



MASTER SERVICES AGREEMENT

THIS AGREEMENT ("Master Services Agreement" or "MSA") is made as of the 5th day of December, 2013, by and between WIDEPOINT SOLUTIONS CORP., a Delaware corporation ("WSC"), with its principal office at 7926 Jones Branch Drive, McLean, Virginia 22106-3371 and DENTON INDEPENDENT SCHOOL DISTRICT, a Texas public agency ("CLIENT") with its principal office at **1307 N. Locust St., Denton, TX 76201**. WSC and CLIENT are also known severally as a "Party" and collectively as "Parties" or "The Parties."

IN CONSIDERATION OF the mutual agreements contained in this Master Services Agreement, the parties agree as follows:

1. Work Schedule, Change Addendum and End User License Agreement:

- a) During the term of this Master Services Agreement, WSC shall perform for CLIENT the services described or referred to on the work schedule (the "Work Schedule") a form of which is attached to this Master Services Agreement as "Exhibit A". Each Work Schedule shall incorporate all of the terms and conditions of this Master Services Agreement and shall contain such additional terms as the parties shall agree upon and shall constitute a separate and distinct agreement from this Master Services Agreement and any other Work Schedule. In the event of a conflict between the Work Schedule and this Master Services Agreement, the terms and conditions of the Work Schedule shall prevail with respect to that Work Schedule.
- b) The Work Schedule shall set forth WSC services (the "Services"); CLIENT obligations; Project assumptions; Pricing and completion criteria and any other terms and conditions that may be agreed between the parties.
- c) During the term of any Work Schedule, CLIENT may request changes. Upon agreement between the parties of the change and if applicable, the associated price, WSC shall initiate a change addendum to the Work Schedule ("Change Addendum") that must be executed by both parties.
- d) In certain instances CLIENT may use certain of WSC' proprietary on line services known as Clarity™ or Foresight™. Terms of use shall be provided by an End User License Agreement ("EULA").

2. Ownership of Processes & Services: WSC is the sole owner of all processes, software and related software applications and intellectual property related to this Master Services Agreement.

3. Obligations of WSC:

- a) The Services shall (i) be performed by WSC in a good and workmanlike manner, (ii) be performed commensurate with industry standards, and (iii) to the best of WSC knowledge, conform to applicable federal, state and local laws, regulations and ordinances, including, without limitation, applicable equal employment opportunity and affirmative action obligations under Executive Order 11246, the Vietnam Era Veterans' Readjustment Assistance Act, Section 503 of the Rehabilitation Act of 1973, and their implementing regulations.

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- b) In the event that WSC is required under a Work Schedule to perform Services at CLIENT's work site, WSC shall comply with all the reasonable rules and regulations for the CLIENT work site.
- c) WSC will identify to CLIENT an engagement manager, which shall be set forth on the Work Schedule ("Engagement Manager"). Such Engagement Manager for an individual Work Schedule may be changed by WSC in its reasonable discretion provided such change in Engagement Manager is communicated to CLIENT. CLIENT shall report day-to-day issues that may arise to such Engagement Manager.

4. Obligations of CLIENT:

- a) CLIENT will perform its obligations as set forth in the Work Schedule and shall provide the appropriate level of cooperation and communication to allow WSC to perform the Services thereunder. The Work Schedule shall set forth the payment schedule. CLIENT will make payment in accordance with the terms and conditions of the Work Schedule.
- b) CLIENT will identify to WSC a point of contact, the name of which shall be set forth on the Work Schedule. WSC shall report day-to-day issues that may arise to such point of contact. CLIENT may shall such point of contact in its reasonable discretion provided such change is communicated to WSC.

5. Reimbursement of Expenses:

- a) CLIENT will reimburse WSC for all reasonable out of pocket business expenses including but not limited to travel expenses and any extraordinary expenses incurred by WSC during its performance under this Master Services Agreement or any Work Schedule. All out of pocket expenses incurred by WSC shall require the prior written approval of CLIENT and shall be submitted in accordance with CLIENT's instruction before WSC is entitled to reimbursement.

6. Compensation:

- a) In consideration for WSC's performance of the Service during the term of any Work Schedule, CLIENT shall pay to WSC the compensation described in any Work Schedule to this Master Services Agreement. A charge of 1.5% per month will be added to all amounts that are unpaid after 45 days from the invoice date, which in no event shall precede the rendering of the Services reflected in the invoice except for fees which by the express terms of a Work Schedule are billed in advance. If fees are "due at signing" then work shall not commence until such fees are paid by Client to WSC. All fees and expenses owed to WSC, or which would become due WSC subsequent to termination, shall survive the termination of this Master Services Agreement and Work Schedules. Payment of each invoice is due without set-off. CLIENT will make standard monthly subscription ("TIM") fee payments as a regular, repeating occurrence, independent of date of invoice or invoice whatsoever. CLIENT agrees to accept invoices by electronic mail, courier or by U.S. Mail.
- b) Client shall pay all sales and other taxes, however designated, (except taxes based upon the income of WSC) which are levied or imposed by reason of the Services contemplated herein.

