

APPENDIX C TO DIR CONTRACT NO. DIR-SDD-680  
Qnet Customer Services Agreement

This Customer Services Agreement is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between Qnet, Inc. d.b.a. Qnet Information Services, located at 11325 Pegasus; Suite W-126, Dallas 75238 (“Qnet”), and \_\_\_\_\_ (“Customer”).

**PREAMBLE**

Whereas, Qnet is engaged in the business of providing computer IT Security Services and Solutions; and

Whereas, Customer desires to obtain the services provided by Qnet.

NOW THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein, the parties have agreed and do agree as follows:

Term of Agreement. This Agreement shall be effective upon the execution hereof by the parties and shall remain in effect for an initial period of two (2) years. Qnet or Customer may terminate services under this Agreement or under any Work Order in accordance with Section 8.B. of Appendix A of the DIR Contract No. DIR-SDD-680.

Services. This Agreement does not obligate Customer to use Qnet’s services. From time to time during the term of this Agreement, Customer may notify Qnet of its need for Security Services and Qnet will provide Customer with such Services in accordance with the terms of this Agreement and Qnet Security Services Work Orders (“Work Orders”) completed by the parties in the form attached hereto as Exhibit “A.”

Qnet Security Services Work Orders: All authorizations for Qnets’ services will be issued by Customer in the form of a Work Order. All terms and conditions of this Agreement apply to and govern all Work Orders. For all services provided under this Agreement, both Customer and Qnet must agree to and sign the Work Order before any obligations are incurred by either party as to the requested Services.

Fees and Payment Terms. For the Services provided by Qnet's Customer agrees to pay Qnet the fee agreed upon in the Work Order(s). Invoices will be sent to Customer for services provided in accordance with the SOW. Payment shall be in accordance with Section 5.C. of Appendix A of the DIR Contract No. DIR-SDD-680.

**Customer shall send all payments to:**

Qnet, Inc.  
Attention: Accounts Receivable  
**P.O. Box 550744**  
**Dallas, TX 75355**

Confidential Information. Confidentiality shall be in accordance with Section 7.G. of Appendix A of the DIR Contract No. DIR-SDD-680. In the course of the performance of this Agreement, either party (the “Recipient”) may learn Confidential Information of the other party (the “Owner”). Recipient agrees to disclose such information to its employees only on a need-to-know basis and agrees not to disclose such information to third parties unless legally required by judicial or legal process. “Confidential Information” means information, including hard copy or electric form, written or oral, which a reasonable person would consider to be confidential in nature. Confidential Information does not include information that (1) becomes public through no breach of Recipient; (2) Recipient rightfully receives from a third party without restriction; (3) Recipient develops it independently or already had knowledge of such information prior to disclosure by Owner; and (4) Owner gives to any third party without confidentiality limitations. To the extent consistent with the Texas Public Information Act, all Confidential Information will be considered trade secrets and will be entitled to all protections under the law for trade secrets. In no event shall Recipient use the Owner’s Confidential Information to reverse engineer or otherwise develop products or services functionally equivalent to the products or services of the Owner. The parties’ obligations under this section will survive the termination of this Agreement

Relationship of the Parties. Qnet is an independent contractor and is neither an employee nor agent of Customer. Nothing contained in this Agreement will be construed as creating a joint venture, partnership or employment relationship between the parties hereto, nor will either party have the right, power or authority to create any obligation or duty, express or implied, on behalf of the other. All Qnet employees whom Qnet assigns to perform services for Customer shall at all times be considered employees of Qnet. Neither party will be responsible for the other’s business obligations, including but not limited to, insurance, worker’s compensation and employment related taxes) and each party agrees to hold the other harmless from those obligations.

Non-Solicitation. Purchaser will not, either directly or indirectly (except through Qnet) solicit, hire or contract with any employee or subcontractor placed with Purchaser by Qnet during the term of this Agreement and for the one (1) year period following termination thereof.

Warranty of Services: Qnet warrants that all services provided pursuant to this Agreement will be performed in accordance with the general standards of the industry. THE FOREGOING EXPRESS LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES AND CONDITIONS EXPRESSED OR IMPLIED, ORAL OR WRITTEN, CONTRACTUAL OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE TO THE EXTENT APPLICABLE.

Limitation of Liability: IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES RELATING TO THE OBLIGATIONS SET FORTH HEREUNDER. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY AMOUNT IN EXCESS OF THE FEES PAID HEREUNDER.

