



July 30, 2020

Krista Lee Carsner, Director  
Fiscal Review Committee  
Cordell Hull Building  
425 5<sup>th</sup> Avenue North, G-102  
Nashville, TN 37243-0057

Mike Perry, Chief Procurement Officer  
Central Procurement Office  
Department of General Services  
Tennessee Tower, 3<sup>rd</sup> Floor  
Nashville, TN 37243

Justin P. Wilson, Comptroller of Treasury  
Comptroller Procurement Compliance  
Suite 1400, James K. Polk Building  
505 Deaderick Street  
Nashville, TN 37243-1402

RE: Proposed Amendment 1 to Edison Contract ID 61412

Dear Director Carsner, Chief Perry, and Comptroller Wilson:

The Department of Safety and Homeland Security (TDOSHS) is requesting the approval to amend the current sixty (60) month contract with Axon Enterprise, Inc for equipment upgrades and continued maintenance and support of the existing mobile video solution with the Tennessee Highway Patrol.

The Contractor will continue to ensure that maintenance and support is offered to the State for the mobile video solution throughout the new term of the contract if the maximum liability is increased and the contract end date is extended.

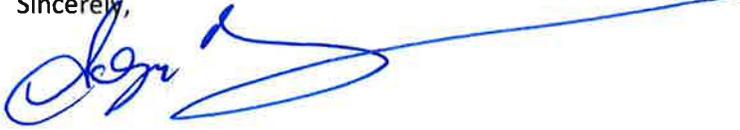
Through the amendment, the agency seeks to ensure continuing maintenance and support of the mobile video solutions that are in the vehicles of commissioned officers across the state. The Mobile Video Solution is utilized to record traffic stops and vehicle enforcement conducted by the Tennessee Highway Patrol. This amendment will include equipment to be utilized by the commissioned staff to ensure accountability of laws, policies, and procedures within the Department.

Through the amendment, we seek to extend the Contract for an additional twelve (12) months, for a total of seventy-two (72) months. The current maximum liability of

\$10,500,000.00 will be increased by an additional \$5,813,645.00 for a total of \$16,313,645.00.

The Department of Safety and Homeland Security respectfully submits the above referenced request for consideration and approval.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Sonya Hadley', with a long horizontal flourish extending to the right.

Sonya Hadley, Budget Director

Cc: Sandra Braber-Grove, Associate Counsel

## Supplemental Documentation Required for Fiscal Review Committee

### **Instructions:**

1. No contract or contract amendment will be placed on the Committee's agenda for consideration until this form has been fully completed and all back-up documentation has been submitted.
2. Please complete each section as it applies to contracts or amendments that are being submitted. Sections denoted with an asterisk (\*) are considered mandatory. This information should provide for background information on previous actions, if applicable, that have taken place on the contract document and associated amendments.
3. Add rows as necessary.
4. Submit this document, any attachments, your summary letter, and contract documentation for review by the Fiscal Review Committee.
5. **Contact Name:** Enter first and last name of person to contact with questions about this document or any of the submitted information.
6. **Contact Number:** Enter the telephone number (including extension) of the contact person listed.
7. **Presenter's Name(s):** Enter the name of each person who will be presenting this request to the Committee.
8. **Edison Contract Number:** Enter the contract number issued by the Edison system for this document.
9. **RFS Number:** Enter the Edison system issued RFS number for this document.
10. **Original Contract Begin Date:** Enter the beginning date of the original contract or the proposed effective date for new contracts.
11. **Current End Date:** Enter the end date that is currently reflected in Section B.1. of this contract (prior to amendment request if applicable) or the proposed end date for new contracts.
12. **Current Requested Amendment Number:** Enter the amendment number (*if applicable*) that is currently being requested.
13. **Proposed Amendment Effective Date:** Enter the proposed effective date for the requested amendment (*if applicable*).
14. **Department Submitting:** Enter the title of the agency/department submitting this request.
15. **Division:** Enter the title of the division within the agency/department submitting this request.
16. **Date Submitted:** Enter the date the request was sent to Fiscal Review Committee staff.

## Supplemental Documentation Required for Fiscal Review Committee

17. **Submitted Within Sixty (60) days:** Enter yes or no in this blank if request was submitted within 60 days of the proposed effective date.
18. ***If not, explain:*** Provide detailed rationale as to why the deadline for submission was not met. ***Please Note:*** Late submissions will be rolled for one meeting and placed at the end of the agenda.
19. **Contract Vendor Name:** Enter the officially registered vendor name.
20. **Current or Proposed Maximum Liability:** Enter the dollar amount that is reflected on the most current fully executed contract summary sheet and in Section C. 1 or the proposed maximum liability for new contracts.
21. ***For commodities contracts, Estimated Total Spend:*** Enter the estimated total expenditures for the contract if the contract does not have a “maximum liability.”
22. **Current Contract Allocation by Fiscal Year:** Enter the amounts reflected on the contract summary sheet and the corresponding FY. If no contract summary sheet, enter the estimated spend per fiscal year. **\*\*NOTE:** Total of all these columns must add up to maximum liability or estimated total spend as reported in Section 20 or 21 of this document.
23. **Current Total Expenditures by Fiscal Year:** By using Edison enter the amounts that have been expended from this contract by fiscal year breakdown. Not applicable (NA) for new contracts.
24. **Explanation of surplus funds:** If the allocation exceeded the expenditure in any fiscal year, enter the explanation of each surplus funding year.
25. **Explanation of carry forward:** If agency/department has carried forward the surplus funds, enter the authority (and provide copy with this document) of the carry forward provision.
26. **Explanation of overspending contract allocation:** If agency/department has overspent the contract allocation, enter the reasons for excess expenditures and how the funding was attained.
27. **Contract Funding Source/Amount:** Enter the dollar figure in the appropriate category to reflect the source of contract funding.
28. ***If Other, please define:*** If a dollar amount is placed in the “other” category, please define the source represented.
29. ***If Interdepartmental, please define:*** If a dollar amount is placed in the “interdepartmental” category, please define all sources represented.

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30. **Dates of All Previous Amendments or Revisions:** Enter all dates of prior amendment and revision (*including Contract Summary Sheet revisions*) in this section.
31. **Brief Description of Actions in Previous Amendment or Revision:** Enter a brief summary of prior amendments or revisions next to the appropriate effective date of the amendment (e.g. increased maximum liability, added scope items, revised contract summary sheet to reflect funding change, etc.).
32. **Method of Original Award:** Enter the procurement method of original award if requesting amendment (e.g. RFP, Special Request).
33. **Projected Cost Prior to Award and Cost Determination Used:** Enter the total cost projected by the department prior to award and explain how the agency arrived at the estimate of expected costs.
34. **For ALL new sole-source contracts, list the number of potential vendors that could provide the service or goods being procured and why those other options were not considered:** List the number of potential vendors that could provide this good or service; efforts to identify reasonable, competitive procurement alternatives; and how the Department determined a sole-source contract was in the best interest of the State.

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*Contact Name:	Sonya Hadley	*Contact Phone:	(615) 251-5292				
*Presenter's name(s):	Sonya Hadley, Sandra Braber-Grove, Colonel Dereck Stewart						
Edison Contract Number: <i>(if applicable)</i>	61412	RFS Number: <i>(if applicable)</i>	34901-00445				
*Original or Proposed Contract Begin Date:	January 22, 2019	*Current or Proposed End Date:	January 21, 2025				
Current Request Amendment Number: <i>(if applicable)</i>	One (01)						
Proposed Amendment Effective Date: <i>(if applicable)</i>	October 1, 2020						
*Department Submitting:	Safety and Homeland Security						
*Division:	Fiscal Services						
*Date Submitted:	July 30, 2020						
*Submitted Within Sixty (60) days:	Yes						
<i>If not, explain:</i>							
*Contract Vendor Name:	Axon Enterprise, Inc						
*Current or Proposed Maximum Liability:	\$ 16,313,645.00						
*Estimated Total Spend for Commodities:	None						
<b>*Current or Proposed Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)</b>							
FY: 2020	FY: 2021	FY: 2022	FY: 2023	FY: 2024	FY: 2025	FY:2026	
\$ 2,200,000.00	\$ 3,535,900.00	\$ 2,906,600.00	\$ 2,906,600.00	\$ 3,270,725.00	\$ 1,493,820.00	\$	
<b>*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from Edison)</b>							
FY: 2019	FY: 2020	FY: 2021	FY: 2022	FY: 2023	FY: 2024	FY:2025	
\$ 492,000.00	\$ 1,695,000.00		\$	\$	\$	\$	
<b>IF</b> Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:				Not Applicable			
<b>IF</b> surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:				Not Applicable			
<b>IF</b> Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:				Not Applicable			

Supplemental Documentation Required for  
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<b>*Contract Funding Source/Amount:</b>			
State:	\$ 16,313,645.00	Federal:	\$0
<i>Interdepartmental:</i>	\$0	<i>Other:</i>	\$0
If “ <i>other</i> ” please define:		N/A	
If “ <i>interdepartmental</i> ” please define:		N/A	
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
Not Applicable		Not Applicable	
Method of Original Award: <i>(if applicable)</i>		Sole Source Contract	
<p style="text-align: center;">*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?</p>		<p>The projected cost for the entire initial term of the contract was approximately \$10,500,000. This cost was determined based on the development, delivery, fulfillment, and implementation of a Mobile Video Solution, which included the design and implementation of an In-Car Camera system.</p> <p>The final costs were based on the cost proposal from Axon Enterprise, Inc during the awarding of the initial contract for these services.</p>	
<p style="text-align: center;">*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.</p>		<p>The Vendor was selected through the State's open and competitive RFP solicitation process. The continued use of this Vendor prevents a disruption in services. These services are relatively new to the department and would not be cost effective to procure another vendor at this time.</p>	



## CONTRACT AMENDMENT COVER SHEET

<b>Agency Tracking #</b> 34901-00445	<b>Edison ID</b> 61412	<b>Contract #</b> 61412	<b>Amendment #</b> 01		
<b>Contractor Legal Entity Name</b> Axon Enterprise, Inc.			<b>Edison Vendor ID</b> 0000069527		
<b>Amendment Purpose &amp; Effect(s)</b> The purpose of this Amendment 01 is to add a sixth year to this Contract and add appropriate funding for the extended Term and for five (5) years of additional equipment and associated licenses to support the operations of the mobile video system solution.					
<b>Amendment Changes Contract End Date:</b> <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		<b>End Date:</b> January 21, 2025			
<b>TOTAL Contract Amount INCREASE or DECREASE per this Amendment</b> (zero if N/A):			<b>\$ 5,813,645.00</b>		
<b>Funding —</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
2020	\$2,200,000.00	\$0.00	\$0.00	\$0.00	\$2,200,000.00
2021	\$3,535,900.00	\$0.00	\$0.00	\$0.00	\$3,535,900.00
2022	\$2,906,600.00	\$0.00	\$0.00	\$0.00	\$2,906,600.00
2023	\$2,906,600.00	\$0.00	\$0.00	\$0.00	\$2,906,600.00
2024	\$3,270,725.00	\$0.00	\$0.00	\$0.00	\$3,270,725.00
2025	\$1,493,820.00	\$0.00	\$0.00	\$0.00	\$1,493,820.00
<b>TOTAL:</b>	<b>\$16,313,645.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$16,313,645.00</b>
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.			<i>CPO USE</i>		
<b>Speed Chart</b> (optional)		<b>Account Code</b> (optional)			

**AMENDMENT ONE (01)  
OF CONTRACT EDISON ID 61412**

This Amendment is made and entered by and between the State of Tennessee, Department of Safety and Homeland Security, hereinafter referred to as the "State" and Axon Enterprise, Inc., hereinafter referred to as the "Contractor". For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

**1. Contract Section B. is deleted in its entirety and replaced with the following:**

**B. TERM OF CONTRACT:**

This Contract shall be effective on January 22, 2019 ("Effective Date") and extend for a period of seventy-two (72) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

**2. Contract Section C.1. is deleted in its entirety and replaced with the following:**

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Sixteen Million Three Hundred Thirteen Thousand Six Hundred Forty Five Dollars and No Cents (\$16,313,645.00) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract. For avoidance of doubt, Axon's obligations to deliver goods and services are limited to those documented in a purchase order in accordance with this Contract that is accepted by Axon. Notwithstanding the foregoing, if the State purchases a product offering listed herein with an associated multi-year annualized fee based on the pricing in Section C.3 below, Axon will invoice the State, and payment will become due under the terms of this Contract, each year for the duration of this Contract, unless terminated in accordance with this Contract.

