

AVF Consulting, Inc. Professional Services Agreement (PSA)

This Professional Services Agreement (hereafter "Agreement" or "PSA") is entered into on _____ (the "PSA" Effective Date") by and between AVF Consulting, Inc. ("AVF Consulting") with an address at 1220-C East Joppa Road, Suite 514, Baltimore, Maryland 21286, and _____ ("Customer") with an address of _____.

The parties agree that AVF Consulting desires to provide and the Customer desires to purchase services from AVF Consulting related to Microsoft Dynamics NAV and/or Serenic Navigator. This agreement constitutes a basic agreement; the terms and conditions of which shall apply to each work assignment proposed by the Customer, which is accepted by AVF Consulting for the furnishing of such services. If AVF Consulting has heretofore accepted work assignments from the Customer, the terms and conditions of this Agreement will apply to such prior work assignments as well as to all future work assignments from the Customer until this Agreement is terminated.

1. Services Performed by AVF Consulting.

- (a) Microsoft Dynamics NAV and Serenic Navigator Services. AVF Consulting may accept work assignments from the Customer in the form of written proposals, project agreements, statement of work documents, change orders, customization work orders and written support requests. AVF Consulting performs all services related to Microsoft Dynamics NAV and Serenic Navigator software (the "Services") on a time and materials basis. Although written proposals, project agreements, statement of work documents, change orders, customization work orders and responses to written support requests may include estimates of service hours, actual hours required might be more or less than the estimates and will be billed based on the actual time required to perform the service. In order to become effective, any such written proposal, project agreement, statement of work document, change order, and/or customization work order must be in writing and signed by an authorized representative of each party. Support requests must be initiated by authorized users of the Help Desk system. For the purposes of this agreement, an electronic facsimile or authorization provided via email from an authorized representative shall be recognized as a signed authorization. The Customer's authorized representative(s) are set forth in Section 1(j). Any such executed or authorized document in whichever form issued and accepted shall constitute a "Project Agreement" under this Agreement (See Article 2. Fees). In the event there is an express conflict between a Project Agreement and this Agreement, the terms of the applicable Project Agreement shall control.
- (b) Change Order Procedure. Changes to a Project Agreement may only be made by written change orders ("Change Orders"), signed by the parties, setting forth the nature of the change and the specific amendment to the applicable portions of the Project Agreement, including the timetable and fee estimate for the revised Project Agreement. The terms and conditions of this Agreement may not be amended by a Change Order, but only by written amendment as provided in this Agreement.
- (c) Method of Performing Services. AVF Consulting, in conjunction with its personnel, may determine the method, manner, and means of performing the Services. The Customer may not control the manner or determine the method of accomplishing the Services. The Customer, however, shall be entitled to exercise a broad general power of supervision and control over the results of the Services to ensure satisfactory performance. This power of supervision shall include the right to inspect, make suggestions or

recommendations as to the details of the Services, and request modifications to the scope of a work assignment. The Customer may also require the personnel of AVF Consulting to observe at all times the written security and safety policies of the Customer while performing services at the Customer's site.

