



July 3, 2012

Honorable Bruce Harrell  
Councilmember  
Seattle City Hall  
600 Fourth Avenue, 2<sup>nd</sup> Floor  
Seattle, WA 98104

RE: Proposal ID# SEAWAB07032012

Dear Councilmember Harrell,

Thank you for the opportunity to provide you with this budgetary price proposal for the ShotSpotter Flex™ Gunshot Location, Alert and Analysis Solution.

Our analysts have examined the crime data provided by the City and have identified three potential ShotSpotter Flex coverage areas. From June 2, 2009 through June 1, 2011, our analysts were able to aggregate 1,087 calls for service (shots, shootings and weapons) into a density map.

Based on that analysis, we recommend that you subscribe to a five (5.0) square mile ShotSpotter Flex coverage area in the West and East Precincts. The analysis showed that 25.9% of the City's calls for service (shots, shootings, and weapons) fell within this area. If funding allows, we recommend adding an additional five (5.0) square mile ShotSpotter Flex coverage area in the South Precinct to maximize the impact of your efforts to reduce gun violence. The analysis showed that an additional 21.3% of the City's calls for service (shots, shootings, and weapons) fell within this area. Coverage areas may be adjusted to best meet the needs of the City and to have the largest impact on violent gun crime. To view the proposed coverage areas, please see the coverage map on Page 8.

Also in this proposal is a discounted offer for a three-year subscription, if all years are paid up front. This could save the City at least \$40,000 in setup and training fees.

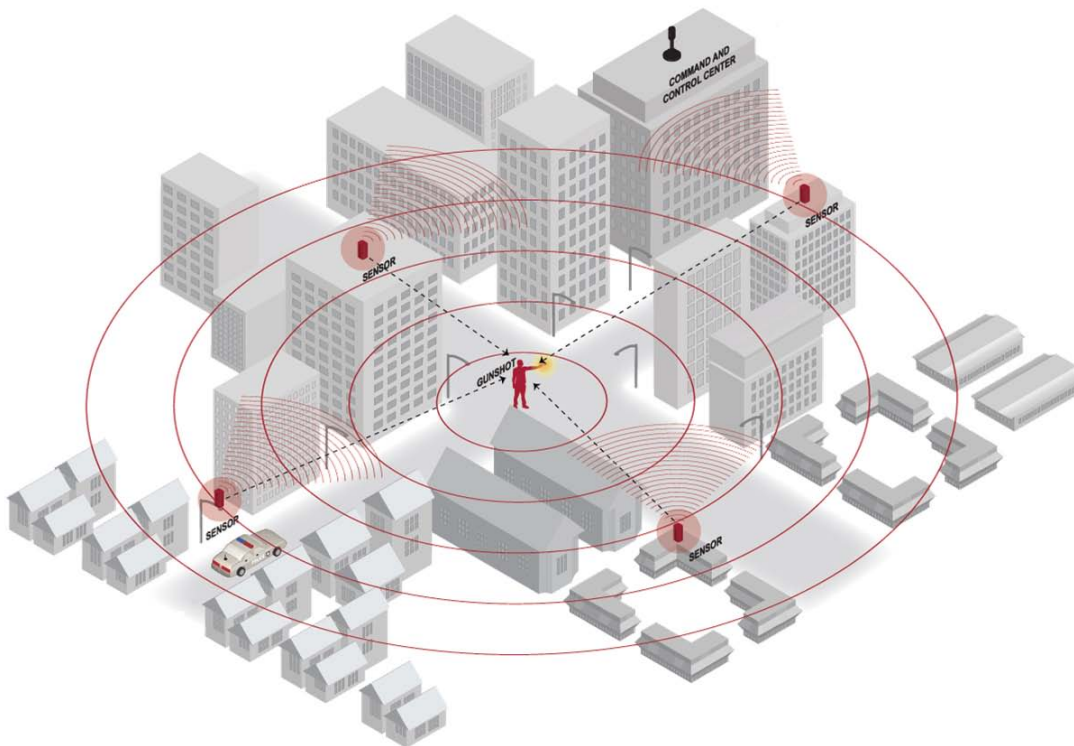
We stand ready to cooperatively work with you in an ongoing effort to address gunfire and related violent crime in your community.

Sincerely,

**Gregg Rowland**  
**Senior Vice President**  
C: 562-650-2673  
[gregg@sst-inc.com](mailto:gregg@sst-inc.com)

**Budgetary Price Proposal for a Subscription-Based  
ShotSpotter Flex™ Gunshot Location, Alert and Analysis Solution**

**Proposal ID: SEAWA07032012  
Prepared on July 3, 2012  
for: City of Seattle**



**Submitted by:**

**Gregg Rowland – Senior Vice President**

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## Introduction

SST, Inc., is the industry leader in the development and delivery of innovative, interoperable inter networked wide area acoustic surveillance systems for gunfire detection, explosive events detection, enhanced critical infrastructure and key resource security, and counter sniper uses. With its mission of reducing illegal gunfire and related violent crime, and improving physical security solutions, SST solutions deliver situational intelligence that heightens the safety of first responders, public safety and military, and creates significant improvement in incident management, investigations and forensic analysis. SST's technology solutions are focused on improving public and community safety by ultimately helping reduce and prevent violent gun crime and improving intelligence led policing and community policing initiatives.

SST has established a proven track record of providing quality solutions to customers, worldwide, and is profitable and has solid financial backing.

## Subscription-Based Gunshot Location, Alert & Analysis Solution

ShotSpotter Flex™ is delivered in a subscription-based services model, making it more affordable and more easily deployed, and without the heavy up-front costs and IT resources and expenses of a traditionally delivered license model. For an annual subscription fee, agencies can now take advantage of crime-reducing features including: real-time location of gunfire, audio clips, reduced time-to-dispatch, and integration with video surveillance systems, among others. ShotSpotter Flex™ also introduces Qualified Reviewed Alerts, a service that provides instant review and assessment of gunshot incidents by trained SST gunshot review experts. After SST review, valuable actionable incident data is passed to 9-1-1 dispatchers and Public Safety Answering Points (PSAPs) enabling faster and more accurate incident preparation and response.

ShotSpotter Flex's unique wide-area acoustic surveillance based system provides an effective and affordable method to detect, locate, respond to, and reduce gunfire throughout entire neighborhoods and communities. ShotSpotter Flex™ is a solution that closely aligns with the challenges faced by public safety agencies and serves as a true and proven technology enabled force multiplier.

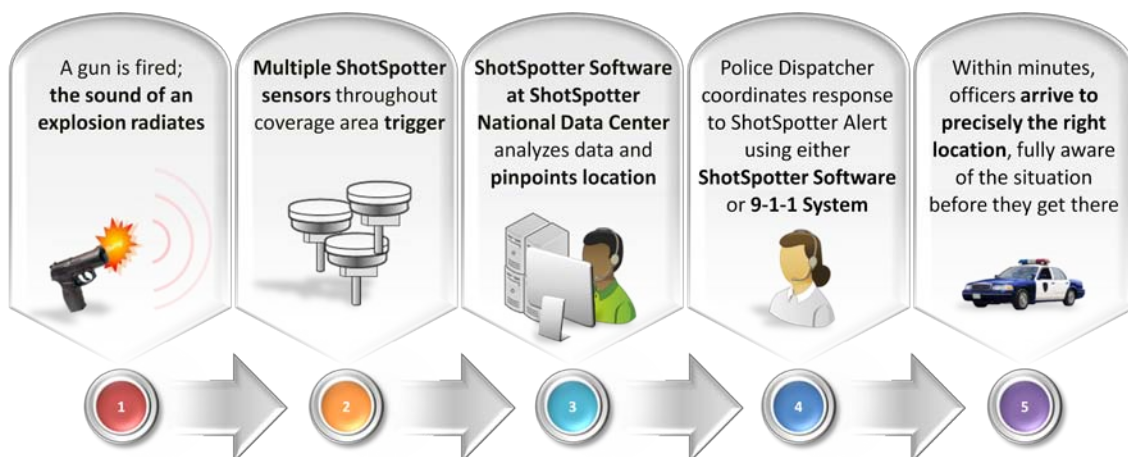
- Ⓢ A single affordable annual subscription fee aligns with the economic realities of agencies, communities, and available funding sources
- Ⓢ Easy to acquire, install, operate, and maintain ... SST does it all
- Ⓢ Qualified Reviewed Alerts that pinpoint incidents allow personnel in 9-1-1 dispatch centers and PSAPs to make immediate and accurate dispatch and force response decisions
- Ⓢ Qualified Reviewed Alerts also provide otherwise unavailable situational intelligence that allows first responders to more safely approach and resolve active shootings