**3. Contract Section C.3. is deleted in its entirety and replaced with the following:**

C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A.
- b. The Contractor shall be compensated based upon the following payment methodology:

<b>Goods or Services Description</b>	<b>Amount</b> (per compensable increment)
Basic Evidence.com License (in-car camera user) - includes 10GB storage per license (separate from unlimited storage of Fleet 2 Unlimited Evidence.com licenses)	<b>\$180.00 annually* / EA</b>
Basic Evidence.com View-Only License (non-camera user)	<b>\$0 / EA</b>
Pro Evidence.com Licenses	<b>15 Included at \$0 \$468.00 annually*</b>
Fleet 2 Unlimited Evidence.com License (per car) includes: - Forward-facing color camera - Rear-facing camera - Wireless Microphone System (1) - Fleet View XL Software for Car - Unlimited video upload per car - Warranty (see Section A.10) and maintenance	<b>\$1,188.00 annually* / EA</b>

*Requires in-car camera user to have a basic license. Warranty section would address any warranty hardware for no additional fee.	
Fleet Installation Services (per car)	<b>\$600 per each install</b>
WI-FI Offload Wireless Access Point Integration	<b>\$12,000.00 per each installation site</b>
Each Vehicle: Installation Hardware (mounting components, cables, antennas, other hardware) (Section A.5.)	<b>\$600 per each car install</b>
Each Vehicle: Wireless Microphone System (Section A.5.) *a la carte pricing, 1 included in Unlimited License bundle above	<b>\$600 / EA</b>
Installation (Section A.7.)	<b>\$N/A</b>
Installation of Offloading Equipment (Section A.4.)	<b>\$12,000 per each installation site of Wi-Fi Offload Access Point</b>
Training (Section A.8.)	<b>\$0 / each class (for initial training) \$2,500 per day (for future a la carte training)</b>
Unlimited 7 Services (per individual) includes: - Body Camera - Body Camera Docking Station - Wing Clip Mount	<b>\$699 per EA install (camera) \$200 per EA install (dock)</b>
Unlimited 7 License (per individual) includes: - Body Camera - Body Camera Docking Station - Wing Clip Mount - Unlimited video upload per car - Warranty (see Section A.10) and maintenance *Requires body camera user to have a basic license. Warranty section would address any warranty hardware for no additional fee.	<b>\$1,188.00 annually* / EA</b>

\*The Contractor will prorate annual license costs based on monthly increments (e.g., when phasing in deployments annual license costs will reduce if not used for the full twelve (12) months of that initial phase).

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective **October 01, 2020**. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

**IN WITNESS WHEREOF,**

**AXON ENTERPRISE, INC.:**

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**SIGNATURE**

**DATE**

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**PRINTED NAME AND TITLE OF SIGNATORY (above)**

**DEPARTMENT OF SAFETY AND HOMELAND SECURITY:**

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**JEFF LONG, COMMISSIONER**

**DATE**

# Amendment Request

This request form is not required for amendments to grant contracts. Route a completed request, as one file in PDF format, via e-mail attachment sent to: [Agsprs.Agsprs@tn.gov](mailto:Agsprs.Agsprs@tn.gov)

**APPROVED**

CHIEF PROCUREMENT OFFICER

DATE

<b>Agency request tracking #</b>	<b>34901-00445</b>
<b>1. Procuring Agency</b>	<b>Tennessee Department of Safety and Homeland Security (TDOSHS)</b>
<b>2. Contractor</b>	<b>Axon Enterprises, Inc.</b>
<b>3. Edison contract ID #</b>	<b>61412</b>
<b>4. Proposed amendment #</b>	<b>01</b>
<b>5. Contract's Original Effective Date</b>	<b>January 22, 2019</b>
<b>6. Current end date</b>	<b>January 21, 2024</b>
<b>7. Proposed end date</b>	<b>January 21, 2025</b>
<b>8. Current Maximum Liability or Estimated Liability</b>	<b>\$ 10,500,000.00</b>
<b>9. Proposed Maximum Liability or Estimated Liability</b>	<b>\$ 16,313,645.00</b>
<b>10. Strategic Technology Solutions Pre-Approval Endorsement Request</b> <i>– information technology service (N/A to THDA)</i>	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Attached
<b>11. eHealth Pre-Approval Endorsement Request</b> <i>– health-related professional, pharmaceutical, laboratory, or imaging</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
<b>12. Human Resources Pre-Approval Endorsement Request</b> <i>– state employee training service</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
<b>13. Explain why the proposed amendment is needed</b> The proposed amendment is needed to add a sixth year to the current contract and add appropriate funding for the extended Term and for five (5) years of additional equipment and associated licenses to support the operations of the mobile video system solution.	
<b>14. If the amendment involves a change in Scope, describe efforts to identify reasonable, competitive, procurement alternatives to amending the contract.</b> The amendment does not involve any change in the Scope of Services.	
<b>Signature of Agency Head or Authorized Designee, Title of Signatory, and Date</b> (the authorized designee may sign his or her own name if indicated on the Signature Certification and Authorization document)	
<b>Jeff Long, Commissioner</b>	<b>DATE</b>

# Rule Exception Request

Use this document to request changes to Central Procurement Office templates, policies, or other procurement documents or to modify the “necessary contract clauses” identified in Tenn. Comp. R. & Reg. 0690-03-01-.17 (“CPO Rule 17”). Complete this document in conformity with CPO Rule 17, which is available [here](#). Upload the completed document and route for approvals by selecting the appropriate RER e-Form in Edison. For additional guidance, please see the e-Forms Job Aid available online at the following: <https://www.teamtn.gov/cpo/learning-development/cpo-job-aids.html>. All Rule Exception Requests are subject to review and approval by the Chief Procurement Officer. Rule Exception Requests that propose to modify any of CPO Rule 17’s necessary contract clauses shall be subject to review and approval by the Comptroller of the Treasury. Note: If the requested changes involve contracts under a delegation, please use the RER for the DA or DGA templates. Also, any change to the template language regarding the Limitation of Contractor’s Liability shall be submitted using the Limitation of Contractor’s Liability Request.

<p><b>APPROVED</b></p> <p><b>[Upload this RER to e-Forms in Edison. Approval will be captured in Edison Workflow.]</b></p> <hr/> <p>CHIEF PROCUREMENT OFFICER</p>	<p><b>APPROVED</b></p> <p><b>[Upload this RER to e-Forms in Edison. Approval will be captured in Edison Workflow.]</b></p> <hr/> <p>COMPTROLLER OF THE TREASURY</p>
<b>Agency request tracking #</b>	34901-00445
<b>1. Procuring Agency</b>	Tennessee Department of Safety and Homeland Security (TDOSHS)
<b>2. Edison contract ID #</b>	61412
<b>3. Please select Procurement or Contract Type.</b> (This will be the RER e-Form for routing purposes.)	<input type="checkbox"/> Grant Contract – for contracts involving Grants <input checked="" type="checkbox"/> Technology - for contracts involving technology <input type="checkbox"/> Risk Management - for changes to insurance or indemnification <input type="checkbox"/> Standard – Agency Term Contract or Statewide Contract (use for non-technology contracts for goods or services)
<b>4. Contractor or Grantee</b>	Axon Enterprise, Inc.
<b>5. Contract’s Effective Date</b>	January 22, 2019
<b>6. Contract or grant contract’s Term</b> (with ALL options to extend exercised)	Seventy-two (72) months
<b>7. Contract’s Maximum Liability</b> (with ALL options to extend exercised)	\$16,313,645.00
<p><b>8. Citation and explanation of the rule(s) for which the exception is requested</b></p> <p><b>0690-03-01-.16</b> (General Requirements of Contracts) and <b>0690-03-01-.17</b> (Necessary or Prohibited Contract Clauses and Rule Exceptions; particularly subsection (1) that states that the form and content of all contract clauses shall be established by Central Procurement Office Policy and subsection (4) that states that the Central Procurement Officer may approve exceptions to Rules or Central Procurement Office Policy upon request of the Procuring Agency to modify a contract clause ((4)(b)).</p> <p><b>0690-03-01-.17(2)(a)</b>            (2) Necessary Contract Clauses for All Contract Types.            (a) Term. All contracts subject to these Rules shall specify the term of the contract. The term of the contract shall include the commencement date of the contract, the termination date, and any renewals of the contract via an amendment. Contracts subject to these Rules may only be renewed in writing, signed by the appropriate State official, and delivered electronically or through regular mail to the Contracting Party. One time purchases do not require the term to be specified.</p>	

**0690-03-01-.14(2)(c)**

(2) Term Contract - General

(c) The requirement of a multi-year contract shall be stated in the solicitation, and any multi-year contract shall be awarded pursuant to these Rules and shall not be for a period longer than sixty (60) months unless approved by the Chief Procurement Officer as being in the best interests of the State. The justification for the contract term exceeding sixty (60) months shall be maintained in the records of the Central Procurement Office. A report of all contracts awarded for a period longer than sixty (60) months in such format and at such interval determined requested shall be provided to the Comptroller of the Treasury.

- 9. Description of requested changes** If adding new provisions or modifying existing provisions, insert the new or modified provisions in their entirety. Please provide red-lines or track changes to highlight any deviations from template language.

The Fee for Goods or Services Contract (FA) is a template. Any deviations to template language, including requests for a term greater than sixty (60) months, must be sought through the Rule Exception Request process. The agency is seeking permission to have the term of this Contract extended for an additional year in order to obtain substantial discounts being offered by the Contractor. Section B. of the Contract would be changed as follows (strike-through represents a deletion, red text represents an insertion):

**B. TERM OF CONTRACT:**

This Contract shall be effective on January 22, 2019 ("Effective Date") and extend for a period of **seventy-two (72)** months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

**10. Scope of Goods or Services Caption:**

Mobile Video System Solution

**11. Justification**

As noted in the response to Item #9, the requested additional year will give us an opportunity to obtain substantial discounts being offered by the Contractor for this system that is vital to the operations of the Tennessee Highway Patrol.

**Signature of Agency Head or Designee and Date**

**[Either upload signed RER to e-Forms in Edison or capture authorized agency approval in Edison Workflow]**



# STS Pre-Approval Endorsement Request E-Mail Transmittal

**TO :** STS Contracts  
Department of Finance & Administration  
[https://tn.service-now.com/sp?id=sc\\_cat\\_item&sys\\_id=a912fd4213b46b80316a73d36144b097](https://tn.service-now.com/sp?id=sc_cat_item&sys_id=a912fd4213b46b80316a73d36144b097)

For additional instructions please visit:  
<https://www.teamtn.gov/sts/planning-services/information-systems-planning/endorsement-request.html>

**FROM :** Sonya Hadley  
E-mail : [sonya.hadley@tn.gov](mailto:sonya.hadley@tn.gov)

**DATE :** July 27, 2020 **Received by STS on July 27, 2020**

**RE :** Request for STS Pre-Approval Endorsement

**Applicable RFS # 34901-00445 END0000472**

#### State Security Confidential Information Applicability

Under Tenn. Code Ann. §10-7-504(i) vendor identity or a description of the goods or services provided by the vendor shall be confidential.

- Applicable  
 Not Applicable

Additional language is attached and endorsement is contingent upon inclusion of this additional language:

- Applicable  
 Not Applicable

**STS Endorsement Signature & Date:**

**Chief Information Officer**

*NOTE: Proposed contract/grant support is applicable to the subject IT service technical merit.*

<b>Applicable RFS # 34901-00445 END0000472</b>
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Strategic Technology Solutions (STS) pre-approval endorsement is required pursuant to procurement regulations pertaining to contracts with information technology as a component of the scope of service. This request seeks to ensure that STS is aware of and has an opportunity to review the procurement detailed below and in the attached document(s). This requirement applies to any procurement method regardless of dollar amount.