PROPRIETARY RIGHTS. The Work Product provided hereunder shall be deemed to be “work made for hire” and Qnet agrees that all rights, title and interests of Qnet in and to the Work Product shall be and are assigned to Customer as its sole and exclusive property. The parties recognize that the performance of Qnet hereunder will require the skills of Qnet. Therefore, regardless of the ownership of any services furnished by Qnet, Qnet shall retain the right to use, without fee and for any purpose, the algorithms, “know-how”, ideas, techniques and concepts used or developed by Qnet in the course of performance of the services under this Agreement. Qnet has created, acquired or otherwise has rights in, and may, in connection with the performance of Services hereunder, employ, provide, modify, create, acquire or otherwise obtain rights in, various concepts, ideas, methods, methodologies, procedures, processes, know-how, and techniques (“Qnet Technology”). To the extent that Qnet utilizes any of its property in connection with the performance of services hereunder, such property shall remain the property of Qnet.

Indemnification. Indemnification shall be in accordance with Section 7.A. of Appendix A of the DIR Contract No. DIR-SDD-680.

Insurance. During the progress of the Services, Qnet will maintain Worker's Compensation Insurance (or qualification as a self-insurer to satisfy the laws of the State in which Services are being performed), Commercial General Liability Insurance, Automobile Liability Insurance, Errors and Omissions Insurance and Commercial Crime Insurance.

Termination.

- a) This Agreement may be terminated by either party in accordance with Section 8.B. of Appendix A of the DIR Contract No. DIR-SDD-680.
- b) Without affecting the continued operation of this Agreement, individual Work Orders may be terminated under this Agreement by either party:
  - i) Upon 30 days prior written notice to the other party; or
  - ii) If the other party is in material breach of any of its obligations under this Agreement and/or Work Order and fails to remedy such breach within 15 days of receipt of a written notice by the other party which specifies the material breach.
- c) Upon termination by either party, Customer will pay Qnet for all services performed incurred by Qnet up to the date of termination.

General Provisions:

- a) Non-Restrictive Relationship. Qnet may provide the same or similar services to other customers.
- b) Waiver. Neither party's failure to exercise any of its rights under this Agreement

will constitute or be deemed a waiver or forfeiture of those rights.

- c) Force Majeure. Force Majeure shall be in accordance with Section 8.C. of Appendix A of the DIR Contract No. DIR-SDD-680.
- d) Notices. All notices required under or regarding this Agreement will be in writing and will be considered given if delivered personally, mailed via registered or certified mail (return receipt requested and postage prepaid), given by facsimile (confirmed by certification of receipt) or sent by courier (confirmed by receipt) addressed to the following designated parties:

Qnet, Inc.

Attention: Contracts

**11325 Pegasus, Suite W-126  
Dallas, Texas 75238**

- e) Severability. If any term or provision of this Agreement is held to be illegal or unenforceable, the validity or enforceability of the remainder of this Agreement will not be affected.
- f) Entire Agreement. The DIR Contract No. DIR-SDD-680, this Agreement and the Work Order(s) submitted hereunder constitute the entire agreement between the parties and supersede any prior or contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding the subject matter of this Agreement. The terms and conditions of this Agreement may not be changed except by an amendment signed by an authorized representative of each party. In the event of a conflict between the DIR Contract No. DIR-SDD-680 and this Agreement, the DIR Contract controls.
- g) Applicable Law: This Agreement is made under and will be construed in accordance with the law of Texas without giving effect to that state's choice of law rules. Nothing herein shall be construed to waive the sovereign immunity of the State of Texas.

**Qnet, Inc.**

**Customer**

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## **Qnet Security Services Work Order – Exhibit A**

1. Renewal Options:

See “Term of Agreement” within Qnet Customer Services Agreement

2. Detailed Plan and Requirements for Services Implementation

To Be Determined upon customer contract of services.

3. Detailed list of all equipment owned by Customer that will be subject to Qnet

To Be Determined upon customer contract of services.

4. Additional terms and Conditions

To Be Determined

5. Detailed List of Services to be provided

To Be Determined upon customer contract of services.

6. Pricing Schedule

To be determined relative to the particular services required.

7. Responsibilities if Qnet and Customer

To Be Determined upon customer contract of services.

8. Qnet performance expectations, Service Levels

To Be Determined upon customer contract of services.

9. Payment Schedule

See “Fees and Payment Terms” within Qnet Customer Services Agreement