

## SOFTWARE AS A SERVICE AGREEMENT

TROY GROUP INC., A DELAWARE CORPORATION ("COMPANY"), IS WILLING TO PROVIDE SAAS SERVICES TO YOU AS AN INDIVIDUAL OR THE LEGAL ENTITY YOU REPRESENT (COLLECTIVELY WITH ANY AFFILIATES "CUSTOMER") THAT WILL BE UTILIZING THE SOFTWARE (AS DEFINED BELOW), SUBJECT TO CUSTOMER'S ACCEPTANCE OF ALL OF THE TERMS AND CONDITIONS CONTAINED IN THIS SOFTWARE AS A SERVICE AGREEMENT. THIS IS A LEGALLY BINDING AND ENFORCEABLE CONTRACT BETWEEN COMPANY AND CUSTOMER (THE "AGREEMENT"). CUSTOMER SHOULD READ THE TERMS AND CONDITIONS OF THIS AGREEMENT CAREFULLY BEFORE AGREEING. BY CLICKING THE "I AGREE" OR "SUBMIT" BUTTON, OR OTHERWISE INDICATING CUSTOMER'S ASSENT ELECTRONICALLY, CUSTOMER AGREES TO THE TERMS AND CONDITIONS OF THIS AGREEMENT. IF CUSTOMER DOES NOT AGREE TO THESE TERMS AND CONDITIONS, DO NOT ACCEPT THIS AGREEMENT AND DO NOT USE THE SAAS SERVICES.

ALL OFFERS FOR SALE OF SAAS SERVICES ARE SUBJECT TO THESE TERMS, AND ANY PROPOSED ADDITIONS TO OR MODIFICATIONS MADE BY CUSTOMER ARE HEREBY EXPRESSLY REJECTED. IF CUSTOMER IS ACCEPTING THESE TERMS ON BEHALF OF ANOTHER PERSON OR A COMPANY OR OTHER LEGAL ENTITY, YOU REPRESENT AND WARRANT THAT YOU HAVE FULL AUTHORITY TO BIND THAT PERSON, COMPANY, OR LEGAL ENTITY TO THESE TERMS.

For good and valuable consideration, the sufficiency of which is hereby acknowledged, Company and Customer agree to the terms and conditions set forth below:

NOW, THEREFORE, the parties hereto agree as follows:

### 1. DEFINITIONS

"Administrator User" means each Customer employee designated by Customer to serve as technical administrator of the SaaS Services on Customer's behalf

"Customer Content" means all data and materials provided by Customer to Company for use in connection with the SaaS Services, including, without limitation, customer applications, data files, and graphics.

"Documentation" means the user guides, online help, release notes, training materials and other documentation provided or made available by Company to Customer regarding the use or operation of the SaaS Services.

"Invoice" means the invoice provided by Company to Customer reflecting the purchase of SaaS Services as well as the number of users and checks provided thereunder.

"Other Services" means all technical and non-technical services performed or delivered by Company under this SaaS Agreement, including, without limitation, implementation services and other professional services, training and education services but excluding the SaaS Services. Other Services will be provided on a time and material basis at such times or during such periods, as may be specified in an Invoice and mutually agreed to by the parties.

"Software" means the object code version of any software to which Customer is provided access as part of the Service, including any updates or new versions.

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“SaaS Services” refer to the specific Company’s internet-accessible service identified in an Invoice that provides use of Company’s AssurePay Cloud check printing services that is hosted by Company or its service provider and made available to Customer over a network on a term-use basis.

“Subscription Term” shall mean that period specified in an Invoice during which Customer will have on-line access and use of the Software through Company’s SaaS Services. The Subscription Term shall renew for successive 12- month periods unless either party delivers written notice of non-renewal to the other party at least 30 days prior to the expiration of the then-current Subscription Term.

## 2. SAAS SERVICES

2.1 During the Subscription Term, Customer will receive a nonexclusive, non-assignable, royalty free, worldwide right to access and use the SaaS Services solely for Customer’s internal business operations subject to the terms of this Agreement.

2.2 Customer acknowledges that this Agreement is a services agreement and Company will not be delivering copies of the Software to Customer as part of the SaaS Services.

