

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF LEE'S SUMMIT
AND
V-ARMED INC.**

THIS PROFESSIONAL SERVICES AGREEMENT (this "Agreement") is entered into as of the Effective Date set forth below between the **City of Lee's Summit**, a Missouri municipal corporation (the "City"), and **V-Armed Inc.**, a New York corporation (the "Contractor"). The City and the Contractor are sometimes referred to individually as the "Party" and collectively as the "Parties".

RECITALS

- A. The City issued a Request for Proposals, RFP #2026-018 Virtual Reality Training System-Police Department (the "RFP"), a copy of which is on file with the Purchasing Division from Contractor to provide a Virtual Reality Training System (the "Services").
- B. The Contractor responded to the RFP by submitting a proposal (the "Proposal"), and the City desires to enter into an Agreement with the Contractor for the Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Contractor hereby agree as follows:

1. Recitals. The recitals set forth above and incorporated into this Agreement by reference and shall constitute a part of this Agreement.
2. Term of Agreement.
 - a. Initial Term. This Agreement shall be effective from the Effective Date, and remain in full force and effect for one (1) year thereafter (the "**Initial Term**"), unless terminated as otherwise provided herein.
 - b. Renewal Terms. After the expiration of the Initial Term, this Agreement shall automatically renew for up to five (5) successive, one-year terms (each a "**Renewal Term**") if it is deemed in the best interests of the City, subject to availability and appropriation of funds for renewal in each subsequent year. The Initial Term and any Renewal Term(s) are collectively referred to herein as the "Term." Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.
 - c. Transition Term. Notwithstanding the expiration of the Initial Term or all available Renewal Terms, the City, at its sole discretion and upon thirty (30) days written notice to Contractor, may extend the Agreement for up to six (6) months from the date of expiration or until the City terminates the Agreement, whichever occurs earlier. Upon receipt of such written notice, Contractor shall continue to perform its obligations under this Agreement.
3. Scope of Work. Contractor shall provide the Services as set forth in the Scope of Work, attached hereto as **Exhibit A** and incorporated herein by reference.
4. Compensation. The City shall pay Contractor for the Initial Term and for each subsequent Renewal Term, if any, an amount not to exceed the line item costs (as described in the Scope of Work) at the rates set forth in the Fee Schedule, attached hereto as **Exhibit B** and incorporated herein by reference.

The City's Procurement Officer will only review fully documented requests for price increases after the Initial Term. If the Contractor desires to increase its prices for any Renewal Term, the Contractor shall notify the Procurement Officer sixty (60) days or more prior to the end of the Initial Term or the then current Renewal Term and will be a factor in the renewal review process. The City's Procurement Officer will determine whether the requested price increase or an alternate option is in the best interest of the City. Any price adjustment will be effective upon the effective date of the agreement Renewal Term.

5. Payments. The City shall pay the Contractor, upon completion and acceptance of work performed and completed, and upon submission and approval of invoices. All invoices shall document and itemize all work and shall include the Purchase Order number authorizing the transaction, if applicable, and shall be delivered to the City Accounts Payable address indicated on the face of the Purchase Order or email to ap@cityofls.net, unless otherwise specified. All transportation charges must be prepaid by the Contractor. If invoice is subject to a quick payment discount, the discount period will be calculated from the date of receipt of the claim Service or the Materials or the invoice, whichever is later. Invoice(s) must be submitted by July 31 for all work completed prior to June 30.

6. Safety Plan. Contractor shall provide the Services in accordance with a safety plan that is compliant with Occupational Safety and Health Administration ("OSHA"), American National Standards Institute and National Institute for Occupational Safety and Health standards. If, in the Contractor's sole determination, the Services to be provided do not require a safety plan, Contractor shall notify the City, in writing, describing the reasons a safety plan is unnecessary. The City reserves the right to request a safety plan following such notification.

7. Documents. All documents, including any intellectual property rights thereto, prepared and submitted to the City pursuant to this Agreement shall be the property of the City.

8. Contractor Personnel. Contractor shall provide adequate, experienced personnel, capable of and devoted to the successful performance of the Services under this Agreement. Contractor agrees to assign specific individuals to key positions. If deemed qualified, the Contractor is encouraged to hire City residents to fill vacant positions at all levels. Contractor agrees that, upon commencement of the Services to be performed under this Agreement, key personnel shall not be removed or replaced without prior written notice to the City. If key personnel are not available to perform the Services for a continuous period exceeding thirty (30) calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, Contractor shall immediately notify the City of same and shall, subject to the concurrence of the City, replace such personnel with personnel possessing substantially equal ability and qualifications.

9. Inspection; Acceptance. All work and services shall be subject to inspection and acceptance by the City at reasonable times during Contractor's performance. The Contractor shall provide and maintain a self-inspection system that is acceptable to the City.

10. Licenses; Materials. Contractor shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by the Contractor. The City has no obligation to provide Contractor, its employees, or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement. The City has no obligation to provide tools, equipment or material to Contractor.

11. Performance Warranty. Contractor warrants that the Services rendered will conform to the requirements of this Agreement and with the care and skill ordinarily used by members of the same profession practicing under similar circumstances at the same time and in the same locality.