Please indicate STS endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

<b>Contracting Agency</b>	<b>Department of Safety and Homeland Security</b>
<b>Agency Contact</b> (name, phone, e-mail)	<b>Sonya Hadley, 615-251-5292,</b> <a href="mailto:sonya.hadley@tn.gov">sonya.hadley@tn.gov</a>
<p><b>Attachments Supporting Request</b> (mark all applicable)</p> <p>Note: The complete draft procurement document and the applicable documents listed below must accompany this request when submitted to STS. Special Contract Requests and Amendment Requests without Agency Head signature are acceptable. STS is aware that these documents will not have CPO signature when submitted with this request.</p> <p> <input type="checkbox"/> Solicitation Document  <input type="checkbox"/> Special Contract Request  <input checked="" type="checkbox"/> Amendment Request  <input checked="" type="checkbox"/> Proposed Contract/Grant or Amendment  <input checked="" type="checkbox"/> Original Contract/Grant and Previous Amendments (if any) </p>	
<p><b>Information Systems Plan (ISP) Project Applicability</b></p> <p>To avoid delay of STS pre-approval, the applicability of an ISP project to the procurement must be confirmed with agency IT staff prior to submitting this request to STS. If necessary, agency IT staff should contact STS Planning with questions concerning the need for an ISP project.</p> <p>IT Director/Staff Name Confirming (required): Tim Sundell</p> <p> <input checked="" type="checkbox"/> Applicable – Approved ISP Project# 1010695  <input type="checkbox"/> Not Applicable </p>	
<p><b>Subject Information Technology Service Description</b></p> <p>Provide a brief summary of the information technology services involved. Clearly identify included technologies such as system development/maintenance, security, networking, etc. As applicable, identify the contract or solicitation sections related to the IT services.</p> <p>The original contract is being amended to increase the maximum liability due to an additional enhancement to the Contractor's proprietary system. There is new hardware but no new technology or software, and no changes or new interfaces to the State's infrastructure.</p>	

**Purchase Orders against a Cont**

11

Contract	Contract Line #	Unit	PO No.	Line	SetID	PO Date
000000000000000000061412	1	34901	0000041538	1	SHARE	3/1/2019
000000000000000000061412	3	34901	0000041538	2	SHARE	3/1/2019
000000000000000000061412	5	34901	0000041538	3	SHARE	3/1/2019
000000000000000000061412	1	34901	0000043301	1	SHARE	9/25/2019
000000000000000000061412	3	34901	0000043301	2	SHARE	9/25/2019
000000000000000000061412	5	34901	0000043301	3	SHARE	9/25/2019
000000000000000000061412	1	34901	0000043755	1	SHARE	11/20/2019
000000000000000000061412	3	34901	0000043755	2	SHARE	11/20/2019
000000000000000000061412	5	34901	0000043755	3	SHARE	11/20/2019
000000000000000000061412	1	34901	0000045147	1	SHARE	6/1/2020
000000000000000000061412	3	34901	0000045147	2	SHARE	6/1/2020

Quantity	UOM	PO Amount	Contract Max. Amt	Contract Remaining Amt
250.0000	EA	\$ 45,000.00	\$ 10,500,000.00	\$ 8,313,000.00
250.0000	EA	\$ 297,000.00	\$ 10,500,000.00	\$ 8,313,000.00
250.0000	EA	\$ 150,000.00	\$ 10,500,000.00	\$ 8,313,000.00
250.0000	EA	\$ 37,500.00	\$ 10,500,000.00	\$ 8,313,000.00
250.0000	EA	\$ 247,500.00	\$ 10,500,000.00	\$ 8,313,000.00
250.0000	EA	\$ 150,000.00	\$ 10,500,000.00	\$ 8,313,000.00
200.0000	EA	\$ 24,000.00	\$ 10,500,000.00	\$ 8,313,000.00
200.0000	EA	\$ 158,400.00	\$ 10,500,000.00	\$ 8,313,000.00
200.0000	EA	\$ 120,000.00	\$ 10,500,000.00	\$ 8,313,000.00
700.0000	EA	\$ 126,000.00	\$ 10,500,000.00	\$ 8,313,000.00
700.0000	EA	\$ 831,600.00	\$ 10,500,000.00	\$ 8,313,000.00



FY19  
FY20



# CONTRACT

(fee-for-goods or services contract with an individual, business, non-profit, or governmental entity of another state)

<b>Begin Date</b> January 22, 2019	<b>End Date</b> January 21, 2024	<b>Agency Tracking #</b> 34901-00445	<b>Edison Record ID</b> 61412		
<b>Contractor Legal Entity Name</b> Axon Enterprise, Inc.				<b>Edison Vendor ID</b> 0000069527	
<b>Goods or Services Caption</b> (one line only) Mobile Video System Solution					
<b>Contractor</b> <input checked="" type="checkbox"/> Contractor			<b>CFDA #</b>		
<b>Funding —</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
2019 - 2024	\$10,500,000.00	\$0.00	\$0.00	\$0.00	\$10,500,000.00
<b>TOTAL:</b>	<b>\$10,500,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,500,000.00</b>
<b>Contractor Ownership Characteristics:</b>					
<input type="checkbox"/> Minority Business Enterprise (MBE): <input type="checkbox"/> African American <input type="checkbox"/> Asian American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Native American <input type="checkbox"/> Woman Business Enterprise (WBE) <input type="checkbox"/> Tennessee Service Disabled Veteran Enterprise (SDVBE) <input type="checkbox"/> Disabled Owned Business (DSBE) <input type="checkbox"/> Tennessee Small Business Enterprise (SBE): \$10,000,000.00 averaged over a three (3) year period or employs no more than ninety-nine (99) employees. <input type="checkbox"/> Government <input type="checkbox"/> Non-Minority/Disadvantaged <input checked="" type="checkbox"/> Other: Not Applicable					
<b>Selection Method &amp; Process Summary</b> (mark the correct response to confirm the associated summary)					
<input checked="" type="checkbox"/> Competitive Selection		The agency utilized the Request for Proposal (RFP) competitive process to select a Contractor.			
<input type="checkbox"/> Other					
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations are incurred and not already expended. I certify that the contractor is not on the list of contractors who are prohibited from doing business with the State of Tennessee.					
Digitally signed by Sonya Hadley DN: cn=Sonya Hadley, o=TN Dept of Safety and Homeland Security, ou=TDOSHS - Budget Division, email=sonya.hadley@tn.gov, c=US Date: 2019.01.17 18:47:59 -06'00'					
<b>Speed Chart</b> (optional)			<b>Account Code</b> (optional)		

**Sonya Hadley**

**CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
DEPARTMENT OF SAFETY AND HOMELAND SECURITY  
AND  
AXON ENTERPRISE, INC.**

This Contract, by and between the State of Tennessee, Department of Safety and Homeland Security ("State") and Contractor Legal Entity Name ("Contractor" or "Axon"), is for the provision of Mobile Video System solution, as further defined in the "SCOPE." State and Contractor may be referred to individually as a "Party" or collectively as the "Parties" to this Contract.

The Contractor is a For-Profit Corporation..

Contractor Place of Incorporation or Organization: Arizona

Contractor Edison Registration ID # 0000069257

**A. SCOPE:**

A.1. The Contractor shall provide all goods or services and deliverables as required, described, and detailed below and shall meet all service and delivery timelines as specified by this Contract.

A.2. Definitions. Defined terms shall be as follows and as set forth in the Contract:

- a. "Axon Capture" means a mobile application to follow officers to capture digital evidence from the field.
- b. "Axon View" means a mobile application to provide instant playback of unfolding events.
- c. "CAD" means Computer Aided Dispatch. CAD is a map centric system with the capability to add an integrated records management system, mobile CAD, and automatic vehicle location module for law enforcement and emergency management agencies.
- d. "CCD" means Charged Couple Device. A CCD is a device for the movement of electrical charge, usually from within the device to an area where the charge can be manipulated.
- e. "DOSHS" means the Tennessee Department of Safety and Homeland Security ("DOSHS").
- f. "EMI" means Electromagnetic Interference. EMI or radio-frequency interference ("RFI"), is a disturbance in the radio frequency spectrum that is generated by an external source that affects an electrical circuit by electromagnetic induction, electrostatic coupling, or conduction.
- g. "Evidence.com Services" means Axon web services for Evidence.com, the Evidence.com site, Evidence Sync software, Axon Capture App, Axon View App, other software, maintenance, storage, and any product or service provided by Contractor under this Agreement for use with Evidence.com. This does not include any third-party applications, hardware warranties, or my.evidence.com services.
- h. "Evidence Sync" means a desktop-based application that enables evidence to be uploaded to Evidence.com.
- i. "Installation": means the process for installing the MVS hardware, that can either include Retrofitting or Upfitting a vehicle, in addition to installation of hardware at State designated video offloading locations. (See also Sections A.2.m. and A.2.r.)
- j. "MVS" means Mobile Video System. The MVS shall consist of all components needed to allow for the functionality of an in-car video and audio system. This includes, but is not limited to, Monitors, cameras, cabling, antennas, microphones, etc.

- k. "MVS Solution" means the MVS and all its components, storage and management software, installation, training, maintenance and support, and warranty. The MVS Solution shall include all hardware, equipment, access points, cabling and any services required to ensure efficient offloading of video from the vehicle to the cloud or storage location.
- l. "Monitor" means a medium that can be utilized to view video. This can include a stand-alone Monitor or software that allows the video to be viewed or reviewed through the user's laptop or tablet.
- m. "My.Evidence.com" means a view-only service that allows third parties to view Evidence.com content shared by the State. For avoidance of doubt, the State will not be required to agree to any additional terms and conditions when sharing content via My.Evidence.com.
- n. "OEM" means original equipment manufacturer.
- o. "Offloading" means the process for transferring recorded video from the vehicle to a designated storage location.
- p. "PMI" means Project Management Institute.
- q. "RECORD Trigger Reasons" means specific variables that cause the activation of the MVS. These variables shall include, but not be limited to the following: minimum speed as determined by the State, collision sensor activation, manual activation, activation of lights and/or sirens. Additional variables shall be added upon agreement between the State and the Contractor.
- r. "Retrofitting" means the process of removing existing MVS hardware and related components to install new MVS hardware and related components at a State approved location. (See also Sections A.2.e. and A.2.r.)
- s. "Ruggedized" means MVS specifically designed to operate reliably in harsh usage environments and conditions, such as strong vibrations, extreme temperatures, and wet or dusty conditions.
- t. "Single Sign-on" means a policy-driven password security and multi-factor authentication ensure that only authorized users get access to the State's Evidence.com instance.
- u. "Spares" means Contractor provided replacement parts inventory on hand for the life of the Contract, in the amount of three (3) percent of hardware purchased ("Spare Product"). The specific components of such Spare Products are specified below:
  - (i) Axon Fleet front camera;
  - (ii) Axon Fleet rear camera;
  - (iii) Axon Signal Unit (ASU);
  - (iv) Axon Fleet Battery boxes; and
  - (v) Axon Fleet Dongles.
- v. "TBSM" means the Tennessee Business Solutions Methodology.
- w. "THP" means the Tennessee Highway Patrol.
- x. "Troopers" means THP members appointed by the Commissioner of the Tennessee Department of Safety, pursuant to Tenn. Code Ann. § 4-7-102.
- y. "Upfitting" means the process of installing new MVS hardware and related components at a State approved location. (See also Sections A.2.e. and A.2.m.)

A.3. Adherence to the Criminal Justice Information Services Security Policy.

The MVS shall adhere to the most recent Criminal Justice Information Services Security Policy set forth by the Criminal Justice Information Services Agency for the Tennessee Bureau of Investigation.

A.4. Video Offloading Equipment and Installation.

The Contractor shall provide any necessary hardware, equipment, access points, cabling and any installation services required ensuring efficient offloading of video from the vehicle to the cloud at up to one hundred (100) State designated locations, as documented in a purchase order accepted by Axon.

A.5. MVS Description.

- a. The MVS shall consist of a mounted forward-facing color camera and a rear-facing camera. The system shall have the ability to view live video and audio, as well as, review captured video and audio. The capability to conduct live streaming of the video and audio from within the vehicle where footage is captured is required. State designated personnel shall have the ability to view video and audio immediately upon offload. The system shall include a wireless microphone system and a back seat microphone mounted within the law enforcement vehicle.
- b. The MVS shall utilize solid-state storage and be capable of being removed, and be considered Ruggedized. The MVS shall, at a minimum, allow the simultaneous recording of three video and three audio sources plus various sources of metadata (see Section A.6.v).
- c. The forward facing camera shall be fitted with auto-focus capability. The camera shall be mounted so that it minimizes the obstruction of the driver's view through the windshield and the viewing angle of the camera shall be manually adjustable. The MVS shall not require removal of the OEM rearview mirror.
- d. If applicable, a Monitor shall, at a minimum, have a screen size of three and one-half inches (3.5"). The Monitor is a laptop or tablet provided by the State. Utilizing the Monitor, the MVS's Evidence.com Services shall have the ability to RECORD, STOP, PLAY/PAUSE, FAST FORWARD, and REVERSE. For covert operations, it shall be possible to operate the MVS in "RECORD" mode with the ability to dim and turn the Monitor off. The angle of the Monitor shall be able to be manually adjusted to the viewer's preference.
- e. The MVS shall include all cables, mounting components, and hardware required for installation. All MVS equipment shall be shipped to the State at no charge.
- f. The MVS shall be designed for mobile applications. It shall mount in standard equipment and shall not require removal of the OEM radio or be mounted in the OEM factory radio location.
- g. The MVS shall have the ability to offload video via WIFI at home or district post; 4G LTE connection (via in-car router); or docking station at home or district post.
- h. The MVS shall include a programmable pre-event recording mode allowing it to capture video up to a minimum of one (1) minute prior to the activation of the RECORD mode.
- i. The MVS shall utilize video compression of, at a minimum, MPEG-4/H.264 codec.
- j. Digital video files shall be transferred from the MVS by the following methods:

- (1) Through the MVS's gigabit Ethernet connection to the in-car router; and
  - (2) Via the MVS's internal 802.11ac.
- k. The MVS shall have lighted indicators for: POWER ON, RECORD and PLAY.
  - l. The MVS shall have the ability to remotely update the firmware and settings in all vehicles.
  - m. The MVS shall be provided with a minimum 64GB media with expansion capability to include larger media capacity.
  - n. A lockable door shall be included on the MVS for any removable media.
  - o. The MVS shall be fully functional within thirty (30) seconds of starting a trooper's vehicle.
  - p. The MVS shall automatically power down after the vehicle's ignition is turned off, provided the MVS is not in a RECORD function and is not in the process of downloading files.
  - q. Automatic activation of the MVS into the RECORD mode shall be accomplished by any of the RECORD trigger reasons, or as agreed upon by the State.
  - r. The MVS shall provide a means to manually and automatically — through integration with the State's CAD system — tag an incident at the time it is recorded with a priority designation. There shall be a minimum of five (5) configurable priority levels available and they shall be able to be defined, or assigned.
  - s. Activation of the MVS's STOP mode shall be accomplished only by pressing the STOP button.
  - t. The Monitor or software shall be equipped with the ability to select and play any previous recordings that have not been offloaded from the MVS.
  - u. It shall be impossible to edit or delete recordings from within the vehicle.
  - v. The in-car digital video system shall be capable of recording the agency's choice of the following as metadata and/or on screen display:
    - (1) GPS position (in decimal degrees format);
    - (2) Trooper Vehicle Speed;
    - (3) Trooper identification (as agreed upon by the State);
    - (4) Date and time;
    - (5) Activation/deactivation of sirens;
    - (6) Activation/deactivation of lights;
    - (7) Activation/deactivation of brakes;
    - (8) Activation/deactivation of all microphones;
    - (9) Collision Sensor;
    - (10) "RECORD" trigger reason;
    - (11) Vehicle Speed Sensor; and

- (12) Recording time remaining/storage available – always displayed in an HH:MM format, with the ability to have an audible or visual warning for the operator when there is thirty (30) minutes, or less, time remaining.
- w. The MVS shall be installed in such a manner, and as set forth in Section A.7, that it does not interfere with functionality of other vehicle components and to allow for maximum strength in providing full RFI or EMI shielding and immunity.
- x. The MVS shall not exceed the current power capabilities of trooper vehicles of twelve (12) volts and ten (10) amps. The MVS shall have an uninterrupted power supply (UPS).
- y. The forward facing camera of the MVS will provide a minimum resolution/framerate of 720p/30fps.
- z. Each component of the MVS shall include an operations manual.
- aa. Wireless Microphone System:
- (1) The MVS shall automatically activate the wireless microphone's transmit mode whenever the MVS is placed into the RECORD mode by any method of activation. In addition, the MVS shall allow the operator to remotely activate the MVS RECORD mode by pressing a button on the wireless microphone. The automatic wireless microphone shall be capable of being recharged within the vehicle and with a separate charger.
- (2) The wireless microphone transmitter shall also have a cable that is a sufficient length and can be secured to and worn under the Trooper's uniform.
- (3) The wireless microphone shall utilize a removable belt clip.
- (4) The wireless microphone shall utilize, at a minimum, an internal vibrating mechanism to notify the trooper of the microphone status.
- (5) One separate desk charger shall also be provided for each wireless microphone supplied to allow charging away from vehicle.
- (6) The wireless transmitter shall include a rechargeable battery that shall provide up to a minimum of eight (8) hours of continuous transmit time. It shall be fully rechargeable in ninety (90) minutes or less, whether being recharged in the vehicle or in the separate desk charger as set forth in Section A.6.aa.(6).
- (7) The wireless microphone transmitter shall provide a display that will indicate, at a minimum, the following information to the operator: mute and error (microphone transmitter is malfunctioning).
- (8) The wireless microphone shall clearly transmit audio and data signals for distances up to one thousand (1000) feet.
- bb. Rear-Facing Camera:
- (1) A rear-facing CCD camera, with infrared capabilities, shall be provided for recording rear seat activity. The rear-facing camera shall have a wide-angle fixed lens, include built-in audio, and shall be automatically detected by the MVS to record simultaneously with the forward-facing camera. The rear seat camera shall also be equipped with a daylight sensor.
- (2) The rear-facing camera of the MVS will provide a minimum resolution 480p.
- cc. Additional Requirements:

- (1). The Contractor's MVS must be a secure, web-based system hosted by the Contractor on a CJIS compliant, State-approved government cloud.

A.6. MVS Storage and Management Software (the "Software"):

- a. The Solution shall include a video transfer system, capable of automatically or manually ingesting video from the Mobile Video Systems and other video sources, including, but not limited to helicopter videos and videos taken utilizing mobile phones, and a web-based storage management system capable of managing access and distribution through the agency's LAN and through public internet connections. In addition, the Software must include a backup and output system capable of providing access and limited viewing, as designated by the State. The MVS shall include any firmware required to run on any of the devices.
- b. The Software shall be able to integrate with the State's Active Directory.
- c. The Software shall have the capability to consume video from the State's existing MVS. The maximum storage size of the sum of all videos consumed from the State's existing MVS shall be ten Terabyte (10TB). Any consumed video from the State's existing MVS shall be subject to the scope of service and Terms and Conditions listed in this Contract in its entirety to include any Attachments.
- d. The Software shall be capable of automatically receiving and ingesting all data from the vehicle (including video, metadata, and incident priority designations).
- e. The MVS shall be capable of interfacing with the State's CAD system for the purpose of automatically tagging and prioritizing videos. This process shall be based on evidence classification and managing its lifecycle accordingly.
- f. The Software shall maintain video evidence integrity and security in all operations. Original video files shall be immutable (they are never changed) and maintained securely. The Software shall track video throughout its lifetime. All activity shall be logged (viewing, outputting, commenting, etc.) and the system shall output a simple Chain of Custody report documenting the video's history.
- g. The View-Only Software shall have an unlimited number of users with no annual license fees associated with the use of the Software, whereas "View-Only" is defined as access for a user within Evidence.com that does not use an Axon Fleet camera system, but needs access to Evidence.com for management purposes. The basic View Only license allows those users to perform the following functions; Evidence Sync; dock-automated video upload secure file storage; Axon Capture app & Axon View apps GPS mapping of captured media; file & case sharing; video clips & markers; custom user roles & categories automatic file deletion schedules bulk reassign, share, edit; Single Sign-On (SSO).
- h. The State shall be informed of any upgrades to the Software seven (7) business days prior to the release of any upgrades.
- i. The Software shall support role-based access privileges that are definable by the State.
- j. The Software shall support the creation of a special class of users that are intended to function as display accounts for simple, secure, controlled and limited viewing by non-standard users.
- k. The Software shall support a definable review period wherein all video shall be maintained on-line and available for potential evidence review. During this period, the Software shall allow for the tagging of video as potential video evidence through the CAD interface and a simple post collection web search/retrieval interface.

- I. The Software shall have the following capabilities:
  - (1) The Software shall have the ability to search all video across all locations;
  - (2) The Software shall have search and sort capabilities to include: Trooper name, date, time, vehicle identifier, priority level, and any other search criteria as agreed upon by the State;
  - (3) The Software shall display the video metadata and shall allow for the simple viewing of video through a web interface. The Software must be able to stream video. Users shall have the capability to speed up, slow down, or pause, the playback of videos; and
  - (4) The Software shall be capable of capturing digital stills from within a video file.
- m. The Software shall have the ability to support an integrated body camera solution.

#### A.7. Installation.

- a. The Contractor shall provide on-site training, as requested by the State, regarding Installation and repair of equipment purchased under this Contract.
- b. The Contractor shall provide Retrofitting services utilizing State-approved vendors (either a State-approved subcontractor or State contract holder authorized to perform installation and retrofitting services) located in several regions (i.e., Chattanooga, Nashville, Knoxville, Memphis) throughout the State. Retrofitting services shall be completed the same day; all retrofitting service dates and times shall be coordinated between the State and the Contractor's State-approved vendors.

#### A.8. End User Training.

- a. The Contractor shall provide training materials on the use of the MVS to include a training presentation that may be utilized for distribution to State staff. (See also Sections A.9.d. and A.9.e.)
- b. The Contractor shall also provide ongoing on-site training for the State as requested by the State, and agreed upon by the Parties especially with any significant updates or upgrade changes to the functionality of the MVS.
- c. The Contractor shall be responsible for delivering multiple levels of on-site training. Each training level will be tailored to a specific audience, specific job duties, and cover each component of the overall solution. Scheduling of the training shall be done in consultation with the State. Requested training materials (user guides, job aids, presentations, and other such material) shall be made available to the State at least fifteen (15) calendar days prior to any training session. (See also Section A.9.f.)
- d. At each level of training, the Contractor shall:
  - (1) Provide sufficient training on the full use of hardware, peripherals, and the Software;
  - (2) Provide, to each trainee, a hardcopy and soft copy user guide, or job aid, which contains information, step-by-step procedures, and instructions specific to each component of the overall solution. Each user guide, or job aid, shall also include a complete list of possible error messages, together with instructions for locating and correcting each error and step-by-step instructions for solving common problems;

- (3) Grant the State the ability to reproduce and internally distribute unlimited additional copies of all documentation and training materials at no additional cost;
  - (4) Update or revise user guides and job aids when needed, especially when a system upgrade impacts (changes) how a process is performed; and
  - (5) Permit the State to make audio and video recordings of any training sessions for later use at no additional cost to the State.
- e. Specific to System Administrator and Account Administrator training, the Contractor shall meet the following requirements for technical manuals:
- (1) The Contractor shall create, maintain, and provide the State complete technical manuals. The manuals shall describe the overall aspects of the MVS configuration, operating instructions, and problem diagnosis of all separate components or features of the MVS. The manual shall include a wiring schematic for each piece of hardware that will be wired into the vehicles' DC power. Corresponding technical specifications, such as equipment diagrams and specifications, and machine components shall also be noted in the manual;
  - (2) The Contractor shall maintain comprehensive as-built documentation on all the Software aspects of the MVS, and its components, and shall provide the State with electronic copies of said documentation as revisions and/or changes are made. Documentation will include system architecture diagrams;
  - (3) The Contractor shall provide at least five (5) full hardcopy sets of technical manuals and documentation materials to the State. The technical manuals and documentation materials must also be provided to the State in electronic format;
  - (4) The Contractor shall keep the technical manuals current, and update and inform the State whenever any change is made to any component of the MVS. The Contractor shall provide a copy of the updated changes to the State and shall make each revision available to the State a minimum of five (5) days prior to release. Each revision to the technical manuals shall be recorded and organized in a fashion that easily allows the reader to understand the technical specifications, system architecture, the Software versions, file and database layouts, process procedures, and other relevant information at any point in the history of the MVS and each of its components;
  - (5) The Contractor shall not remove or redact any part of the technical manuals except to remove errors. Whenever an update is made to reflect a change, the obsolete information shall remain intact, accessible by necessary personnel, and be clearly marked that the information is updated, the period of time the information reflected the actual system design, and a reference to where the updated information is located; and
  - (6) The Contractor shall grant the State the ability to reproduce and internally distribute unlimited additional copies of all technical manuals at no additional cost to the State.
- f. Training levels shall include but not be limited to:
- (1) System Administrator. This training shall provide a comprehensive overview of each component of the overall solution so that the State's technical staff will have the knowledge necessary to operate and troubleshoot any of the components in the event of an emergency;
  - (2) Account Administrator. This training shall cover functions associated with administering user accounts. Account administration should include functions

such as adding users, modifying account privileges, resetting account passwords, suspending account access, and deleting accounts;

- (3) Train the Trainer. This training shall provide designated State staff enough knowledge on the use of each component of the overall solution so that they can train end users;
- (4) End-User Training. This training shall cover all functions associated with proper operation and use of each component of the overall solution. The training shall provide hands-on experience with all equipment and the Software in such a way to ensure that all users will become familiar with the system and how to use it; and
- (5) Ongoing Training. In the event an upgrade impacts any component of the system, the Contractor shall provide training at the level impacted by the change. For example, if the upgrade made a change to system administration, the Contractor shall provide additional System Administrator level training.

#### A.9. Project Management.

- a. The Contractor shall develop a Comprehensive Project Management Plan, based on the principals set forth by the PMI and using the TBSM to manage the project. The Comprehensive Project Management Plan shall be used by the State and the Contractor to achieve the following:
  - (1) Organize, prioritize, coordinate, integrate, and monitor project activities in order to deliver the required products (deliverables) within scope, quality, time, and cost constraints;
  - (2) Effectively communicate in order to keep project staff, stakeholders, and executive sponsor management apprised of the status of project activities;
  - (3) Implement and maintain quality assurance processes to ensure project products (deliverables) fulfill requirements and standards; and
  - (4) Manage and control risks to the project that may impact the project's success.
- b. The Contractor shall be responsible for performing all project management activities, including those of any subcontractors, and should direct all required reports and project updates to the designated State staff. Further, the Contractor shall be responsible for providing status reports and responding to requests.
- c. The Contractor shall submit, within thirty (30) calendar days of the Effective Date, for the State's approval the following documentation:
  - (1) A draft of the Comprehensive Project Management Plan that includes, at a minimum, the following:
    - i. Project schedule;
    - ii. Milestones and critical management checkpoints/reviews;
    - iii. Assumptions/understandings;
    - iv. Risks and constraints;
    - v. Process for tracking issues/action items;
    - vi. Final acceptance processes and criteria; and

- vii. Stakeholder sign-offs.
- (2) In addition to the draft of the Comprehensive Project Management Plan, the Contractor shall also submit documentation that includes but is not limited to the following:
- i. Configuration management based on the principles set forth by the PMI and using TBSM;
  - ii. Security plan, as set forth in Section E.7.;
  - iii. System Performance Management;
  - iv. Business Continuity Requirement , as set forth in Section E.7.; and
  - v. Data Migration Plan.
- d. The Contractor shall submit a final detailed Comprehensive Project Management Plan within ten (10) business days after all State business requirements have been documented and agreed upon by the State.