3. RESTRICTIONS Customer shall not, and shall not permit anyone to: (i) copy or republish the SaaS Services or Software, (ii) make the SaaS Services available to any person other than authorized users, (iii) use or access the SaaS Services to provide service bureau, time-sharing or other computer hosting services to third parties, (iv) modify or create derivative works based upon the SaaS Services or Documentation, (v) remove, modify or obscure any copyright, trademark or other proprietary notices contained in the software used to provide the SaaS Services or in the Documentation, (vi) reverse engineer, decompile, disassemble, or otherwise attempt to derive the source code of the Software used to provide the SaaS Services, except and only to the extent such activity is expressly permitted by applicable law, or (vii) access the SaaS Services or use the Documentation in order to build a similar product or competitive product. Subject to the limited licenses granted herein, Company or its service providers shall own all right, title and interest in and to the Software, SaaS Services, Documentation, and other deliverables provided under this SaaS Agreement, including all modifications, improvements, upgrades, derivative works and feedback related thereto and intellectual property rights therein. Customer agrees to assign all right, title and interest it may have in the foregoing to Company.

## 4. CUSTOMER RESPONSIBILITIES

4.1 Assistance. Customer shall provide commercially reasonable information and assistance to Company to enable Company to deliver the SaaS Services. Upon request from Company, Customer shall promptly deliver Customer Content to Company in an electronic file format specified and accessible by Company. Customer acknowledges that Company’s ability to deliver the SaaS Services in the manner provided in this SaaS Agreement may depend upon the accuracy and timeliness of such information and assistance.

4.2 Compliance with Laws. Customer shall comply with all applicable local, state, national and foreign laws in connection with its use of the SaaS Services, including those laws related to data privacy, international communications, and the transmission of technical or personal data. Customer acknowledges that Company and its service providers exercise no control over the content of the information transmitted by Customer through the SaaS Services. Customer shall not upload, post, reproduce or distribute any information, software or other material protected by copyright, privacy

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rights, or any other intellectual property right without first obtaining the permission of the owner of such rights.

4.3 Unauthorized Use; False Information. Customer shall: (a) notify Company immediately of any unauthorized use of any password or user id or any other known or suspected breach of security, (b) report to Company immediately and use reasonable efforts to stop any unauthorized use of the SaaS Services that is known or suspected by Customer and (c) not provide false identity information to gain access to or use the SaaS Services.

4.4 Administrator Access. Customer shall be solely responsible for the acts and omissions of its Administrator Users. Company shall not be liable for any loss of data or functionality caused directly or indirectly by the Administrator Users.

4.5 Customer Input. Customer is solely responsible for collecting, inputting and updating all Customer Content stored on the SaaS Services, and for ensuring that the Customer Content does not (i) include anything that actually or potentially infringes or misappropriates the copyright, trade secret, trademark or other intellectual property right of any third party, or (ii) contain anything that is obscene, defamatory, harassing, offensive or malicious. Customer shall: (i) notify Company immediately of any unauthorized use of any password or user id or any other known or suspected breach of security, (ii) report to Company immediately and use reasonable efforts to stop any unauthorized use of the Service that is known or suspected by Customer and (iii) not provide false identity information to gain access to or use the Service.

4.6 License from Customer. Subject to the terms and conditions of this SaaS Agreement, Customer shall grant to Company and its service providers a limited, non-exclusive and non-transferable license, to copy, store, configure, perform, display and transmit Customer Content solely as necessary to provide the SaaS Services to Customer.

4.7 Ownership and Restrictions. Customer retains ownership and intellectual property rights in and to its Customer Content. Company or its licensors retain all ownership and intellectual property rights to the services, Software programs, and anything developed and delivered under the Agreement. Third party technology that may be appropriate or necessary for use with some Company programs is specified in the program Documentation or ordering document as applicable. Customer's right to use such third party technology is governed by the terms of the third party technology license agreement specified by Company and not under this Agreement.

4.8 Suggestions. Company and its service providers shall have a royalty-free, worldwide, irrevocable, perpetual license to use and incorporate into the SaaS Services any suggestions, enhancement requests, recommendation or other feedback provided by Customer, including Users, relating to the operation of the SaaS Services.

