

# SOFTWARE SERVICES AGREEMENT

Contract No. SSA-2024-09172

This Software Services Agreement ("Agreement") is entered into as of September 15, 2024 ("Effective Date"), by and between:

Pinnacle Digital Solutions, Inc., a Delaware corporation with its principal office at 450 Innovation Drive, Suite 300, Austin, TX 78701 ("Provider");

and

GreenLeaf Enterprises, LLC, a California limited liability company with its principal office at 1200 Market Street, San Francisco, CA 94103 ("Client").

Provider and Client are individually referred to herein as a "Party" and collectively as the "Parties."

## 1. SCOPE OF SERVICES

1.1 Provider shall design, develop, and deploy a custom enterprise resource planning (ERP) platform for Client, including modules for inventory management, order processing, financial reporting, and customer relationship management (the "Services").

1.2 The detailed specifications, milestones, and deliverables for the Services are set forth in Exhibit A ("Statement of Work"), which is incorporated herein by reference.

1.3 Provider shall assign a dedicated project manager who will serve as the primary point of contact for Client throughout the engagement.

## 2. TERM AND KEY MILESTONES

2.1 This Agreement shall commence on the Effective Date (September 15, 2024) and shall continue until the completion of all Services, unless earlier terminated in accordance with Section 9 of this Agreement.

2.2 The Parties agree to the following key milestones:

- Requirements Gathering Phase: September 15, 2024 - November 30, 2024
- Design and Architecture Phase: December 1, 2024 - January 31, 2025
- Development Phase 1 (Core Modules): February 1, 2025 - May 31, 2025
- Development Phase 2 (Integration & Testing): June 1, 2025 - August 31, 2025
- User Acceptance Testing: September 1, 2025 - October 15, 2025
- Production Deployment: November 1, 2025
- Post-Launch Support Period: November 1, 2025 - April 30, 2026

2.3 If Provider fails to meet any milestone by more than thirty (30) calendar days, Client shall have the right to (i) require Provider to submit a remediation plan within ten (10) business days, or (ii) terminate this Agreement for cause pursuant to Section 9.2.

## 3. COMPENSATION AND PAYMENT TERMS

3.1 Client shall pay Provider a total fixed fee of \$2,400,000 (Two Million Four Hundred Thousand Dollars) for the Services, payable in installments as follows:

- \$360,000 upon execution of this Agreement (due September 30, 2024)
- \$360,000 upon completion of the Design and Architecture Phase (due February 15, 2025)
- \$600,000 upon completion of Development Phase 1 (due June 15, 2025)

- (d) \$480,000 upon completion of Development Phase 2 (due September 15, 2025)
- (e) \$360,000 upon successful completion of User Acceptance Testing (due November 1, 2025)
- (f) \$240,000 upon conclusion of Post-Launch Support (due May 15, 2026)

3.2 All invoices shall be payable within thirty (30) days of receipt. Late payments shall accrue interest at a rate of 1.5% per month, or the maximum rate permitted by law, whichever is less.

3.3 Client may withhold up to 10% of each milestone payment as a retainage, to be released upon final acceptance of the complete deliverable set.

**4. INTELLECTUAL PROPERTY RIGHTS**

4.1 All custom software, documentation, and other work product developed by Provider specifically for Client under this Agreement ("Custom Work Product") shall be owned exclusively by Client upon full payment of all fees owed under this Agreement.

4.2 Provider retains all rights, title, and interest in and to any pre-existing tools, libraries, frameworks, and methodologies used in performance of the Services ("Provider Tools"). Provider hereby grants Client a perpetual, non-exclusive, royalty-free license to use any Provider Tools incorporated into the Custom Work Product, solely in connection with Client's use of the Custom Work Product.

4.3 Client shall not reverse-engineer, decompile, or disassemble any Provider Tools without the prior written consent of Provider.

**5. CONFIDENTIALITY**

5.1 "Confidential Information" means all non-public information disclosed by either Party to the other in connection with this Agreement, including but not limited to business plans, technical data, trade secrets, customer lists, and financial information.

5.2 Each Party agrees to (i) hold the other Party's Confidential Information in strict confidence, (ii) not disclose such information to any third party without prior written consent, and (iii) use such information solely for the purposes of performing under this Agreement.

5.3 The obligations of confidentiality shall survive the termination or expiration of this Agreement for a period of five (5) years.

**6. DATA PROTECTION AND SECURITY**

6.1 Provider shall implement and maintain administrative, technical, and physical safeguards in compliance with (i) the California Consumer Privacy Act (CCPA), (ii) the General Data Protection Regulation (GDPR) to the extent applicable, and (iii) SOC 2 Type II standards.