- ⊙ Affordable coverage of larger areas enables agencies to address and reduce crime on a broader scale to permanently lower overall gunfire, homicides, and related violent crime throughout an entire community
- ⊙ Scalable and extensible coverage areas
- ⊙ Alerts to mobile consoles enable rapid responses while also increasing the overall efficiency of 9-1-1 operations
- ⊙ Aggregated gunfire incident information is available for CompStat and forensic review
- ⊙ Open interface to video surveillance and other complementary security systems
- ⊙ Customer Experience Program promoting “best practices” and comprehensive training developed from ShotSpotter’s large and diverse user community
- ⊙ ShotSpotter is a *designated* and *certified* technology in accord with the Support Anti-terrorism by Fostering Effective Technologies Act of 2002 (the “SAFETY” Act)

## SST Reviewer Alert Service

When ShotSpotter Flex detects gunfire, detailed incident data is instantly sent to the SST Operations Center, our secure data processing and alert qualification facility. Immediately, a SST gunfire and acoustic expert analyzes the data, qualifies the incident and sends a validated alert to the dispatch center or other Public Safety Answer Points (PSAP) and even directly to mobile and field personnel. Qualified Alerts include critical situational awareness such as number of shots fired, shooter position, speed and direction of travel (of a moving shooter) and the exact time of gunfire.

The highly trained and specialized team of gunfire detection experts at the SST Operations Center has analyzed thousands of gunfire events captured by SST solutions. Their dedicated 24/7/365 expertise provides an instant assessment of all potential incidents, freeing up time that dispatchers and officers would otherwise spend analyzing alerts and giving agencies the level of data qualification they need to have complete confidence when dispatching based on alerts from ShotSpotter Flex. Drawing on their experience, SST experts are often able to add important situational intelligence to alerts, such as the possibility of multiple shooters and other critical data that can help personnel respond more safely and successfully.



## Scope of Services

The purpose of this proposal is to provide pricing and corresponding terms and conditions for the procurement of the ShotSpotter Flex™ subscription offering including:

- Qualified reviewed alerts for gunfire
- Incident types (e.g., fireworks) that do not explicitly generate alerts will be logged and retained in the system's database, and as such will be available for reporting, analysis, and mining. In addition, the basic reports provided with the system will summarize gunfire and fireworks activity, even if (as an example) receipt of fireworks is disabled.
- Coverage area; footprint determined by customer requirement
- Sensor type(s) determined by SST or certified installer.
- SST hosted, secured, monitored and maintained infrastructure (server farm, storage, sensor networks)
- Allocation of Alert Consoles among different roles (call-taker, dispatcher, or mobile) is configurable at the discretion of the customer.
- Accessible and searchable alert history for two (2) years (additional years for a fee)
- One (1) kickoff and program coordination session
- Customer Experience Program that consists of: best practices, recommended TTPs, end-user documentation, and online end-user training
- High-level summary report and basic incident reports
- Reasonable support with Detailed Forensic Reports
- Standard customer support

It is the Customer's responsibility to assist SST with acquiring permissions and access on SST approved sites for installation and ShotSpotter's ongoing maintenance. Where possible, the system's acoustic sensors will be mounted on rooftops away from traffic. Where approved buildings are not available, or not an option, lamp poles or other suitable mounting locations will be considered provided they meet SST standards. All sites require 24hour by 365 day 100 to 240VAC, 50/60Hz power sources. Non-standard equipment required for system installation may require an additional fee and if so will be quoted accordingly. Should mounting locations be unavailable or should there be no sensor communications available at a site, SST will work with the customer to adjust the coverage area accordingly.

SST will be responsible for following all local, state and federal regulations, codes, rules and laws as it relates to the installation of the ShotSpotter Flex™ service.

The following table lists the combined responsibilities of SST and its customer with respect to the acquisition, installation, training, and ongoing use of a ShotSpotter Flex™ service:

DELIVERABLES, ROLES, & RESPONSIBILITIES	SST, Inc.	Customer
Program Development and subscription orientation	✓	<b>assure stakeholder attendance</b>
Conduct Site Survey for Acoustic and sensor communications feasibility for each sensor location proposed emplacement. Site surveys will follow contract execution; the site survey will determine the ultimate coverage area footprint and area exclusions. Actual coverage areas may vary from cursory and pre-sales discussions due to challenges that include: physical obstructions, RF/WCD reliability, availability and permissions at suitable mounting location.	✓	<b>Provide escort as required</b>
Provisioning of hosted server and corresponding access for admin, Alerts, additional and optional role-based support packages (if applicable)	✓	
Provide secure storage of customer data (minimum of 2 years online, 5 years offline)	✓	
Monitoring of systems for customer support and “hands off” software upgrades	✓	
Run the SST System Profiler (a web-based analyzer) to verify system configuration and network access required for each computer (PC or MDC) which will access the ShotSpotter Flex service.		✓
Provision network access sufficient to meet SST minimum specifications and requirements (refer to “Host and Services Required to Use ShotSpotter Flex Clients” FED-72-01) for all computers (PC and MDC) which will access the ShotSpotter Flex Service.		✓
Install Alert Consoles on allocated workstations	✓	<b>IT assistance PC or MDC</b>
Configure data communications between the Alert Console workstation(s) and the hosted server.		<b>IT assistance PC or MDC</b>
Provide GIS Data: Parcels, Addresses, Beat Boundaries and clearly identify the coverage area(s) and reporting areas		✓
Install GIS data into the system Commercial GIS (e.g., Google Maps, Bing Maps, etc.) may be used in addition to or instead of customer supplied GIS data	✓	
Install sensors and as appropriate provision telecommunications lines and/or RF data radios including antenna systems with	✓	

DELIVERABLES, ROLES, & RESPONSIBILITIES	SST, Inc.	Customer
adherence to local electrical, and other relevant codes		
Provision data communications to mobile computers to support Alert Consoles in patrol cars, command vans, etc.		✓
Integrate with complementary systems (e.g., video surveillance, CAD, Common Operating Picture)	Optional API, support only	✓
System calibration, and operational validation	✓	
End-user training (including admin training)	✓	assure stakeholder attendance
Ongoing Reviewed Alerts	✓	