## 5. ORDERS AND PAYMENT

5.1 Orders. Customer shall order SaaS Services pursuant to an Invoice. All services acquired by Customer shall be governed exclusively by this SaaS Agreement and the applicable Invoice.

5.2 Invoicing and Payment. Company shall invoice Customer for all fees. Customer shall pay all undisputed invoices within thirty (30) days after Customer receives the invoice. Except as expressly provided otherwise, fees are non-refundable.

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5.3 Taxes. Company shall bill Customer for applicable taxes as a separate line item on each invoice. Customer shall be responsible for payment of all sales and use taxes, value added taxes (VAT), or similar charges relating to Customer's purchase and use of the services.

## 6. TERM AND TERMINATION

6.1 Term of SaaS Agreement. The term of this SaaS Agreement shall begin on the Effective Date and shall continue for the Subscription Term, unless terminated by either party as outlined in this Section. No later than sixty (60) days prior to the current expiration date of the Subscription Term, Company must provide Customer with proposed pricing information for the following option year. Prices shall not increase more than ten (10%) percent from the current Subscription Term pricing amounts. Upon mutual agreement as to the revised pricing amounts, Customer may exercise its option to renew this Agreement for an additional twelve (12) month period by providing written notice to Company no later than thirty (30) days prior to the expiration date of the Subscription Term. Such notice to indicate exercise of the option and the mutually agreed pricing schedule for the renewal period. If renewal payment is not received prior to expiration, service will be suspended. Reinstatement of service is subject to fees outlined in terms of contract plus any service reactivation fees (up to \$500). If confirmation and payment is not received by 30 days after expiration date, Customer account and all associated files will be deleted in accordance with information privacy laws. If Customer account and files are deleted, Customer will have to pay the full Onboarding fee (In addition to other fees due) to reinstate the Customer's service.

6.2 Termination. Either party may terminate this SaaS Agreement immediately upon a material breach by the other party that has not been cured within thirty (30) days after receipt of notice of such breach.

6.3 Suspension for Non-Payment. Company reserves the right to suspend delivery of the SaaS Services if Customer fails to timely pay any undisputed amounts due to Company under this SaaS Agreement. Suspension of the SaaS Services shall not release Customer of its payment obligations under this SaaS Agreement. Customer agrees that Company shall not be liable to Customer or to any third party for any liabilities, claims or expenses arising from or relating to suspension of the SaaS Services resulting from Customer's non-payment. If Company suspends the Subscription Services, Company will promptly restore the Subscription Services upon Customer's payment of such undisputed portion of Company's invoice. A reactivation fee of \$500 would be invoiced to the customer. If Customer's payment is not made within thirty (30) days of suspension the Customer's account and all associated files will be deleted from the Company's data center in accordance with information privacy laws.

6.3 Effect of Termination. (a) Upon termination of this SaaS Agreement or expiration of the Subscription Term, Company shall immediately cease providing the SaaS Services and all usage rights granted under this SaaS Agreement shall terminate. (b) If Company terminates this SaaS Agreement due to a breach by Customer, then Customer shall immediately pay to Company all amounts then due under this SaaS Agreement and to become due during the remaining term of this SaaS Agreement, but for such termination. If Customer terminates this SaaS Agreement due to a breach by Company, then Company shall immediately repay to Customer all pre-paid amounts for any unperformed SaaS Services scheduled to be delivered after the termination date. (c) Upon termination of this SaaS Agreement and upon subsequent written request by the disclosing party, the receiving party of tangible Confidential Information shall immediately return such information or destroy such information and provide written certification of such destruction, provided that the receiving party may permit its legal counsel to retain one archival copy of such information in the event of a subsequent dispute between the parties.

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## 7. WARRANTIES

7.1 Warranty. Company represents and warrants that it will provide the SaaS Services in a professional manner consistent with general industry standards and that the SaaS Services will perform substantially in accordance with the Documentation. For any breach of a warranty, Customer's exclusive remedy shall be as provided in Section 6, Term and Termination.

