



STANDARD TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES

Version 2026 | Supersedes the February 2020 edition

The David Walter Group, LLC (DWG) agrees to perform for the undersigned CLIENT the professional consulting and/or engineering services (the "Services") described in Exhibit 1 attached hereto, on a level-of-effort, time-and-materials basis, under the terms and conditions set forth below.

1. FEES FOR SERVICES. DWG invoices for the Services at the rates and billing increments stated in the applicable Statement of Work or Exhibit. DWG will notify the CLIENT of any revision to its rate schedules, effective not less than thirty (30) days after such notice, and may adjust its standard rates annually.

2. INVOICES AND PAYMENTS. Invoices will be submitted at least once every two weeks (14 days), with payment due not later than thirty (30) days after receipt. The CLIENT shall pay each invoice in full without deduction or offset. Travel is billed at actual cost for airfare, lodging, car rental, and other transportation; personally owned vehicle mileage at the GSA-approved rate; and meals at the GSA-approved per diem, except that business meals DWG hosts for others are billed at cost. Time for travel beyond a 50-mile radius of DWG's corporate location is charged portal to portal when traveling on CLIENT business. Amounts unpaid after the due date accrue interest at 1.5% per month, or the maximum rate permitted by law. DWG may suspend or stop work, without liability and without waiving any other remedy, on any invoice more than fifteen (15) days past due after written notice.

3. CLIENT'S OBLIGATIONS. To assist DWG in performing the Services, the CLIENT shall (i) provide DWG with available information in its possession pertaining to the project; (ii) consult with DWG when requested to convey and discuss materials, data, and information; (iii) permit DWG reasonable access to CLIENT location(s) when necessary; and (iv) ensure the cooperation of CLIENT employees as participants in studies or other activities reasonable and appropriate under the circumstances.

4. CONFIDENTIALITY. Each party (as Receiving Party) shall protect the other party's business and technical information disclosed under this Agreement (Confidential Information) with at least the same degree of care it uses for its own confidential information, and in no event less than reasonable care; shall use it solely to perform this Agreement; and shall not disclose it to others without consent. This obligation continues for three (3) years after termination. On the disclosing party's written request, the Receiving Party shall return or destroy the Confidential Information, except for one archival copy and routinely retained electronic backups. DWG's rates, pricing, methodologies, proposals, and personnel information are DWG Confidential Information. Nothing prevents a Receiving Party from disclosing or using information that (i) was known to it before disclosure; (ii) is or becomes publicly available through no fault of the Receiving Party; (iii) is independently developed; (iv) is rightfully received from a third party; or (v) is released in writing by the disclosing party. If disclosure is required by law or legal process, the Receiving Party shall promptly notify the disclosing party and afford it an opportunity to seek protection.

5. DOCUMENTS. All reports, drawings, plans, or other documents furnished to DWG by the CLIENT shall be returned upon completion of the Services if requested in writing by the CLIENT. DWG may retain one copy of final deliverables for its records.

6. INTELLECTUAL PROPERTY. Deliverables specifically created for and paid for by the CLIENT under a Statement of Work are the property of the CLIENT upon full payment. DWG retains all right, title, and interest in its pre-existing and independently developed materials, tools, templates, methodologies, software, and know-how (DWG Background IP), and grants the CLIENT a non-exclusive, royalty-free, non-transferable license to use DWG Background IP solely as incorporated in the deliverables. Each party retains ownership of inventions it develops in its own field of expertise. For Services supporting a U.S. Government prime contract, rights in technical data and software are governed by the data-rights



clauses (for example, FAR 52.227-14 or DFARS 252.227-7013/7014) identified in the applicable Statement of Work.

7. PROJECT DELAYS. If DWG is delayed in performing the Services by an act, failure to act, or neglect of the CLIENT or its employees; by changes in the scope of work; by unforeseen circumstances including fires, floods, riots, or strikes; by foreign or domestic government acts or regulations; by a delay authorized by the CLIENT and agreed to by DWG; or by any cause beyond DWG's reasonable control, then the time for completion shall be extended based upon the impact of the delay.