## Coverage Area(s)

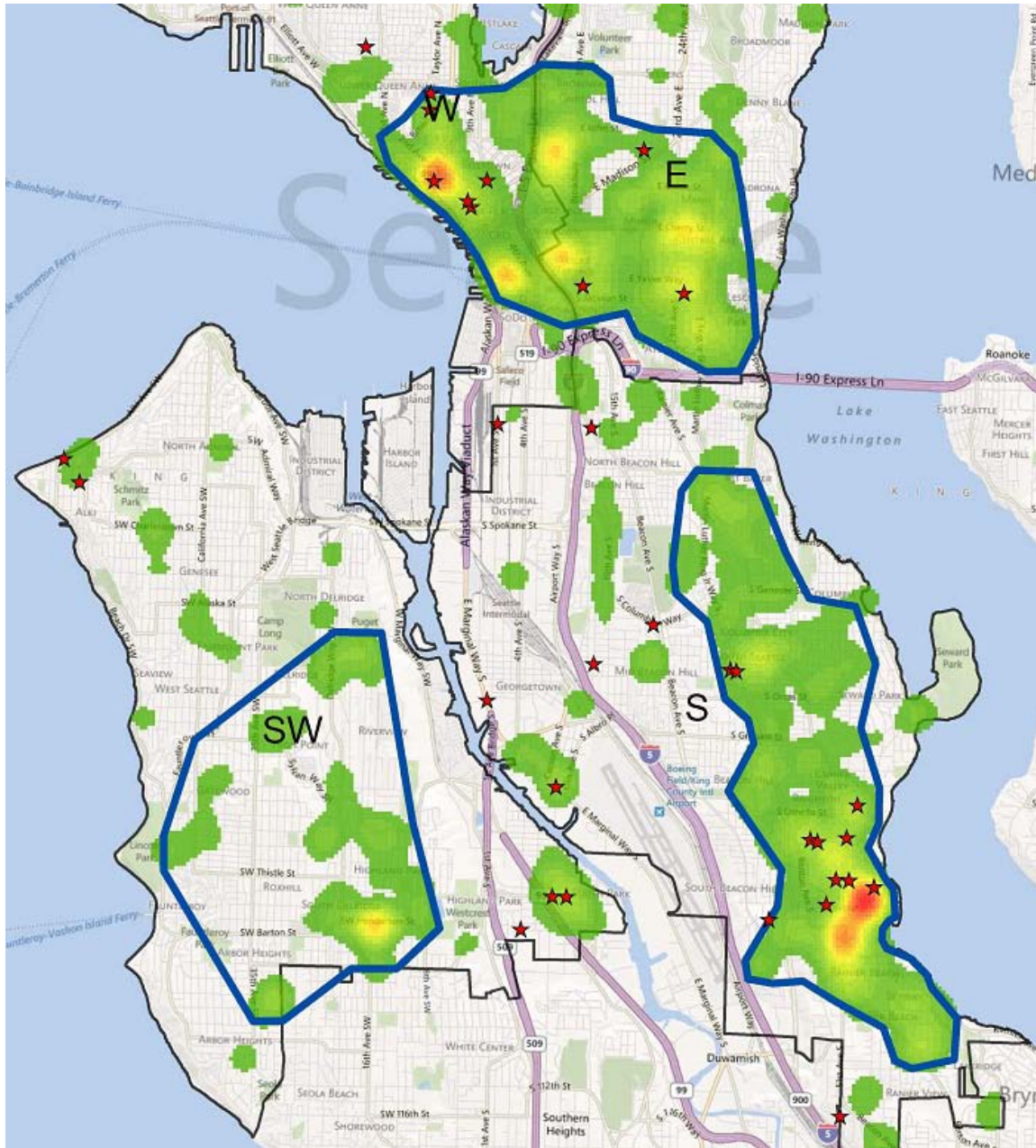
Systems are deployed to provide a blanket of coverage for one or more specified areas. Each area is bounded by a specific *coverage area perimeter*. The area(s) to be covered are shown in the aerial map image in Figure 1, with each *coverage area perimeter* denoted by a boundary line.

**The areas outlined in the images are rough estimates of the requested coverage area(s) and are not exact as they cannot be verified with actual acoustic propagation information to determine the precise size(s) of each area (e.g., in square miles or square kilometers). This verification can only be accomplished during the installation process, therefore the shapes may vary. Additionally if there is a discrepancy between the identified area(s) as defined by the square mileage listed in the caption and the area(s) outlined in any aerial image, the size listed in the caption text shall take precedence and be considered the true size and therefore what SST shall maximally deploy.**

The following heat map represents all calls for service (shots, shooting, weapons) city-wide from June 2, 2009 through June 1, 2011 (1,087). Red stars represent 42 Shots Fired calls received from January 1, 2012 through April 27, 2012.

Three coverage areas of 5.0 square miles each (for a total of 15 sq mi) have been identified. The following percentage of incidents fell within each respective coverage area.

Precinct	Area (mi <sup>2</sup> )	Calls for Service (Shots, Shooting, Weapons)	Shots Fired Calls YTD 2012
W & E	5.0	25.9 %	21.4 %
SW	5.0	7.9 %	0 %
S	5.0	21.3 %	26.2 %
TOTAL	15.0	55.1 %	47.6 %



★ ShotsYTD2012

Figure 1: Proposed Coverage Areas for ShotSpotter Flex



## Pricing, Terms, Conditions

The pricing provided is **budgetary only** and may be subject to change. Upon request, a formal binding quote will be submitted. A site survey may be required and performed to arrive at a final and binding price quote.

The price as listed herein does not include any state or local sales taxes. Customer is responsible for notifying ShotSpotter if the price needs to be adjusted for sales taxes.

### Price Schedule:

#### NON-RECURRING CHARGES:

Service initiation and startup fee	\$ 10,000 per Square Mile
Training – Strategic Program and Tactical Use	\$ 10,000 per Account/Site

#### RECURRING CHARGES:

Annual Subscription Fee (area ≥ 3.0 square miles)	\$ 40,000 per Square Mile
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#### DISCOUNTS:

Prepaid 3-year Subscription for area ≥ 3.0 square miles (paid in full, up front)	Waive Startup & Training Fees
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#### OPTIONAL NON-RECURRING CHARGES:

Video Surveillance and/or PSIM Interface (does NOT include 3rd party middleware)	\$ 19,000 per Account/Site
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The price as listed herein does not include any state or local sales taxes. Customer is responsible for notifying SST if the price needs to be adjusted for sales taxes.

### Budgetary Quotation:

Coverage Area	Area (mi <sup>2</sup> )	Percent % Shots Fired & Weapons Calls 2009-11 & (2012)	Service Startup & Training	Annual Subscription Fee	Total for 1 <sup>st</sup> Year (Includes Startup & Training Fees)	Prepaid 3-Year Subscription (waive Startup & Training Fees)
W Precinct & E Precinct	5.0	25.9% (21.4%)	\$ 60,000	\$ 200,000	\$ 260,000	\$ 600,000
SW Precinct	5.0	7.9 % (0%)	\$ 60,000	\$ 200,000	\$ 260,000	\$ 600,000
S Precinct	5.0	21.3% (26.2%)	\$ 60,000	\$ 200,000	\$ 260,000	\$ 600,000

## Payment Terms

Payment for the service initiation and startup, all subscription fees, and any and all optional service fees shall be as follows:

- 50% due upon execution of agreement
- 50% due upon ShotSpotter Flex™ “live” status

## Accompanying Exhibit

An exhibit specifying the item listed below is incorporated herein by reference and constitutes an integral part of this proposal. Unless specifically so-stated above, should there be any question of precedence between the exhibit and this proposal, then the exhibit, a single consolidated document shall be superior to the proposal itself. Items addressed within the consolidated document are:

- SST Flex™ Service Agreement



SST, Inc. (also “ShotSpotter,” “we,” “us,” or “our”) and the end-user customer (also “Customer,” “you” or “your”) agree to the following Services and License Agreement and General Terms and Conditions (hereinafter, “Agreement”).

The following Agreement is an essential part of the “Purchase Documents” (which term shall include this Agreement and all executed proposals and purchase orders, together with all attachments and appendices) under which you purchase ShotSpotter Gunshot Location services identified in the Purchase Documents and described herein (“Service”). Your access, or use of any part of the Service (and/or signature on the purchase order and/or agreement) shall constitute your representation that you have read all the terms and conditions of this Agreement, and your acceptance of them as an integral part of the Agreement and your purchase or order of the Service. If you do not agree to be bound by these terms and conditions, do not access or use any part of the Service.

**1. SERVICES.** In consideration of the parties’ mutual undertakings set forth in the Purchase Documents and in this Agreement, you and we agree as follows:

For purposes of this Agreement, the Service shall consist of (i) providing access by the Customer to Reviewed Alerts delivered via a password-protected internet portal (“Alert Console”) and user interface supplied by SST (together the Alert Console and interface shall be called the “Software”) (ii) providing access to historical Reviewed Alerts and incident information via the Software; and (iii) other services as specified in the Purchase Documents.

Reviewed Alerts consist of data for gunfire incidents, detected by the ShotSpotter Gunshot Location System and reviewed by a SST incident reviewer employee (see Exhibit A).

SST will install or convert the ShotSpotter Gunshot Location System in the coverage area specified in the Purchase Document. SST will host the Service and may update the functionality and Software of the Service from time to time in its sole discretion and in accordance with this Agreement.