7.2 COMPANY DOES NOT GUARANTEE THAT THE SAAS SERVICES WILL BE PERFORMED ERROR-FREE OR UNINTERRUPTED, OR THAT COMPANY WILL CORRECT ALL SAAS SERVICES ERRORS. CUSTOMER ACKNOWLEDGES THAT COMPANY DOES NOT CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET, AND THAT THE SAAS SERVICE MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH COMMUNICATIONS FACILITIES. SECTION 7.1 OF THIS AGREEMENT SETS FORTH THE SOLE AND EXCLUSIVE WARRANTY GIVEN BY COMPANY (EXPRESS OR IMPLIED) WITH RESPECT TO THE SUBJECT MATTER OF THIS AGREEMENT AND COMPANY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, OF FITNESS FOR ANY PARTICULAR PURPOSE, ANY OR OTHER WARRANTY IMPLIED BY LAW, OR ARISING BY USAGE OF TRADE, COURSE OF DEALING OR COURSE OF PERFORMANCE. NEITHER COMPANY NOR ANY OF ITS LICENSORS OR OTHER SUPPLIERS WARRANT OR GUARANTEE THAT THE OPERATION OF THE SUBSCRIPTION SERVICE WILL BE UNINTERRUPTED, VIRUS-FREE OR ERROR-FREE, NOR SHALL COMPANY OR ANY OF ITS SERVICE PROVIDERS BE LIABLE FOR UNAUTHORIZED ALTERATION, THEFT OR DESTRUCTION OF CUSTOMER'S OR ANY USER'S DATA, FILES, OR PROGRAMS.

8. LIMITATIONS OF LIABILITY. NEITHER PARTY (NOR ANY LICENSOR OR OTHER SUPPLIER OF COMPANY) SHALL BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOST BUSINESS, PROFITS, DATA OR USE OF ANY SERVICE, INCURRED BY EITHER PARTY OR ANY THIRD PARTY IN CONNECTION WITH THIS SAAS AGREEMENT, REGARDLESS OF THE NATURE OF THE CLAIM (INCLUDING NEGLIGENCE), EVEN IF FORESEEABLE OR THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. COMPANY'S AGGREGATE LIABILITY FOR DAMAGES UNDER THIS SAAS AGREEMENT, REGARDLESS OF THE NATURE OF THE CLAIM (INCLUDING NEGLIGENCE), SHALL NOT EXCEED THE FEES PAID OR PAYABLE BY CUSTOMER UNDER THIS SAAS AGREEMENT DURING THE 12 MONTHS PRECEDING THE DATE THE CLAIM AROSE.

## 9. CONFIDENTIALITY

9.1 Definition. "Confidential Information" means any information disclosed by a party to the other party, directly or indirectly, which, (a) if in written, graphic, machine-readable or other tangible form, is marked as "confidential" or "proprietary," (b) if disclosed orally or by demonstration, is identified at the time of initial disclosure as confidential and is confirmed in writing to the receiving party to be "confidential" or "proprietary" within 30 days of such disclosure, (c) is specifically deemed to be confidential by the terms of this SaaS Agreement, or (d) reasonably appears to be confidential or proprietary because of the circumstances of disclosure and the nature of the information itself. Confidential Information will also include information disclosed by third parties to a disclosing party under an obligation of confidentiality. Subject to the display of Customer Content as contemplated by this SaaS Agreement, Customer Content is deemed Confidential Information of Customer. Company software and Documentation are deemed Confidential Information of Company.

9.2 Confidentiality. During the term of this SaaS Agreement and for 5 years thereafter (perpetually in the case of Software), each party shall treat as confidential all Confidential Information of the other

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party, shall not use such Confidential Information except to exercise its rights and perform its obligations under this SaaS Agreement, and shall not disclose such Confidential Information to any third party. Without limiting the foregoing, each party shall use at least the same degree of care, but not less than a reasonable degree of care, it uses to prevent the disclosure of its own confidential information to prevent the disclosure of Confidential Information of the other party. Each party shall promptly notify the other party of any actual or suspected misuse or unauthorized disclosure of the other party's Confidential Information. Neither party shall reverse engineer, disassemble or decompile any prototypes, software or other tangible objects which embody the other party's Confidential Information and which are provided to the party hereunder. Each party may disclose Confidential Information of the other party on a need-to-know basis to its contractors who are subject to confidentiality agreements requiring them to maintain such information in confidence and use it only to facilitate the performance of their services on behalf of the receiving party.