- (d) Scheduling. AVF Consulting will attempt to accommodate work schedule requests of the Customer to the extent possible. Should any personnel of AVF Consulting be unable to perform scheduled services because of illness, resignation, or other causes beyond the reasonable control of AVF Consulting, AVF Consulting will attempt to replace such personnel within a reasonable time, but AVF Consulting shall not be liable for failure to meet agreed upon timeframes if it is unable to do so, giving due regard to its other commitments and priorities. AVF Consulting shall not be liable for any delay in or inability to complete the Services because of conditions or events that are outside of the control of AVF Consulting as provided for in Section 10(e).
- (e) Reporting. The Customer will advise AVF Consulting of the individuals to whom AVF Consulting will report progress. The Customer and AVF Consulting shall develop appropriate administrative procedures for performance of work at the Customer's site. The Customer shall, on request periodically provide to AVF Consulting an evaluation, on a form provided by AVF Consulting, for the work performed by personnel of AVF Consulting.
- (f) Place of Work. Personnel of AVF Consulting will perform all work for the Customer primarily at the Customer's premises except when such projects or tasks may, as mutually determined, be performed off-site. The Customer will provide working space and facilities, and any other services and materials AVF Consulting or its personnel may reasonably request, in order to perform their work.
- (g) Statement of Confidentiality. AVF Consulting acknowledges that in the course of performing work for the Customer under this agreement, the Customer may disclose its Confidential Information to AVF Consulting. AVF Consulting agrees that it shall not disclose such information to any third party without first obtaining the Customer's permission and shall take all reasonable precautions to ensure that no unauthorized persons have access to such Confidential Information and that no unauthorized copies are made. Breach of this provision shall be grounds for termination of this Agreement without further obligation to AVF Consulting and grounds for recovery of all damages subject to the limitations set forth in this Agreement resulting from breach of confidentiality and provided that AVF Consulting is provided notice within a fifteen (15) day cure period.

A party's Confidential Information shall not include information that: (i) is or becomes a part of the public domain through no act or omission of the other party; (ii) was in the party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (iii) is lawfully disclosed to the other party by a third party without restriction on disclosure; or (iv) is independently developed by the other party. In addition, a party shall not be considered to have breached its obligations by disclosing Confidential Information of the other party, if such Confidential Information is required to be disclosed by operation of law, regulation or court order, provided that the disclosing party gives reasonably prompt notice to the other party prior to making any such disclosure of the other party's Confidential Information.

- (h) Performance. AVF represents and warrants that it shall: (i) perform all services provided under this Agreement in a timely, workmanlike manner consistent with industry standards reasonably applicable to the performance of such services; (ii) use adequate numbers of qualified individuals with suitable training, education, experience and skill in performing the services; and (iii) perform the services in an efficient and cost-effective manner.
- (i) Ownership of Customer Data. As between the parties, the Customer owns all data pertaining to the Customer and the Customer's employees, customers, constituents,

patients, students, etc. (including, without limitation, all data source documents provided by the Customer and all data output derived from the same) (individually and collectively, the "Customer Data").

- (j) Customer Authorized Representative(s). For the purposes of this Agreement, the Customer's authorized representatives shall be:

The Customer may change an authorized representative from time to time by providing written notice to AVF Consulting.

2. Fees.

- (a) Rates. AVF Consulting performs all Services at the standard hourly rates in effect at the time the Services are provided, unless otherwise agreed in writing and defined in a separate Project Agreement. Hourly rates are established by task performed. All rates are quoted and payable in US\$. Standard hourly rates are subject to increase at any time, provided that AVF Consulting may not increase rates more than once in any twelve (12) month period and that such an increase shall not become effective without thirty (30) days' advance notice. Please refer to page ten (10) of this document for AVF's standard hourly rates effective January 1, 2014.
- (b) Project Estimates. Fee estimates may be provided in a Project Agreement, but AVF Consulting does not guarantee such estimates. AVF Consulting will, however, notify the Customer as soon as possible if it will exceed the estimate, and the Customer may then terminate the project as provided for in Section 9(b).
- (c) Invoices. AVF Consulting shall submit invoices to the Customer weekly for services furnished and other expenses incurred. Billable service time is recorded and invoiced in fifteen (15) minute increments. Each invoice will provide a breakdown and distribution of the charges by name of individual, description of the service and/or expense items.
- (d) Invoice Payment. The Customer shall pay each invoice in full within thirty (30) days of the invoice date. The Customer will pay a service charge of one and one-half percent (1½%) per month on all undisputed, unpaid balances. AVF Consulting reserves the right to temporarily suspend Services to the Customer at any time payment is past due. AVF also reserves the right to pursue termination of this Agreement and related Project Agreement as provided for in Section 9(b), if unpaid account balances exceed 60 days past due.
- (e) Invoice Disputes. The Customer shall have ten (10) days from receipt of invoice to advise AVF Consulting in writing of any disputed charge appearing on an invoice. The Customer may withhold payment only on disputed amounts provided that it disputes such charge in good faith. Any undisputed charges shall be paid within the Net 30 days terms. If a withheld invoice amount is ultimately determined to be proper and payable, the Customer will pay AVF Consulting interest on the disputed amount at the rate of prime plus 5% per annum, though not to exceed 18%, from the due date until paid. The Customer shall not unreasonably dispute an invoice amount from AVF Consulting. The Client agrees that