Except in the circumstances where a system has been previously purchased and is being converted, SST shall retain ownership of, and all rights to, all components of the ShotSpotter Gunshot Location System, including hardware components, Software and firmware. Under this Agreement the Customer is only licensing rights to access the incident information detected by the ShotSpotter Gunshot Location System.

**2. LICENSE.** The following sets forth the terms and conditions of your non-exclusive, non-transferable and terminable license to use the Service, Software and Data (as those terms are defined herein).

This License creates important legal rights and obligations, so please read it carefully before using the Service. This License constitutes an offer by us to you. **By manifesting**

**electronically your assent to these terms, using the service, or by issuing a purchase order or signing a purchase agreement, you agree to be bound by the terms and conditions of this license.** If you do not agree to be bound by the terms of this License, do not issue or execute a Purchase Document, or use the Service.

**A. RIGHTS IN DATA.** All Data created, generated, modified, compiled, stored, kept or displayed by SST through the Subscription Service in the course of providing the Subscription Service and related Services to Customer, remains the sole and exclusive property of SST. Subject to subparagraph (ii) below, SST expressly reserves the rights to copy, publish, display, adapt, modify, translate, perform publicly, make works derived from, transfer, sell, offer for sale, and to use any and all Data for any purpose. Notwithstanding the foregoing sentence and although SST owns the Data with respect to the Subscription Service, SST will provide reasonable notice if any Data to be released is specific forensic or law enforcement sensitive incident information – For discussion that may pertain to any active investigation or prosecution. At no time, either in a non-exclusive or exclusive data ownership, does SST release, sell, license, or otherwise distribute the gunfire alert Data to the press or media without the prior express consent, which shall not be unreasonably withheld.

If the customer purchases the exclusivity option, then SST will not distribute to any third party any Data related to or generated by ShotSpotter Gunshot Location System in Customer’s coverage area, unless in response to a valid order or subpoena issued by a court or other governmental body, or as otherwise required by law.

SST expressly reserves the rights to copy, publish, display, adapt, modify, translate, perform publicly, make works derived from, transfer, sell, offer for sale, and to use any and all Data (including, without limitation, Reviewed Alerts) for any purpose, and to authorize, license, and sublicense others to do any or all of the same.

**B. RESTRICTIONS.** The Software and Data are our proprietary products, may incorporate components supplied to us under license by third-party suppliers, and may be protected by United States patent, trade secret, copyright law and international treaty provisions. All such rights in and to Software and Data and any part thereof are the property of us or our suppliers. By virtue of this License, you acquire only the right to use the Software and Data in accordance with this Agreement, but otherwise acquire no license, title or ownership rights, express or implied, in or to the Software or Data, or any right to use or practice any of our patents, copyrights, trademarks, or trade secrets, all of which rights are reserved expressly by us or our suppliers. You may not make any copies of the written materials or documentation that accompanied any component of the Software, or use them, or any other information concerning the Service that we have designated as confidential, for any purpose other than bona fide use of the Service or Software for the specific purposes contemplated herein, nor allow anyone else to do so. You shall not, without our express written consent, which



## Standard Terms, Conditions and Support (Domestic)

may be withheld or conditioned in our sole discretion: (i) modify, adapt, alter, translate, copy, perform or display (publicly or otherwise) or create compilations, derivative, new or other works based, in whole or in part, on the Software or Data, or on the Service; (ii) merge, combine, integrate or bundle the Software or the Data, in whole or in part, with other software, hardware, data, devices, systems, technologies, products, services, functions or capabilities; (iii) transfer, distribute, make available the Service, Data, or Software to any person other than the specific end-user customer identified to SST in the Purchase Documents, sell, resell, sublicense, lease, rent, or loan the Service, Data, or Software, in whole or in part, or (iv) provide use or permit operation of any of the Service, Software or Data by any person other than the original end-user customer designated in the Purchase Documents, nor in or through any application service provider, service bureau, rental or time-sharing arrangement; (v) disassemble, decompile, or otherwise reverse engineer or attempt to reconstruct, derive, or discover, any source code, underlying ideas, algorithms, formulae, routines, file formats, data structures, programming, routines, interoperability interfaces, drawings, or plans from the Data or Software, or any data or information created, compiled, displayed, or accessible through the System, in whole or in part; or (vi) remove, modify or obscure any identification or proprietary or restrictive rights markings or notices from the Data, Software or any component thereof.

SST and its licensors retain all ownership of all intellectual property rights in and to all Data, Software, all computer programs, related documentation, technology, knowhow and methods and processes embodied in or made available to you in connection with the Service, including, without limitation, all patent rights, copyrights, trade secret rights, trademarks and service marks. All rights not expressly granted to you herein are reserved by SST. You shall take all reasonable measures to protect SST's intellectual property rights in the Service and Software, including providing assistance and measures as are reasonably requested by SST from time to time.

You are hereby placed on notice that alteration or removal of copyright management information (including, without limitation, licensor's name and other identifying information, name of the Service, the terms and conditions of this License, and identifying numbers or symbols) embodied in or associated with the Service is prohibited, because such conduct may cause others to infringe our rights in and to the system, Service and/or Software. You may also not obscure or remove any confidentiality, patent, trademark or copyright notices on any component of the Service, or any documentation.

**C. TERMINATION.** You agree that your right to use the Service, Software and Data will terminate automatically if you violate any of the terms of this License, or fail to timely pay any sums you owe to us or resellers or integrators of our Service, or fail to renew the Service upon expiration of the Service term. In the event of termination, your access to the Data and Software will be terminated, and SST will cease

delivering Reviewed Alerts, and disable your access to the Data. Customer agrees that SST shall not be liable to Customer nor to any third party for any suspension of the Service resulting from Customer's nonpayment of fees as described in this section.

**D. MODIFICATION TO OR DISCONTINUATION OF THE SERVICE.** SST reserves the right at any time and from time to time to modify, temporarily or permanently, the Service (or any part thereof). In the event that SST modifies the Service in a manner which removes or disables a feature or functionality on which Customer materially relies, SST, at Customer's request, shall use commercially reasonable efforts to restore such functionality to Customer. In the event that SST is unable to substantially restore such functionality, Customer shall have the right to terminate the Agreement and receive a pro-rata refund of the annual Service fees paid under the Agreement for use of the Service which was paid for by Customer but not yet furnished by SST as of the date of such termination. Customer acknowledges that SST reserves the right to discontinue offering the Service at the conclusion of Customer's then current term. Customer agrees that SST shall not be liable to Customer or to any third party for any modification of the Service as described in this section.

**E. OTHER RESTRICTIONS.** You acknowledge and agree that the source code and internal structure of the Software, Data and Service, as well as documentation, operations manual and training material are our confidential property, and trade secrets, the value of which would be destroyed by disclosure to the public. Use by anyone other than you of the Service, documentation, and Data is prohibited, unless pursuant to a valid assignment under this Agreement.

**3. LIMITED EXCLUSIVE WARRANTY.** Provided that you comply with your obligations under the terms and conditions stated herein, we warrant that the Software (as defined herein) will be free of defects in workmanship which materially impair the functioning of the Service and Software in substantial conformity with the specifications documentation accompanying the Service.

The Software covered under this limited exclusive warranty consists exclusively of ShotSpotter Alert Console software and user interface, installed and operated locally on customer's computers and devices supplied by SST for your use by on and in connection with a ShotSpotter System, subject to the terms and conditions of the License between you and us.

**A. REVIEWED ALERT SERVICE LEVELS.** As regards to sonic event review and alert services, subject to the Customer's compliance with its obligations hereunder, and to the disclaimers and limitations set forth in Exhibit A, and in Sections 5(C), 6, 7, 13 and 15 of this Agreement, we agree to provide the service levels forth in Exhibit A, attached hereto.



**B. SYSTEM CONFIGURATION AND SERVICE LEVELS.**

As regards to System configuration, subject to the Customer’s compliance with its obligations hereunder, and to the disclaimers and limitations set forth in Exhibit B, and in Sections 5(C), 6, 7, 13 and 15 of this Agreement, we agree to provide the service levels set forth in Exhibit B, attached hereto.

