

March 30, 2016

Kentucky Municipal Energy Agency

Terrance P. Naulty

450 S. 3rd Street

Louisville, KY  40202

Dear Terrance,

Thank you for selecting Bond Consulting Services (BCS) to assist with your Microsoft Dynamics GP Online solution. Kentucky Municipal Energy Agency (KMEA) is requesting BCS to provide consulting services relating to implementation, configuration, design, customization and ongoing support of Dynamics GP Online.

As you know, it’s very important to work with a Microsoft partner that not only knows the Dynamics GP Online product well, but also has significant experience with business processes, operations, sales processes, and the many business related Microsoft technologies. BCS is a Microsoft Competent Partner and is the right partner to help KMEA realize the true potential of its Dynamics GP Online solution.

We appreciate the time that you spent with us discussing your needs and concerns with the different Dynamics GP versions. We look forward to assisting KMEA with implementation, ongoing support and future initiatives as they arise. All BCS services will be provided at our special negotiated consulting services rate for KMEA of $150 per hour (measured in 1/10th hour increments).

We will perform services remotely whenever possible, as this method is more timely and cost effective. In the event that we are required to be onsite, travel charges will be incurred as noted in our General Business Terms and Conditions (Appendix A).

Please sign below noting your approval to utilize BCS’ services as needed. This agreement is subject to the attached General Business Terms and Conditions (Appendix A). If you have any questions, please call Robin Mayne, your Business Development Executive at (562) 800-0564 or myself at (562) 988-3451. We look forward to assisting KMEA with your Dynamics solution.

Best regards, Approved on behalf of

Kentucky Municipal Energy Agency by:

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Bob Bond Signature Date

President

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 Print Name Title

**BOND CONSULTING SERVICES**

**GENERAL BUSINESS TERMS AND CONDITIONS**

**APPENDIX A**

1. **Services.** It is understood and agreed that Bond Consulting Services (BCS) shall be providing advice and recommendations hereunder to Client; provided, however, that all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, Client.  Upon completion of services delivery, client will have 14 calendar days to perform User Acceptance Testing after which will be considered complete and subject to standard BCS Payment of Invoices Terms.
2. **Travel & Mileage**. We will perform services remotely whenever possible, as this method is more timely and cost effective.  For each on site visit, we will bill travel time of 4 hour (due to location out of state) at our hourly rate ($150 per hour) by each BCS staff member.  Additionally, all out-of-pocket expenses (e.g. mileage, parking, etc.) will be billed as incurred.
3. **Service Hours.** BCS team members operate during standard business hours, 8:00am-5:00pm PST Monday – Friday. Services requests outside of these hours are discretionary on the part of BCS and will be subject to change requests. They will be billed at 1 ½ times the prevailing BCS billing rate
4. **Change Orders.** During the course of projects it is sometimes desirable or necessary that project plans be changed, which will need the prior approval of Client. To affect these changes BCS uses standard Change Order documents. These documents will be submitted to Client in a timely manner. Failure of Client to sign these Change Orders may result in inability of BCS to deliver requested or recommended items and could result in delays in project completion.
5. **Payment of Invoices**. Invoices will be presented semi-monthly and due Net 15 of Invoice date. BCS shall have the right to discontinue performing services, regardless of the status of the consulting project until pending Invoices are paid.
6. **Fee or Other Disputes**. Should it be necessary to institute legal proceedings against the Client for the collection of all or part of the above-mentioned fees or expenses, Client agrees to pay BCS all costs of collection and suit, and reasonable Attorney’s fees thereof, if BCS prevails in such collection proceedings. If Client initiates suit against BCS, the prevailing party shall be entitled to all costs incurred therein, and reasonable attorney’s fees resulting there from
7. **Limitation on Warranties**. This is a services engagement. BCS disclaims all warranties, whether express or implied, including, without limitation, warranties of merchantability and fitness for a particular purpose.
8. **Limitation on Damages**.
9. BCS and its employees shall not be liable to Client for any actions, losses, damages, claims, liabilities, costs, or expenses in any way arising out of or relating to this engagement for an aggregate amount in excess of the fees paid by Client to BCS for the services performed pursuant to this engagement. The foregoing provision shall apply regardless of the form of action, loss, damage, claim, liability, cost or expense, whether

in contract, statute, tort (including, without limitation, negligence), or otherwise. In no event shall either party or such party’s employees be liable to the other party for consequential, special, indirect, incidental, punitive or exemplary loss, damage, cost or expense (including, without limitation, lost profits and opportunity costs).