A.10. Support Services and MVS Warranty and Maintenance.

- a. All Contractor provided maintenance and support shall be based in the United States.
- b. Providing Support and Emergency Contact List. The Contractor shall provide support services to the State by way of a single toll free telephone number and electronic mail (e-mail) address for reporting all system troubles. The Contractor shall provide an updated emergency contact list for twenty-four hours per day, seven days per week, three hundred sixty five days per year (24/7/365) support. The emergency contact list shall include, at minimum, a primary and secondary after-hours contact number for each individual the Contractor identifies and shall be updated whenever a designated contact change occurs. The Contractor shall make every effort to achieve the prompt resolution of support requests and defect reports based on the assigned level of severity.
- c. Delivery of Support Services. Support services with regard to Evidence.com Services, will be delivered according to the following tier structure:

<b>Severity Level</b>	<b>Response</b>
<b>Urgent:</b> A problem that severely impacts the State's use of the Evidence.com Services, such as: loss of data or Evidence.com is unable to function. The situation halts State's business operations and no procedural workarounds exist.	The State will receive immediate e-mail acknowledgement following report of the issue, and an initial response from Contractor's support staff within thirty (30) minutes of submitting a request for support. Contractor's support staff will provide a fix or procedural workaround within two (2) hours of receipt of notice of the issue from the State.
<b>High:</b> A problem where the Evidence.com Services, is functioning, but the use is severely reduced. The situation is causing a high impact to portions of the State's business operations and no procedural workarounds exist.	The State will receive immediate e-mail acknowledgement following report of the issue, and an initial response from Contractor's support staff within thirty (30) minutes of submitting a request for support. Contractor's support staff will provide a fix or procedural workaround

	within four (4) hours.
<b>Medium:</b> A problem that involves partial, non-critical loss of use of the Evidence.com Services. The situation is causing a medium-to-low impact on the State's business operations, but users can continue to function, including by using a procedural workaround.	Upon submitting a request for support, the State will receive immediate e-mail acknowledgement of the request for support. A member of the Contractor's support staff will respond to the State within two (2) business days with a resolution (fix) or with a plan of resolution that shows resolution (fix) will occur within five (5) business days.
<b>Low:</b> A general usage question, reporting of a documentation error, or recommendation for a future product enhancement or modification. The situation is causing low-to-no impact on the State's business operations or the performance or functionality of the Evidence.com Services.	The State will be contacted by the Contractor's support staff within two (2) business days with a response to the support question; or receive e-mail notification that the comment or recommendation for feature enhancement has been logged.

The response times listed above that require direct action by the Contractor's support staff shall apply during normal State business hours. For issues reported outside normal State business hours, response times — except for Urgent and High security level events — begin at the start of the next business day. Automated e-mail response times apply at all times. In the event of widespread outages impacting the Contractor's support staff, the State will receive notification of an alternate site where status information will be posted until normal service resumes.

The MVS shall be available 99.99% of the time calculated on a twenty-four (24) hours a day, seven (7) days a week basis. In the event this service availability target is not met, Contractor shall give the State a pro-rated service credit for Evidence.com Services. Service credits are awarded as days of Evidence.com Services usage added to the end of the Evidence.com Services subscription term at no charge.

d. MVS Solution Maintenance and Upgrades. The Contractor shall:

- (1) Make all necessary adjustments and repairs, according to severity levels, at no additional cost to the State, to keep the MVS operating without abnormal interruptions and to correct latent deficiencies with respect to the MVS specifications;
- (2) The Contractor shall assign priority support resources to correct any reproducible errors or malfunctions which prevent the MVS from operating in substantial conformance with State requirements;
- (3) On a timely basis, the Contractor shall also provide:
  - i. Such updates as are distributed without charge to other licensees which reflect modifications and incremental improvements made to the system by the Contractor;
  - ii. An opportunity to obtain enhancements to the MVS for which charges are imposed on the same terms, as such enhancements are generally made available to other Contractor customers;
  - iii. Provide complete documentation of all MVS enhancements or revisions. Documentation must describe, in a manner understandable to the

average user, what the user needs to know to understand each level on which the MVS operates;

- iv. Provide new versions of the MVS software if needed to support software upgrades by the systems software providers (e.g. [REDACTED] Operating System (OS), Internet Explorer (IE), and Java) to ensure that security of the information is maintained; and
  - v. Upon notification by the State of a reported error or malfunction caused by either: 1) a problem related to hardware; 2) a problem related to the operating system or other applicable software; or 3) misuse or modification of the licensed hardware or software, then the Contractor's responsibility shall be limited to the correction of the portion, if any, of the problem caused by the licensed hardware or software;
- (4) Contractor shall provide to the State, at no additional cost, all Software upgrades, modifications, bug fixes, or other improvements in its Software that it makes generally available to its customers; and
  - (5) The Contractor shall provide an established agreed upon Spares inventory on hand for the life of the Contract. The type and quantity of replacement parts that will comprise this inventory will be at the discretion of the State. If any MVS hardware is found defective to trigger a warranty claim in excess of the on-site replacement parts inventory, Contractor agrees to repair or replace the defective device within 3 days of Contractor's receipt of such device.

#### A.11. Audit Trails

- a. The Contractor shall ensure that any MVS Solution provided and/or developed under the terms of this Contract which shall collect and/or house information that is to be protected shall provide for a system-generated and system-maintained audit trail, which identifies, at a minimum, the following:
  - (1) An embedded stamp of date and time of any transaction (add, change, delete, view) which initially records or updates any information in the record, file, and/or database;
  - (2) The user account of the person originating the transaction;
  - (3) The internet protocol (IP) address from where the transaction originated;
  - (4) Any data entered, if added type transaction;
  - (5) Any data changed, if changed type transaction; and
  - (6) Any data deleted, if deleted type transaction.

- A.12. Warranty. Contractor represents and warrants that the term of the warranty ("Warranty Period") shall be for a period of one (1) year from the date of receipt and shall have extended warranties for a period in accordance with the purchased Axon Fleet Unlimited license, up to four (4) years after the expiration of the one (1) year warranty. For avoidance of doubt, with purchase of a 5-year Fleet Unlimited license, the Axon Fleet camera hardware is covered by a 5-year warranty. Non-Axon manufactured accessories, including all Apple and Android devices, are covered under the manufacturer's warranty. In the event of a warranty claim for an Apple or Android device, the Agency should contact the manufacturer. The goods or services provided under this Contract shall conform to the terms and conditions of this Contract throughout the Warranty Period. Any nonconformance of the goods or services to the terms and conditions of this Contract shall constitute a "Defect" and shall be considered "Defective." If Contractor receives notice of a

Defect during the Warranty Period, then Contractor shall correct the Defect, at no additional charge.

Contractor represents and warrants that the State is authorized to possess and use all equipment, materials, software, and deliverables provided under this Contract.

Contractor represents and warrants that all goods or services provided under this Contract shall be provided in a timely and professional manner, by qualified and skilled individuals, and in conformity with standards generally accepted in Contractor's industry.

If Contractor fails to provide the goods or services as warranted, then Contractor will re-provide the goods or services at no additional charge. If Contractor is unable or unwilling to re-provide the goods or services as warranted, then the State shall be entitled to recover the fees paid to Contractor for the Defective goods or services. Any exercise of the State's rights under this Section shall not prejudice the State's rights to seek any other remedies available under this Contract or applicable law.

- A.13. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are Defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of Services, whereas "Services" means installation of hardware and initial provision of Evidence.com Services, the State does not provide a notice of any Defects, the goods or services shall be deemed to have been accepted by the State.

**B. TERM OF CONTRACT:**

This Contract shall be effective on January 22, 2019 ("Effective Date") and extend for a period of sixty (60.0) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Ten Million Five Hundred Thousand Dollars and No Cents (\$10,500,000) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract. For avoidance of doubt, Axon's obligations to deliver goods and services are limited to those documented in a purchase order in accordance with this Contract that is accepted by Axon. Notwithstanding the foregoing, if the State purchases a product offering listed herein with an associated multi-year annualized fee based on the pricing in Section C.3 below, Axon will invoice the State, and payment will become due under the terms of this Contract, each year for the duration of this Contract, unless terminated in accordance with this Contract.
- C.2. Compensation Firm. The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.
- C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A.
- b. The Contractor shall be compensated based upon the following payment methodology:

Goods or Services Description	Amount (per compensable increment)
Basic Evidence.com License (in-car camera user) - includes 10GB storage per license (separate from unlimited storage of Fleet 2 Unlimited Evidence.com licenses)	<b>\$180.00 annually*</b> / EA
Basic Evidence.com View-Only License (non-camera user)	<b>\$0</b> / EA
Pro Evidence.com Licenses	<b>15 Included at \$0</b> <b>\$468.00 annually*</b>
Fleet 2 Unlimited Evidence.com License (per car) includes: - Forward-facing color camera - Rear-facing camera - Wireless Microphone System (1) - Fleet View XL Software for Car - Unlimited video upload per car - Warranty (see Section A.10) and maintenance *Requires in-car camera user to have a basic license. Warranty section would address any warranty hardware for no additional fee.	<b>\$1,188.00 annually*</b> / EA
Fleet Installation Services (per car)	<b>\$600 per install</b> / EA
Wi-Fi Offload Wireless Access Point Integration	<b>\$12,000.00 per installation site</b> / EA
Each Vehicle: Installation Hardware (mounting components, cables, antennas, other hardware) (Section A.5.)	<b>\$ 600 per car install/</b> EA
Each Vehicle: Wireless Microphone System (Section A.5.) *a la carte pricing, 1 included in Unlimited License bundle above	<b>\$600</b> / EA
Installation (Section A.7.)	<b>\$N/A</b> / EA
Installation of Offloading Equipment (Section A.4.)	<b>\$12,000</b> <b>per installation site of Wi-Fi Offload Access Point/ EA</b>

Training (Section A.8.)	<p><b>\$0</b></p> <p><b>/ EA CLASS (for initial training)</b></p> <p><b>\$2,500</b></p> <p><b>/DAY (for future a la carte training)</b></p>
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Axon will prorate annual license costs based on monthly increments (e.g., when phasing in deployments annual license costs will reduce if not used for the full 12 months of that initial phase)

- C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.
- C.5. Invoice Requirements. The Contractor shall invoice the State only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3., above. Contractor shall submit invoices and necessary supporting documentation, no more frequently than once a month, and no later than thirty (30) days after goods or services have been provided to the following address:

Procurement Office, Budget Division  
 Department of Safety and Homeland Security  
 Email: DI\_FS\_Procurement@tn.gov  
 Phone: (615) 251-5232  
 1150 Foster Avenue  
 Nashville, TN 37243

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
- (1) Invoice number (assigned by the Contractor);
  - (2) Invoice date;
  - (3) Contract number (assigned by the State);
  - (4) Customer account name: Department of Safety and Homeland Security / Tennessee Highway Patrol;
  - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
  - (6) Contractor name;
  - (7) Contractor Tennessee Edison registration ID number;
  - (8) Contractor contact for invoice questions (name, phone, or email);
  - (9) Contractor remittance address;
  - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
  - (11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
  - (12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
  - (13) Amount due for each compensable unit of good or service; and
  - (14) Total amount due for the invoice period.
- b. Contractor's invoices shall:
- (1) Only include charges for goods delivered or services provided as described in Section A. and in accordance with payment terms and conditions set forth in Section C.;
  - (2) Only be submitted for goods delivered or Services completed and shall not include any charge for future goods to be delivered or services to be performed

- (3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
  - (4) Include shipping or delivery charges only as authorized in this Contract.
- c. The timeframe for payment (or any discounts) begins only when the State is in receipt of an invoice that meets the minimum requirements of this Section C.5.
- C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.
- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee, any amounts that are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.
- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH; and
  - b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

**D. MANDATORY TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Doug B. Taylor, Captain, Tennessee Highway Patrol  
 Research, Planning and Development  
 Tennessee Department of Safety and Homeland Security  
 1150 Foster Avenue

Nashville, TN 37243  
 Email Address: Doug.Taylor@tn.gov  
 Telephone #: (615) 743-4960  
 FAX #: (615) 253-2096

The Contractor:

Andy Wrenn Director of Major Accounts  
 Axon Enterprise, Inc.  
 17800 N. 85th Street Scottsdale, AZ 85255  
 contracts@axon.com  
 Telephone #: 800-978-2737  
 FAX #: 480-991-0791

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.
- D.5. Termination for Convenience. The State may terminate this Contract for convenience without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor of any liability to the State for any damages or claims arising under this Contract.
- D.6. Termination for Cause. If a Party ("Breaching Party") fails to properly perform its obligations under this Contract, or if a Party materially violates any terms of this Contract ("Breach Condition"), the other Party ("Non-breaching Party") may provide written notice to the Breaching Party specifying the Breach Condition. If within thirty (30) days of notice, the Breaching Party has not cured the Breach Condition, the Non-breaching Party may terminate the Contract. In the event the Non-breaching Party is the State, the State may withhold payments in excess of compensation for completed services or provided goods. The Breaching Party shall not be relieved of liability to the Non-breaching Party for damages sustained by virtue of any breach of this Contract, and the Non-breaching Party may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional

terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.

- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment One, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
- b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
- c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
- d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
- e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.

- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless for any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death.
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of negligent acts or omissions on the

part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.20. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), Health Information Technology for Economic and Clinical Health (“HITECH”) Act and any other relevant laws and regulations regarding privacy (collectively the “Privacy Rules”). The obligations set forth in this Section shall survive the termination of this Contract.
- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
  - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
  - c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT “protected health information” as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
  - d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation.
- D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System (“TCRS”), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8-35-101, *et seq.*, accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of “employee/employer” and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.
- D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.
- D.23. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.
- D.25. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the performance of this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 407.

- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.
- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
  - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below), which includes Attachments One and Two;
  - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
  - d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
  - e. any technical specifications provided to proposers during the procurement process to award this Contract
  - f. the Contractor's response seeking this Contract; and
  - g. Axon's Master Services and Purchasing Agreement.
- D.31. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101 et seq., addressing contracting with persons as defined at T.C.A. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Contract. The Contractor certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.32. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend or require additional insurance coverage, coverage amounts, and endorsements required under this Contract upon mutual agreement by Contractor. Contractor will not unreasonably withhold its agreement to the State's request to amend or require additional insurance coverage, coverage amounts, and endorsements required under this Contract. Contractor's failure to maintain or submit evidence of insurance coverage, as required, is a material breach of this Contract. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall immediately notify the State. All insurance companies providing coverage must be: (a) acceptable to the State; (b) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"); and (c) rated A- / VII or better by A.M. Best. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State. Contractor agrees to name the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. All policies must contain an endorsement for a waiver of subrogation in favor of the State. Any deductible or self insured retention ("SIR") over fifty thousand dollars (\$50,000) must be approved by the State. The deductible or SIR and any premiums are the Contractor's sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two million dollars (\$2,000,000) in coverage, acceptable coverage would include a specific policy

covering one million dollars (\$1,000,000) combined with an umbrella policy for an additional one million dollars (\$1,000,000). If the deficient underlying policy is for a coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area. In the event that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory—Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred). The COI must list each insurer's National Association of Insurance Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3<sup>rd</sup> floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI thirty (30) business days prior to the Effective Date and no later than fifteen (15) days after renewal or replacement of coverage. The failure to provide a current COI within the time period specified will be considered a material breach and grounds for termination of the Contract. Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that subcontractors are included under the Contractor's policy. Contractor will provide the State with a valid COI within 30 days of a request from the State. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

**The insurance obligations under this Contract shall be: (1)—all the insurance coverage and policy limits carried by the Grantee in which the State is either the primary insured or an additional insured; or (2)—the minimum insurance coverage requirements and policy limits shown in this Contract; whichever is greater. No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.**

- a. Commercial General Liability ("CGL") Insurance
  - (1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).
  - (2) The Contractor shall maintain single limits not less than one million dollars (\$1,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this policy or location of occurrence or the general aggregate limit shall be twice the required occurrence limit.

b. Workers' Compensation and Employer Liability Insurance

- (1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
  - i. Workers' compensation in an amount not less than one million dollars (\$1,000,000) including employer liability of one million dollars (\$1,000,000) per accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit by disease, and one million dollars (\$1,000,000) per employee for bodily injury by disease.
- (2) If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101 through 50-6-103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:
  - i. The Contractor employs fewer than five (5) employees;
  - ii. The Contractor is a sole proprietor;
  - iii. The Contractor is in the construction business or trades with no employees;
  - iv. The Contractor is in the coal mining industry with no employees;
  - v. The Contractor is a state or local government; or
  - vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.

c. Automobile Liability Insurance

- (1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- (2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit.

d. Technology Professional Liability (Errors & Omissions) Cyber Liability Insurance

- (1) The Contractor shall maintain technology professional liability (errors & omissions) cyber liability insurance appropriate to the Contractor's profession in an amount not less than five million dollars (\$5,000,000) per occurrence or claim and five million dollars (\$5,000,000) annual aggregate, covering all acts, errors, omissions, negligence, infringement of intellectual property (except patent and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, information theft, damage to destruction of or alteration of electronic information, breach of privacy perils, wrongful disclosure and release of private information, collection, or other negligence in the handling of confidential information, and including coverage for related regulatory fines, defenses, and penalties.
- (2) Such coverage shall include data breach response expenses, in an amount not less than five million dollars (\$5,000,000) and payable whether incurred by the State or Contractor, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services and expenses in the performance of services for the State or on behalf of the State hereunder.

e. Crime Insurance

- (1) The Contractor shall maintain crime insurance, which shall be written on a “loss sustained form” or “loss discovered form” providing coverage for employee theft, forgery or alteration, inside premises-theft of money & securities, inside premises-robbery, safe burglary-other property, outside the premises, computer fraud, funds transfer fraud, money orders and counterfeit paper currency, impersonation fraud coverage. The policy must allow for reporting of circumstances or incidents that may give rise to future claims, include an extended reporting period of no less than two (2) years with respect to events which occurred but were not reported during the term of the policy, and not contain a condition requiring an arrest or conviction.
- (2) Any crime insurance policy shall have a limit of not less than one million dollars (\$1,000,000) per claim and one million dollars (\$1,000,000) in the aggregate. Any crime insurance policy shall contain a Social Engineering Fraud Endorsement with a limit of not less than two hundred and fifty thousand dollars (\$250,000). This insurance may be written on a claims-made basis, but in the event that coverage is cancelled or non-renewed, the Contractor shall purchase an extended reporting or “tail coverage” of at least two (2) years after the Term.

D.33. Major Procurement Contract Sales and Use Tax. Pursuant to Tenn. Code Ann. § 4-39-102 and to the extent applicable, the Contractor and the Contractor’s subcontractors shall remit sales and use taxes on the sales of goods or services that are made by the Contractor or the Contractor’s subcontractors and that are subject to tax.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract’s other terms and conditions.
- E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as “Confidential Information.” Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Contract.

- E.3. State Ownership of Goods. The State shall have ownership, right, title, and interest in all goods provided by Contractor under this Contract including full rights to use the goods and transfer title in the goods to any third parties.
- E.4. Intellectual Property Indemnity. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State concerning or arising out of any claim of an alleged patent, copyright, trade secret or other intellectual property infringement, to the extent cause caused by Contractor’s negligent acts or omissions. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit, however, the failure of the State to give such notice shall only relieve Contractor of its obligations under this Section to the extent Contractor can demonstrate actual prejudice arising from the State’s failure to give notice. This Section shall not grant the

Contractor, through its attorneys, the right to represent the State of Tennessee in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.

- E.5. Software License Warranty. Contractor grants a license to the State to use all software provided under this Contract in the course of the State's business and purposes, in accordance with the Master Services and Purchasing Agreement.
- E.6. Extraneous Terms and Conditions. Contractor shall fill all orders submitted by the State under this Contract. No purchase order, invoice, or other documents associated with any sales, orders, or supply of any good or service under this Contract shall contain any terms or conditions other than as set forth in the Contract. Any such extraneous terms and conditions shall be void, invalid and unenforceable against the State. Any refusal by Contractor to supply any goods or services under this Contract conditioned upon the State submitting to any extraneous terms and conditions shall be a material breach of the Contract and constitute an act of bad faith by Contractor.
- E.7. Contractor Hosted Services and Confidential Data.
- a. "Confidential State Data" is defined as data deemed confidential by State or Federal statute or regulation. The Contractor shall protect Confidential State Data as follows:
- (1) The Contractor shall ensure that all Confidential State Data is housed in the continental United States, inclusive of backup data.
  - (2) The Contractor shall encrypt any and all methods of data transmission, use, disclosure, and storage while at rest and in transit conforming to current State of Tennessee and federal privacy laws, and state and federal privacy and security standards using the current version of Federal Information Processing Standard ("FIPS") 140-2 validated encryption technologies.
  - (3) The Contractor's processing environment containing Confidential State Data shall be in accordance with at least one of the following security standards: (i) International Standards Organization ("ISO") 27001; (ii) Federal Risk and Authorization Management Program ("FedRAMP"); or (iii) American Institute of Certified Public Accountants ("AICPA") Service Organization Controls ("SOC") 2 Type II certified. The Contractor shall provide proof of current certification annually and upon State request.
  - (4) The Contractor must comply with the State's Enterprise Information Security Policies. This document is found at the following URL:  
<https://www.tn.gov/content/dam/tn/finance/documents/Enterprise-Information-Security-Policies-ISO-27002-Public.pdf>.
  - (5) In the event that the operating system is an integral part of the application, the Contractor agrees to maintain Operating Systems at current, manufacturer supported versions. "Operating System" shall mean the software that supports a computer's basic functions, such as scheduling tasks, executing applications, and controlling peripherals.
  - (6) Contractor agrees to maintain the Application so that it will run on a current, manufacturer-supported Operating System. "Application" shall mean the computer code that supports and accomplishes the State's requirements as set forth in this Contract. The Contractor shall make sure that the Application is at all times fully compatible with a manufacturer-supported Operating System; the State shall not be required to run an Operating System that is no longer supported by the manufacturer.
  - (7) If the Application requires middleware or database software, Contractor shall maintain middleware and database software versions that are at all

times fully compatible with current versions of the Operating System and Application, to ensure that security vulnerabilities are not introduced.

- (8) With advance notice from the State, and no more than one (1) time per year the Contractor agrees to work with the State to provide mutually agreeable audits of the Contractor's facility and systems that are hosting Confidential State Data.
  - (9) The Contractor must annually perform Penetration Tests and Vulnerability Assessments against its Processing Environment. "Processing Environment" shall mean the combination of software and hardware on which the Application runs. "Penetration Tests" shall be in the form of software attacks on the Contractor's computer system, with the purpose of discovering security weaknesses, and potentially gaining access to the computer's features and data. The "Vulnerability Assessment" shall have the goal of defining, identifying, and classifying the security holes (vulnerabilities) in the Contractor's computer, network, or communications infrastructure. The Contractor shall allow the State, at its option, to perform Penetration Tests and Vulnerability Assessments on the Contractor's Processing Environment.
- b. Business Continuity Requirements. The Contractor shall maintain set(s) of documents, instructions, and procedures which enable the Contractor to respond to accidents, disasters, emergencies, or threats without any stoppage or hindrance in its key operations ("Business Continuity Requirements"). Business Continuity Requirements shall include:
- (1) "Disaster Recovery Capabilities" refer to the actions the Contractor takes to meet the Recovery Point and Recovery Time Objectives defined below. Disaster Recovery Capabilities shall meet the following objectives:
    - i. Recovery Point Objective ("RPO"). The RPO is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident: Five (5) minutes, or a time as agreed upon by the State prior to full execution of this Contract; and
    - ii. Recovery Time Objective ("RTO"). The RTO is defined as the targeted duration of time and a service level within which a business process must be restored after a disaster (or disruption) in order to avoid unacceptable consequences associated with a break in business continuity: Twenty-four (24) hours.
  - (2) The Contractor shall perform at least one Disaster Recovery Test every three hundred sixty-five (365) days. A "Disaster Recovery Test" shall mean the process of verifying the success of the restoration procedures that are executed after a critical IT failure or disruption occurs. The Disaster Recovery Test shall use data sets that mirror production data, and success shall be defined as the Contractor verifying that the Contractor can meet the State's RPO and RTO requirements. A "Data Set" is defined as a collection of related sets of information that is composed of separate elements but can be manipulated as a unit by a computer. The Contractor shall engage an independent party on at least an annual basis to provide attestation that disaster recovery testing is conducted and capabilities meet RPO and RTO requirements defined above. The attestation will be available to the State within Axon's SOC 2 report.
- c. Upon State request, the Contractor shall provide a copy of all Confidential State Data it holds. The Contractor shall provide such data in industry-standard formats.