7. Confidentiality:

- a) Either party may be provided or have access to information which is "Confidential" and "Proprietary" to the other ("Confidential Information"). Confidential Information shall include but not be limited to: written or oral technical, financial, commercial know how, or other information stated by the disclosing party as Confidential Information. Notwithstanding

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anything herein to the contrary, the following shall not be deemed to be Confidential Information:

- (i) Information which is previously known by the receiving party at the time of receipt from the disclosing party and which is not subject to any other nondisclosure agreement between the parties;
 - (ii) Information which is now, or hereafter becomes, generally known through no fault of the receiving party;
 - (iii) Information which is otherwise lawfully developed by the receiving party or lawfully acquired from a third party; and
 - (iv) Information which is required to be disclosed by law, rule, regulation, appropriate court order or judicial decree.
- b) Neither party shall disclose, copy, reproduce, sell or assign any Confidential Information of the other, either in whole or in part, to any third party without the other party's prior written consent. Upon termination of this Master Services Agreement, and upon request, both parties shall return to the other party or destroy all the Confidential Information belonging to that party. Both parties shall maintain and not alter or remove any trademark, notice of proprietary rights, copyright or other identification which indicates the other party's ownership interests in any Confidential Information.
- c) Each party shall notify the other party promptly and in writing of any unauthorized knowledge, possession, distribution or use of any Confidential Information. Any violation or threatened violation of this Section shall entitle the aggrieved party to injunctive relief in addition to any other legal or equitable rights or remedies.
- d) The obligations of this Section shall survive termination of this Master Services Agreement.

8. INTELLECTUAL PROPERTY:

- a) WSC exclusively retains all rights, title and interest in and to any and all intellectual property, software, and any all improvements, including all copyrights, patent rights and trade secret rights ("Intellectual Property") either (a) created by WSC (and its agents, affiliates and employees) in the performance of Services under this Master Services Agreement and any Work Schedule; or (b) licensed by WSC in writing to CLIENT via a separate. WSC grants CLIENT a non-exclusive personal and non-transferable license to use all Intellectual Property created by WSC in performance of the Services during the term of the applicable Work Schedule. Except as set forth above, nothing in this Master Services Agreement or a Work Schedule shall preclude WSC from developing, using or marketing programs or other materials that may be competitive with that prepared for CLIENT hereunder.
- b) All rights not expressly granted to CLIENT herein or through any Work Schedule, are expressly reserved by WSC.
- c) CLIENT will not (a) modify, reverse engineer, decompile, disassemble or attempt to derive the source code from any executable code of the Intellectual Property; (b) rent, lease, loan, sell, sublicense, distribute, transmit, assign or otherwise transfer its rights to use the Intellectual Property to a third party; (c) make any copy of or otherwise reproduce the Intellectual Property or any portion thereof, except as authorized by WSC in writing or as may be incidentally made as necessary in connection with CLIENT's access to and use of the Intellectual Property; or (d) release any information to any third parties on the functionality or performance of the Intellectual property without the express written consent of WSC.

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9. Warranties and Representations of Each Party and Disclaimer of Liability:

- a) Each party warrants and represents to the other that: (i) it has all right, title and power necessary to enter into this Master Services Agreement and any Work Schedule; (ii) it shall perform all of its respective obligations hereunder; (iii) entering into this Master Services Agreement or any Work Schedule shall not result in a breach or default under any material agreement; and (iv) it shall comply with all applicable federal, state and local laws, regulations and rules.
- b) EXCEPT AS MAY BE PROVIDED HEREIN, NEITHER PARTY MAKES ANY WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AS TO THE SERVICES PROVIDED. NEITHER WSC NOR CLIENT SHALL HAVE ANY LIABILITY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF THE OTHER PARTY HAS BEEN APPRISED OF THE LIKLIHOOD OF SUCH DAMAGES.
- c) EXCEPT FOR THE PROVISIONS RELATING TO INDEMNIFICATION AND SECTION d) HEREIN, WSC'S AND CLIENT'S LIABILITY UNDER THIS AGREEMENT WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED TO THE AMOUNT OF FEES ACTUALLY PAID TO WSC DURING THE TERM OF ANY APPLICABLE WORK SCHEDULE.
- d) WSC is not liable for carrier or vendor performance including, but not limited to, fulfillment of contracts or service level agreements, or for errors or omissions by CLIENT, or by CLIENT'S service providers, or any third party action or reliant inaction/non action. WSC is absolved for actions or failures to act, by any of CLIENT'S service providers, vendors, or any third party, or by the action of or inaction of CLIENT'S own employees as relates to WSC outcomes and deliverables under this Agreement.
- e) TO THE MAXIMUM EXTENT PERMITTED BY LAW AND IN THE EVENT WSC HAS LICENSED INTELLECTUAL PROPERTY TO CLIENT, IN NO EVENT WILL WSC BE LIABLE FOR ANY DAMAGES WHATSOEVER ARISING OUT OF WSC'S USE OF OR INABILITY TO USE OR ACCESS THE INTELLECTUAL PROPERTY, OR FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR DAMAGES FOR LOSS OF DATA, LOST PROFITS OR LOST BUSINESS OPPORTUNITIES, REGARDLESS OF THE ELGAL THEORY UNDER WHICH DAMAGES ARE SOUGHT, AND EVEN IF ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES AND AG'S LIBLITY FOR DIRECT DAMAGES SHALL BE LIMITED TO THE TOTAL FEES PAID BY CLIENT FOR THE PRECEDING THREE (3) MONTHS.

