

This Master Services and Purchasing Agreement ("Agreement") is between Axon Enterprise, Inc., a Delaware corporation ("Axon"), and the City of Manhattan Beach ("Agency"). This Agreement is effective as of the later of the (a) last signature date on this Agreement, or (b) signature date on the quote ("Effective Date"). Axon and Agency are each a "Party" and collectively "Parties".

This Agreement governs Agency's purchase and use of the Axon products and services detailed in the Quote Appendix ("Quote"). The Parties therefore agree as follows:

Term. This Agreement begins on the Effective Date and continues for 5 years from the Effective date, June 18, 2019, unless sooner terminated pursuant to this Agreement ("Term"). Agency may renew this Agreement for up to 5 additional years upon execution of a new quote. New products and services may require additional terms. Axon will not authorize services until Axon receives a signed Quote or accepts a purchase order, whichever is first.

2 <u>Definitions</u>.

"Axon Evidence" means Evidence.com and other software, maintenance, and storage provided by Axon for use with Axon Evidence. This excludes third-party applications and my.evidence.com.

"Products" means all hardware, software, cloud-based services, and software maintenance releases and updates provided by Axon under this Agreement.

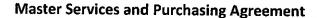
"Quote" means an offer to sell and is only valid for products and services on the quote at the specified prices. Any terms within Agency's purchase order in response to a Quote will be void. Orders are subject to prior credit approval. Changes in the deployment estimated ship date may change charges in the Quote. Shipping dates are estimates only. Axon is not responsible for typographical errors in any offer by Axon and Axon reserves the right to cancel any orders resulting from such errors.

"Services" means all services provided by Axon pursuant to this Agreement.

- Payment. Axon invoices upon shipment. Payment is due net 30 days from the invoice date. Payment obligations are non-cancelable. Agency will pay invoices without setoff, deduction, or withholding. If Axon sends a past due account to collections, Agency is responsible for collection and attorneys' fees.
- Taxes. Agency is responsible for sales and other taxes associated with the order, unless Agency provides Axon a valid tax exemption certificate.
- 5 <u>Shipping.</u> Axon may make partial shipments and ship Products from multiple locations. All shipments are FOB shipping point via common carrier. Title and risk of loss pass to Agency upon Axon's delivery to the common carrier. Agency is responsible for any shipping charges on the Quote.
- **Returns**. All sales are final. Axon does not allow refunds or exchanges, except warranty returns or as provided by state or federal law.

7 Warranty.

- 7.1 Hardware Limited Warranty. Axon warrants its law enforcement hardware is free from defects in workmanship and materials for 1 year from the date of Agency's receipt, except for Signal Sidearm, which Axon warrants for 30 months from the date of Agency's receipt. Axon warrants its accessories for 90-days from date of Agency's receipt. Expended conducted energy weapon ("CEW") cartridges are deemed to have operated properly. Extended warranties run from expiration of the 1-year hardware limited warranty through the extended warranty term. Non-Axon manufactured products are not covered by Axon's warranty. Agency should contact the manufacturer for support of non-Axon manufactured products.
- 7.2 Claims. If Axon receives a valid warranty claim for an Axon manufactured product during the warranty term,





Axon's sole responsibility is to repair or replace the product with the same or like product, at Axon's option. A replacement product will be new or like new and have the remaining warranty of the original product or 90 days from the date of repair or replacement, whichever is longer. When Agency exchanges a product or part, the replacement item becomes Agency's property and the replaced item becomes Axon's property. For support and warranty service visit www.axon.com/support. Before delivering a product for service, Agency must upload product data to Axon Evidence or download it and retain a copy. Axon is not responsible for any loss of software, data, or other information contained on the storage media or any part of the product.