time is of the essence in the resolution of disputes and agrees to work with AVF Consulting to resolve disputes in a timely fashion.

- (f) Expenses. The Customer shall be responsible for all reasonable costs and expenses related to the performance of the Services as defined in the Project Agreement. These costs shall include travel time and reimbursable travel expenses. All travel expenses shall be billed to the Customer at cost. AVF Consulting shall obtain prior written approval for out of pocket and travel expenses in advance. Travel time for AVF personnel will be billed at a standard travel time rate which is based on calculated travel to and from AVF Consulting's office in Baltimore to the Customer's location. AVF reserves the right to negotiate separate travel billing for any Independent Contractor(s) approved by the Customer to perform services under this Agreement.

3. Cooperation and Client Obligations.

- (a) Cooperation. Both AVF Consulting and the Customer acknowledge and agree that successful completion of the Services shall require their good faith cooperation, including, without limitation, the fulfillment by the Customer of the obligations set forth in Section 3(b).
- (b) Customer Obligations. In addition to providing AVF Consulting with full, good faith cooperation, the Customer shall:
 - i. Designate one employee who shall have substantial management authority and experience satisfactory to AVF Consulting to act as coordinator of all Customer activities and resources in connection with the Services.
 - ii. Allocate appropriate and sufficient Customer personnel and other resources, and ensure that such personnel and resources are available at agreed upon times, and that the Customer personnel fulfill their individual responsibilities as employees of the Customer, such that AVF Consulting can satisfactorily perform the Services.
 - iii. Provide AVF Consulting with reasonably specific and detailed information and materials and ensure that such information and materials are made available at agreed upon times, such that AVF Consulting can satisfactorily perform the Services, provided that the supplying of such information and materials shall not be deemed to alter or supplement the Services as specified in a Project Agreement, except as specified in a Change Order signed by the parties.

4. Treatment of Personnel of AVF Consulting.

- (a) Compensation of Personnel of AVF Consulting. AVF Consulting shall bear sole responsibility for payment of compensation to its personnel who shall not be considered employees of the Customer for any purpose including for purposes of worker's compensation. AVF Consulting shall pay and report, for all personnel assigned to the Services, federal and state income tax withholding, social security taxes, and unemployment insurance applicable to such personnel as employees of AVF Consulting. AVF Consulting shall bear sole responsibility for any health or disability insurance, retirement benefits, or other welfare or pension benefits, if any, to which such personnel may be entitled. AVF Consulting will defend, indemnify and hold the Customer, the Customer's officers, directors, employees and agents and the administrators of the Customer's benefit plans, harmless from and against any claims, liabilities, or expenses relating to such compensation, tax, insurance, or benefit matters, provided that the Customer shall: (i) promptly notify AVF Consulting of each such claim when and as it comes to the Customer's attention; (ii) cooperate with AVF Consulting in the defense and resolution of such claim; and (iii) not settle or otherwise dispose of such claim without the prior written consent of AVF Consulting, such consent not to be unreasonably withheld.
- (b) Compliance with Security. AVF Consulting will at all times comply with all written security policies and regulations of which it is notified in writing while on the premises of the

Customer and AVF Consulting shall take all reasonable precautions for the safety of its employees or other persons.

5. Independent Contractor Status.

- (a) AVF Consulting shall be an independent contractor and not an employee, agent, joint venturer, or partner of the Customer. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between the Customer and either AVF Consulting or any employee or agent of AVF Consulting.