12. Indemnification. To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the City and each council member, officer, director, employee and agent thereof (the City and any such person being herein called an "Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, fines, penalties, judgments, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever (collectively "Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the intentional, reckless, or negligent acts, misconduct, errors, directives, mistakes or omissions, in connection with the work or services of the Contractor, its officers, employees, agents, or any tier of subcontractor or person for which Contractor may be legally liable in the performance of this Agreement.

The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

13. Insurance.

13.1 General.

- A. **Insurer Qualifications.** Without limiting any obligations or liabilities of Contractor, Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Missouri, with an AM Best, Inc. rating of A or above with policies and forms satisfactory to the City. Failure to maintain insurance as specified herein may result in termination of this Agreement at the City's option.
- B. **No Representation of Coverage Adequacy.** The City reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.
- C. **Additional Insured.** All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name and endorse, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.
- D. **Coverage Term.** All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the City, unless specified otherwise in this Agreement.
- E. **Primary Insurance.** Contractor's insurance shall be, or be endorsed to indicate, its primary, non-contributory insurance with respect to performance of this Agreement and in the protection of the City as an Additional Insured. Such coverage shall be at least as broad as ISO CG 20 01 04 13.
- F. **Claims Made.** In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for six (6) years past completion and acceptance of the services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the six-year period.
- G. **Waiver.** All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the City, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement.
- H. **Policy Deductibles and/or Self-Insured Retentions.** The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the City. Contractor shall be solely responsible for any such deductible or self-insured retention amount.
- I. **Automatic Escalator.** The limits of liability for each policy coverage amount stated below shall be automatically adjusted upward as necessary to remain at all times not less than the maximum amount of liability set forth in Chapter 537.610 RSMo. applicable to political subdivisions pursuant to 537.600; provided that nothing herein or in any such policy shall be deemed to waive the City's sovereign immunity. The statutory waiver of sovereign immunity for 2024 is \$3,370,137 for all claims arising out of a single accident or occurrence
- J. **Use of Subcontractors.** If any work under this Agreement is subcontracted in any way, Contractor shall either cover all sub-contractors in the Contractor's liability insurance policy or execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the City and Contractor. Contractor shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.
- K. **Notice of Claim.** Contractor shall upon receipt of notice of any claim in connection with this Agreement promptly notify the City, providing full details thereof, including an estimate of the amount of loss or liability. Contractor shall also promptly notify the City of any reduction in limits of protection afforded under any

policy listed in the certificate(s) of insurance in an amount such that the policy aggregate becomes less than the current statutory waiver of sovereign immunity, regardless of whether such impairment is a result of this Agreement. A breach of this provision is a material breach of the Agreement.

Evidence of Insurance. Prior to commencing any work or services under this Agreement, Contractor will provide the City with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by Contractor's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. The City may reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, Contractor shall forward renewal certificates and declaration page(s) to the City thirty (30) days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing number and title of this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without a reference to this Agreement, as applicable, will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

- (1) The City, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:
 - (a) Commercial General Liability – Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 03 97 and CG 20 37 07 04, or their equivalents.
 - (b) Auto Liability – Under ISO Form CA 20 48 or equivalent.
 - (c) Excess Liability – Follow Form to underlying insurance.
- (2) Contractor's insurance shall be primary, non-contributory insurance with respect to performance of the Agreement.
- (3) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against City, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Contractor under this Agreement.
- (4) ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

All Certificates of Insurance shall name the City of Lee's Summit as the certificate holder and send the certificate and any endorsements to:

City of Lee's Summit
Attn: Procurement and Contract Services
220 S.E. Green Street
Lee's Summit, MO 64063 -2358

- M. Endorsements. Contractor shall provide the City with the necessary endorsements to ensure City is provided the insurance coverage set forth in this Subsection.

13.2 Required Insurance Coverage.

- A. Commercial General Liability. Contractor shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$3,000,000 for each occurrence, \$3,000,000 Products and Completed Operations Annual Aggregate and a \$3,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, bodily injury, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 01 93 or equivalent thereof, including but not limited to, separation of insured's

clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, officials and employees shall be endorsed as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement forms CG 20 10 03 97 and CG 20 37 07 04, or their equivalents, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you." The policy shall contain an endorsement waiving rights of recovery (subrogation) against the City, its agents, representatives, officers, officials and employees. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

- B. Vehicle Liability. Contractor shall maintain Business Automobile Liability insurance with an unimpaired limit of \$1,000,000 each occurrence on Contractor's owned, hired and non-owned vehicles assigned to or used in the performance of the Contractor's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, directors, officials and employees shall be endorsed as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. The policy shall contain an endorsement waiving rights of recovery (subrogation) against the City, its agents, representatives, officials, officers and employees. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.
- C. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Contractor's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance with an unimpaired limit of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit. The policy shall contain an endorsement waiving rights of recovery (subrogation) against the City, its agents, representatives, officials, officers and employees.

13.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without thirty (30) days' prior written notice to the City.

14. Termination; Cancellation.

14.1 For City's Convenience. This Agreement is for the convenience of the City and, as such, may be terminated without cause after receipt by Contractor of written notice by the City. The Notice of Termination shall specify the effective date of termination, which shall be not less than fifteen (15) calendar days from the date the notice is personally delivered or ten (10) days from the date the Notice of Termination is sent by another method. Upon termination for convenience, Contractor shall be paid, for all undisputed materials or services that were delivered prior to the termination date.