- 7.3 Limitations. Axon's warranty excludes damage related to: (a) failure to follow Product use instructions; (b) Products used with products not manufactured or recommended by Axon; (c) abuse, misuse, intentional, or deliberate damage to the Product; (d) force majeure; (e) Products repaired or modified by persons other than Axon without Axon's written permission; or (f) Products with a defaced or removed serial number.
 - 7.3.1 To the extent permitted by law, the warranties and remedies set forth above are exclusive and Axon disclaims all other warranties, remedies, and conditions, whether oral, written, statutory, or implied, as permitted by applicable law. If statutory or implied warranties cannot be lawfully disclaimed, then all such warranties are limited to the duration of the express warranty described above and limited by the other provisions contained in this Agreement.
 - 7.3.2 Axon's cumulative liability to any Party for any loss or damage resulting from any claim, demand, or action arising out of or relating to any Axon Product will not exceed the purchase price paid to Axon for the Product or if for Services, the amount paid for such Services over the 12 months preceding the claim. Neither Party will be liable for direct, special, indirect, incidental, exemplary, punitive or consequential damages, however caused, whether for breach of warranty, breach of contract, negligence, strict liability, tort or any other legal theory.
- 8 Product Warnings. See www.axon.com/legal for the most current Axon product warnings.
- 9 <u>Design Changes</u>. Axon may make design changes to any Axon product or service without notifying Agency or making the same change to products and services previously purchased by Agency.
- Insurance. Axon will maintain Commercial General Liability with a minimum limit of \$2,000,000 per occurence and general aggregate, Workers' Compensation as required by the State of California and Employer's Liability Insurance with a minimum limit of \$1,000,000.00, Automobile Liability insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of \$2,000,000 per accident, and Technology Professional Liability Errors and Omissions Insurance appropriate to the Consultant's profession and work hereunder, with limits not less than \$2,000,000 per occurrence. The commercial general and automobile liability policies shall contain an endorsement naming City and its elected and appointed officials, officers, employees, agents and volunteers as additional insureds. Axon will supply certificates of insurance and endorsements to the City prior to the performance of services under this Agreement.
- Indemnification. Axon will indemnify Agency's officers, directors, and employees ("Agency Indemnitees") from and against all claims, demands, losses, liabilities, reasonable costs and expenses arising out of a third party claim against an Agency Indemnitee resulting from any negligent act, error or omission, or willful misconduct by Axon under this Agreement, except to the extent of negligent acts, omissions or willful misconduct by Agency or claims under workers compensation.
- 12 IP Rights. Axon owns and reserves all right, title, and interest in Axon products and services, related software, and suggestions to Axon. Axon has and claims proprietary rights in the hardware, firmware, software, and integration of ancillary materials, knowledge, and designs constituting Axon products and services. Agency will not directly or indirectly cause any Axon proprietary rights to be violated.





19 Indemnification. Axon will indemnify Agency Indemnitees from and against all claims, damages, losses, liabilities, reasonable costs and expenses arising out of or relating to any third-party claim alleging that use of Axon Products or services as permitted under this Agreement infringes or misappropriates the intellectual property rights of a third party. Agency must provide Axon with prompt written notice of such a claim, tender to Axon the defense or settlement of such a claim at Axon's expense, and cooperate fully with Axon in the defense or settlement of such a claim.

Axon has no liability to Agency or any third party to the extent any alleged infringement or infringement claim is based upon: (a) modification of Axon Evidence by Agency or any third party not approved by Axon; (b) use of Axon Evidence in connection or in combination with hardware or services not approved or recommended by Axon; (c) use of Axon Evidence other than as permitted under this Agreement; or (d) use of other than the most current release or version of any software provided by Axon as part of or in connection with Axon Evidence.

Agency Responsibilities. Agency is responsible for (a) its use of Axon Products; (b) breach of this Agreement or violation of applicable law by Agency or any Agency end user; and (c) a dispute between Agency and a third party over Agency use of Axon Products.

15 <u>Termination</u>.

- **15.1 For Breach**. A Party may terminate this Agreement for cause if it provides 30 days written notice of the breach to the other Party, and the breach remains uncured at the end of 30 days. If Agency terminates this Agreement due to Axon's material breach, Axon will refund prepaid amounts on a prorated basis based on the date of notice of termination.
- **15.2 By Agency.** Agency is obligated to pay the fees under this Agreement. If sufficient funds are not appropriated or otherwise legally available to pay the fees, Agency may terminate this Agreement. Agency will deliver notice of termination under this section as soon as reasonably practicable. The date of such termination will be the date Axon receives notice from Agency.
- 15.3 Effect of Termination. Upon any termination of this Agreement, all Agency rights under this Agreement immediately terminate, and Agency remains responsible for all fees incurred prior to the date of termination. The following sections will survive termination: Payment, Warranty, Product Warnings, Indemnification, IP Rights, and Agency Responsibilities. If Agency purchases Products for less than the manufacturer's suggested retail price ("MSRP") and this Agreement terminates before the end of the Term, Axon will invoice Agency the difference between the MSRP for Products received and amount paid towards those Products. If terminating for non-appropriations, Agency may return Products to Axon within 30 days of termination. MSRP is the standalone price of the individual Product at time of sale. For bundled Products, MSRP includes the standalone price of all individual components.
- Confidentiality. "Confidential Information" means nonpublic information designated as confidential or, given the nature of the information or circumstances surrounding disclosure, should reasonably be understood to be confidential. Each Party will take reasonable measures to avoid disclosure, dissemination, or unauthorized use of the other Party's Confidential Information. Unless required by law, neither Party will disclose the other Party's Confidential Information during the Term and for 5-years thereafter. Axon pricing is Confidential Information and competition sensitive. If Agency is required by law to disclose Axon pricing, to the extent allowed by law, Agency will provide notice to Axon before disclosure. Axon may publicly announce information related to this Agreement.

