

INTERPERSONAL FREQUENCY LLC MASTER SERVICES AGREEMENT

This Master Services Agreement ("Agreement," "Contract," or "MSA") is made as of ______ ("Effective Date") by and between Interpersonal Frequency LLC, a Limited Liability Company, with its mailing address at P.O. Box 51 McLean Virginia 22101 ("Interpersonal Frequency" or "I.F.") and City of Independence, Missouri, having its principal office at _____ ("City," "CIMO," or "Client").

1. SERVICES

Interpersonal Frequency shall provide professional services ("Services") to Client as specified in a Statement of Work ("SOW") executed by the parties referencing this Agreement. In the event of a conflict between this Agreement and a Statement of Work, the terms of this Agreement shall prevail. Any change in the scope of Services as set forth in a Statement of Work shall be agreed upon in writing by the parties. Interpersonal Frequency shall have no obligation to perform services in connection with any such change until the parties have agreed upon the effect of such change on Interpersonal Frequency's fees and/or schedule of performance.

2. FEES, INVOICES AND PAYMENT

2.1. Client shall compensate Interpersonal Frequency for the Services in accordance with the Statement of Work. On the Effective Date of each Statement of Work, Interpersonal Frequency shall invoice Client for the amount specified therein. Interpersonal Frequency shall have no obligation to commence the Services until the amount is paid or a purchase order obligating funds to pay for Services is received. Thereafter, Interpersonal Frequency shall invoice Client for Services and expenses in accordance with the payment schedule set forth in the Statement of Work. Client shall pay such invoices within ten (10) days after delivery thereof. Any amount remaining unpaid after thirty (30) days after an invoice shall accrue interest at a rate equal to the lesser of: (a) one and one-half percent (1.5%) per month; or (b) the highest rate allowed by law. Invoices submitted by Interpersonal Frequency to Client are deemed accepted and approved unless disputed by Client within five (5) business days of Client's receipt of the invoice. In the event Client disputes a portion of an invoice, Client agrees to fully pay the undisputed portion and Interpersonal Frequency's acceptance of such partial payment shall not waive any of its rights as to the remaining balances nor in any way constitute an accord and satisfaction.

2.2. Interpersonal Frequency shall be reimbursed for the actual out-of-pocket expenses of its personnel and other expenses incurred in performance of the Services as defined in the Statement of Work. Interpersonal Frequency personnel traveling out-of-town shall be reimbursed for coach class airfare, auto rental, lodging and reasonable actual meal expenses. Interpersonal Frequency personnel shall be reimbursed for mileage to the Client's location in excess of the commute to the personnel's local office. Interpersonal Frequency shall also be reimbursed for long distance phone charges and any research reports it purchased on behalf of the client.

2.3. Client shall pay any and all applicable federal, state and local sales, use, value added, excise, duty and any other taxes of any nature (except any tax based on Interpersonal Frequency's net income) assessed on the Services and/or work product and/or deliverables produced under any Statement of Work (collectively "Deliverables").

3. OWNERSHIP

Interpersonal Frequency and its licensors, as applicable, shall own all right, title and interest in and to the following (collectively "Interpersonal Frequency Materials"): (a) (i) all original components of the Deliverables created or developed by or on behalf of Interpersonal Frequency pursuant to its performance of the Services; (ii) all pre-existing works, inventions, technology, data, information and other material incorporated or used in connection with the Deliverables, or otherwise owned, used or possessed by Interpersonal Frequency prior to the Effective Date; and (iii) all inventions, discoveries, ideas, concepts, know-how, and techniques and other work product developed or created by or on behalf of Interpersonal Frequency pursuant to its performance of the Services; and (b) all derivatives, improvements, enhancements or extensions of the forgoing. Upon payment of all fees due for the Services, Interpersonal Frequency will grant to Client a non-exclusive, non-transferable, indefinite, worldwide, royalty-free and paid-up license to use the Interpersonal Frequency Materials as incorporated in the Deliverables for Client's internal business purposes, subject to any third-party licenses or copyrights, provided that Client will have no right to use such Interpersonal Frequency Materials apart from the Deliverables or in any other manner.