14.2 For Cause. If either Party fails to perform any obligation pursuant to this Agreement and such Party fails to cure its nonperformance within thirty (30) calendar days after notice of nonperformance is given by the non-defaulting Party, such Party will be in default. In the event of such default, the non-defaulting Party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting Party's nonperformance is such that it cannot reasonably be cured within thirty (30) calendar days, then the defaulting Party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting Party immediately (1) provides written notice to the non-defaulting Party and (2) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed ninety (90) calendar days. In the event of such termination for cause, payment shall be made by the City to the Contractor for the undisputed portion of its fee due as of the termination date.

The City shall have the right to declare the Contractor in default for the following reasons, which set forth examples, but are not the only reasons the Contractor may be declared in default:

1. Upon a breach by the Contractor of a material term or condition of this Agreement, including unsatisfactory performance of the services;
 2. Upon insolvency or the commencement of any proceeding by or against the Contractor, either voluntarily or involuntarily, under the Bankruptcy Code or relating to the insolvency, receivership, liquidation, or composition of the Contractor for the benefit of creditors;
 3. If the Contractor refuses or fails to proceed with the services under the Agreement when and as directed by the City;
 4. If the Contractor or any of its officers, directors, partners, five percent (5%) or greater shareholders, principals, or other employee or person substantially involved in its activities are indicted or convicted after execution of the Agreement under any state or federal law of any of the following:
 - a. a criminal offense incident to obtaining or attempting to obtain or performing a public or private Agreement;
 - b. fraud, embezzlement, theft, bribery, forgery, falsification, or destruction of records, or receiving stolen property;
 - c. a criminal violation of any state or federal antitrust law;
 - d. violation of the Racketeer Influence and Corrupt Organization Act, 18 U.S.C. § 1961 et seq., or the Mail Fraud Act, 18 U.S.C. § 1341 et seq., for acts in connection with the submission of proposals or proposals for a public or private Agreement;
 - e. conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any statute described in subparagraph (d) above; or
 - f. an offense indicating a lack of business integrity that seriously and directly affects responsibility as a City contractor.
 5. If the Contractor or any of its officers, directors, partners, five percent (5%) or greater shareholders, principals, or other employee or person substantially involved in its activities are subject to a judgment of civil liability under any state or federal antitrust law for acts or omissions in connection with the submission of bids or proposals for a public or private Agreement; or
 6. If the Contractor or any of its officers, directors, partners, five percent (5%) or greater shareholders, principals, or other employee or person substantially involved in its activities makes or causes to be made any false, deceptive, or fraudulent material statement, or fail to make a required material statement in any bid, proposal, or application for City or other government work.
- 14.3 Gratuities. The City may, by written notice to the Contractor, cancel this Agreement if it is found by the City that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer, agent or employee of the City for the purpose of securing this Agreement. In the event this Agreement is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Contractor an amount equal to 150% of the gratuity.
- 14.4 Agreement Subject to Appropriation. The City is obligated only to pay its obligations set forth in the Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the City's then current fiscal year. The City's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the City concerning budgeted purposes and appropriation of funds. Should the City elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the City shall be relieved of any subsequent obligation under this Agreement. The Parties agree that the City has no obligation or duty of good faith to budget or appropriate the payment of the City's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which the Agreement is executed and delivered. The City shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The City shall keep Contractor informed as to the availability of funds for this Agreement. The obligation of the City to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the City. Contractor hereby waives any and all rights to bring any claim against the City from or relating in any way to the City's termination of this Agreement pursuant to this section.

14.5 Conflict of Interest. No salaried officer or employee of the City and no member of the City Council shall have a financial interest, direct or indirect, in this Agreement, and any violation of this provision renders the Agreement void. The parties shall comply with all federal conflict of interest statutes and regulations, and all applicable provisions of Sections 105.450, *et. seq.* RSMo. Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of Services to be performed under this Agreement. Contractor further covenants that in the performance of this Agreement no person having such interest shall be employed.

15. Miscellaneous.

15.1 Independent Contractor. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venture, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. Contractor acknowledges and agrees that all services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the City. Contractor, its employees and subcontractors are not entitled to workers' compensation benefits from the City. The City does not have the authority to supervise or control the actual work of Contractor, its employees or subcontractors. Contractor is neither prohibited from entering into other Agreements nor prohibited from practicing its profession elsewhere. City and Contractor do not intend to nor will they combine business operations under this Agreement.

15.2 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Missouri, and a suit pertaining to this Agreement may be brought only in courts in eastern Jackson County, Missouri. The Parties expressly and irrevocably consent to the exclusive jurisdiction and venue of such courts and expressly waive the right to transfer or remove any such action.

15.3 Laws and Regulations. Contractor shall comply with all federal, state, and local laws, regulations, and ordinances applicable to its performance under this Agreement. The Contractor shall include similar requirements of all subcontractors in Agreements entered for performance of Contractor's obligations under this Agreement. Contractor shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Contractor is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes or laws affecting the Services, including, but not limited to, the following: (1) existing and future City and County ordinances and regulations; (2) existing and future State and Federal laws and regulations; and (3) existing and future Occupational Safety and Health Administration standards.

15.4 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into Agreements on behalf of the City and the Contractor.

15.5 Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either Party, the Agreement will promptly be physically amended to make such insertion or correction.

15.6 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of the Agreement which may remain in effect without the invalid provision or application.

15.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the Parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the Party drafting the Agreement. The Parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Agreement.