**C. OTHER WARRANTY.** SST warrants that the Service, Data and Software shall be free of viruses, Trojan horses, worms, spyware, or other malicious code or components.

**The limited exclusive warranties expressly set forth in this Agreement are the only warranties made to you and are provided in lieu of any other warranties (if any) created by any documentation or packaging, or otherwise express or implied. These limited exclusive warranties give you specific legal rights, and you may also have other rights which vary by jurisdiction.**

**4. SST SUPPORT.** During the term of the Services, SST will make commercially reasonable efforts to promote Customer’s successful utilization of the Service, including but not limited to providing Customer with user guides, online help, online training presentation, and online training sessions (as available). SST will provide reasonable efforts to respond via email to requests for support relating to incident classification within 8 hours of the request.

In addition, SST will use commercially-reasonable efforts to respond to other support requests within 24 hours of receipt of the request during the period of 8am to 5 pm Monday through Friday. The e-mail support specialist shall be responsible for receiving Customer reports of missed incidents, or errors in the Service, and, to the extent practicable over email or telephone, making commercially-reasonable efforts to assist the Customer in resolving the Customer’s reported problems. In the event the problem cannot be resolved telephonically, then SST will use commercially-reasonable efforts to restore functionality of the Service to Service specifications within 72 business hours of receipt of the report.

**A. FORENSIC REPORTS.** SST, at the specific request of the customer, will produce and provide a maximum of two (2) detailed incident forensic reports per mile, per year, for any ShotSpotter detected incidents, including Reviewed Alerts, if such information is deemed by the customer to be valuable to the customer for investigation follow-up, prosecutorial requirements, or after action review.

Such reports must be requested a minimum of 5 days in advance of when needed, and all such requests must be in writing and addressed to the SST Customer Service Department. Customer should expect delivery of these reports within 5 days after receipt of the request. Additional reports are available within 72 hours of the

receipt of an approved purchase order in the amount of \$3,500 per additional report. This benefit shall only be available to Customer if Customer is fully current with payments due under this Agreement. In the case that Customer is not current with their payments, then forensic reports shall not be generated nor provided to Customer until Customer becomes current with its payment obligations.

**B. EXPERT WITNESS SERVICES.** SST offers reasonable expert witness services. The Customer will be responsible for all travel and per diem reimbursement. At the specific request of the customer, SST will provide individual(s) for the purposes of expert witness testimony for any ShotSpotter detected incidents, including Reviewed Alerts, for which the incident information is deemed by the customer to be valuable to the customer’s prosecutorial requirements. Customer understands that SST undertakes to provide individuals whose qualifications are sufficient for such services, but does not warrant that any person or his or her opinion will be accepted by every court. SST requires at least fourteen (14) days prior notice of such a requirement in writing from the Customer. Customer must include dates, times, specific locations and a point of contact for SST personnel. Due to the nature of legal proceedings, SST cannot guarantee that its services described in this section shall produce the outcome, legal or otherwise, which Customer desires. Payment for expert witness services described shall be due and payable when services are rendered regardless of the outcome of the proceedings.

**5. TERM, RENEWAL**

**A. TERM AND COMMENCEMENT.** The Service term shall be specified in the Purchase Document and will commence on the date that the Service is available to the Customer via the Alert Console.

**B. RENEWAL.** The Service may be renewed for successive periods of one year each, in accordance with the following procedure. Not later than thirty (30) days prior to the expiration of the Service term then in effect, Customer shall issue a purchase order and tender payment in full for the next annual renewal (unless otherwise agreed in writing by SST), and the term shall be renewed for another year. SST shall provide Customer with renewal fees, terms and conditions for the next successive renewal term upon Customer’s request but no later than 90 days from the expiration date. Customer acknowledges that the Service fees, terms and conditions and service levels hereunder are subject to change and that such fees, terms and conditions, and service levels may vary from those applicable to this Agreement in successive renewal terms.

If Customer fails to renew in a timely manner and hence allows the Service term to expire then the Service will terminate in accordance with Section 2. C. At its discretion, SST may remove the ShotSpotter Gunshot Location System and any components from the coverage area at that time. If SST does not remove the ShotSpotter



Gunshot Location System from the coverage area, Customer may reinstate the Service at a later date by renewing, however Customer will not have access to any Reviewed Alerts that they would have had access to during the lapsed period.

**C. COMMERCIAL CARRIER DATA SERVICES.** The ShotSpotter Gunshot Location System may use wired, wireless or cellular wireless acoustic sensor communications which necessitates the existence of a real-time data communications channel from each sensor to the hosted servers via a commercial carrier. The unavailability or deterioration of the quality of such wired, wireless or wireless cellular communications may impact the ability of SST to provide the Service. In such circumstances SST will use commercially reasonable efforts to obtain alternate wired or wireless cellular communications or adjust the coverage area as necessary. In the event SST is unable to do so, SST will terminate the Service and refund a pro-rata portion of the annual Service fee to Customer.

**6. IP INFRINGEMENT; EXCLUSIVE REMEDY.** Subject to the terms and conditions hereof, SST agrees to defend and indemnify Customer (provided it is the actual End-user Customer of the Service) from and against losses, suits, damages, liability and expenses (including reasonable attorney fees) arising out of a claim asserted in a lawsuit or action against the end-user customer by a third party unrelated to the customer, in which such third party asserts a claim that the Service and/or Software, when used in accordance with SST’s specifications and for the purposes intended, infringes any United States patent which was issued by the U.S. Patent and Trademark Office, or United States copyright which was registered by the U.S. Copyright Office, as of the effective date of Customer’s agreement to purchase the ShotSpotter Flex System.

Provided, however, that SST shall have the right to choose counsel to defend such suit and/or action, and to control the settlement (including determining the terms and conditions of settlement) and the defense thereof, and that Customer shall provide SST with reasonably prompt written notice of any such suit or action, and of any oral, written or other communication or other information or circumstances of which Customer becomes aware that could reasonably be expected to lead to such a suit or action (including any and all cease and desist demands or warnings, and offers or invitations to enter license agreements), and shall provide SST all reasonable assistance and information in connection with SST’s investigation and defense of any claim of infringement.

Further provided, however, that this section shall not apply and SST shall have no obligation to defend and indemnify Customer in the event the Customer or a reseller, integrator, service provider or supplier modifies, alters, substitutes, or supplements any of the Service, or Software, or to the extent that the claim of infringement arises from or relates to the integration, bundling, merger or

combination of any of the same with other hardware, software, systems, technologies, or components, functions, capabilities or applications not licensed by SST as part of the Service, nor shall it apply to the extent that the claim of infringement arises from or relates to meeting or conforming to any instruction, design, direction or specification furnished by the Customer, nor to the extent that the Service or Software are used for or in connection with any purpose, application or function other than detecting and locating gunshots exclusively through acoustic means.

If, in SST’s opinion, the Service, or Software may, or is likely to become, the subject of such a suit or action, does become the subject of a claim asserted against a customer in a lawsuit which SST is or may be obliged to defend under this section, or is determined to infringe the foregoing patents or copyrights of another in a final, non-appealable judgment subject to SST’s obligations under this section, then SST may in full and final satisfaction of any and all of its obligations under this section, at its option: (1) procure for Customer the right to continue using the affected Service or Software, (2) modify or replace such Service or Software to make it or them non-infringing, or (3) refund to the purchaser a pro-rata portion of the annual Service price paid for the Service System

**The foregoing section states the entire liability of SST and customer’s and its suppliers’ exclusive remedy for or relating to infringement or claims or allegations of infringement of any patent, copyright, or other intellectual property rights in or to the system, system components, and software. This section is in lieu of and replaces any other expressed, implied or statutory warranty against infringement of any and all intellectual property rights.**

**7. LIMITED WARRANTIES EXCLUSIVE; DISCLAIMERS IMPORTANT; PLEASE READ CAREFULLY**

**To the maximum extent permitted by applicable law, the limited warranties expressly set forth above are exclusive, and in lieu of all other warranties, whether written, oral, express, implied or statutory. There are no warranties that extend beyond those expressly set forth herein, and no prior statements, representations, or course of dealing by any SST representatives shall vary, expand or modify these warranties.**

**To the maximum extent permitted by applicable law, all other representations or warranties, express, implied, or statutory, including without limitation, any warranties of non-infringement, quality, suitability, merchantability, fitness for a particular purpose or otherwise of any services or**



any goods provided incidental to the services provided under this agreement are hereby expressly disclaimed and superseded by the exclusive limited express warranty and disclaimers set forth herein.