17 General.

- **Delays.** Axon will use commercially reasonable efforts to deliver Products and services as soon as practicable. If delivery is interrupted due to causes beyond Axon's control, Axon may delay or terminate the delivery with reasonable notice.
- 17.2 Force Majeure. Neither Party will be liable for any delay or failure to perform under this Agreement due to

- a cause beyond the Parties' reasonable control, including acts of God, labor disputes, industrial disturbances, utility failures, earthquake, storms, elements of nature, blockages, embargoes, riots, acts or orders of government, terrorism, or war.
- 17.3 Independent Contractors. The Parties are independent contractors. Neither Party has authority to bind the other. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary, or employment relationship between the Parties.
- 17.4 Third-Party Beneficiaries. There are no third-party beneficiaries under this Agreement.
- 17.5 Non-Discrimination. Neither Party nor its employees will discriminate against any person based on: race; religion; creed; color; sex; gender identity and expression; pregnancy; childbirth; breastfeeding; medical conditions related to pregnancy, childbirth, or breastfeeding; sexual orientation; marital status; age; national origin; ancestry; genetic information; disability; veteran status; or any class protected by local, state, or federal law.
- 17.6 Export Compliance. Each Party will comply with all import and export control laws and regulations.
- 17.7 Assignment. Neither Party may assign this Agreement without the other Party's prior written consent. Axon may assign this Agreement, its rights, or obligations without consent: (a) to an affiliate or subsidiary; or (b) for purposes of financing, merger, acquisition, corporate reorganization, or sale of all or substantially all its assets. This Agreement is binding upon the Parties respective successors and assigns.
- 17.8 Waiver. No waiver or delay by either Party in exercising any right under this Agreement constitutes a waiver of that right.
- 17.9 Severability. If a court of competent jurisdiction holds any portion of this Agreement invalid or unenforceable, the remaining portions of this Agreement will remain in effect.
- 17.10 Governing Law. The laws of the state where Agency is physically located, without reference to conflict of law rules, govern this Agreement and any dispute arising from it. Any dispute that arises under or relates to this Agreement (whether contract, tort or both) shall be resolved in a superior or federal court with geographic jurisdiction over Agency. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.
 - 17.11 Notices. All notices must be in English. Notices posted on Agency's Axon Evidence site are effective upon posting. Notices by email are effective on the sent date of the email. Notices by personal delivery are effective immediately. Contact information for notices:

Axon: Axon Enterprise, Inc.

Agency: City of Manhattan Beach Attn: Contracts Attn: Police Chief

17800 N. 85th Street 1400 Highland Avenue Scottsdale, Arizona 85255 Manhattan Beach, California 90266

contracts@axon.com mbpolice@citymb.info

17.12 Entire Agreement. This Agreement, including the Appendices, represent the entire agreement between the Parties. This Agreement supersedes all prior agreements or understandings, whether written or verbal, regarding the subject matter of this Agreement. This Agreement may only be modified or amended in a writing signed by the Parties.

Intentionally let blank; signatures follow on next page



Each representative identified below declares that the representative is authorized to execute this Agreement as of the date of signature.

Axon Enterprise, Inc.	City of Manhattan Beach
Signature: Standard Signature:	Signature:
Name: <u>Robert Driscoll</u>	Name:
Title: VP, Associate General Counsel	Title:
Date: 5/16/19	Date:



Axon Evidence Terms of Use Appendix

- Axon Evidence Subscription Term. The Axon Evidence subscription begins after shipment of the Axon bodyworn cameras. If Axon ships the body-worn cameras in the first half of the month, the start date is the 1st of the following month. If Axon ships the body-worn cameras in the second half of the month, the start date is the 15th of the following month. For phased deployments, the start date begins on shipment of the first phase. For purchases solely of Axon Evidence subscriptions, the start date is the Effective Date. The Axon Evidence subscription term will end upon the completion of the Axon Evidence subscription as documented in the Quote ("Axon Evidence Subscription Term").
- Agency Content. "Agency Content" means software, data, text, audio, video, images or any content Agency end users (a) run on Axon Evidence; (b) cause to interface with Axon Evidence; or (c) upload to Axon Evidence under Agency account or otherwise transfer, process, use or store in connection with Agency account.
- Access Rights. Upon Axon granting Agency an Axon Evidence subscription, Agency may access and use Axon Evidence to store and manage Agency Content during the Axon Evidence Subscription Term. Agency may not exceed more end users than the Quote specifies. For Axon Evidence Lite, Agency may access and use Axon Evidence only to store and mange TASER CEW and TASER CAM data ("TASER Data") during the Axon Evidence Subscription Term. Agency may upload non-TASER Data to Axon Evidence Light.
- Agency Owns Agency Content. Agency controls and owns all right, title, and interest in Agency Content. Except as outlined herein, Axon obtains no interest in Agency Content, and Agency Content are not business records of Axon. Agency is solely responsible for uploading, sharing, managing, and deleting Agency Content. Axon will have limited access to Agency Content solely for providing and supporting Axon Evidence to Agency and Agency end users.
- Security. Axon will implement commercially reasonable and appropriate measures to secure Agency Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive information security program including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of uploaded digital evidence; security education; and data protection. Axon agrees to the Federal Bureau of Investigation Criminal Justice Information Services Security Addendum.
- Updates. For Android applications, including Axon View, Device Manager, and Capture, Axon will use reasonable efforts to support previous version of applications for 45 days. If Agency does not update their Android application to the most current version within 45 days of release, Axon may disable the application or force updates to the non-supported application.
- Agency Responsibilities. Agency is responsible for (a) ensuring Agency users comply with this Agreement; (b) ensuring Agency owns Agency Content; (c) ensuring no Agency Content or Agency end user's use of Agency Content or Axon Evidence violates this Agreement or applicable laws; and (d) maintaining necessary computer equipment and Internet connections for use of Axon Evidence. If Agency becomes aware of any violation of this Agreement by an end user, Agency will immediately terminate that end user's access to Axon Evidence.

Agency is also responsible for maintaining the security of end user names and passwords and taking steps to maintain appropriate security and access by end users to Agency Content. Login credentials are for Agency internal use only and Agency may not sell, transfer, or sublicense them to any other entity or person. Audit log tracking for video data is an automatic feature of Axon Evidence that details who accesses Agency Content. Agency may download the audit log at any time. Agency shall contact Axon immediately if an unauthorized third party may be using Agency's account or Agency Content, or if account information is



lost or stolen.

- Privacy. Axon will not disclose Agency Content or information about Agency except as compelled by a court or administrative body or required by law or regulation. If Axon receives a disclosure request for Agency Content, Axon will give Agency notice so Agency may file an objection with the court or administrative body. Agency agrees to allow Axon access to certain information from Agency to: (a) perform troubleshooting services upon request or as part of regular diagnostic screening; (b) enforce this Agreement or policies governing the use of Axon Evidence; or (c) perform analytic and diagnostic evaluations of the systems.
- Storage. For Unlimited Axon Evidence body-worn camera subscriptions, Agency may store unlimited data in Agency's Axon Evidence account only if data originates from Axon Capture or an Axon body-worn camera. Axon may charge additional fees for exceeding purchased storage amounts. Axon may place Agency Content that Agency has not viewed or accessed for 6 months into archival storage. Agency Content in archival storage will not have immediate availability and may take up to 24 hours to access.
- Location of Data Storage. Axon may transfer Agency Content to third party subcontractors for storage. Axon will determine the locations of data centers for storage of Agency Content. For United States agencies, Axon will ensure all Agency Content stored in Axon Evidence remains within the United States. Ownership of Agency Content remains with Agency.
- Suspension. Axon may suspend Agency's or any end user's right to access or use any portion or all of Axon Evidence immediately upon notice, if:
 - 11.1. The Termination provisions of this Agreement apply; or
 - 11.2. Agency or end user's use of or registration for Axon Evidence may (a) pose a security risk to Axon Evidence or any third party; (b) adversely impact Axon Evidence, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third party to liability; or (d) be fraudulent.

Agency remains responsible for all fees and charges incurred through suspension. Axon will not delete Agency Content because of suspension, except as specified in this Agreement.

- **Axon Evidence Warranty**. Axon disclaims any warranties or responsibility for data corruption or errors before Agency uploads data to Axon Evidence.
- Axon Evidence Restrictions. All Axon Evidence subscriptions will immediately terminate if Agency does not comply with any term of this Agreement. Agency and Agency end users (including employees, contractors, agents, officers, volunteers, and directors), may not, or may not attempt to:
 - 13.1. copy, modify, tamper with, repair, or create derivative works of any part of Axon Evidence;
 - **13.2.** reverse engineer, disassemble, or decompile Axon Evidence or apply any process to derive any source code included in Axon Evidence, or allow others to do the same;
 - **13.3.** access or use Axon Evidence with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;
 - **13.4.** use trade secret information contained in Axon Evidence, except as expressly permitted in this Agreement;
 - **13.5.** access Axon Evidence to build a competitive product or service or copy any features, functions, or graphics of Axon Evidence;
 - **13.6.** remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within Axon Evidence; or
 - 13.7. use Axon Evidence to store or transmit infringing, libelous, or other unlawful or tortious material; to store or transmit material in violation of third party privacy rights; or to store or transmit malicious code.