- d. Upon termination of this Contract and in consultation with the State, the Contractor shall destroy all Confidential State Data it holds (including any copies such as backups) in accordance with the current version of National Institute of Standards and Technology (“NIST”) Special Publication 800-88. The Contractor shall provide a written confirmation of destruction to the State within ten (10) business days after destruction.
- e. Data Security and Privacy Compliance. The Contractor will implement reasonable and appropriate measures to secure the State’s data against accidental or unlawful access or disclosure. The Contractor may be an “information holder” under the terms of Tenn. Code Ann. § 47-18-2107, and as such, its actions shall be governed by that law. Security measures must be in place at multiple levels to protect against the loss, misuse, and alteration of the data while in the custody of the Contractor and while managed within the Contractor hosted services:
- (1) Physical Security – Physical access to the Contractor’s hosting environment is limited to only authorized personnel and secured by multi-level access authorization with biometric verification and comprehensive video surveillance throughout the facility;
  - (2) Network Security – The Contractor employs intrusion detection and prevention systems to protect and monitor all hosted services running in the hosting environment. The Contractor and approved third-party vendors may conduct security vulnerability testing as warranted and within the Maintenance Window;
  - (3) Browser-level Security – Transport Layer Security (“TLS”) v1.1 or higher encryption protects server authentication information and data transferred between the State’s browser and the hosted service;
  - (4) Cloud Questionnaire – The Contractor shall complete the State’s twenty-six (26) question cloud questionnaire—provided as a hard copy by an employee of the State’s Strategic Technology Systems team—and have completed the Consensus Assessment Initiative Questionnaire (CIAQ V.3.0) from Cloud Security Alliance; and
  - (5) Confidentiality – The Contractor shall maintain full confidentiality of all of the State’s data while in possession of the Contractor and in transit from the Contractor to the State. Further, the Contractor shall not release, use, or disclose any of the State’s data other than as provided for in this Contract. The Contractor shall not review, share, distribute, or print any of the State’s data except as expressly permitted by this Contract.
- E.8. State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible personal property furnished by the State for the Contractor’s use under this Contract. Upon termination of this Contract, all property furnished by the State shall be returned to the State in the same condition as when received, less reasonable wear and tear. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the fair market value of the property at the time of loss.
- E.9. Prohibited Advertising or Marketing. The Contractor shall not suggest or imply in advertising or marketing materials that Contractor’s goods or services are endorsed by the State. The restrictions on Contractor advertising or marketing materials under this Section shall survive the termination of this Contract.
- E.10. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor’s Response to Solicitation Number (Attachment Reference) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as reasonably requested, a periodic report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, service-disabled veterans, and persons with disabilities. Such reports shall be provided to the State of Tennessee Governor's Office of Diversity Business Enterprise in the TN Diversity Software available online at:

<https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810>.

- E.11. Performance Bond. The Contractor shall provide to the State a performance bond guaranteeing full and faithful performance of all undertakings and obligations under this Contract, specifically faithful performance of the work in accordance with the plans, specifications, and contract documents. The performance bond shall be in an amount equal to one hundred percent (100%) of the Maximum Liability, ten million five hundred thousand dollars (\$10,500,000). The State reserves the right to review the bond amount and bonding requirements at any time during the Term. The Contractor shall submit the bond no later than the day immediately preceding the Effective Date and in the manner and form prescribed by the State at Attachment Two. The bond shall be issued by a company licensed to issue such a bond in the state of Tennessee. The performance bond shall guarantee full and faithful performance of all undertakings and obligations for the Term, as the Contract is extended or renewed.

Failure to provide to the State the performance bond(s) as required under this Contract may result in this Contract being terminated by the State. The performance bond required under this Contract shall not be reduced during the Term without the State of Tennessee Central Procurement Office's prior written approval.

- E.12. Partial Takeover of Contract. The State may, at its convenience and without cause, exercise a partial takeover of any service that the Contractor is obligated to perform under this Contract, including any service which is the subject of a subcontract between Contractor and a third party (a "Partial Takeover"). A Partial Takeover of this Contract by the State shall not be deemed a breach of contract. The Contractor shall be given at least thirty (30) days prior written notice of a Partial Takeover. The notice shall specify the areas of service the State will assume and the date the State will be assuming. The State's exercise of a Partial Takeover shall not alter the Contractor's other duties and responsibilities under this Contract. The State reserves the right to withhold from the Contractor any amounts the Contractor would have been paid but for the State's exercise of a Partial Takeover. The amounts shall be withheld effective as of the date the State exercises its right to a Partial Takeover. The State's exercise of its right to a Partial Takeover of this Contract shall not entitle the Contractor to any actual, general, special, incidental, consequential, or any other damages irrespective of any description or amount.
- E.13. Unencumbered Personnel. The Contractor shall not restrict its employees, agents, subcontractors or principals who perform services for the State under this Contract from performing the same or similar services for the State after the termination of this Contract, either as a State employee, an independent contractor, or an employee, agent, subcontractor or principal of another contractor with the State.
- E.14. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or

hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. The State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII and Contractor shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify and/or procure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of such PII.

The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within forty-eight (48) to seventy-two (72) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, upon agreement, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law.

- E.15. Survival. The terms, provisions, representations, and warranties contained in this Contract which by their sense and context are intended to survive the performance and termination of this Contract, shall so survive the completion of performance and termination of this Contract.

**IN WITNESS WHEREOF,**

**AXON ENTERPRISE, INC.:**



1/17/19

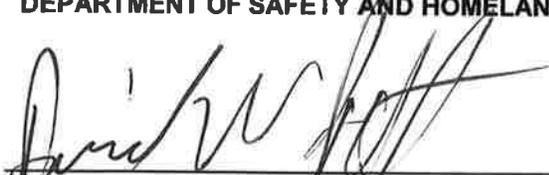
CONTRACTOR SIGNATURE

DATE

Robert Driscoll, VP, Associate General Counsel

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

**DEPARTMENT OF SAFETY AND HOMELAND SECURITY:**



01-17-19

DAVID W. PURKEY, COMMISSIONER

DATE

## ATTACHMENT ONE

## ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	61412
CONTRACTOR LEGAL ENTITY NAME:	Axon Enterprise, Inc.
EDISON VENDOR IDENTIFICATION NUMBER:	0000069527

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.



CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

Robert Driscoll, VP, Associate General Counsel

PRINTED NAME AND TITLE OF SIGNATORY

1/17/19

DATE OF ATTESTATION

BOND NO. #

**PERFORMANCE BOND**

**KNOW ALL MEN BY THESE PRESENTS:** that We,

Contractor name  
Contractor address  
Contractor telephone

(hereinafter called the “Principal”), whose principal business address and telephone number is as stated above; and

Surety name  
Surety address  
Surety telephone

(hereinafter called the “Surety”), whose principal address and telephone number is as stated above, a surety insurer chartered and existing under the laws of the State of **state name** and authorized to do business in the State of Tennessee;

are held and firmly bound unto the State of Tennessee Department of General Services Central Procurement Office (“State”), whose principal address is 312 Rosa L. Parks Avenue, 3<sup>rd</sup> Floor, Nashville, TN 37243, and whose principal telephone number is 615-741-1035 in the penal sum of **written amount** (\$ **number**) for payment of which we bond ourselves, our heirs, our personal representatives, our successors and our assignees, jointly and severally.

**WHEREAS**, Principal has entered into a contract with State for **MOBILE VIDEO SYSTEM SOLUTION** (Solicitation No. **34901-00445**) (the “Contract”) in accordance with the scope of services and deliverables (the “Scope”) set forth in Section **E.11.** of the Contract.

**THE CONDITION OF THIS BOND** is that if Principal:

1. Performs the Contract at the times and in the manner prescribed in the Contract; and
2. Pays State any and all losses, damages, costs and attorneys’ fees, including appellate proceedings, that State sustains because of any default by Principal under the Contract, including, but not limited to, all delay damages, whether liquidated or actual, incurred by State; and
3. Performs, to the satisfaction of State the Scope under the Contract for the time specified in the Contract;

then this bond is void; otherwise it remains in full force.

The Surety, for value received, hereby stipulates and agrees that no changes, extensions of time, alterations or additions to the terms of the Contract or other work to be performed hereunder, or the specifications referred to in the Contract shall in anyway affect its obligation under this bond. The Surety waives notice of any such changes, extensions of time, alterations or additions to the terms of the Contract or to the Scope.

It is expressly understood the time provision under Tenn. Code Ann. § 12-3-502 shall apply to this bond. Bond must be received within fourteen (14) calendar days of receipt of request by the State or a Delegated State Agency.

By execution of this bond, the Surety acknowledges that it has read the Surety qualifications and obligations imposed by the Contract and hereby satisfies those conditions.

**IN WITNESS WHEREOF**, the above bounded parties have executed this instrument this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the name of each party being affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Signed, sealed and delivered  
In the presence of:

PRINCIPAL:

**Contractor name**

By: \_\_\_\_\_  
(Contractor's authorized signatory)

\_\_\_\_\_  
(Printed name and title)

STATE OF TENNESSEE  
COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me known to be the person (or persons) described in and who executed the foregoing instrument, and acknowledged that such person (or persons) executed the same as such person (or person's) free act and deed.

\_\_\_\_\_  
Notary Public  
Printed Name: \_\_\_\_\_  
Commission Expires:  
\_\_\_\_\_

Signed, sealed and delivered  
In the presence of:

SURETY:

Surety name

By: \_\_\_\_\_  
(Surety's authorized signatory)

\_\_\_\_\_  
(Printed name and title)

STATE OF TENNESSEE  
COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me known to be the person (or persons) described in and who executed the foregoing instrument, and acknowledged that such person (or persons) executed the same as such person (or person's) free act and deed.

\_\_\_\_\_  
Notary Public  
Printed Name: \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

# Master Services and Purchasing Agreement

## 1 Definitions.

**“Confidential Information”** means all nonpublic information disclosed by Axon, Axon affiliates, business partners of Axon or their respective employees, contractors or agents that is designated as confidential or that, given the nature of the information or circumstances surrounding its disclosure, reasonably should be understood to be confidential, to the extent allowed by Tennessee Open Records Act, at Tenn. Code Ann. § 10-7-503 - 504.

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

**“Services”** means all services provided by Axon pursuant to this Agreement.

## 2 Warranties.

**2.1** Hardware Limited Warranty. If Axon determines that a valid warranty claim is received within the warranty period, as further described in the Contract and Warranty Limitations section, Axon agrees to repair or replace the Product. Axon’s sole responsibility under this warranty is to either repair or replace with the same or like Product, at Axon’s option.

**2.1.1** Axon’s warranty excludes damage from: (a) failure to follow instructions relating to the Product’s use; (b) caused by use with non-Axon products or from the use of cartridges, batteries or other components that are not manufactured or recommended by Axon; (c) abuse, misuse, intentional or deliberate damage to the Product, or force majeure; (d) force majeure, as defined in Section D.24 of the Contract; or (e) products with are moved or defaced or removed serial number.

**2.1.2** **To the extent permitted by law, the warranties and the remedies set forth above are exclusive and Axon disclaims all other warranties, remedies, and conditions, whether oral or 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.**

**2.1.3** **To the extent permitted by applicable law, Axon will not be liable to Agency for any special, indirect, incidental, exemplary, punitive or consequential damages.**

**3** **Design Changes.** Axon reserves the right to make changes in the design of any of Axon’s products and services that will not reduce the functionality of products and services without incurring any obligation to notify the Agency or to make the same change to products and services previously purchased. Axon will make available updates as released by Axon to the services, and will notify the Agency of such with release notes on at least a

quarterly basis or as such updates are released.

- 4 **IP Rights.** Axon owns and reserves all right, title, and interest in the Axon Products and Services, and related software, subject to any license or other rights granted to the State under this Contract. The Contractor may use for its own purposes the general knowledge, skills, experience, ideas, concepts, know-how, and techniques obtained and used during the course of performing under this Contract. The Contractor may develop for itself, or for others, materials which are similar to or competitive with those that are produced under this Contract.
- 5 **Agency Responsibilities.** The Agency is responsible for (i) use of Axon Products (ii) breach of this Agreement or violation of applicable law by the Agency or any of the Agency's end users, and (iii) a dispute between the Agency and any third party over Agency use of Axon Products that is not provided for within the terms and scope of this Contract..
- 6 **Termination.**
  - 6.1 **Effect of Termination.** Upon any termination of this Agreement: Warranty, and Agency Responsibilities Sections, as well as the Evidence.com Terms of Use Appendix Sections on Agency Owns Agency Content, Data Storage, Fees and Payment, Software Services Warranty, IP Rights and License Restrictions will continue to apply in accordance with their terms. If the Agency purchases Products for a value less than the Manufacturer's Suggested Retail Price (**MSRP**) and this Agreement is terminated before the end of the term then (a) the Agency will be invoiced for the remainder of the MSRP for the Products received and not already paid for; or (b) only in the case of termination for non-appropriations, return the Products to Axon within 30 days of the date of termination. For bundled Products, the MSRP is the value of all standalone components of the bundle.
- 7 **General.**
  - 7.1 **Confidentiality.** Both Parties will take all reasonable measures to avoid disclosure, dissemination or unauthorized use of either Party's Confidential Information. Except as required by applicable law, neither Party will disclose either Party's Confidential Information during the Term or at any time during the 5-year period following the end of the Term, to the extent allowed by Tennessee's Open Records Act at Tenn. Code Ann. § 10-7-503 – 504.. Notwithstanding the above, Axon retains the right to publicly announce information pertaining to this Agreement. As a publicly traded company, Axon has a duty to provide shareholders with information on material agreements.