4. WARRANTIES

4.1. Interpersonal Frequency warrants to Client for a period of thirty (30) days from the completion of the Services that the Services shall be performed in a professional and workmanlike manner in accordance with applicable commercial standards.

4.2. The foregoing warranty shall only apply provided that: (a) any software or other materials developed by Interpersonal Frequency have not been modified, unless authorized by Interpersonal Frequency in writing; (b) there has been no change in the computer equipment on which Interpersonal Frequency installed any software, unless authorized by Interpersonal Frequency in writing; (c) the computer equipment on which any software was installed has sufficient capacity, is in good operating order, and is installed in a suitable operating environment; (d) the nonconformity was not caused by Client or its agents or any third party; (e) Client promptly notifies Interpersonal Frequency of the nonconformity after discovery; and (f) all fees due to Interpersonal Frequency have been paid.

4.3. Client shall be responsible for the use of any Deliverables to achieve Client's intended results. Should any of the Services not comply with the foregoing warranty, Client shall promptly inform Interpersonal Frequency of the deficiency and Interpersonal Frequency shall use commercially reasonable efforts to cause the Services to comply with the applicable warranty.

4.4. THE FOREGOING WARRANTY IS INTERPERSONAL FREQUENCY'S ONLY WARRANTY CONCERNING THE SERVICES AND ANY DELIVERABLES, AND ARE MADE FOR THE BENEFIT OF CLIENT ONLY AND ARE IN LIEU OF ALL OTHER WARRANTIES AND REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE.

4.5. Client represents, warrants and covenants to Interpersonal Frequency that: (a) Client owns all right, title and interest in and to, or has full and sufficient authority to use, all materials, information or data furnished by Client ("Client Materials"); (b) Client will secure and comply with the terms and conditions of any licensing agreements which govern the use of any Client Materials owned by third parties; (c) the Client Materials do not infringe the patent, copyright, trademark or other intellectual property rights of any party, or constitute libel, slander, defamation, invasion of privacy, or violation of any right of publicity or any other third party rights; (d) Client has or will secure all necessary consents, permissions, clearances, authorizations and waivers for the use of Client Materials; and (e) Client has complied and will comply with all legislation, rules and regulations regarding the use of Client Materials.

5. PERSONNEL



5.1 During any period in which Services are being performed, and for a period of one (1) year thereafter, Client shall not, directly or indirectly, solicit the employment of, employ, or contract with, any Interpersonal Frequency's current employees or independent contractors. Client shall promptly notify Interpersonal Frequency of any communications with any Interpersonal Frequency employees or independent contractors seeking employment. If Client breaches this Section 5.1, Client shall pay as liquidated damages, and not as a penalty, the sum of \$125,000 per breach. If Interpersonal Frequency waives its right to such liquidated damages, Client shall reimburse Interpersonal Frequency mutually agreed upon costs of external recruitment, training and lost revenues.

5.2 During any period in which Services are being performed, and for a period of one (1) year thereafter, Client shall not, directly or indirectly, induce or attempt to induce any customer, supplier, licensee, licensor or other business relation of Interpersonal Frequency to cease doing, or reduce the amount of, business with Interpersonal Frequency, or in any way interfere with the relationship between any such customer, supplier, licensee, licensor or other business relation and Interpersonal Frequency. If Client breaches this Section 5.2, Client shall pay as liquidated damages, and not as a penalty, the sum of \$125,000 per breach.