- After Termination. Axon will not delete Agency Content for 90-days following termination. During these 90-days, Agency may retrieve Agency Content only if Agency has paid all amounts due. There will be no functionality of Axon Evidence during these 90-days other than the ability to retrieve Agency Content. Agency will not incur additional fees if Agency downloads Agency Content from Axon Evidence during this time. Axon has no obligation to maintain or provide any Agency Content after these 90-days and will thereafter, unless legally prohibited, delete all Agency Content stored in Axon Evidence. Upon request, Axon will provide written proof that Axon successfully deleted and fully removed all Agency Content from Axon Evidence.
- Post-Termination Assistance. Axon will provide Agency with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Requests for Axon to provide additional assistance in downloading or transferring Agency Content, including requests for Axon's Data Egress Services, will result in additional fees and Axon will not warrant or guarantee data integrity or readability in the external system.
- U.S. Government Rights. If Agency is a U.S. Federal department or using Axon Evidence on behalf of U.S. Federal department, Axon Evidence is provided as a "commercial item," "commercial computer software," "commercial computer software documentation," and "technical data", as defined in the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement. If Agency is using Axon Evidence on behalf of the U.S. Government and these terms fail to meet the U.S. Government's needs or are inconsistent in any respect with federal law, Agency will immediately discontinue use of Axon Evidence.
- 17 <u>Survival</u>. Upon any termination of this Agreement, the following sections will survive: Agency Owns Agency Content, Storage, Axon Evidence Warranty, and Axon Evidence Restrictions.



Professional Services Appendix

- Utilization of Services. Agency must use pre-paid professional services as outlined in the Quote and this Appendix within 6 months of the Effective Date.
- 2 Body-Worn Camera Full Service (BWC Full Service). BWC Full Service includes 4 consecutive days of on-site service and a professional services manager to work with Agency to assess Agency's deployment and determine which on-site services are appropriate. If Agency requires more than 4 consecutive on-site days, additional days are \$2,500 per day. BWC Full Service options include:

System set up and configuration

- Setup Axon View on smart phones (if applicable)
- Configure categories and custom roles based on Agency need
- Register cameras to Agency domain
- Troubleshoot IT issues with Axon Evidence and Axon Dock ("Dock") access
- One on-site session included

Dock configuration

- Work with Agency to decide ideal location of Docks and set configurations on Dock
- Authenticate Dock with Axon Evidence using admin credentials from Agency
- On-site assistance, not to include physical mounting of docks

Best practice implementation planning session

- Provide considerations for establishment of video policy and system operations best practices based on Axon's observations with other agencies
- Discuss importance of entering metadata in the field for organization purposes and other best practice for digital data management
- Provide referrals of other agencies using the Axon camera products and Axon Evidence
- Recommend rollout plan based on review of shift schedules

System Admin and troubleshooting training sessions

Step-by-step explanation and assistance for Agency's configuration of security, roles & permissions, categories & retention, and other specific settings for Axon Evidence

Axon instructor training (Train the Trainer)

Training for Agency's in-house instructors who can support Agency's Axon camera and Axon Evidence training needs after Axon has fulfilled its contracted on-site obligations

Evidence sharing training

Tailored workflow instruction for Investigative Units on sharing Cases and Evidence with local prosecuting agencies

End user go live training and support sessions

- Assistance with device set up and configuration
- Training on device use, Axon Evidence and Evidence Sync

Implementation document packet

Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide

Post go live review

- 3 Out of Scope Services. Axon is only responsible to perform the professional services described in the Quote and this Appendix. Any additional professional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.
- Delivery of Services. Axon personnel will work Monday through Friday, 8:30 a.m. to 5:30 p.m., except 4 holidays. Axon will perform all on-site tasks over a consecutive timeframe. Axon will not charge Agency



travel time by Axon personnel to Agency premises as work hours.