- 15.8 Assignment; Delegation. No right or interest in this Agreement shall be assigned or delegated by Contractor without prior, written permission of the City, signed by the City Manager. Any attempted assignment or delegation by Contractor in violation of this provision shall be a breach of this Agreement by Contractor. The requirements of this Agreement are binding upon the heirs, executors, administrators, successors, and assigns of both Parties.
- 15.9 Subcontracts. No subcontract shall be entered into by the Contractor with any other Party to furnish any of the material or services specified herein without the prior written and signed approval of the City. The Contractor is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by Contractor.
- 15.10 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the City to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the City's acceptance of and payment for services, shall not release the Contractor from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of this Agreement.
- 15.11 Offset for Damages. In addition to all other remedies at law or equity, the City may offset from any money due to the Contractor any amounts Contractor owes to the City for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.
- 15.12 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (1) delivered to the Party at the address set forth below, (2) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (3) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the City: City of Lee's Summit
220 SE Green St
Lee's Summit, Missouri 64063
Attn: Procurement and Contract Services

With copy to: City of Lee's Summit
220 SE Green St
Lee's Summit, Missouri 64063
Attn: City Attorney's Office

If to Contractor: V-Armed Inc.
630 Flushing Avenue, Unit #28
Brooklyn, NY 11206
Attn: Paul Grajek

or at such other address, and to the attention of such other person or officer, as any Party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (1) when delivered to the Party, (2) three (3) business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (3) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a Party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a Party shall mean and refer to the date on which the Party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

15.13 Force Majeure. The Parties shall be excused from performance during the time and to the extent that they are prevented from obtaining, delivering, or performing for reasons beyond the Parties' reasonable control, including without limitation, by act of God, public health emergency, natural disaster fire, strike, loss or shortage of transportation facilities, lock-out, commandeering of materials, products, plants or facilities by the government, and any other events or circumstances beyond the reasonable control of the party, when satisfactory evidence is presented to the City, provided that it is satisfactorily established that the non-performance is not due to the fault or neglect of the Party not performing.

15.14 Confidentiality of Records. The Contractor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of ensuring that information contained in its records or obtained from the City or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform Contractor's duties under this Agreement. Persons requesting such information should be referred to the City. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under this Agreement. Contractor shall ensure its subcontractors are aware of and comply with this provision.

15.15 Information Technology

a. Limited Access. If necessary for the fulfillment of the Agreement, the City may provide the Contractor with non-exclusive, limited access to the City's information technology infrastructure. The Contractor understands and agrees to abide by all the City policies, standards, regulations and restrictions regarding access and usage of the City's information technology infrastructure. The Contractor shall enforce all such policies, standards, regulations and restrictions with all the Contractor's employees, agents or any tier of subcontractor granted access in the performance of this Agreement, and shall be granted and authorize only such access as may be necessary for the purpose of fulfilling the requirements of the Agreement.

b. Data Confidentiality: All data, regardless of form, including originals, images and reproductions, prepared by, obtained by or transmitted to the Contractor in connection with this Agreement is confidential, proprietary information owned by the City. Except as specifically provided in this Agreement, the Contractor shall not shall not, without the prior, written consent of the City Manager or authorized designee, (A) disclose data generated in the performance of the Services to any third party or (B) use City data and information.

c. Data Security. Personal identifying information, financial account information, or restricted City information, whether electronic format or hard copy, must be secured and protected at all times to avoid unauthorized access. At a minimum, the Contractor must encrypt and/or password-protect electronic files. This includes data saved to laptop computers, computerized devices or removable storage devices. When personal identifying information, financial account information, or restricted City information, regardless of its format, is no longer necessary or this Agreement is terminated (whichever occurs first), the information must be redacted or destroyed through appropriate and secure methods that ensure the information cannot be viewed, accessed or reconstructed. Before the information discussed in this subsection is destroyed, the Contractor shall send a copy of such information to the City in a format specified by the City.

d. Compromised Security. In the event that data collected or obtained by the Contractor in connection with this Agreement is believed to have been compromised, the Contractor shall notify the City Manager, or authorized designee, immediately. The Contractor agrees to reimburse the City for any costs incurred by the City to investigate potential breaches of this data and, where applicable, the cost of notifying individuals who may be impacted by the breach.

e. Permitted Access. The Contractor's employees, agents and subcontractors must receive prior, written approval from the City before being granted access to the City's information technology infrastructure and data and the City, in its sole determination, shall determine accessibility and limitations thereto. The Contractor agrees that the requirements of this Section shall be incorporated into all subcontractor/subcontractor Agreements entered into by the Contractor. It is further agreed that a violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice.

f. Cessation of Operation or Support. If Contractor ceases to operate, ends support of, or otherwise divests its interest in the software and materials for which it is contracted by the City and does not assign its service obligations according to these Terms and Conditions, the Contractor shall provide the City a copy of current source code. The City agrees it shall only use the source code to support its internal use of the software.

g. Disengagement. In the event the Agreement is terminated by either party, Contractor agrees to confer back to the City all of its data, in usable and normalized format, within 30 calendar days of notice of termination. There shall be no charge for the return of City data to the City.

h. Survival. The obligations of the Contractor under this Section shall survive the termination of this Agreement.