6.2 Provider shall notify Client of any data breach or security incident involving Client data within forty-eight (48) hours of discovery.

6.3 Provider agrees to conduct annual third-party security audits and share the results with Client upon request. Client may also conduct its own security audit of Provider's systems with thirty (30) days' prior written notice, no more than once per calendar year.

**7. WARRANTIES AND REPRESENTATIONS**

7.1 Provider warrants that (i) the Services will be performed in a professional and workmanlike manner consistent with industry standards, (ii) the Custom Work Product will materially conform to the specifications in Exhibit A for a period of twelve (12) months following final acceptance, and (iii) the Custom Work Product will not infringe upon the intellectual property rights of any third party.

7.2 Client warrants that it has the authority to enter into this Agreement and will provide reasonable access to its systems, personnel, and information necessary for Provider to perform the Services.

7.3 EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, PROVIDER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

## **8. LIMITATION OF LIABILITY AND INDEMNIFICATION**

8.1 EXCEPT FOR BREACHES OF SECTIONS 4 (INTELLECTUAL PROPERTY), 5 (CONFIDENTIALITY), AND 6 (DATA PROTECTION), NEITHER PARTY'S TOTAL AGGREGATE LIABILITY UNDER THIS AGREEMENT SHALL EXCEED THE TOTAL FEES PAID OR PAYABLE BY CLIENT UNDER THIS AGREEMENT.

8.2 IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING LOST PROFITS, LOST DATA, OR BUSINESS INTERRUPTION, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8.3 Provider shall indemnify, defend, and hold harmless Client from any third-party claims arising from (i) Provider's breach of its representations and warranties, (ii) any infringement of third-party intellectual property rights by the Custom Work Product, or (iii) Provider's gross negligence or willful misconduct.

8.4 Client shall indemnify Provider from any third-party claims arising from Client's use of the Custom Work Product in violation of this Agreement or applicable law.

## **9. TERMINATION**

9.1 Either Party may terminate this Agreement for convenience upon sixty (60) days' written notice to the other Party.

9.2 Either Party may terminate this Agreement for cause if the other Party materially breaches any provision of this Agreement and fails to cure such breach within thirty (30) days after receipt of written notice specifying the breach.

9.3 Upon termination for any reason: (i) Client shall pay Provider for all Services satisfactorily performed through the date of termination; (ii) Provider shall deliver to Client all completed and in-progress work product; (iii) each Party shall return or destroy the other Party's Confidential Information within thirty (30) days.

9.4 Sections 4, 5, 8, and 10 shall survive termination or expiration of this Agreement.

## **10. DISPUTE RESOLUTION**

10.1 The Parties agree to first attempt to resolve any disputes arising under this Agreement through good-faith negotiation for a period of thirty (30) days.

10.2 If negotiation is unsuccessful, disputes shall be submitted to binding arbitration administered by the American Arbitration Association (AAA) under its Commercial Arbitration Rules. The arbitration shall take place in Austin, Texas.

10.3 This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflict of laws provisions.

## **11. GENERAL PROVISIONS**

11.1 Force Majeure. Neither Party shall be liable for delays or failures in performance resulting from acts beyond the reasonable control of such Party, including but not limited to natural disasters, pandemics, government actions, or internet outages, for a period not to exceed ninety (90) days.

11.2 Assignment. Neither Party may assign this Agreement without the prior written consent of the other Party, except that either Party may assign this Agreement in connection with a merger, acquisition, or sale of substantially all of its assets.

11.3 Entire Agreement. This Agreement, together with all Exhibits, constitutes the entire agreement between the Parties and supersedes all prior negotiations, proposals, and agreements, whether written or oral.

11.4 Amendments. This Agreement may be amended only by a written instrument signed by both Parties.

11.5 Notices. All notices under this Agreement shall be in writing and sent to the addresses set forth above, or such other addresses as the Parties may designate in writing.

11.6 Non-Solicitation. During the term of this Agreement and for twelve (12) months following its termination, neither Party shall directly solicit for employment any employee of the other Party who was involved in the performance of this Agreement.

**IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.**

PINNACLE DIGITAL SOLUTIONS, INC.

GREENLEAF ENTERPRISES, LLC

\_\_\_\_\_  
Name: Sarah Chen  
Title: Chief Executive Officer  
Date: September 15, 2024

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Name: Michael Torres  
Title: VP of Technology  
Date: September 15, 2024