8. INSURANCE. DWG maintains Workers' Compensation insurance as required by law, and Commercial General Liability, Automobile Liability, and Professional Liability (Errors & Omissions) insurance for bodily injury, property damage, and professional acts, at the limits stated in the applicable Statement of Work, and will furnish certificates of insurance on request. If the CLIENT requires coverage beyond DWG's standard limits, DWG will endeavor to obtain it and the CLIENT will bear the additional cost. Additional-insured, primary, and non-contributory status applies only where the Statement of Work or the CLIENT's prime contract expressly requires it.

9. WARRANTY AND INDEMNIFICATION. DWG's Services will be performed in accordance with generally and currently accepted professional practices and standards for nationally recognized firms engaged in similar work. Each party shall indemnify and hold the other harmless from third-party loss, damage, injury, or liability to the extent arising from the indemnifying party's negligent acts or omissions or willful misconduct.

10. CONSEQUENTIAL DAMAGES. DWG and the CLIENT each waive any claim against the other for indirect, incidental, special, or consequential damages.

11. LIMITATION OF LIABILITY. The sole remedy for any alleged breach of warranty by DWG is to require DWG to re-perform the defective Services. Except for DWG's indemnification obligations, breach of confidentiality, or willful misconduct, DWG's total aggregate liability arising out of or relating to this Agreement shall not exceed the greater of (a) the fees paid to DWG for the Services in the twelve (12) months preceding the event giving rise to the claim, or (b) the proceeds available under DWG's applicable insurance. Any claim must be brought within one (1) year after substantial completion of the Services, or it is waived, to the extent permitted by law.

12. GOVERNING LAW AND DISPUTES. This Agreement is governed by the laws of the State of Washington, without regard to its conflict-of-laws rules. The parties will attempt in good faith to resolve any dispute through senior-management discussion and then non-binding mediation before initiating litigation. The state and federal courts located in Benton County, Washington have exclusive jurisdiction and venue; provided that, where the Services support a U.S. Government prime contract, disputes will follow the disputes procedure of that prime contract to the extent required.

13. TERMINATION. Either party may terminate this Agreement for convenience upon twenty (20) days' written notice. Either party may terminate for material breach not cured within fifteen (15) days after written notice, and DWG may terminate for nonpayment as provided in Section 2. If the Government terminates, suspends, or reduces the scope of the CLIENT's prime contract affecting the Services, DWG may terminate the affected Services. Upon any termination, the CLIENT shall pay DWG for Services performed through the termination date plus reasonable close-out and demobilization costs. A change in scope entitles DWG to an equitable adjustment in price and schedule.

14. OTHER SERVICES. This Agreement is limited to consulting and engineering Services. If other services are performed at the CLIENT's request, they shall be performed under terms and conditions agreed upon in writing by DWG and the CLIENT prior to performance.

15. ASSIGNMENT AND SUBCONTRACTING. Neither party may assign this Agreement without the other's



prior written consent, which shall not be unreasonably withheld; except that DWG may assign to an affiliate or to a successor in a merger or sale of substantially all of its assets without consent. DWG may perform the Services through its employees, independent (1099) contractors, and subcontractors, and remains responsible for their work.

16. INDEPENDENT CONTRACTOR. DWG performs the Services as an independent contractor. DWG and its personnel, including independent (1099) contractors and subcontractors, are not employees, agents, or joint venturers of the CLIENT, and DWG is solely responsible for their wages, taxes, benefits, and supervision. Nothing in this Agreement creates a partnership, employment, or agency relationship.

17. NON-SOLICITATION. During the term and for twelve (12) months afterward, the CLIENT will not, without DWG's prior written consent, solicit for employment or engagement any DWG personnel who performed Services. If the CLIENT hires such a person, the CLIENT will pay DWG a placement fee equal to thirty percent (30%) of that person's first-year compensation.

