radars, and more.

SCHEDULE B

SPECIFICATIONS

Customer must abide by the following standards:

Operational:

- Per FAA regulations, and without the necessary waiver, a minimum of one pilot is required to operate each drone
- Work with Aerodome to get BVLOS waivers for the city to fully use Aerodome's product and services.
- Train members of the city to be VOs so that the Customer can have FAA-compliant and safe BVLOS operations (Aerodome will provide training material if needed).
- If Customer wants to connect Aerodome's software to their Computer Aided Dispatch (CAD) system, Customer will provide access to said CAD system at no cost to Aerodome to location information and other pertinent information about calls-for-service as they are placed.
- Aerodome will provide their Aerodome software interface to command the Equipment, and allow authorized users for controls.
- Customer must independently access and store any personal information about calls-for-services other than their location and the type of response (police, fire, or EMS) they prompted.

Customer shall be responsible to integrate with CAD software to pull location information and call type information of every call-for-service that the Customer decides the drone should be deployed to, so long as there are no monetary charges to Aerodome for said integration.