6. <u>LIMITATION OF LIABILITY</u>

THE MAXIMUM LIABILITY OF INTERPERSONAL FREQUENCY, ITS DIRECTORS AND OFFICERS TO CLIENT FOR DAMAGES FOR ANY AND ALL CAUSES WHATSOEVER, AND CLIENT'S MAXIMUM REMEDY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE TOTAL FEES PAID BY CLIENT TO INTERPERSONAL FREQUENCY UNDER THIS AGREEMENT DURING THE PRECEDING SIX (6) MONTH PERIOD FOR THE PORTION OF THE SERVICES GIVING RISE TO ANY CLAIM. IN NO EVENT SHALL INTERPERSONAL FREQUENCY, ITS DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS OR AFFILIATES BE LIABLE FOR ANY LOST DATA OR CONTENT, LOST PROFITS, BUSINESS INTERRUPTION OR FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THE SERVICES PROVIDED UNDER THIS AGREEMENT, EVEN IF INTERPERSONAL FREQUENCY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

7. TERMINATION

7.1. Either party may terminate this Agreement or any Statement of Work for a material breach thereof (including nonpayment of fees, failure to fulfill any responsibilities set forth in the Statement of Work, or failure to cooperate in good faith with the other party in connection with the Services) upon giving the other party thirty (30) days prior written notice identifying specifically the alleged breach, provided that the breaching party does not cure such breach within the fifteen (15) day notice period. During this notice period the non-breaching party shall have the right to suspend its performance under this Agreement.

7.2. Either party may terminate this Agreement and any Statement of Work immediately by written notice if the other party makes an assignment for the benefit of creditors, becomes subject to a bankruptcy proceeding, is subject to the appointment of a receiver, or admits in writing its inability to pay its debts as they become due.

7.3. Upon termination of this Agreement or any Statement of Work by either party, Client will immediately pay Interpersonal Frequency all fees, costs and expenses owed to or incurred by Interpersonal Frequency up to the effective date of such termination; provided, however, that with respect to any Statement of Work which is the basis for the termination, Client will pay Interpersonal Frequency a pro rata amount of the fees due for such Statement of Work (based on the percentage of completion of the Services, as reasonably determined by Interpersonal Frequency). Furthermore, each party shall promptly return all



data, materials and other property of the other held by it; provided, however, that if Client has not fully paid all outstanding invoices for Services performed by Interpersonal Frequency prior to the date of termination, Interpersonal Frequency shall be entitled to retain or recover any Deliverables until payment is made. This right shall be in addition to any other remedies it may have at law or in equity.

7.4. Unless the parties subsequently agree otherwise in writing, the terms and conditions of this Agreement shall govern any services which Interpersonal Frequency may provide to Client in the future, regardless of whether or not such services are performed pursuant to a Statement of Work.

8. CONFIDENTIAL INFORMATION

8.1. Each party agrees that any information concerning the other's price quotes, preliminary concepts, sales and/or marketing proposals, branding strategies, creative designs and concepts, technical data, web designs, trade secrets and know-how, research, product plans, products, technical requirements, software, programming techniques, algorithms, services, suppliers, supplier lists, customers, employee lists, customer lists, markets, developments, inventions, processes, technology, designs, drawings, engineering, apparatus, techniques, hardware configuration information, marketing, forecasts, communications programs, customer data, business strategy, finances or other business information disclosed by the other party ("Confidential Information") shall not, without the disclosing party's written authorization, be disclosed to any other party or used by the receiving party for its own benefit except as contemplated by this Agreement. The recipient shall protect the confidential information and shall restrict access to Confidential Information to its personnel on a need to know basis.

8.2. Nothing in this Agreement shall restrict either party's use of information (including, but not limited to, ideas, concepts, know-how, techniques and methodologies): (a) that is or becomes publicly available through no breach of this Agreement; (b) independently developed by it; (c) previously known to it without obligation of confidence; or (d) acquired by it from a third party which is not, to its knowledge, under an obligation of confidence with respect to such information. In the event either party receives a subpoena or other validly issued administrative or judicial process requesting Confidential Information, the recipient shall promptly notify the other party of such receipt and may comply with such subpoena or process to the extent permitted by law. Upon termination of this Agreement, regardless of cause, each party shall promptly return to the other party (or at the other party's written request, destroy) all Confidential Information of the other party without retention of copies in any form or media; provided, however, Interpersonal Frequency may retain, subject to the obligations of this Section 10, copies of Confidential Information for record keeping purposes.