Without limiting the generality of the foregoing limitations and disclaimers, while the Service is not designed, sold, or intended to be used to detect, intercept, transmit or record oral or other communications of any kind, SST cannot control how the Service is used, and, accordingly, SST does not warrant or represent, expressly or implicitly, that use of the Service will comply or conform to the requirements of federal, state or local statutes, ordinances and laws, or that use of the Service will not violate the privacy rights of third parties. You shall be solely responsible for using the Service in full compliance with applicable law and the rights of third persons.

Further, regardless of any prior statements, representations, or course of dealings by any SST representatives, we **do not** warrant or represent, expressly or implicitly, that the Service or its use will: result in the prevention of crime or hostile enemy action, apprehension or conviction of any perpetrator of any crime, military prosecution of any enemy force, or detection or neutralization of any criminal, combatant or threat; prevent any loss, death, injury, or damage to property due to the discharge of a firearm or other weapon; in all cases result in a Reviewed Alert for all firearm discharges within the designated coverage area; or that the SST-supplied network will remain in operation at all times or under all conditions.

SST expressly disclaims, and does not undertake or assume any duty, obligation or responsibility for any decisions, actions, reactions, responses, failure to act, or inaction, by Customer as a result of or in reliance on, in whole or in part, any Services or Reviewed Alerts provided by SST, or for any consequences or outcomes, including any death, injury, or loss or damage to any property, arising from or caused by any such decisions, actions, reactions, responses, failure to act, or inaction. It shall be the sole and exclusive responsibility of the Customer to determine appropriate decisions, actions, reactions or responses, including whether or not to dispatch emergency responder resources. The Customer hereby expressly assumes all risks and liability associated with any and all action, reaction, response, and dispatch decisions, and for all consequences and outcomes arising from or caused by any decisions made or not made by the Customer in reliance, in whole or in part, on any

Services provided by SST, including any death, injury, or loss or damage to any property.

Any and all warranties, express or implied, of fitness for high risk purposes requiring fail-safe performance are hereby expressly disclaimed.

You and we each acknowledge and agree that the Service is not a consumer good, and is not intended for sale to or use by or for personal, family or household use.

**8. YOUR OBLIGATIONS.** You acknowledge and agree that SST's duties, including warranty obligations, and ability to perform its obligations to you shall be predicated and conditioned upon your timely performance of and compliance with your obligations hereunder, including, but not limited to:

- A.** You agree to pay all sums due under the purchase agreement or order as and when they are due pursuant to the terms of such agreement or order. Actual access and use of the SST Service shall constitute evidence that the Service is active and the final payment is due.
- B.** You agree to use your best efforts to timely perform and comply with all of your obligations allocated to you in the Purchase Documents and/or other contract documents, including, without limitation, provisions regarding assisting SST in obtaining sensor site permissions from premises owners or lessors, in locations reasonably acceptable to SST, which obligations are incorporated by reference and made a part hereof. Unless the Statement of Work or other contract documents signed by SST allocates such obligations to SST expressly, customer shall be responsible for securing from premises owners or lessors all rights necessary to enter onto their premises to install sensors, and to place, operate and maintain such sensors on such premises. SST's duties, including warranty obligations to you shall be predicated and conditioned upon your timely performance of and compliance with your obligations set forth herein, and in the Purchase Documents.
- C.** You shall not permit any alteration, modification, substitution or supplementation of the SST Service or web portal, or the combining, connection, merging, bundling, or integration of the SST Service or web portal into or with any other system, equipment, hardware, software, technology, function or capability, without our prior written consent.
- D.** Unless otherwise expressly agreed in advance in writing by SST, you shall not resell, transfer, distribute or allow access to the Service or web portal or any portion thereof, to any person other than the specific end-user previously identified to SST in the Purchase Documents, and shall not authorize or appoint any contractors, subcontractors, original equipment manufacturers, value added integrators, systems integrators or other third parties to operate, have access to, or sublicense the Products.



**E. Customer Must Have Internet Access.** In order to use the Service, Customer must have or must obtain access to the World Wide Web to enable a secure https connection from the customers work station to SST's hosted services. , either directly or through devices that access Web-based content. Customer must also provide all equipment necessary to make such (and maintain such) connection.

**F. Passwords and Access.** Customer may designate up to the number of users under Customer's account which corresponds to the number of Seats purchased by Customer, and Customer may provide and assign unique passwords and user names for each Seat purchased. Customer will be responsible for the confidentiality and use of Customer's password and user names, and agrees that sharing passwords and/or user names with unauthorized users is prohibited.

**G.** You shall comply with all applicable laws, rules and regulations relating to the goods and services provided hereunder.

**9. INTELLECTUAL PROPERTY RIGHTS; LIMITED LICENSE.** We or our licensors retain all ownership of all intellectual property rights in and to all data, software, computer programs, related documentation, technology, knowhow and processes embodied in or made available to you in connection with the Service, and Software, including, without limitation, all patent rights, copyrights, trade secret rights, trademarks and service marks. Your rights to install and use the Data and Software are limited, and shall be strictly in accordance with the License set forth in Section 2 hereof. Any and all rights not granted expressly in such License are hereby reserved.

**10. EXPORT CONTROL.** You acknowledge that the ShotSpotter Flex System is the subject of a Commodity Jurisdiction determination by the United States Department of State, and has been determined to be a controlled commodity, software and/or technology subject to the United States Export Administration Regulations of the U.S. Department of Commerce. Accordingly, no part of the Data, Software, ShotSpotter Flex System or any GLS System component thereof may be transferred, consigned, shipped, delivered, received, exported or re-exported, nor may any technical data directly relating to any of the same or the underlying information or technology be disclosed, downloaded, uploaded, transmitted, received, furnished, or otherwise provided, to, by or through any person, government, country, or to any end-user, or for any end-uses, except in compliance with applicable U.S. export control laws administered by the U.S. Government, and any other applicable U.S. laws, including the sanctions laws administered by the U.S. Department of Treasury, Office of Foreign Assets Control (OFAC), the U.S. Anti-Boycott regulations, and any applicable laws of your country. In this respect, no resale, transfer, or re-export of any ShotSpotter Flex System exported to you pursuant to a license from the U.S. Department of Commerce may be

resold, transferred, or reported without prior authorization by the U.S. Government. Customer agrees not to export, re-export or engage in any "deemed export," or to transfer or deliver, or to disclose or furnish, to any foreign (non-U.S.) government, foreign (non-U.S.) person or end-user, or to any U.S. person or entity, any of the ShotSpotter Flex System, GLS System components, Data, Software, Services, or any technical data or output data or direct data product thereof, or any service related thereto, in violation of any such restrictions, laws or regulations, or without all necessary registrations, licenses and or approvals. Unless otherwise agreed and so specified in the Purchase Documents, you shall obtain and bear all expenses relating to any necessary determinations, registrations, licenses and/or exemptions with respect to its exportation, re-exportation or "deemed export" of the ShotSpotter Flex System, Data, Software or any GLS System Components or Services, as well as with respect to the disclosure or furnishing of any technical data or other information and services relating to any of the same.

In addition to compliance with the foregoing, and without limiting the generality thereof, Customer shall not disclose, discuss, download, ship, transfer, deliver, furnish, or otherwise export or re-export any such item(s) to or through: (a) any person or entity on the U.S. Department of Commerce Bureau of Industry and Security's List of Denied Persons or Bureau of Export Administration's anti-proliferation Entity List; (b) any person on the U.S. Department of State's List of Debarred Parties; (c) any person or entity on the U.S. Treasury Department Office of Foreign Asset Control's List of Specially Designated Nationals and Blocked Persons; or (d) any other end-user or for any end-use prohibited by law or regulation, as any and all of the same may be amended from time to time, or any successor thereto.