6. Warranties. AVF Consulting represents and warrants that:

- (a) Skill. It possesses the skill and experience necessary for performance of the Services required for each Project Agreement that AVF Consulting enters into hereunder, and will notify the Customer in advance of executing any proposed Project Agreement whenever it does not have the necessary skill and experience to fully perform thereunder;
- (b) Professional Standards. All Services provided by AVF Consulting personnel hereunder will be performed to the best of their ability in a professional manner;
- (c) No Violations. Signing of this Agreement and the performance of Services hereunder is not and will not be in violation of any other contract, agreement or understanding to which it is a party.
- (d) Warranty on Deliverables. For a period of 30 days after delivery, AVF Consulting warrants that all deliverables including, without limitation, customizations to the software will conform to the functional specifications as detailed in the statement of work design specification or associated Project Agreement or Change Order. AVF Consulting will promptly correct any discrepancies, malfunctions, or failures of the software to make it conform to the statement of work design specification or Project Agreement or Change Order, at no additional charge. This warranty will be extended to include one closing cycle or a period not to exceed twelve (12) months, whichever comes first, for program processes that run in cycles that would not normally be completed or tested within the allowable thirty (30) days.
- (e) Third-party warranties. Any third-party representations and warranties regarding third-party software procured by or supplied to the Customer through AVF Consulting pursuant to this Agreement will be passed through to the Customer.
- (f) Non-Infringement. The deliverables (including the use or operation of the deliverables by the Customer as contemplated by this Agreement) do not violate, infringe or misappropriate any intellectual property or other proprietary right of any third-party.

7. Indemnity.

- (a) AVF Consulting shall indemnify, hold harmless, and defend or settle any proceeding brought against the Customer, the Customer's officers, employees, distributors, agents, customers and licensees from and against any and all liability, damage, loss or expense arising from any claim, demand, action or proceeding (whether awarded by a court, agreed to in settlement or otherwise) based upon the claim that provision or utilization of the product or services constitutes an infringement, violation, trespass, contravention or breach of any patent, copyright, trademark, license or other property or proprietary right of any third party, or constitutes the unauthorized use or misappropriation of any trade secret of any third party. Notwithstanding the foregoing, AVF Consulting shall have no liability for any claim of infringement that arises solely from the Customer's combination, operation, or use of the Software with non-AVF Consulting software or with any hardware. AVF Consulting also shall have no liability for any claim of infringement that arises solely from modifications to Software made by the Customer or a third-party not acting under AVF Consulting's direction. In the case of a claim for infringement, AVF

Consulting's liability under this indemnity provision, including costs of defense, is limited to and shall not exceed \$150,000.

- (b) Indemnification Procedures. The Customer shall (a) give AVF Consulting prompt written notice of any such claims; and (b) reasonably cooperate with AVF Consulting in the defense and/or settlement thereof. The Customer will have the right to participate in such defense and negotiations using counsel at its own expense. In addition, AVF Consulting agrees (i) to timely consult with the Customer and keep the Customer advised of the progress of any such claim, (ii) not to make any admissions or otherwise act in a manner that might be prejudicial to any of the Customer's rights in connection with any such claim, and (iii) that AVF Consulting shall have no right to settle any such claim if the settlement obligates the Customer to undertake a particular action (other than pay damages) or forbear from acting in a particular manner, without its prior written approval, which will not be unreasonably withheld. Except as set forth above, AVF Consulting shall have complete and sole authority to settle or defend such claims.

8. Covenant Not to Employ/Opportunity to Hire.

- (a) Covenant Not to Employ. During the term of AVF Consulting's assignment with the Customer and for a period of one (1) year thereafter, neither party will, directly or indirectly, employ, or offer or attempt to employ, any employees of the other party for its own interest or otherwise, nor will the Customer permit any of its clients to which it assigns AVF Consulting's employees to directly or indirectly, employ, or offer or attempt to employ, any employees of AVF Consulting. In the event that an employee of AVF Consulting or the Customer approaches the other party, directly or indirectly, regarding employment opportunities, neither company shall contact that employee without prior written approval from the other party. AVF Consulting and the Customer agree that neither party shall hire a terminated employee of the other party without prior written consent. This stipulation will exist for a period of one (1) year from the date of the employee's termination.
- (b) Opportunity to Hire. Should the Customer desire to hire an employee of AVF Consulting, and AVF Consulting and the employee agree, AVF Consulting will be due a one-time fee equal to 50% of employee's annual base salary at the time of hiring by the Customer.