- Access Computer Systems to Perform Services. Agency authorizes Axon to access relevant Agency computers and networks, solely for performing the Services. Axon will work to identify as soon as reasonably practicable resources and information Axon expects to use, and will provide an initial itemized list to Agency. Agency is responsible for, and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by Agency.
- Site Preparation. Axon will provide one copy of current user documentation for the Products in paper or electronic form ("Product User Documentation"). Product User Documentation will include all required environmental specifications in order for the professional services and related Products to operate in accordance with Product User Documentation. Prior to the installation of Product (whether performed by Agency or Axon), Agency must prepare the location(s) where the Products are to be installed ("Installation Site") in accordance with the environmental specifications in Product User Documentation. Following install, Agency must maintain the Installation Site in accordance with the environmental specifications. If Axon modifies Product User Documentation for any Products under this Agreement, Axon will provide the update to Agency when Axon generally releases it.
- Acceptance. When Axon completes the professional services, Axon will present an acceptance form ("Acceptance Form") to Agency. Agency will sign the Acceptance Form acknowledging completion of professional services. If Agency reasonably believes Axon did not complete the professional services in substantial conformance with this Agreement, Agency must notify Axon in writing of the specific reasons for rejection within 7 calendar days from delivery of the Acceptance Form. Axon will address the issues and will re-present the Acceptance Form for approval and signature. If Axon does not receive the signed Acceptance Form or written notification of the reasons for rejection of within 7 calendar days of delivery of the Acceptance Form, Agency will be deemed to have accepted the professional services.
- **Agency Network.** For work performed by Axon transiting or making use of Agency's network, Agency is solely responsible for maintenance and functionality of the network. In no event will Axon be liable for loss, damage, or corruption of Agency's network from any cause.



Technology Assurance Plan Appendix

If Technology Assurance Plan ("TAP") or a bundle including TAP is on the Quote, this appendix applies.

- 1 <u>Term.</u> TAP begins after shipment of the hardware covered under TAP. If Axon ships hardware in the first half of the month, TAP starts the 1st of the following month. If Axon ships hardware in the second half of the month, TAP starts the 15th of the following month. ("TAP Term").
- **TAP Warranty**. The TAP warranty is an extended warranty that starts at the end of the 1-year Hardware Limited Warranty.
- Spare Product. Axon will provide Agency a predetermined number of spare Products for hardware items and accessories listed in the Quote ("Spare Products"). Spare Products will replace broken or nonfunctioning units. If Agency utilizes a Spare Product, Agency must return to Axon, through Axon's warranty return process, any broken or non-functioning units. Axon will repair the non-functioning unit or replace with a replacement Product. Upon termination, Axon will invoice Agency the MSRP then in effect for all Spare Products provided under TAP. If Agency returns the Spare Products to Axon within 30 days of the Spare Product invoice date, Axon will issue a credit and apply it against the Spare Product invoice.
- Officer Safety Plan Standard. The Officer Safety Plan Standard ("OSP Standard") includes Axon Evidence Unlimited, TAP for Axon body-worn camera and Axon Dock, one TASER X2 or X26P CEW with a 4-year extended warranty, one CEW battery, and one CEW holster. Agency must purchase OSP for 5 years ("OSP Term"). At any time during the OSP Term, Agency may choose to receive the X2 or X26P CEW, battery and holster by providing a \$0 purchase order.
- TAP Body-Worn Upgrade. If Agency purchased 3 years of Axon Evidence Unlimited or TAP as a standalone and makes all payments, Axon will provide Agency a new Axon body-worn camera 3 years after TAP starts ("Body-Worn Upgrade"). If Agency purchases 5 years of Axon Evidence Unlimited, an OSP, or TAP as a standalone and makes all payments, Axon will provide Agency a Body-Worn Upgrade 2.5 and 5 years after TAP starts. Axon may ship the Body-Worn Upgrade at year 2.5 without prior confirmation from Agency unless the Parties agree in writing otherwise at least 90 days in advance. In year 5, Axon may ship the Body-Worn Upgrade 60 days before the end of the TAP Term without prior confirmation from Agency.
 - 5.1. TAP as a Stand-alone. If Agency purchased TAP as a standalone, Axon will provide a Body-Worn Upgrade that is the same or like product, at Axon's option. Axon makes no guarantee the Body-Worn Upgrade will utilize the same accessories or Axon Dock. If Agency wants to change product models for the Body-Worn Upgrade, Agency must pay the price difference between the MSRP of the offered Body-Worn Upgrade and the MSRP of the model Agency is acquiring. The MSRP will be the MSRP in effect at the time of the upgrade. Axon will not provide a refund if the MSRP of the new model is less than the MSRP of the offered Body-Worn Upgrade.
 - **5.2. OSP or Unlimited TAP.** If Agency purchased Axon Evidence Unlimited or an OSP, Agency may choose a new on-officer video camera of Agency's choice.
- TAP Dock Upgrade. If Agency purchased TAP for Axon Dock, Axon Evidence Unlimited, or an OSP, Axon will upgrade the Axon Dock with a new Axon Dock ("Dock Upgrade"). If Agency purchased 3 years of Dock TAP, Axon will provide the Dock Upgrade 3 years after TAP starts. If Agency purchased 5 years of Dock TAP, Axon will provide a Dock Upgrade 2.5 and 5 years after TAP starts. The Dock Upgrade at year 2.5 will only include a new Axon Dock bay configuration unless a new Axon Dock core is required for body camera compatibility.