15.16 **Work Authorization Affidavit and E-Verify**. Any contract for services in excess of five thousand dollars (\$5,000), the bidder or business entity, as defined in § 285.530, RSMo, shall: 1. Provide; by sworn affidavit affirming that it does not knowingly employ any person who is an unauthorized alien and 2. Provide documentation affirming its enrollment and participation in a federal work authorization program with respect to the employees working in connection with this contract. The required documentation must be from the federal work authorization program provider (e.g. the electronic signature page from the E-Verify program's Memorandum of Understanding). Letter from Consultants reciting compliance is not sufficient. The Department of Homeland Security, U.S. Citizenship and Immigration Services, (USCIS) in partnership with the Social Security Administration (SSA) operate an FREE internet-based program called E-Verify, <http://www.dhs.gov/everify> that allows employers to verify the employment eligibility of their employees, regardless of citizenship. Based on information provided by employees on their Form I-9, E-Verify checks the information electronically against records contained in DHS and Social Security Administration databases. There are penalties for employing an unauthorized alien, including suspension of the Consultant's business license, termination of the contract, debarment from city and State work for a period of three years or permanently, and withholding 25% of the total amount due the Consultant. All submittals should include the signed and notarized Work Authorization Affidavit AND the electronic signature page from the E-Verify program.

CITY OF LEE'S SUMMIT, MISSOURI
WORK AUTHORIZATION AFFIDAVIT PURSUANT TO SECTION 285.530, RSMo
(FOR ALL BIDS FOR SERVICES IN EXCESS OF \$5,000.00)
Effective 1/1/2009

County of _____)

) ss.

State of _____)

My name is _____. I am an authorized agent of _____ ("Bidder"). Bidder is enrolled and participates in a federal work authorization program for all employees working in connection with services provided to the City of Lee's Summit, Missouri. Bidder does not knowingly employ any person who is an unauthorized alien in connection with the services being provided.

Bidder shall not knowingly employ or contract with an illegal alien to perform work for the City of Lee's Summit, Missouri or enter into a contract with a subbidder that knowingly employs or contracts with an illegal alien.

Affiant

Printed Name

Subscribed and sworn to before me this ____ day of _____, 20__.

Notary Public

SEAL

15.17 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, the Scope of Work, any City-approved Purchase Order or Work Order, the Fee Proposal, the RFP and the Contractor's Proposal, the documents shall govern in the order listed herein.

Notwithstanding the foregoing, unauthorized exceptions, conditions, limitations or provisions in conflict with the terms of this Agreement (collectively, the “Unauthorized Conditions”), other than the City’s project-specific quantities, configurations or delivery dates, are expressly declared void and shall be of no force and effect. Acceptance by the City of any invoice containing any such Unauthorized Conditions or failure to demand full compliance with the terms and conditions set forth in this Agreement shall not alter or relieve Contractor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement. If the Agreement is renewed pursuant to Section 1 above and such renewal includes any conflicting terms, other than price, those terms will be null and void unless amended as set forth in this Agreement.

- 15.18 Non-Exclusive Agreement. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the City. The City reserves the right to obtain like goods and services from another source when necessary.
- 15.19 Prevailing Wages. Pursuant to RSMo. § 290.230.5, if this Agreement exceeds seventy-five thousand dollars (\$75,000.00) and involves construction of public works, Contractor shall all its workers the prevailing hourly rate of wages for work of a similar character in Lee’s Summit. If there is a dispute whether this Agreement is subject to prevailing wages as required by RSMo. § 290.210, et. seq., the City’s determination shall control.
- 15.20 Cooperative Purchasing. Contractor, by submitting a proposal to the RFP, acknowledges that other specific eligible political subdivisions and nonprofit institutions (“Eligible Procurement Unit(s)”) are permitted to utilize procurement agreements developed by the City, at their discretion and with the agreement of the awarded Contractor. Contractor may, at its sole discretion, accept orders from Eligible Procurement Unit(s) for the purchase of the materials and/or services at the prices and under the terms and conditions of this Agreement, in such quantities and configurations as may be agreed upon between the Parties. All cooperative procurements under this Agreement shall be transacted solely between the requesting Eligible Procurement Unit and Contractor. Payment for such purchases will be the sole responsibility of the Eligible Procurement Unit. The exercise of any rights, responsibilities or remedies by the Eligible Procurement Unit shall be the exclusive obligation of such unit. The City assumes no responsibility for payment, performance or any liability or obligation associated with any cooperative procurement under this Agreement. The City shall not be responsible for any disputes arising out of transactions made by others.
- 15.21 Time of the Essence. Time is of the essence in this Agreement. Unless otherwise specifically provided, any consent to delay in Contractor's performance of its obligation is applicable only to the particular transaction to which it relates, and is not applicable to any other obligation or transaction.
- 15.22 Signatory Authority. Each person signing this Agreement represents that such person has the requisite authority to execute this Agreement on behalf of the entity the person represents and that all necessary formalities have been met.
- 15.23 E-Signature and Counterparts. The Parties agree that this Agreement may be signed in two or more counterparts and/or signed electronically, and all such counterparts together shall constitute one and the same Agreement; such signatures shall bind the signing party in the same manner as if a handwritten signature had been delivered.
- 15.24 Anti-Discrimination Against Israel Act. If this Agreement has a total potential value of \$100,000 or more and Contractor has 10 or more employees, the following applies. Pursuant to Section 34.600, RSMo and to the fullest extent permitted by law, Contractor certifies that Contractor is not engaged in a boycott of Israel as of the Effective Date of this Agreement, and agrees for the duration of this Agreement to not engage in a boycott of Israel as defined in Section 34.600, RSMo.
- 15.25 Debarment. By submission of its response, the Contractor certifies that neither it nor its principals are presently debarred or suspended by any Federal Department or agency, including listing in the U.S. General Services Administration’s List of Parties Excluded from Federal Procurement or Non-Procurement programs; or if the amount of this response is equal to in excess of \$100,000, that neither it nor its principals nor its subcontractors receiving sub-awards equal to or in excess of \$100,000 is presently disbarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal Department, agency or provision

of law. If the Contractor is unable to certify any of the statements in this certification, the responder must attach an explanation to its response.