10. Term of the Agreement: The term of this Master Services Agreement will commence on the date executed below and shall remain in full force for thirty-six (36) months, unless earlier terminated by either party for Cause.

11. Termination of the Agreement For Cause:

- a) CLIENT may terminate this Agreement in the event that the WSC commits a material breach in the performance of any of its obligations under this Master Services Agreement of Work Schedule and for which the breach remains uncured for more than sixty (60) days after WSC receives written notice thereof from CLIENT. In the event that WSC fails to cure, CLIENT may cancel the applicable Work Schedule by providing written notice of cancellation and paying all current fees and all fees that survive termination as described herein or in any Work Schedule.

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- b) WSC may terminate this Agreement for failure of CLIENT to (a) make any payment due WSC within ninety (90) days provided that CLIENT shall have ten (10) business days following receipt of notice from WSC of the payment failure to cure such failure or (b) for failure of CLIENT to provide the resources and information necessary for WSC to fulfill its obligations under this Master Services Agreement or any Work Schedule by providing CLIENT with ten (10) days after receipt of written notice of default describing the nature of the default; or (c) breaches any terms and conditions hereunder, under any Work Schedule or any ancillary document.
- c) Certain rights and obligations of the Parties shall continue after termination or expiration including but not limited to: (a) outstanding payments due under any Work Schedule; (b) Sections 7 and 8 and the End User License Agreement shall survive the termination of this Master Services Agreement.
- d) Unless otherwise specified in this agreement or its addenda, there is no obligation by WSC for hand-off, to CLIENT or a third-party designated by CLIENT, of processes or information at the time of any notice or at termination of this agreement.

12. Consequences of Termination:

- a) Upon termination, CLIENT will immediately pay WSC those amounts due to WSC under this Master Services Agreement or any outstanding Work Schedule. CLIENT will also reimburse those expenses of WSC, which were incurred prior to termination. Payments may include contingent or success fees then due or that would become due to WSC under any Work Schedule or to which WSC would be entitled on a prospective basis up to the last day of such entitlement as governed by said Work Schedule.
- b) WSC may immediately deny access to CLIENT to any Intellectual Property.
- c) Both parties shall return to the other party or destroy all Confidential Information belonging to that party.

13. Non- Solicitation of Employees

- a) Neither party shall directly or indirectly solicit, offer employment, employ or retain an employee, consultant, agent or subcontractor of the other without the express written consent of the other. This provision shall remain in effect for a period of one (1) year from the last date of direct work by such employee in activities related to this Agreement. In the event a party solicits and hires an employee, the other party shall be entitled to damages equal to one year's salary.

14. Insurance:

- a) WSC shall obtain and maintain throughout the term of any outstanding Work Schedule, without limitation, the following insurance coverage:
 - (i) Worker's Compensation insurance as required by the laws of the state in which work is being performed;
 - (ii) Comprehensive general liability with combined bodily injury and property damage limit of not less than \$1,000,000 for each occurrence; and
 - (iii) Errors and Omissions insurance of \$1,000,000.
- b) Upon request WSC shall provide CLIENT with a Certificate of Insurance.

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15. Indemnity:

- a) WSC and CLIENT shall indemnify, defend, the other and their directors, officers, employees, with respect to all liability, loss, damage, claims, actions, and expenses (including reasonable attorney's fees) based upon or arising out of property damage or personal injury, including death, caused by or sustained in connection in connection with this Master Services Agreement or any Work Schedule.
- b) Indemnification is subject to (i) the requesting party notifies the other promptly in writing of any such claim; (ii) the requesting party provides reasonable assistance in defending the action; and (iii) the defending party has the sole right to control the defense of such suit provided, however, the defending party shall not enter into a settlement agreement or judicial decree without the requesting party's consent which consent shall not be unreasonably withheld.