1. In furtherance and not in limitation of the foregoing, BCS will not be liable for any decisions made by Client as a result of the performance by BCS of its services hereunder or in connection with the design or implementation of any system or any agreement governing or relating to the design or implementation of any system. Notwithstanding the foregoing, BCS acknowledges and agrees that it has held itself out to Client as an expert with respect to the Services to be performed hereunder. In connection therewith, BCS shall at all times use its best professional skills and judgment in the advice and recommendations presented to Client hereunder.
2. **Limitation on Actions**. No action, regardless of form, arising under or relating to this engagement, may be brought by either party more than one year after the cause of action has accrued.
3. **Independent Contractor**. It is understood and agreed that BCS is an independent contractor and that neither BCS nor the Client is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
4. **Hiring of BCS Personnel.** Client acknowledges that BCS provides a valuable service by identifying and assigning personnel for Client's work. Client further acknowledges that Client would receive substantial additional value and BCS would be deprived of the benefits of its work force, if Client were to directly hire BCS' personnel after they have been introduced to Client by BCS. Without the prior written consent of BCS, Client shall not recruit or hire any personnel of BCS who are or have been assigned to perform work until one (1) year after the completion of the engagement in effect between the parties. In the event that Client hires any personnel of BCS who are or have been assigned to perform work for Client, Client shall pay BCS within one (1) year of the date of such hiring, an amount equal to twenty-five percent (25%) of the total first-year compensation Client pays such personnel as a fee for the additional benefit obtained by Client*.* The restriction against hiring personnel shall also apply to BCS with respect to personnel and/or contractors of Client (“Client Personnel”), and BCS shall not solicit for itself or others Client Personnel.
5. **Intellectual Property Rights.** In the course of the consulting engagement, BCS may use enhancements, discoveries, processes, methods, designs and know-how, whether or not copyrightable or patentable (“collectively, “Enhancements”), which BCS conceived during the course of other consulting engagements. In addition, BCS may independently develop enhancements, processes, methods, designs or know-how during the term of this consulting engagement. Provided the Enhancements do not use or incorporate any proprietary information, intellectual property, processes, designs, know how or other methods developed or owned by Client, the Client acknowledges that BCS shall own all right, title and interest in and to such Enhancements, and may use such Enhancements in its business operations with other customers, without limitation.
6. **Client Confidentiality.** All client data files, documents, or any information that BCS consultants may come in contact with during the services being rendered is considered confidential.  BCS shall endeavor to maintain the confidentiality of the information that it obtains from the client.  To the extent that BCS determines that it is necessary to disclose such information in order to perform the services necessary under this agreement, then BCS shall inform the person or entity to whom the disclosure is being made of this confidentiality provision, and obtain assurances from that person or entity that he/she/it will maintain the confidentiality of the information disclosed to the extent reasonably possible.
7. **Severability.** In the event any one or more of the provisions of this Services Order – Terms and Conditions or of any exhibit is held to be invalid or otherwise unenforceable, the enforceability of the remaining provisions shall be unimpaired.
8. **Arbitration.** Except for collection actions for payment of fees and for the right of either party to apply to a court of competent jurisdiction for a temporary restraining order, a preliminary injunction, or other equitable relief to preserve the status quo or prevent irreparable harm, any controversy or claim arising out of or relating to this engagement letter or to its breach shall be settled by arbitration by a single arbitrator in accordance with American Arbitration Rules, pursuant to an arbitration held in Los Angeles County, California, and judgment upon the award rendered by the arbitrator may be entered in any court of competent jurisdiction in Los Angeles County. The prevailing party shall be entitled to receive from the other party its reasonable attorney’s fees and costs incurred in connection with any action, proceeding or arbitration hereunder.
9. **Force Majeure.** BCS shall not be responsible for failure to perform in a timely manner under this Services Order – Terms and Conditions when its failure results from any of the following causes: Acts of God or public enemies, civil war, insurrection or riot, fire, flood, explosion, earthquake or serious accident, strike, labor trouble or work interruption for any cause beyond its reasonable control.
10. **Entire Agreement.** This Agreement, including any schedules and/or exhibits attached hereto and other documents referred to herein, contains the entire understanding of the parties hereto with respect to its subject matter and supersedes all prior and contemporaneous negotiations, understandings or agreements, oral and written, between the parties with respect to such subject matter.

# Additional BCS Product Order Terms & Conditions

1. **Product Order General.** All software, hardware, and any related software maintenance listed in the cover page of this proposal (collectively, “Items”) are subject to the end user license and other terms provided by the manufacturer of such Items, and Customer agrees to be bound by such terms and conditions. Customer has performed reasonable due diligence in regards to the Items and understands that the selection of Items is determined by Customer.
2. **Delivery and Acceptance.** All Items shall be delivered FOB Shipping Point. All Items will be considered accepted by Customer upon delivery to the carrier.
3. **ALL SALES ARE FINAL.** BCS will have no obligation to return or refund any payments related to any Item acquired under this Order. This provision will not limit any rights Customer may otherwise have under an end user license, maintenance, or support agreement, if any, between Customer and the manufacturer(s) of such Item(s).
4. **Warranty Disclaimer.** Any warranty with respect to the Items will be provided by the manufacturer. BCS MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING ANY MATTER, INCLUDING, WITHOUT LIMITATION, THE MERCHANTABILITY, SUITABILITY, ORIGINALITY, FITNESS FOR A PARTICULAR USE OR PURPOSE, OR RESULTS TO BE DERIVED FROM THE USE OF ANY ITEM PROVIDED UNDER THIS ORDER.