15.26 Special Provisions. Intentionally omitted.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date the City Manager, or the City Manager’s designee, executes the Agreement (“Effective Date”).

CITY OF LEE’S SUMMIT

Mark Dunning, City Manager Date

ATTEST:

Trisha Fowler Arcuri, City Clerk

APPROVED AS TO FORM:

Edward Rucker, Chief Counsel of Management and Operations

V-ARMED INC.

By Paul Grajek

Print Name Paul Grajek

Title Chief Marketing Officer

EXHIBIT A
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF LEE'S SUMMIT
AND
V-ARMED INC.

SCOPE OF WORK - V-Armed Virtual Training System

Technical Capability

The V-Armed team delivers a high-performance training system based on the following key components of technical capability:

- Realism: V-Armed can invoke a sense of realism like no other competitor with our long history of creating lifelike animation, characters, and environments.
- Locomotion: High-end motion capture creates a fully immersive experience by representing the full body accurately in VR.
- Multi-Participant: The scalability of our tracking system is second to none in supporting multiple participants and tracking several objects/weapons at once.
- User-Friendly Authoring Tools: V-Armed has developed its own integrated platform for scenario creation and editing called Dispatch™.
- After Action Review: Robust software captures and measures the results of each training event.
- Weapons and Ballistics: Replicate the look, feel, and ballistic trajectory of agency weapons and tools, translating back to the real world.

The V-Armed 6-DOF (degrees of freedom) virtual reality training system allows **up to ten (10+) trainees** to participate simultaneously within a free-roaming virtual training environment. Trainees are equipped with lethal and non-lethal force options and can move within the virtual training world, allowing interaction with either real or virtual avatars.

The hyper-realistic, 4K graphics, well-designed, practically endless environments and omnidirectional sound create a fully immersive training experience to better prepare the trainee for high-intensity, real-world incidents.

OptiTrack Motion Capture Technology

The V-Armed training platform is configured using OptiTrack active motion capture (mocap) tracking technology. This technology is combined with a Commercial-Off-The-Shelf (COTS) Head Mounted Display (with a minimum Resolution of 2160x2160 pixels per eye, 4320x2160 combined), VR full-body active trackers and customized VR training accessories all controlled through V-Armed's proprietary Dispatch operating software.

Using the best in motion capture technology, the V-Armed system contains a fixed set of OptiTrack cameras placed on a mounting system surrounding the training area. These cameras capture the participant's full-body movement as well as the movement of all weapons, tools and props. For spaces larger than 1,600 sq ft, cameras are placed on either a truss or rails mounted directly to the room's surface.

Installation

The V-Armed training system will be installed using the most unobtrusive yet stable mounting solution. The Lee's Summit PD installation would include wall-mounted tracking cameras surrounding the training volume using a railing system. If installation space is limited, V-Armed technicians will reduce the training footprint to an acceptable size. Due to the high level of computing necessary to generate the high-quality VR experience, rack-mounted desktop computers are used for the system instead of laptops.

Once installed, the system will be tested, debugged, calibrated, and certified by a V-Armed system technician to ensure optimal performance.

An additional rack mounted computer will be added into the kit to project a tile format of multiple views in one

spectator screen – such as a projector screen or large TV monitor – for audience viewing. Once installed, the system will be tested, debugged, calibrated, and certified by a V-Armed system technician to ensure optimal performance.

Scalability and Expansion

It's important to note that this configuration is entirely scalable and can be designed for any number of participants or any size space. The V-Armed system can accommodate spaces as small as 30 feet by 30 feet or as large as 150 feet by 150 feet or more. If Lee's Summit PD decides a larger size is desired, expansion is easily accomplished through the purchase of additional motion capture cameras and associated equipment. All software, hardware and scenario environments will blend seamlessly with any upgrade. The goal of V-Armed is to grow with the City and support their growth in VR training.

V-Armed systems include separate Operator, After Action Review, and Spectator stations included in the bid as well as a standalone Equipment Lab. This lab will allow for participant equipment and HMD maintenance as well system updates pushed wirelessly from the V-Armed central repository. Included in the lab will be spare parts, basic tools, networking and charging hardware and donning and doffing essentials.

On-Site Training

After system installation is complete – internal Lee's Summit PD employees will be trained to operate their V-Armed System.

Once the system is installed, The V-Armed training staff will spend one (1) week training dedicated Lee's Summit PD personnel on how to create, modify, and review all scenarios using the Scenario Authoring and After-Action Review software. Periodic contact will be made after the initial training to ensure any new or existing functionality is clear and Lee's Summit PD is optimizing the system capabilities while conducting daily training. If a problem or question arises regarding software operation while a training staff member is not present, a V-Armed staff member will be available remotely in a reasonable amount of time from the notification of the problem.