16. Independent Contractor:

- a) In the performance of the Services under any Work Schedule the relationship of CLIENT and WSC is and shall be an independent contractor and nothing in this Master Services Agreement or any Work Schedule hereto creates any relationship of partner, joint venturer or employer/employee. WSC has no authority to enter into contracts or agreements on behalf of CLIENT except with CLIENT'S prior written consent given specifically in connection with such contract or agreement.

17. Notices:

- a) All notices required or permitted to be given hereunder shall be in writing, and shall be deemed duly given: (i) when personally delivered; (ii) when receipt is confirmed, if sent by facsimile, telecopy or other electronic transmission device; (iii) one day after deposit with a nationally recognized overnight courier, specifying "next day delivery"; or (iv) three days after being sent by registered or certified mail, postage prepaid, return receipt requested, provided delivery is confirmed through a Return Receipt. Any notice, demand or other communication given by a party in connection with this Agreement shall be sent to the other Party at the address set forth below or such other address as each Party may designate in writing from time- to- time and from the signing of this Agreement and unless modified in writing with agreement by both client and by WSC then the sole points of contact are as noted below and any other contact note made in this manner is not valid:

If to CLIENT:

Attention:

Denton Independent School District

1307 N. Locust St.,

Denton, TX 76201

If to WSC:

Attention: Kito Musa

WidePoint Solutions Corp.

7926 Jones Branch Drive

McLean, Virginia 22106-3371

With a copy to

Attention: David M. Russie

WidePoint Solutions Corp.

302 S. Main St. Suite 200

Royal Oak, MI 48067

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18. Assignment:

- a) Neither this Agreement, any interest herein, or claim hereunder, shall be assigned or transferred by CLIENT or WSC to any third party, without the prior written consent of the other except that CLIENT may assign this Agreement and its rights and obligations under it to any present or future parent or affiliate of CLIENT, or to any entity with which it is merged or consolidated or to any entity which acquires all or substantially all of CLIENT'S assets.

19. Changes:

- a) Any modification of this Master Services Agreement shall be valid only if in writing and signed by authorized employees of both CLIENT and WSC.

20. Applicable Law and Venue:

- a) This Agreement shall be governed by and interpreted according to the laws of the State of Virginia without reference to its choice of law principles to the contrary. Any action arising out of this Master Services Agreement may be brought in any court of competent jurisdiction located in Fairfax County, Virginia and each party irrevocably consents that the court shall have personal jurisdiction over that party and waives any objection that the court is an inconvenient forum.

21. Severability:

- a) If any provision of this Master Services Agreement shall be prohibited or unenforceable by an applicable law, the provision shall be ineffective only to the extent and for the duration of the prohibition or unenforceability, without invalidating any of the remaining provisions.

22. Headings:

- a) Section headings are inserted for convenience only and shall not be used in any way to construe the terms of this Master Services Agreement.

23. Attorney Fees:

- a) In the event that an attorney is retained to interpret or enforce the provisions of this Master Services Agreement or any Work Schedule or for the purpose of collection of an WSC invoice or invoices, the prevailing party shall be entitled to reasonable attorney fees and such damages as may be determined by a court of competent jurisdiction. Default judgments and collection efforts are a valid cause for the prevailing party to collect any and all fees, reasonable travel and court costs.

24. Waiver of Breach:

- a) No delay, failure or waiver of either Party's exercise or partial exercise of any right or remedy under this Master Services Agreement shall operate to limit, impair, preclude, cancel, waive or otherwise affect such right or remedy. Any waiver by either Party of any provision of this Master Services Agreement shall not imply a subsequent waiver of that or any other provision of this Master Services Agreement. No waiver, alteration, or modification of any of the provisions of this Master Services Agreement shall be binding unless in writing and signed by the Parties hereto.

25. Counterparts:

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- a) This Master Services Agreement may be executed by the Parties in one or more counterparts, and each of which when so executed shall be an original but all such counterparts shall constitute one and the same instrument.

26. Identity of Drafter:

- a) Notwithstanding the general rules of construction, the Parties acknowledge that they were given an equal opportunity to negotiate the terms and conditions contained in this Master Services Agreement and agree that the identity of the drafter of this Master Services Agreement is not relevant to the interpretation of the terms and conditions thereof.

27. Complete Agreement:

- a) Neither Party has made any promises or representations to the other that are not in this Master Services Agreement or the Work Schedules.

IN WITNESS WHEREOF CLIENT and WSC have caused this Master Services Agreement to be properly executed, intending that it shall be legally binding upon them and their respective heirs, estates, and successors.

WIDEPOINT SOLUTIONS CORP.

DENTON INDEPENDENT SCHOOL DISTRICT

Signature

Signature

Name / Title

Name / Title

Date

Date