9.3 Exceptions. Confidential Information excludes information that: (a) is known publicly at the time of the disclosure or becomes known publicly after disclosure through no fault of the receiving party, (b) is known to the receiving party, without restriction, at the time of disclosure or becomes known to the receiving party, without restriction, from a source other than the disclosing party not bound by confidentiality obligations to the disclosing party, or (c) is independently developed by the receiving party without use of the Confidential Information as demonstrated by the written records of the receiving party. The receiving party may disclose Confidential Information of the other party to the extent such disclosure is required by law or order of a court or other governmental authority, provided that the receiving party shall use reasonable efforts to promptly notify the other party prior to such disclosure to enable the disclosing party to seek a protective order or otherwise prevent or restrict such disclosure. Each party may disclose the existence of this SaaS Agreement and the relationship of the parties, but agrees that the specific terms of this SaaS Agreement will be treated as Confidential Information; provided, however, that each party may disclose the terms of this SaaS Agreement to those with a need to know and under a duty of confidentiality such as accountants, lawyers, bankers and investors.

## 10. GENERAL PROVISIONS

10.1 Non-Exclusive Service. Customer acknowledges that SaaS Services is provided on a non-exclusive basis. Nothing shall be deemed to prevent or restrict Company's ability to provide the SaaS Services or other technology, including any features or functionality first developed for Customer, to other parties.

10.2 Personal Data. Customer hereby acknowledges and agrees that Company's performance of this SaaS Agreement may require Company and its service providers to process, transmit and/or store Customer personal data or the personal data of Customer employees and Affiliates. By submitting personal data to Company, Customer agrees that Company and its service providers may process, transmit and/or store personal data only to the extent necessary for, and for the sole purpose of, enabling Company to perform its obligations to under this SaaS Agreement. In relation to all Personal Data provided by or through Customer to Company, Customer will be responsible as sole Data Controller for complying with all applicable data protection or similar laws such as UK GDPR and Data Protection Act (DPA) 2018 and laws implementing that Directive that regulate the processing of Personal Data and special categories of data as such terms are defined in that Directive. Customer agrees to obtain all necessary consents and make all necessary disclosures before including Personal Data in Content and using the Software and SaaS Services. Customer confirms that Customer is solely responsible for any Personal Data that may be contained in Customer Content, including any information which Company shares with third parties on Customer's behalf. Customer is solely

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responsible for determining the purposes and means of processing Customer Personal Data by Company and its service providers under this Agreement, including that such processing according to Customer's instructions will not place Company or its service providers in breach of applicable data protection laws. Prior to processing, Customer will inform Company about any special categories of data contained within Customer Personal Data and any restrictions or special requirements in the processing of such special categories of data, including any cross-border transfer restrictions. Customer is responsible for ensuring that the SaaS Services meets such restrictions or special requirements. Company or its service providers may process any Personal Data that meets the requirements set forth in this Section according to this Agreement.

Personal Data in delivering SaaS Services. Customer agrees to provide any notices and obtain any consent related to Company or its service providers' use of the data for provisioning the SaaS Services, including those related to the collection, use, processing, transfer and disclosure of personal information. Customer shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness and retains ownership of all of Customer data.

10.3 Assignment. Neither party may assign this Agreement or any right under this Agreement, without the consent of the other party, which consent shall not be unreasonably withheld or delayed; provided however, that either party may assign this Agreement to an acquirer of all or substantially all of the business of such party to which this Agreement relates, whether by merger, asset sale or otherwise. This Agreement shall be binding upon and inure to the benefit of the parties' successors and permitted assigns. Either party may employ subcontractors in performing its duties under this Agreement, provided, however, that such party shall not be relieved of any obligation under this Agreement.

10.4 Force Majeure. Each party will be excused from performance for any period during which, and to the extent that, such party or any subcontractor is prevented from performing any obligation or services, in whole or in part, as a result of causes beyond its reasonable control, and without its fault or negligence, including without limitation, acts of God, strikes, lockouts, riots, acts of terrorism or war, epidemics, communication line failures, and power failures.