9. ASSIGNMENT

Neither party shall have the right to assign this Agreement without the other party's written consent, and any attempt to do so shall be void; provided, however, that each party shall have the right, upon written notice to the other party, to assign this Agreement to any subsidiary, affiliate, person or entity that acquires or succeeds to all or substantially all of such party's stock or assets.

10. ENTIRE AGREEMENT

This Agreement, the Interpersonal Frequency Software as a Service Agreement, and any applicable Statement of Work constitute the entire understanding between Interpersonal Frequency and Client, and supersede all prior agreements, arrangements, representations and communications (whether oral or written) regarding the subject matter of this Agreement. Client is entering into this Agreement solely based upon the agreements and representations contained herein for its own purposes and not for the benefit of any third party.

11. WAIVER / SEVERABILITY



Waiver of any breach or failure to enforce any term of this Agreement will not be deemed a waiver of any breach or right to enforce which may thereafter occur. No waiver shall be valid against any party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein. If any term or provision of this Agreement is found by a court of competent jurisdiction to be illegal, invalid, or otherwise unenforceable, such term or provision shall not affect the Agreement's other terms or provisions, or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and the agreements of the parties.

12. FORCE MAJEURE

Except with regard to payments due to Interpersonal Frequency, neither party shall be liable for any delays or failures in performance due to circumstances beyond its control which could not be avoided by the exercise of due care.

13. APPLICABLE LAW AND ARBITRATION

This Agreement shall be governed by the laws of the State of Missouri without application of its conflict of laws principles.

14. NOTICES

Any notice or other communication under this Agreement shall be in writing and shall be effective upon the earlier of actual receipt, five (5) days following deposit into the United States mail (certified mail, return receipt requested), the next business day following deposit with a nationally recognized overnight courier service, or the same day following transmission of a legible facsimile copy during regular business hours, in each case with any delivery fees pre-paid and addressed to the party at the address set forth on the first page of this Agreement or such other address as that party may notify the other from time to time in accordance with this Section 14.

15. MISCELLANEOUS

15.1. Independent Contractor. Interpersonal Frequency is an independent contractor, and no party shall have the authority to bind, represent or commit the other.

15.2. Use of Client's Name. Client agrees that Interpersonal Frequency may use Client's name, trademarks and captured graphic and video images, along with a general description of the Services performed, in the promotion and advertising of Interpersonal Frequency. Client also agrees to enable an unobtrusive hyperlink with the words, "Powered by Interpersonal Frequency" at the bottom of the website. The hyperlink shall direct to the I.F. corporate website.

15.3 Amendment. This Agreement may not be amended, changed or modified except by a written agreement signed by the parties.

15.4. Causes of Action. The parties agree that any cause of action arising under, or in connection with, this Agreement will not be valid unless such action is commenced by the filing of a complaint in a court of competent jurisdiction within one year after completion of the Services. In the event that Client fails to make any payment due under this Agreement, Client shall reimburse Interpersonal Frequency for its costs of collection, including court costs and reasonable attorneys' fees, unless Client obtains a judgment dismissing such action.

15.5. Survival. The terms of Sections 2, 3, 4, 5, 6, 7, 8, and 9 and other sections which by their nature are



intended to extend beyond termination shall survive termination of this Agreement for any reason.

IN WITNESS WHEREOF, the parties have caused this Master Services Agreement to be executed and delivered as of the date first above written, and represent that the persons whose signatures appear below are duly authorized to execute this Agreement.

	Interpersonal Frequency LLC ("I.F.")	City of Independence Missouri ("the Client")
Name	Harish R. Rao	
Position	CEO	
Date		
Signature		