Low Latency VR Wireless Streaming

The V-Armed training system employs the most advanced VR video streaming technology available on the market to allow the participants to experience scenarios completely free of wires or bulky equipment. All visual processing happens on standalone, secure computers in the operator station and is then sent wirelessly to each participant's VR headset via a low latency, high throughput, highly secure internal network (either 5G or advanced WiFi, depending on configuration).

The difference between the V-Armed system and many other VR trainers is that our low-latency and sub-millimeter-accurate tracking system provides an experience for the participant that is indistinguishable from moving in the real world. Thus, dizziness or nausea is not experienced with the V-Armed technology, leaving the trainee to only focus on being immersed in the task at hand.

V-Armed will provide an additional battery for each wireless headset, which can be hot-swapped to reduce downtime during training sessions.

V-Armed Software

DISPATCH - Scenario Creator and Editor

The V-Armed Scenario Authoring software (DISPATCH) has been designed to be a simple and intuitive tool, to allow law enforcement training personnel the ability to create and edit an unlimited number of scenarios on their own. This central piece of V-Armed's software suite gives the control back to the end-user. Rather than be restricted by solely pre-scripted, branched scenarios, trainers can build their own scenarios based on their own protocols and procedures and agency preferences. However, V-Armed will provide a set of pre-programmed scenarios as a starting point.

Contractor's proprietary DISPATCH software enables the user to import a variety of assets from a supplied library of environment packages – environment packages contain avatars from all walks of life, props, weapons, backgrounds and more. With the scenario editor, the trainer can set different action triggers based on the training objectives, choose between numerous weather and lighting conditions, and can save the edited scenarios in an organized library. Using this unique software, trainers have a nearly unlimited number of tools to meet their training objectives as well as immediately identify training gaps.

The system operator can also speak through computerized avatars, change their responses on the fly, or have instructors role-play as subjects or adversaries directly in VR to have an even richer interaction with the officer trainees.

Although the DISPATCH software is a web-based tool, an external internet connection is not required to use it – only for downloading updates or additional asset/environment releases.

The DISPATCH package will also include customized officer uniforms for the virtual avatars, as well as a customized squad car with logos.

After Action Review (AAR)

One of the most important components of training relates to "After-Action Review" (AAR). The V-Armed AAR system records the entire training session and allows it to be instantly replayed in a full 3D display (in real-time or slow motion) using a time-marked critical event timeline. All sound and communication is recorded, and the system can playback the action from unlimited points of view such as the participant's POV, participant body camera, aggressor POV, pre-set cameras, and "trainers view" (from above). This flexibility allows the trainers to critique, teach, and improve the trainee's performance immediately using indisputable video and analytical data.

Scenario Design Library

The V-Armed business model is to create and share an endless open-source, bank of assets within the law enforcement community. Rather than scripted scenarios that become predictable, Contractor shall provide environment packages with preset functionality to ensure complete flexibility and timeless application. The agency trainer will have the control to design, implement and continually change their scenarios to best meet the need of their agency SOP's.

The library of existing environment packages, functions, assets and avatars include over 70 different large-scale environments and hundreds of customizable human avatars.

Included in the V-Armed Lee's Summit software package will be one large-scale custom environment of the choosing of the Lee's Summit Police Department.

Participant Training Kits

Each participant training kit will include all the necessary equipment to conduct any patrol related law enforcement function while in the system.

A basic single participant training kit will include:

- 6 Full Body Inverse Kinematic (FBIK) participant trackers
- Training pistol with blowback and WITS module
- Training rifle with blowback, single point sling and WITS module
- OC Spray replica, holster and internal WITS module
- flashlight, holster and internal WITS module (can double as a baton)
- X26 or equivalent TASER, holster and internal WITS module
- Body worn camera
- Head Mounted Display (HMD)
- Duty belt

System Licensing and Warranty

For the first twelve (12) months of system operation, V-Armed will be responsible for repairs/replacement of any defect or malfunction related to the equipment incurred under normal circumstances. V-Armed will attend to and complete such repairs as soon as reasonably possible, upon receipt of a written request regarding such default or malfunction from Lee's Summit PD. If a repair can be done onsite, it will be handled by the system operator or a visiting technician or contractor. If a repair cannot be done, a replacement item will be issued.

For the first twelve (12) months of system operation, V-Armed will be responsible for solving any fault, bug and/or inconsistency in the System's software (including the Scenario Launcher, software packages, AAR and Motive System Launcher (the OptiTrack operating software). If reprogramming can be done onsite, it will be handled by the system operator or a software technician that will remote in from the V-Armed central office. All system updates and additional functionalities will be pushed to the end-user in a reasonable amount of time after assurance there are

no conflicts with the existing system hardware or software. To ensure optimal operation, V-Armed will conduct routine health checks on the system on-site and remotely. The system operator will be notified via email of pending updates or upgrades needing download.

Support Services

After initial installation, the standard V-Armed support package includes unlimited Email and Phone support Monday – Friday 9am-5pm ET. For urgent concerns outside working hours, V-Armed aims for a 2-hour response time to the user.

Contact with V-Armed Support can be done via email (contact@v-armed.com) or phone 212-595-0400.

Licensing Agreement

Upon initial purchase of a V-Armed system, the City will own all physical equipment relating to the system itself. V-Armed provides a licensing agreement that allows Lee's Summit PD personnel the right to operate and receive upgrades and patches for the current operating system and supportive software/hardware.