9. Term and Termination.

- (a) Term. This Agreement will become effective on the date first shown above and will continue until terminated as set forth herein.
- (b) Termination. The Customer or AVF Consulting may terminate this Agreement or related Project Agreement, or any portion thereof under the following conditions:
 - i. Termination upon Mutual Agreement. The parties mutually agree in writing to terminate this Agreement and/or or any Project Agreement.
 - ii. Termination without Cause. The Customer may terminate any Project Agreement for which the associated fees are to be billed on a time-and-materials basis with or without cause upon forty-five (45) days' prior written notice to AVF Consulting. The Customer shall be responsible to pay for all services rendered through the termination date of the Project Agreement. The parties agree that neither party shall terminate a fixed-fee Project Agreement without the express written consent of the other party, unless otherwise provided in the Project Agreement, prior to its scheduled completion except as set forth herein. During the thirty (30) day period prior to termination of this Agreement or any specific Project Agreement hereunder, AVF staffing levels shall be maintained at the level existing at the time of the notice of termination.

- iii. Termination of a Project Agreement for Breach. Unless the applicable Project Agreement provides otherwise for termination, either party may terminate a Project Agreement if the other party materially breaches any term or condition of the applicable Project Agreement and fails to cure such breach within thirty (30) days after receiving written notice thereof. If the breaching party does not cure such breach within such period, then the non-breaching party shall be entitled to terminate the applicable Project Agreement upon written notice to the other party. Unless the applicable Project Agreement provides otherwise, a material breach of a Project Agreement shall also constitute a material breach of the Professional Services Agreement.
 - iv. Termination of the Agreement for Breach. Either party may terminate this Agreement if the other party materially breaches any term or condition of this Agreement and fails to cure such breach within thirty (30) days after receiving written notice thereof. If the breaching party does not cure such breach within such period, then the non-breaching party shall be entitled to terminate the Agreement upon written notice to the other party. AVF Consulting may suspend services under this Agreement and related Project Agreement unilaterally at any time if the Customer is past due in the payment of any invoice. Failure of the Customer to pay any invoice within sixty (60) days of the invoice date is deemed to be a material breach of this Agreement and shall be sufficient cause for the termination of this Agreement and related Project Agreement, with the understanding that such termination will not alleviate the amounts due hereunder.
 - v. Termination for Insolvency. One party may terminate if the other party becomes or is declared bankrupt, is the subject of any proceedings relating to its liquidation or insolvency or for the appointment of a receiver for it, makes an assignment for the benefit of all or substantially all of its creditors, or enters into an agreement for the composition, extension, or readjustment of all or substantially all of its obligations.
 - vi. Effect of Termination. AVF Consulting shall advise the Customer of the extent to which performance has been completed through the date of termination, and deliver to the Customer whatever work product then exists. AVF Consulting shall be paid for all work performed through the date of termination. Upon termination of this Agreement, or upon written request, each party shall promptly return to the other any confidential information of the other party as well as any data, materials and other property of the other in its possession and certify in writing that it has done so.
- (c) Notice and Cure. A party should give written notice to the other that it is in breach of this Agreement or related Project Agreement as soon as possible. If the default is not substantially cured within thirty (30) days after written notice specifying the default, or, with respect to those defaults that cannot reasonably be cured within thirty (30) days, if the defaulting party fails to provide in writing within ten (10) days a reasonable plan and completion date for curing such default and thereafter proceed with all due diligence to substantially cure the same in accordance with such plan and by such completion date, then the party not in default may, by giving written notice thereof to the defaulting party, terminate this Agreement and related Project Agreement as of the date specified in such notice of termination.
- (d) Survival. If this Agreement terminates for any reason, Articles 4, 5, 6, 7, 8 and 9 hereof shall survive and continue in effect.