**11. PROTECTION OF CONFIDENTIAL INFORMATION.** Unless either party (the "Receiving Party") obtains prior written consent from the other (the "Disclosing Party"), the Receiving Party agrees that it will not reproduce, use for purposes other than those expressly permitted herein, disclose, sell, license, afford access to, distribute, or disseminate any information: i) obtained from the Disclosing Party in connection with the System purchase, installation or operation, and designated by it from time to time as confidential; ii) the documentation, use and operations manuals; and output data created or compiled by the ShotSpotter Flex System; iii) your use of the ShotSpotter Flex System or technology, your deployment methodology, results, or related facts; iv) the contractual terms and payment terms applicable to the purchase of the ShotSpotter Flex System or technology, except as required by local law (collectively, "Confidential Information") Unless a section of the Purchase Document(s) specifically identifies the identity of Customer as Confidential Information, the fact that Customer is a





customer of SST shall not itself be considered Confidential Information, nor shall the name of any city in which the ShotSpotter GLS System is deployed be considered confidential information. Recipient's obligations under this section shall not apply to any of Discloser's Confidential Information that Recipient can document: (a) was in the public domain at or subsequent to the time such Confidential Information was communicated to Recipient by Discloser through no fault of Recipient; (b) was rightfully in Recipient's possession free of any obligation of confidence at or subsequent to the time such Confidential Information was communicated to Recipient by such Discloser; (c) was developed by employees or agents of Recipient independently of and without reference to any of Discloser's Confidential Information; or (d) was communicated by Discloser to an unaffiliated third party free of any obligation of confidence. A disclosure by Recipient of any of Discloser's Confidential Information (a) in response to a valid order by a court or other governmental body; (b) as otherwise required by law; or (c) necessary to establish the rights of either party under this Agreement shall not be considered to be a breach of this Agreement by such Recipient; provided, however, such Recipient shall provide prompt prior written notice thereof to such Discloser to enable Discloser to seek a protective order or otherwise prevent such disclosure. Receiving Party shall use reasonable controls to protect the confidentiality of and restrict access to all such Confidential Information to those persons having a specific need to know the same for purposes expressly authorized herein, and render unreadable prior to discarding, all records containing our Confidential Information. In any event such controls shall not be less protective than those Receiving Party uses to secure and protect its own confidential, but not "Classified" or otherwise Government-legend, information

**12. NOTICES.** Any notice or other communication required or permitted to be given under this Agreement shall be in writing at such party's address or number or at such party's last known address or number. The party's addresses may be changed by written notice to the other party as provided herein.

**13. FORCE MAJEURE.** In no event shall SST be liable for any delay or default in its performance of any obligation under this or any other agreement caused directly or indirectly by an act or omission of Customer, or persons acting under its direction and/or control, fire, flood, act of God, an act or omission of civil or military authority of a state or nation, strike, lockout or other labor disputes, inability to secure, delay in securing, or shortage of labor, materials, supplies, transportation, or energy, failures, outages or denial of services of wireless, power, telecommunications, or computer networks, acts of terrorism, sabotage, vandalism, hacking, natural disaster or emergency, war, riot, embargo or civil disturbance, breakdown or destruction of plant or equipment, or arising

from any cause whatsoever beyond SST's reasonable control. At SST's option and following notice to Customer, any of the foregoing causes shall be deemed to suspend such obligations of SST so long as any such cause shall prevent or delay performance, and SST agrees to make and Customer agrees to accept performance of such obligations whenever such cause has been remedied.

**14. DEFAULT; REMEDIES.** Upon the occurrence of any default by or breach of your obligations, we may at our option, effective immediately, either: (i) terminate our future obligations under this agreement, terminate your License to use the Service and Software, or (ii) accelerate and declare immediately due and payable all remaining charges for the remainder of the agreement and proceed in any lawful manner to obtain satisfaction of the same. In either case, you shall also be responsible for paying court costs and reasonable attorneys' fees incurred by or on behalf of us, as well as applicable repossession, shipping, repair and refurbishing costs.

**15. LIMITATIONS ON LIABILITY.** In no event shall either party, or any of its affiliates or any of its/their respective directors, officers, members, attorneys, employees, or agents, be liable to the other party under any legal or equitable theory or claim, for lost profits, lost revenues, lost business opportunities, exemplary, punitive, special, or consequential damages, each of which is hereby excluded by agreement of the parties, regardless of whether such damages were foreseeable or whether any party or any entity has been advised of the possibility of such damages.

**In any event, except for its IP infringement indemnity obligations under section 6 hereof, SST's cumulative liability for all losses, claims, suits, controversies, breaches or damages for any cause whatsoever (including, but not limited to, those arising out of or related to this agreement) and regardless of the form of action or legal theory shall not exceed two times the amount paid to SST under this agreement, or the amount of insurance maintained by SST available to cover the loss, whichever is greater. The foregoing limitations shall apply without regard to any failure of essential purpose of any remedies given herein.**

**16. GENERAL PROVISIONS.**

**A. NO AGENCY.** Neither SST nor any of its employees is an agent or representative of Customer and the Customer is solely responsible for obtaining any required authorizations from any governmental agency, body or commission and for compliance therewith.

**B. COMPLIANCE WITH LAWS AND TAXES.** You shall comply with all applicable laws, statutes and regulations relating to the sale, distribution, and use of the Service and the performance of your duties and obligations



hereunder. All prices are exclusive of all tariffs, customs duties, imposts, national, federal, provincial, state, and local VAT, excise, sales, use and similar taxes. You will be pay and be responsible for paying any and all such taxes and tariffs, when applicable.

**C. EQUAL OPPORTUNITY CONTRACT CLAUSE.**

SST is committed to the provisions outlined in the Equal Opportunity Clauses of Executive Order 11246, (41 CFR 60-1.4), section 503 of the Rehabilitation Act of 1973, (41 CFR 60-741.5(a)), section 402 of the Vietnam Era Veterans Readjustment Act of 1974, (41 CFR 60-250.5(a)), and, the Jobs for Veterans Act of 2003, (41 CFR 60-300.5(a)) as well as any other regulations pertaining to these orders.

**D. SEVERABILITY AND INTERPRETATION.** If any provision, in whole or in part, of this Agreement and/or the Purchase Documents of which it is a part is held invalid or unenforceable for any reason, the invalidity shall not affect the validity of the remaining provisions, and there shall be substituted for the invalid provision a valid provision which most closely approximates the intent and economic effect of the invalid provision. No part or provision shall be interpreted in favor or against any party because such party or its counsel drafted the relevant provision. No course of dealing, usage, custom of trade, or communication between the parties shall modify or alter any of the rights or obligations of the parties under this Agreement and Purchase Document(s).

**E. INTEGRATION, AMENDMENT AND WAIVER.**

This Agreement, and the Purchase Document(s) of which it is a part, together with any other exhibits or appendices thereto, constitute the entire understanding between SST and you. No other documents or representations shall be used in interpreting it. Any and all written or oral agreements heretofore existing between the parties are expressly cancelled and/or superseded. Any other document, proposal, specification, statement of work, marketing collateral, or representation which may vary, alter, amend or supplement these terms and conditions will not be binding unless agreed to in a writing signed by appropriate representatives of both SST and Customer. No modification, variance, amendment or waiver of any part of Agreement or Purchase Document(s) shall be binding upon either party, whether written, oral, or in any other medium, unless made in writing and signed by authorized representatives of both parties. All the parties' rights and duties are material and time is of the essence; no waiver of any rights hereunder shall be deemed effective unless in writing executed by the waiving party; no waiver of either party's breach of any provision of this Agreement or Purchase Documents shall constitute a waiver of any prior or subsequent breach of the same or any other provision, and no failure to exercise, and no delay in exercising, any right(s) hereunder on either party's part shall operate as a waiver of any such right; all of the parties' rights are cumulative; and, no single or partial exercise of any right

hereunder shall preclude further exercise of such right or any other right.