18. FEDERAL FLOW-DOWN PROVISIONS. If the Services support a U.S. Government prime contract, only those FAR and DFARS clauses expressly listed in the Statement of Work (or an attached flow-down schedule) and reasonably applicable to DWG's scope are incorporated. The CLIENT will provide the applicable clauses in writing. Where a clause assumes privity with the Government, the terms 'Contractor' and 'Government' or 'Contracting Officer' are read to mean DWG and the CLIENT, respectively, to the extent permitted.

19. COMPLIANCE WITH LAWS. Each party will comply with all applicable federal, state, and local laws and regulations, including the equal-employment-opportunity provisions of 41 CFR 60-1.4(a), 60-300.5(a), and 60-741.5(a) and Executive Order 11246, which are incorporated by reference where applicable.

20. DATA SECURITY; CONTROLLED UNCLASSIFIED INFORMATION. Where the Services involve Controlled Unclassified Information (CUI) or covered defense information, the parties will comply with the safeguarding and reporting requirements identified in the Statement of Work, including, as applicable, NIST SP 800-171, DFARS 252.204-7012, and CMMC. The CLIENT will identify CUI and provide any required system or facility access. Any cost of compliance not included in DWG's rates is subject to equitable adjustment.

21. FORCE MAJEURE. Neither party is liable for delay or failure to perform (other than payment obligations) caused by events beyond its reasonable control, including acts of God, fire, flood, epidemic or pandemic, war, terrorism, civil unrest, labor disputes, governmental action, or failure of utilities or transportation. The affected party will notify the other and resume performance as soon as practicable, and deadlines extend accordingly. If the event continues beyond thirty (30) days, either party may terminate the affected Services.

22. MISCELLANEOUS.

a. Entire Agreement. The terms and conditions set forth herein, together with each Statement of Work, constitute the entire understanding of the parties relating to the Services and supersede all prior or contemporaneous agreements on the subject.

b. Order of Precedence. If there is a conflict, the order of precedence is: (1) the signed Statement of Work or Exhibit; (2) these Terms and Conditions; and (3) any CLIENT purchase order. CLIENT purchase-order terms do not apply unless DWG expressly accepts them in writing.

c. Notices. Notices must be in writing and delivered by hand, nationally recognized courier, or email with confirmation, to the addresses on the signature page or as later updated in writing, and are effective on receipt.

d. Taxes. Fees are exclusive of sales, use, excise, and similar taxes, which are the CLIENT's responsibility,



except taxes on DWG's net income.

e. Attorney Fees. In any successful suit for damages for breach of this Agreement, the prevailing party is entitled to recover, as part of its damages, its reasonable legal costs and expenses for bringing and maintaining the action.

f. Waiver. A party's failure to enforce any term or condition is not a waiver of that or any other term, right, or privilege, which continue in effect as if no failure to enforce had occurred.

g. Severability. Each part, term, or provision of this Agreement is severable. If any part, term, or provision is found invalid, void, or unenforceable, the validity and enforceability of the remaining provisions are not affected.

h. Survival. The provisions on Confidentiality, Intellectual Property, Warranty and Indemnification, Consequential Damages, Limitation of Liability, Governing Law and Disputes, Non-Solicitation, and any accrued payment obligations survive expiration or termination.

i. Counterparts; Electronic Signatures. This Agreement may be executed in counterparts and by electronic signature, each of which is an original and all of which together constitute one instrument.

j. No Third-Party Beneficiaries. This Agreement is for the benefit of the parties only and creates no rights in any third party.

IN WITNESS WHEREOF, the CLIENT and The David Walter Group, LLC have caused this Agreement to be executed by their respective duly authorized representatives as of the date set forth below.

Executed this _____ day of _____, 20____.

(CLIENT)

By: _____

Name: _____

Title: _____

Address: _____

THE DAVID WALTER GROUP, LLC

By: _____

Name: David Walter

Title: President and CEO

Address: 2200 South Cleveland Street, Kennewick, WA 99338