10.5 Waiver. No waiver shall be effective unless it is in writing and signed by the waiving party. The waiver by either party of any breach of this Agreement shall not constitute a waiver of any other or subsequent breach.

10.6 Severability. If any term of this Agreement is held to be invalid or unenforceable, that term shall be reformed to achieve as nearly as possible the same effect as the original term, and the remainder of this Agreement shall remain in full force.

10.7 Entire Agreement. This Agreement contains the entire agreement of the parties and supersedes all previous oral and written communications by the parties, concerning the subject matter of this Agreement. This Agreement may be amended solely in a writing signed by both parties. Standard or printed terms contained in any purchase order or sales confirmation are deemed rejected and shall be void unless specifically accepted in writing by the party against whom their enforcement is sought; mere commencement of work or payment against such forms shall not be deemed acceptance of the terms.

10.8 No Third Party Beneficiaries. This Agreement is an agreement between the parties, and confers no rights upon either party's employees, agents, contractors, partners of customers or upon any other person or entity.

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10.9 Independent Contractor. The parties have the status of independent contractors, and nothing in this Agreement nor the conduct of the parties will be deemed to place the parties in any other relationship. Except as provided in this Agreement, neither party shall be responsible for the acts or omissions of the other party or the other party's personnel.

10.10 Statistical Information. Company may anonymously compile statistical information related to the performance of the SaaS Services for purposes of improving the SaaS Service, provided that such information does not identify Customer's data or include Customer's name.

10.11 Governing Law and Venue. The validity of this Agreement and all matters pertaining to this Agreement, including but not limited to, matters of performance, non performance, breach, remedies, procedures, rights, duties, and interpretation or construction, shall be governed and determined by the Constitution and the laws of the State of Texas. Pursuant to Section 85.18, Texas Education Code, venue for any suit filed against Customer shall be in the county in which the primary office of the chief executive officer of Customer is located, which is Brazos County, Texas.

10.12 Compliance with Laws. Company shall comply with all applicable local, state, national and foreign laws in connection with its delivery of the SaaS Services, including those laws related to data privacy, international communications, and the transmission of technical or personal data.

10.13 To the extent that Chapter 2260, Texas Government Code, is applicable to this Agreement, the dispute resolution process provided in Chapter 2260, and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by Customer and Company to attempt to resolve any claim for breach of contract made by Company that cannot be resolved in the ordinary course of business. Company shall submit written notice of a claim of breach of contract under this Chapter to the Deputy Chancellor and Chief Financial Officer of Customer, who shall examine Company's claim and any counterclaim and negotiate with Company in an effort to resolve the claim. This provision and nothing in this Agreement waives Customer's sovereign immunity to suit or liability and Customer has not waived its right to seek redress in the courts.

10.13 Electronic and Information Resources. If determined to be applicable by Customer, Company shall address all required technical standards (WCAG 2.0, Level AA) (the "Accessibility Standards") by providing a Voluntary Product Accessibility Template ("VPAT") attesting to the accessible features and capabilities of any electronic and information resources (as defined in Title 1, Chapter 213 of the Texas Administrative Code) and associated documentation and technical support (collectively, the "EIR") or provide a similarly formatted document as the VPAT attesting to the EIR's accessible features and capabilities. Customer may test the EIR to ensure the accuracy of the VPAT response regarding conformance with the Accessibility Standards. If Company should have known, becomes aware, or is notified that the EIR do not comply with the Accessibility Standards, Company shall, in a timely manner and at no cost to Customer, perform all necessary steps to satisfy the Accessibility Standards, including but not limited to remediation, replacement, or upgrading the EIR, or providing a suitable substitute.

10.14 Access to Agency Data. Pursuant to Section 2054.138, Texas Government Code, Company shall implement and maintain appropriate administrative, technical, and physical security measures, including without limitation, the security controls available at <https://cyber-standards.tamus.edu>, as may be amended from time to time (the "Security Controls"), to safeguard and preserve the confidentiality, integrity, and availability of Customer's data. Company shall periodically provide Customer with evidence of its compliance with the Security Controls within thirty (30) days of Customer's request.