Axon may ship the Dock Upgrade at year 2.5 without prior confirmation from Agency unless the Parties agree in writing otherwise at least 90 days in advance. In year 5, Axon may ship the Dock Upgrade 60 days



before the end of the TAP Term without prior confirmation from Agency. If Agency originally purchased a single-bay Axon Dock, the Dock Upgrade will be a single-bay Axon Dock model that is the same or like product, at Axon's option. If Agency originally purchased a multi-bay Axon Dock, the Dock Upgrade will be a multi-bay Axon Dock model that is the same or like product, at Axon's option.

If Agency would like to change product models for the Dock Upgrade or change the number of bays, Agency must pay the price difference between the MSRP for the offered Dock Upgrade and the MSRP for the model desired. The MSRP will be the MSRP in effect at the time of the upgrade. Axon will not provide a refund if the MSRP of the new model is less than the MSRP of the offered Dock Upgrade.

- Return of Original Product. If Axon provides a warranty replacement 6 months before the date of a Body-Worn Upgrade or Dock Upgrade, that replacement is the upgrade. Within 30 days of receiving a Body-Worn or Dock Upgrade, Agency must return the original Products to Axon or destroy the Products and provide a certificate of destruction to Axon including serial numbers for the destroyed Products. If Agency does not return or destroy the Products, Axon will deactivate the serial numbers for the Products received by Agency.
- **Termination**. If Agency's payment for TAP, OSP, or Axon Evidence is more than 30 days past due, Axon may terminate TAP or OSP. Once TAP or OSP terminates for any reason:
 - **8.1.** TAP and OSP coverage terminates as of the date of termination and no refunds will be given. Axon will not provide the free upgrades.
 - **8.2.** Agency make any missed payments due to the termination before Agency may purchase any future TAP or OSP.
 - **8.3.** If any OSP terminates before the end of the OSP Term, Axon will invoice Agency the difference between the MSRP for Products received and amount paid towards those Products. If terminating for non-appropriations, Agency may return Products to Axon within 30 days of termination. MSRP is the standalone price of the individual Product at time of sale. For bundled Products, MSRP includes the standalone price of all individual components.

Axon Enterprise, Inc.

Protect Life.

17800 N 85th St. Scottsdale, Arizona 85255 United States Phone: (800) 978-2737

Fax:

Ron Walker 310-802-5156 rwalker@citymb.info



Quotation

Quote: Q-203538-1 Date: 3/1/2019 9:55 AM Quote Expiration: 6/30/2019

Contract Term: 5 years

AX Account Number:

107725

Bill To: Manhattan Beach Police Dept. - CA 420 15th Street Manhattan Beach, CA 90266 Ship To: Ron Walker Manhattan Beach Police Dept. - CA 420 15th Street Manhattan Beach, CA 90266 US

SALESPERSON	PHONE	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Allen Sliper	(858) 353-3228	asliper@axon.com	Fedex - Ground	Net 30

^{*}Note this will vary based on the shipment date of the product.

Year 1 Due Net 30

QTY	ITEM#	DESCRIPTION	NET UNIT PRICE	NET TOTAL
80	74001	AXON CAMERA ASSEMBLY, ONLINE, AXON BODY 2, BLK	USD 499.00	USD 39,920.00
80	74020	MAGNET MOUNT, FLEXIBLE, AXON RAPIDLOCK	USD 0.00	USD 0.00
80	74021	MAGNET MOUNT, THICK OUTERWEAR, AXON RAPIDLOCK	USD 0.00	USD 0.00
80	11553	SYNC CABLE, USB A TO 2.5MM	USD 0.00	USD 0.00
14	70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK	USD 42.00	USD 588.00
14	74008	AXON DOCK, 6 BAY + CORE, AXON BODY 2	USD 1,495.00	USD 20,930.00
14	87026	TASER ASSURANCE PLAN DOCK 2 ANNUAL PAYMENT	USD 336.00	USD 4,704.00
63	80012	BASIC EVIDENCE.COM LICENSE: YEAR 1 PAYMENT	USD 180.00	USD 11,340.00
630	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
23	80022	PRO EVIDENCE.COM LICENSE: YEAR 1 PAYMENT	USD 468.00	USD 10,764.00
690	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
80	85070	TASER ASSURANCE PLAN ANNUAL PAYMENT, BODYCAM	USD 240.00	USD 19,200.00
1	85055	AXON FULL SERVICE	USD 17,000.00	USD 17,000.00
15,000	85035	EVIDENCE.COM STORAGE	USD 0.75	USD 11,250.00
	•	,	/ear 1 Net Amount Due:	USD 135,696.00