At the conclusion of the first year, an additional warranty and licensing fee will be issued to maintain the same coverage offered upon purchase.

Timeline – 4 Person VR System

DAY 1: Agreement Signature and Initial Payment Received

WEEKS 1-3: Order Processing and Equipment Handling

WEEK 4: Equipment factory calibration

WEEK 5-6: Equipment shipment and delivery to job site

WEEK 7: Initial on-site equipment setup, calibration, and testing.

WEEK 8: On-site agency instructor training

*Timeline is contingent on factors that may be out of V-Armed control. Including, but not limited to:

- City facility renovations (carpentry, power requirements, etc.).
- COTS product availability/delays (headsets, weaponry, peripherals, etc).
- Delays in City feedback regarding questions or soft deliverables (environment/character/scenario design).
- Availability of City staff members.

GENERAL REQUIREMENTS

Six (6) distinct sections of solution:

1. Backup, search and recover data quickly and easily
2. Provide secure product with immutable backups
3. Provide the ability to retain and recover former user data.
4. Long-term retention
5. Maintenance, support
6. Employee training

Design and Functional Requirements

1. Scalability
2. Ability to record and playback.
3. Reporting
4. Training

Features of Simulator System

- Support at least 4 participants in Virtual Reality simultaneously, with each participant using wireless 4k resolution VR headsets.
- Support training spaces at least 30-feet by 30-feet.
- Fully wireless and not involve backpack/body computers worn by participants.
- Include 360-degree audio playback.
- Include external motion tracking system for full-body measurement of participants and all weapons / accessories with sub-millimeter accuracy.
- Represent body positions and movements accurately in VR without the need to simulate leg/foot position.
- Shall not mandate the holding of a weapon in a scenario in order to properly represent the participant body in VR.
- Participants shall be able to carry at least 5 separate VR tools (lethal, less-lethal, accessories) at once during scenarios.
- Include ability to project live in-scenario video from multiple perspectives in a separate viewing monitor for spectators.
- Include ability to review after-action playback while VR training is happening by another group simultaneously.
- Shall not require external internet connection to run scenarios.
- Include high-bandwidth wireless video streaming direct to headset at 4k video and at least 90 frames per second refresh rate.
- System size shall be incrementally scalable to expand training volume and participants as desired.

Hardware / Weapons

- Each participant kit shall include realistic training pistol and rifle with felt recoil, non-tethered.
- Each participant kit shall include VR TASER, VR OC Spray, VR Body Worn Camera, and VR Flashlight, all non-tethered.
- All weapons shall be matched to current agency service specifications.

Software

- No interfaces are required
- Allow the ability for an instructor role-player to participate in the VR scenarios alongside participants, able to modify their appearance at-will in scenarios.
- Include all available environments, functionality, and assets in scenario library available upon system purchase.
- Include ability to create scenarios, branching, automation, and triggers easily and quickly.

- Scenario elements should be true-to-life in material ballistics, physics, and overall interaction with the environment.
- Include ability to change time of day and weather conditions for scenarios.
- Shall include ability to add walls, windows, and doors to modify existing environments or create new floor plans to train within.
- Contractor shall have the ability to create custom virtual environments and assets in-house in a quick and efficient manner.
- Include robust After Action Review with corresponding metrics like time-to-engagement, weapon muzzling, shot impact location and distance attributed to the participant.
- After Action Review shall be able to be played from any angle, and able to be simultaneously reviewed while VR training is happening in the system.

Training and Written Documentation

1. Training will be provided on-site, with supplemental training provided at a minimum through on-line webinars or a similar self-paced online format.
2. Adequate training manuals must be provided; electronic format is required.
3. Contractor must describe all technical and user documentation that is provided. In addition, the Contractor must describe the policy and procedure regarding maintenance and enhancements to the documentation. The Contractor must also identify any additional or optional documentation that may be deemed beneficial to the City and the associated costs for such documentation.

Maintenance, Support and Software Upgrade Plan.

1. Contractor Include full hardware warranty coverage, with ability to extend to at least 5 years of coverage.
2. Include at least 40 hours of on-site power user level training covering all features and functionality of the system.
3. Include printed support and usage documentation.
4. Include delivery and any installation needed for operation of the system.
5. Contractor shall provide maintenance, together with software and library updates.

Fee Structure

1. All costs necessary for the reasonable performance of the software and hardware, including but not limited to, software upgrades, technical support, maintenance, service requests, and operator training.
2. Price quoted shall include delivery and installation for all aspects of the project.

EXHIBIT B
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF LEE'S SUMMIT
AND
V-ARMED INC.

FEE SCHEDULE

System Installation Payment Schedule

Payment #	Percent of Total	Milestone	Amount Due
1	15%	Upon Agreement execution, Contractor to invoice – Due on receipt	\$ 52,650
2	35%	Delivery of All VR System Equipment to City	\$122,850
3	45%	VR System Installation Completion + On-Site Training of Lee's Summit Police Dept Users	\$157,950
4	5%	Acceptance of Installation, Training and Documentation, Support Services Contact information, and Operational system with accessible scenario libraries	\$ 17,550

Maintenance and Updates Payment Schedule

Annual Maintenance Costs					
Year 1	Year 2	Year 3	Year 4	Year 5	Total
\$31,500	\$31,500	\$31,500	\$31,500	\$31,500	\$157,000