10. General.

- (a) Notices. All notices and demands of any kind or nature that either party to this Agreement may require or may desire to serve upon the other in connection with this Agreement shall be in writing and may be served personally or (as an alternative to personal service) by prepaid registered or certified United States mail or by private mail service (e.g., Federal Express or DHL), in either case to the address indicated on the first page of this

Agreement. Service of such notice or demand so made shall be complete on the day of actual delivery as shown by the addressee's registry or by carrier or other certification receipt or at the expiration of three (3) days after the date of mailing, whichever is earlier in time. Either party hereto may from time to time, by notice in writing served upon the other party as aforesaid, designate a different mailing address or a different person to which following such service all further notices or demands are thereafter to be addressed.

- (b) Entire Agreement of the Parties. This Agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to AVF Consulting rendering the Services for Customer and contains all the covenants and agreements between the parties with respect to rendering such Services in any manner whatsoever. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, that are not embodied herein. Any modification of this Agreement will be effective only if it is in writing signed by the parties.
- (c) Partial Invalidity. If any provision in this Agreement is held to be invalid, void, or unenforceable, by a court of competent jurisdiction, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
- (d) Parties in Interest. This Agreement is enforceable only by AVF Consulting and Customer. The terms of this Agreement are not a contract or assurance regarding compensation, continued employment, or benefit of any kind to any of the personnel of AVF Consulting assigned to the Customer's work, or any beneficiary of any such personnel, and no such personnel, or any beneficiary thereof, shall be a third-party beneficiary under or pursuant to the terms of this Agreement.
- (e) Force Majeure. Neither party shall be liable for any delay in, or failure to perform because of conditions or events beyond its reasonable control, including, but not limited to: acts of God; strikes or other labor stoppages; inability to obtain computer software, hardware, or other materials; or fire, accidents or other casualties.
- (f) Limitation on Suits. AVF Consulting's maximum liability to the Customer for damages hereunder shall be limited to the fees paid to AVF Consulting by the Customer under this Agreement.
- (g) Successors. This Agreement shall inure to the benefit of, and be binding upon, AVF Consulting and Customer, their successors and assigns.
- (h) Disputes. The rights and liabilities of the parties arising out of or related to this agreement will be governed by the laws of the State of Maryland. The parties agree to make a good faith effort to resolve any disputes by negotiation.

AVF Consulting, Inc.
Professional Services Agreement (PSA)

ACKNOWLEDGED AND AGREED:

Customer

By: _____
Signature of Officer or Duly Authorized Agent
Required

Name Printed

Title

Date

Customer Billing Address:

Billing Contact Name:

Printed Name, Title

Phone Number

Email address

AVF Consulting, Inc.

By: _____
Signature

Name Printed

Title

Date

Standard Hourly Service Rate - Effective January 1, 2014

AVF Consulting standard hourly rates for professional services are as follows:

Service Description	Price Per Hour Standard Rates
Project Management	\$200.00
General Consulting	\$195.00
Data Conversion	\$195.00
Development (Programming)	\$200.00
Training (Preparation & Delivery)	\$185.00
Testing	\$185.00
Support	
Level I *	\$185.00
Level II	\$200.00
Level III	\$200.00
Payroll – Level I *	\$185.00
Payroll – Level II	\$195.00
Database Restore	\$145.00
Documentation	\$185.00
Administrative Services	\$85.00
Travel Time	\$185.00
Network & IT Services	\$175.00
SQL Services	\$200.00
IT Travel Time	\$140.00
Account Management	\$195.00
After Hours NAV Services	\$270.00
Weekend/After Hrs IT Services	\$205.00
Weekend/After Hrs SQL Services	\$235.00
Transition to Customer Care	\$115.00