Spares

QTY	ITEM#	DESCRIPTION	NET UNIT PRICE	NET TOTAL
5	74001	AXON CAMERA ASSEMBLY, ONLINE, AXON BODY 2, BLK	USD 0.00	USD 0.00
5	74020	MAGNET MOUNT, FLEXIBLE, AXON RAPIDLOCK	USD 0.00	USD 0.00
5	74021	MAGNET MOUNT, THICK OUTERWEAR, AXON RAPIDLOCK	USD 0.00	USD 0.00
5	11553	SYNC CABLE, USB A TO 2.5MM	USD 0.00	USD 0.00
		Spar	es Net Amount Due:	USD 0.00

Year 2

QTY	ITEM#	DESCRIPTION	NET UNIT PRICE	NET TOTAL
14	87026	TASER ASSURANCE PLAN DOCK 2 ANNUAL PAYMENT	USD 336.00	USD 4,704.00
63	80013	BASIC EVIDENCE.COM LICENSE: YEAR 2 PAYMENT	USD 180.00	USD 11,340.00
630	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
23	80023	PRO EVIDENCE.COM LICENSE: YEAR 2 PAYMENT	USD 468.00	USD 10,764.00
690	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
80	85070	TASER ASSURANCE PLAN ANNUAL PAYMENT, BODYCAM	USD 240.00	USD 19,200.00
15,000	85035	EVIDENCE.COM STORAGE	USD 0.75	USD 11,250.00
		•	Year 2 Net Amount Due:	USD 57,258.00

Year 3

QTY	ITEM#	DESCRIPTION	NET UNIT PRICE	NET TOTAL
14	87026	TASER ASSURANCE PLAN DOCK 2 ANNUAL PAYMENT	USD 336.00	USD 4,704.00
63	80014	BASIC EVIDENCE.COM LICENSE: YEAR 3 PAYMENT	USD 180.00	USD 11,340.00
630	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
23	80024	PRO EVIDENCE.COM LICENSE: YEAR 3 PAYMENT	USD 468.00	USD 10,764.00
690	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
80	85070	TASER ASSURANCE PLAN ANNUAL PAYMENT, BODYCAM	USD 240.00	USD 19,200.00
15,000	85035	EVIDENCE.COM STORAGE	USD 0.75	USD 11,250.00
	•	· ,	Year 3 Net Amount Due:	USD 57,258.00

Year 4

QTY	ITEM#	DESCRIPTION	NET UNIT PRICE	NET TOTAL
14	87026	TASER ASSURANCE PLAN DOCK 2 ANNUAL PAYMENT	USD 336.00	USD 4,704.00
63	80015	BASIC EVIDENCE.COM LICENSE: YEAR 4 PAYMENT	USD 180.00	USD 11,340.00
630	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
23	80025	PRO EVIDENCE.COM LICENSE: YEAR 4 PAYMENT	USD 468.00	USD 10,764.00
690	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
80	85070	TASER ASSURANCE PLAN ANNUAL PAYMENT, BODYCAM	USD 240.00	USD 19,200.00
15,000	85035	EVIDENCE.COM STORAGE	USD 0.75	USD 11,250.00
		Yea	r 4 Net Amount Due:	USD 57,258.00

Year 5

QTY	,	ITEM#	DESCRIPTION	NET UNIT PRICE	NET TOTAL
14		87026	TASER ASSURANCE PLAN DOCK 2 ANNUAL PAYMENT	USD 336.00	USD 4,704.00
63		80016	BASIC EVIDENCE.COM LICENSE: YEAR 5 PAYMENT	USD 180.00	USD 11,340.00

QTY	ITEM#	DESCRIPTION	NET UNIT PRICE	NET TOTAL
630	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
23	80026	PRO EVIDENCE.COM LICENSE: YEAR 5 PAYMENT	USD 468.00	USD 10,764.00
690	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00
80	85070	TASER ASSURANCE PLAN ANNUAL PAYMENT, BODYCAM	USD 240.00	USD 19,200.00
15,000	85035	EVIDENCE.COM STORAGE	USD 0.75	USD 11,250.00
		Yea	r 5 Net Amount Due:	USD 57,258.00

Subtotal	USD 364,728.00
Estimated Tax	USD 18,806.02
Grand Total	USD 383,534.02