## Evidence.com Terms of Use Appendix

- 1 **Access Rights. "Agency Content"** means software, data, text, audio, video, images or other Agency content or any of the Agency's end users (a) run on the Evidence.com Service, (b) cause to interface with the Evidence.com Service, or (c) upload to the Evidence.com Service under the Agency account or otherwise transfer, process, use or store in connection with the Agency account. Upon the purchase or granting of a subscription from Axon and the opening of an Evidence.com account, the Agency will have access and use of the Evidence.com Service for the storage and management of Agency Content during the Evidence.com Subscription Term.

The Evidence.com Service and data storage are subject to usage limits. The Evidence.com Service may not be accessed by more than the number of end users specified in the Quote. If Agency becomes aware of any violation of this Agreement by an end user, the Agency will immediately terminate that end user's access to Agency Content and the Evidence.com Services.

- 2 **Agency Owns Agency Content.** The Agency controls and owns all right, title, and interest in and to Agency Content and except as otherwise outlined herein, Axon obtains no interest in the Agency Content, and the Agency Content are not business records of Axon. The Agency is solely responsible for the uploading, sharing, withdrawal, management and deletion of Agency Content. Axon will have limited access to Agency Content solely for providing and supporting the Evidence.com Service to the Agency and Agency end users. The Agency represents that the Agency owns Agency Content; and that none of Agency Content or Agency end users' use of Agency Content or the Evidence.com Service will violate this Agreement or applicable laws.

- 3 **Evidence.com Data Security.**

3.1 **Generally.** Axon will implement commercially reasonable and appropriate measures designed to secure Agency Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive Information Security Program (**ISP**) that includes logical and physical access management, vulnerability management, configuration management, incident monitoring and response, encryption of digital evidence uploaded, security education, risk management, and data protection. The Agency is 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. The Agency agrees to be responsible for all activities undertaken by the Agency, Agency employees, Agency contractors or agents, and Agency end users that result in unauthorized access to the Agency account or Agency Content. Audit log tracking for the video data is an automatic feature of the Services that provides details as to who accesses the video data and may be downloaded by the Agency at any time. The Agency shall contact Axon immediately if an unauthorized third party may be using the Agency account or Agency Content or if account information is lost or stolen.

- 4 **Axon's Support.** Axon will make available updates as released by Axon to the Evidence.com Services. The Agency is responsible for maintaining the computer equipment and Internet connections necessary for use of the Evidence.com Services.

- 5 **Data Privacy.** Axon will not disclose Agency Content or any information about the Agency except as compelled by a court or administrative body or required by any law or regulation. Axon will give notice if any disclosure request is received for Agency Content so the Agency may file an objection with the court or administrative body. The Agency agrees to allow Axon access to certain information from the Agency in order to: (a) perform troubleshooting services upon request or as part of Axon's regular diagnostic screenings; (b) enforce this agreement or policies governing use of Evidence.com Services; or (c) perform analytic and diagnostic evaluations of the systems.
- 6 **Data Storage.** Axon will determine the locations of the data centers in which Agency Content will be stored and accessible by Agency end users. For United States customers, Axon will ensure that all Agency Content stored in the Evidence.com Services remains within the United States, including any backup data, replication sites, and disaster recovery sites. Axon may transfer Agency Content to third parties for the purpose of storage of Agency Content. Third party subcontractors responsible for storage of Agency Content are contracted by Axon for data storage services. Ownership of Agency Content remains with the Agency.

For use of an Unlimited Evidence.com License, unlimited data may be stored in the Agency's Evidence.com account only if the data originates from an Axon Body Worn Camera, Axon Fleet Camera, or Axon Capture device. Axon reserves the right to charge additional fees for exceeding purchased storage amounts or for Axon's assistance in the downloading or exporting of Agency Content. Additional data storage for data originating from non-Axon devices may be purchased at a rate of \$0.75 per gigabyte. Axon may place into archival storage any data stored in the Agency's Evidence.com accounts that has not been viewed or accessed for 6 months. Data stored in archival storage will not have immediate availability, and may take up to 24 hours to access. Axon systems have native import functions to ingest non-Axon content into [Evidence.com](#) subject to the Agency license tiers and purchased storage. Axon offers services for additional ingestion or integration requests (Axon Channel Services). Axon Channel Services require project specific scoping and additional fees will apply.

- 7 **Software Services Warranty.** Axon warrants that the Evidence.com Services will not infringe or misappropriate any patent, copyright, trademark, or trade secret rights of any third party. Axon disclaims any warranties or responsibility for data corruption or errors before the data is uploaded to the Evidence.com Services.
- 8 **License Restrictions.** Neither the Agency nor any Agency end users (including, without limitation, employees, contractors, agents, officers, volunteers, and directors), may, or may attempt to: (a) permit any third party to access the Evidence.com Services, except as permitted in this Agreement; (b) modify, alter, tamper with, repair, or otherwise create derivative works of any of the Evidence.com Services; (c) reverse engineer, disassemble, or decompile the Evidence.com Services or apply any other process or procedure to derive the source code of any software included in the Evidence.com Services, or allow any others to do the same; (d) access or use the Evidence.com Services with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas; (e) copy the Evidence.com Services in whole or part, except as expressly permitted in this Agreement; (f) use trade secret information contained in the Evidence.com Services, except as expressly permitted in this Agreement; (g) resell, rent, loan, or sublicense the Evidence.com Services; (h) access the Evidence.com Services in order to build a competitive product or service or copy any features, functions, or graphics of the Evidence.com Services; (i) 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 the Evidence.com Services or any copies of the Evidence.com Services; or (j) use the Evidence.com Services to store or transmit infringing, libelous, or otherwise unlawful or tortious material, to store or transmit material in violation of third party privacy rights, or to store or transmit malicious code. All licenses granted in this Agreement are conditional on continued compliance this Agreement, and will immediately and automatically terminate if the Agency does not comply with any term or condition of this Agreement. The Agency may only use Axon's trademarks in accordance with the Axon Trademark Use Guidelines (located at [www.axon.com](http://www.axon.com)).

- 9** **After Termination.** Axon will not delete any Agency Content as a result of a termination during a period of 90 days following termination. During this 90-day period the Agency may retrieve Agency Content only if all amounts due have been paid (there will be no application functionality of the Evidence.com Services during this 90-day period other than the ability to retrieve Agency Content). The Agency will not incur any additional fees if Agency Content is downloaded from Evidence.com during this 90-day period. Axon has no obligation to maintain or provide any Agency Content after this 90-day period and will thereafter, unless legally prohibited delete all of Agency Content stored in the Evidence.com Services. Upon request, Axon will provide written proof that all Agency Content has been successfully deleted and fully removed from the Evidence.com Services.
- 10** **Post-Termination Assistance.** Axon will provide Agency with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Axon will provide tools and basic documentation to allow the agency to export Evidence.com media and metadata to Agency's on-premise repository. Axon will not warrant or guarantee data integrity or readability in the external system. Axon can provide remote engineering support to export Agency Content in a standard format to an on-premise repository. Remote field engineering services can be purchased at a rate of \$2,500 per day.

## Axon Fleet Appendix

If Axon Fleet is included on the Quote, this Axon Fleet Appendix applies.

- 1 **Axon Fleet Evidence.com Subscription Term.** The Evidence.com Subscription for Axon Fleet will begin after the first shipment of the Axon Fleet hardware (**Axon Fleet Subscription**) if shipped in 1st half of the month, the start date is on the 1st of the following month. If shipped in the last half of the month, the start date is on the 15th of the following month. For phased deployments, the Axon Fleet Subscription begins upon the shipment of the first phase, and subsequent phases will begin upon shipment of that phase.
- 2 **Agency Responsibilities.** The Agency is responsible for ensuring its infrastructure and vehicles adhere to the minimum requirements needed to effectively operate Axon Fleet as established by Axon during the on-site assessment at the Agency's facility and/or in Axon's technical qualifying questions. The Quote is based upon the Agency's accurate representation of its infrastructure. Any inaccuracies the Agency provides to Axon regarding the Agency's infrastructure and vehicles may subject the Quote to change.
- 3 **Statement of Work.** If the Agency has purchased installation services for Axon Fleet, the Statement of Work (**Fleet SOW**) attached to this Appendix will detail Axon's deliverables to the Agency with respect to the installation of Axon Fleet and any related hardware. Axon is responsible to perform only the services described in this Fleet SOW. Any additional services discussed or implied that are not defined explicitly by the Fleet SOW will be considered out of the scope. Axon may subcontract any part of the Fleet SOW to a qualified subcontractor.
- 4 **Warranty Coverage.** Axon's standard Hardware Warranty applies to Axon Fleet when installed by Axon trained personnel.
  - 4.1. If the Agency chooses (i) to install the Axon Fleet cameras and related hardware on its own without "train the trainer" services provided by Axon nor does not follow instructions provided by Axon during "train the trainer services", or (ii) a third party to install the hardware (collectively, **Third Party Installer**), Axon will not be responsible for Third Party Installer's failure to follow instructions relating to the implementation and use of Axon Fleet hardware, including (a) any degradation in performance that does not meet Axon's specifications or (b) any damage to the Axon Fleet hardware that occurs from such Third Party Install.
  - 4.2. Additional charges for Axon services may apply in the event Axon is required to (a) replace hardware that is damaged because of a Third Party Installer; (b) provide extensive remote support; or (c) send Axon personnel to the Agency's site to replace hardware damaged by a Third Party Installer.
  - 4.3. If Agency utilizes a Third Party Installer or their own IT infrastructure, Axon is not responsible for any system failure, including but not limited to, the failure of the Axon Fleet hardware to operate in accordance with Axon's specifications.
- 5 **Fleet Wireless Offload Service.**
  - 5.1. **License Grant.** Axon grants a non-exclusive, royalty-free, worldwide perpetual right and license to use Fleet Wireless Offload Software (**Fleet WOS**), where "use" and "using" in this

Agreement mean storing, loading, installing, or executing Fleet WOS exclusively for data communication with Axon Products for the number of server licenses purchased.

- 5.2. License Start Date.** The Fleet WOS term will begin upon the start of the Axon Fleet Evidence.com Subscription.
- 5.3. License Restrictions.** The Agency may not use Fleet WOS in any manner or for any purpose other than as expressly permitted by this Agreement. The Agency may not: (a) modify, alter, tamper with, repair, or otherwise create derivative works of Fleet WOS; (b) reverse engineer, disassemble, or decompile Fleet WOS or apply any other process or procedure to derive the source code of Fleet WOS, or allow any others to do the same; (c) access or use Fleet WOS in a way intended to avoid incurring fees or exceeding usage limits or quotas; (d) copy Fleet WOS in whole or part, except as expressly permitted in this Agreement; (e) use trade secret information contained in Fleet WOS, except as expressly permitted in this Agreement; (f) resell, rent, loan or sublicense Fleet WOS; (g) access Fleet WOS in order to build a competitive product or service or copy any features, functions or graphics of Fleet WOS; or (h) remove, alter or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Fleet WOS or any copies of Fleet WOS. All licenses granted in this Agreement are conditional on continued compliance with this Agreement, and will immediately terminate if the Agency does not comply with any term or condition of this Agreement.
- 5.4. Updates.** If the Agency purchases maintenance for Fleet WOS, Axon will make available updates and error corrections (**WOS Updates**) to Fleet WOS. WOS Updates may be provided electronically via the Internet or via media as determined solely by Axon. It is the Agency's responsibility to establish and maintain adequate access to the Internet in order to receive the updates. The Agency is responsible for maintaining the computer equipment necessary for use of Fleet WOS. The maintenance term will be detailed in the Quote.
- 5.5. Fleet WOS Support.** If the Agency has purchased Fleet Wi-Fi Services, upon request by Axon, the Agency will provide Axon with access to the Agency's store and forward servers for the sole purpose of troubleshooting and maintenance.
- 6. Axon Fleet Unlimited Storage.** For use of an Axon Fleet Unlimited Evidence.com License, unlimited data may be stored as part of the Axon Fleet unlimited storage only if the data originates from Axon Fleet hardware.
- 7. Axon Fleet Unlimited.** Axon Fleet Unlimited is a 5-year term. If the Agency purchases Axon Fleet Unlimited, the Axon Fleet camera hardware is covered by a 4-year extended warranty.
- 8. Fleet Unlimited Termination.** If an invoice for Axon Fleet Unlimited is more than 30 days past due or the Agency defaults on its payments for the Evidence.com Services then Axon may terminate Axon Fleet Unlimited and all outstanding Product related to Axon Fleet Unlimited. Axon will provide notification that Axon Fleet Unlimited coverage is terminated. Once Axon Fleet Unlimited coverage is terminated for any reason, then:
- 8.1.** Axon Fleet Unlimited coverage will terminate as of the date of termination and no refunds will be given.
- 8.2** The Agency will be invoiced for, and is obligated to pay to Axon, the MSRP then in effect for all Spare Products provided under Axon Fleet Unlimited. If the Spare Products are returned within 30 days of the Spare Product invoice date, credit will be issued and applied against the Spare Product invoice.