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10.15 Indemnification. Company agrees to indemnify, defend (subject to the approval of the Texas Attorney General) and hold harmless Customer from any claim, damage, liability, expense or loss arising from a third-party claim to the extent arising out of Company's negligent or willful errors or omissions under this Agreement.

10.16 Delinquent Child Support Obligations. A child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent is not eligible to receive payments from state funds under an agreement to provide property, materials, or services until all arrearages have been paid or the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency. The Texas Family Code requires the following statement: "Under Section 231.006, Texas Family Code, the vendor or applicant certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate."

10.17 Payment of Debt or Delinquency to the State. Pursuant to Sections 2107.008 and 2252.903, Texas Government Code, Company agrees that any payments owing to Company under this Agreement may be applied directly toward certain debts or delinquencies that Company owes the State of Texas or any agency of the State of Texas regardless of when they arise, until such debts or delinquencies are paid in full.

10.18 Previous Employment. Company acknowledges and understands that Section 2252.901, Texas Government Code, prohibits Customer from using state appropriated funds to enter into any employment contract, consulting contract, or professional services contract with any individual who has been previously employed, as an employee, by the agency within the past twelve (12) months. If Company is an individual, by signing this Agreement, Company certifies that Section 2252.901, Texas Government Code, does not prohibit the use of state appropriated funds for satisfying the payment obligations herein.

10.19 Not Eligible for Rehire. Company is responsible for ensuring that its employees involved in any work being performed for Customer under this Agreement have not been designated as "Not Eligible for Rehire" as defined in System policy 32.02, Discipline and Dismissal of Employees, Section 4 ("NEFR Employee"). In the event Customer becomes aware that Company has a NEFR Employee involved in any work being performed under this Agreement, Customer will have the sole right to demand removal of such NEFR Employee from work being performed under this Agreement. Non-conformance to this requirement may be grounds for termination of this Agreement by Customer.

10.20 Franchise Tax Certification. If Company is a taxable entity subject to the Texas Franchise Tax (Chapter 171, Texas Tax Code), then Company certifies that it is not currently delinquent in the payment of any franchise (margin) taxes or that Company is exempt from the payment of franchise (margin) taxes.

10.21 State Auditor's Office. Company understands that acceptance of funds under this Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "Auditor"), to conduct an audit or investigation in connection with those funds pursuant to Section 51.9335(c), Texas Education Code. Company agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation, providing all records requested. Company will include this provision in all contracts with permitted subcontractors.

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10.22 Loss of Funding. Performance by Customer under this Agreement may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature"). If the Legislature fails to appropriate or allot the necessary funds, Customer will issue written notice to Company and Customer may terminate this Agreement without further duty or obligation hereunder. Company acknowledges that appropriation of funds is beyond the control of Customer. In the event of a termination or cancellation under this Section, Texas A&M will not be liable to Vendor for any damages that are caused or associated with such termination or cancellation.

10.23 Conflict of Interest. Company certifies, to the best of their knowledge and belief, that no member of the Customer Board of Regents, or any officer of the Customer, has a direct or indirect financial interest in Company or in the transaction that is the subject of the Agreement.

10.24 Prohibition on Contracts with Companies Boycotting Israel. To the extent that Texas Government Code, Chapter 2271 applies to this Agreement, Company certifies that (a) it does not currently boycott Israel; and (b) it will not boycott Israel during the term of this Agreement. Company acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.

10.25 Certification Regarding Business with Certain Countries and Organizations. Pursuant to Subchapter F, Chapter 2252, Texas Government Code, Company certifies it is not engaged in business with Iran, Sudan, or a foreign terrorist organization. Company acknowledges this Purchase Order may be terminated if this certification is or becomes inaccurate.


10.26 Prohibition on Contracts Related to Persons Involved in Human Trafficking. Under Section 2155.0061, Government Code, the vendor certifies that the individual or business entity named in this contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

IN WITNESS WHEREOF, the parties have executed this Agreement by and through their authorized representatives as of the Effective Date.

**Troy Group Inc.**

**Texas A&M University System**

By: 

DocuSigned by:  
By:   
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Its: PRESIDENT

Its: Executive Director, Procurement Services

Date: 2-27-23

Date: 2/27/2023