**F. BENEFIT AND BURDEN; ASSIGNMENT.** Subject to the following provisions, this Agreement and the Purchase Documents of which they are a part shall be binding upon permitted successors and assigns and shall inure to the benefit of the parties and their respective permitted successors and assigns only. **Notwithstanding that the Service and Software, and its output data may be used for law enforcement, military, public safety, and force protection purposes, there are no third party beneficiaries intended to benefit from these general terms and conditions of sale, or the agreement or order of which they are a part.** Customer may not assign or transfer this Agreement and the Purchase Documents of which they are a part, or any of the rights granted therein, in whole or in part, by operation of law or otherwise, without SST's express prior written consent. SST may assign or transfer this Agreement and the Purchase Documents and/or SST's rights and obligations hereunder, in whole or in part, to any third party without the necessity of obtaining Customer's consent. No assignee for the benefit of Customer's creditors, custodian, receiver, trustee in bankruptcy, debtor in possession, sheriff or any other officer of a court, or other person charged with taking custody of Customer's assets or business, shall have any right to continue or to assume or to assign these without SST's express consent.

**G. GOVERNING LAW AND DISPUTE RESOLUTION.**

The validity, performance, and construction of this agreement shall be governed by the laws of the State of California, without giving effect to the conflict of law principles thereof. The United Nations Convention on Contracts for the International Sale of Goods is expressly disclaimed and shall not apply. If the parties disagree as to any matter arising under this Agreement or the relationship and dealings of the parties hereto, then SST and Customer shall promptly consult with one another and make diligent, good faith efforts to resolve the disagreement, by negotiation. Should the dispute not be resolved within a reasonable time after commencement of such negotiations, it shall be mediated before one or more mediators mutually acceptable to both parties. Costs of mediation will be allocated as part of the resolution in mediation, but absent such resolution, shall be paid equally by the parties. If such effort is unsuccessful, any controversy or claim arising out of or relating to this Agreement or the validity or breach of any of the provisions thereof, or the relationship, dealings, rights, and obligations of the parties, or use of the Service, shall be settled by binding arbitration, before three arbitrators, in or as near as possible to Mountain View, California, United States of America, or in such other location as the parties may agree, in accordance with the Commercial Rules of the American Arbitration Association in effect on the date of this agreement. Such arbitration shall be conducted before



three arbitrators. The parties acknowledge and agree that this agreement involves a commercial transaction in commerce and that arbitration and award hereunder shall be governed by the federal Arbitration Act. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. In addition to any other remedies to which it may be entitled, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs (including expert

witness fees and costs) incurred in connection with enforcing its rights or defending itself.

**All parties hereby irrevocably waive any and all rights they may have to a trial by jury in any judicial proceeding involving any claim relating to or arising under this agreement or any other agreement between the parties hereto.**

**IN WITNESS THEREOF**, the parties have caused this Agreement to be executed by their duly authorized representatives on the date(s) shown below.

SHOTSPOTTER, INC.

CUSTOMER \_\_\_\_\_

By: \_\_\_\_\_  
(Authorized Signature)

By: \_\_\_\_\_  
(Authorized signature)

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

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

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

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

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

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

**EXHIBIT A - Reviewed Alert Service Levels**

The ShotSpotter Flex System detects loud impulsive incidents, classifies them as gunfire, fireworks, or other, and sends them to the SST Incident Review Center. Within 15 seconds of receiving the incident audit download, SST review personnel will begin analysis of the incident, which will include observing sensor audio wave files and listening to sensor audio. The outcome of this review is intended to confirm or change the System’s classification of the incident type, and, depending on the reviewer’s confidence level that the incident is or may be gunfire, will result in an alert (“Reviewed Alert”) sent to the Customer’s **Alert Console**, based on the following criteria:

<u>Incident Type</u>	<u>Action</u>
High confidence incident is gunfire	Reviewed Gunfire Alert sent to Customer Alert Console
Uncertain if incident is gunfire or not	Reviewed Possible Gunfire Alert sent to Customer Alert Console
Low confidence incident is gunfire	<b>No alert will be sent;</b> incident available for customer review in the incident history available through the Customer Alert Console

Reviewed Alerts are sent to the Customer Alert Console. Information in a Reviewed Alert will include the location of the incident, the reviewer’s qualitative assessment of the confidence level that the incident is or may be gunfire, along with other pertinent information and data.

Specifically, information provided in a Reviewed Alert will include:

- “Dot on the map” and closest parcel address denoting the location of the incident
- Qualitative Confidence that the incident is gunfire: High or Uncertain
- Qualitative Severity: Single shot, multiple shots, drive by shooting, full automatic
- Comments (if any)

The majority of incidents will be processed within 45 seconds of the System notifying the SST Incident Review Center of an incident and 90% of the incidents will be processed in less than 60 seconds. In the unlikely event that the review center loses connection to the hosting facility or the review center is unable to process the incident within approximately 60 seconds for some reason, the system will automatically route unreviewed incidents directly to the customer based on the systems classification of the incident. In the event the reviewed incident data reveals information that will aid in responder situational awareness, SST may (but is not obligated to) include this information as Comments in the Reviewed Alert.

During major holidays such as in the case of New Years Eve, Independence Day, and Cinco de Mayo, most communities experience a large increase in firework activity. During these periods, usually at least 48 hours in advance of the holiday, during the holiday and 48 hours following the holiday, SST will put the system into fireworks suppression mode so that the reviewers can focus their response to incidents classified as gunfire. SST will inform the customer prior to the system being placed in fireworks suppression mode and when fireworks suppression mode is disabled. The actual timing of fireworks suppression mode being active is determined by the review center based on the level of fireworks being discharged. While in fireworks suppression mode, fireworks incident alerts are not sent to the reviewer nor the customer alert console, however all firework incidents continue to be stored in the data base should any of this information be needed at a later time.



The purpose of the Reviewed Alert Service is to provide incident data to the Customer, reviewed, analyzed and classified in the manner described above, in situations where the analyst's qualitative confidence that an incident is or may be gunfire meets the criteria set forth above. However, it is the sole responsibility of the Customer to interpret the data provided, and to determine any appropriate follow-up reaction or response, including whether or not to dispatch emergency responder resources based on a Reviewed Alert. SST does not undertake any obligation, duty or responsibility for reaction, response, or dispatch decisions, which are solely and exclusively the responsibility of Customer, or for the consequences or outcomes of any decisions made or not made by the Customer in reliance, in whole or in part, on any services provided by SST.

The Incidents & Reports Portal provides the Customer with full and immediate access to all incident history including the same information SST uses in its internal review process. This information includes, among other things, the initial incident classification and any reclassifications of an incident, incident audio wave forms, and incident audio files. This enables the Customer to perform its own incident reviews and run various reports. This data access is available as long as the Customer is under active subscription.



### **EXHIBIT B - System Configuration and Service Levels**

SST will deploy or have deployed a ShotSpotter Flex system over the agreed upon coverage area. The system will be designed to detect at least 80% of the unsuppressed outdoor gunfire, with a location accuracy to the shooter's location within 25 meters, after sensor calibration. These performance levels are predicated on the Customer assisting SST in acquiring permission for SST personnel to install and maintain the sensors at SST-recommended sites. In the event that SST cannot deploy sensors at all such sites, the foregoing performance levels may be compromised.

The sensors send incident information to a server in a SST hosting facility via third party cellular, wireless or wired networks. SST is not responsible for outages on the third party networks. SST will be responsible for installation and maintenance of the sensors and cost of the sensor communications to the hosted location server. The hosted server infrastructure (exclusive of communications networks) shall be maintained at 99.9% application availability exclusive of scheduled maintenance that SST will make reasonable efforts to coordinate with the customer.

The connection between the reviewer's console and the Customer's Alert Console is secured using a secure message protocol over http connection, where individual messages are encrypted using the same Public Key Infrastructure ("PKI") as a secure VPN connection.

Providing local access to the internet for the Alert Console is the responsibility of the Customer, as is providing a work station with access to the internet. The Customer may choose to set up multiple sessions of Alert Consoles as a form of redundancy.