



DRONE 55, INC.

GENERAL PROVISIONS (“GPs”) SET FOR SERVICE CONTRACT

(located at: <https://www.drone55.com/general-provisions>)

LAST UPDATED 12/4/2020

WE RECOMMEND THAT YOU PRINT THESE GPs FOR YOUR RECORDS.

**1. DEFINITIONS**

- 1.1. “Appointment” shall mean the scheduled date and time Drone 55 will perform Services.
- 1.2. “AGL” shall mean above ground level.
- 1.3. “COA” shall mean Certificate of Waiver or Authorization.
- 1.4. “CS” shall mean Control Station, an interface used by the Remote Pilot in Command or the person manipulating the controls to control the flight path of the Unmanned Aircraft.
- 1.5. “Cylindrical Projection” shall mean a group, or sequence of photographs stitched together by means of post-processing (“Stitched”) to create a single image, from a single fixed location, with a maximum horizontal field of view of 360-degrees, and a typical vertical field of view of 45-degrees. Additional vertical field of view can be obtained by adding an additional row, group, or sequence of Photographs, with a maximum vertical field of view of 120-degrees. A Cylindrical Projection is the base source file when creating a cylindrical Interactive Panorama or Flat Interactive Panorama.
- 1.6. “Draft” shall mean a preliminary version of any Deliverable.
- 1.7. “Drone 55” means Drone 55, Inc., its affiliates, subsidiaries and their respective officers, directors, employees, agents, independent contractors, subcontractors and representatives.
- 1.8. “Equirectangular Projection” shall mean a group, or sequence of photographs Stitched to create a single image, from a single fixed location, with a horizontal field of view of 360-degrees, and a vertical field of view of 360-degrees, with an aspect ratio of 2:1. An Equirectangular Projection is the base source file when creating a spherical Interactive Panorama.
- 1.9. “FAA” shall mean the Federal Aviation Administration.
- 1.10. “Final Edited Photograph” shall mean the edited photograph.

- 1.11. "Final Delivered Video" shall mean the final cut of the edited video delivered to Client.
- 1.12. "First Delivered Video" shall mean the first cut of the edited video delivered to Client.
- 1.13. "Flat Interactive Panorama" shall mean a group, or sequence of photographs stitched together by means of post-processing and HTML coding, to create a non-cubed cylindrical 360-degree panorama, from a single fixed location, with interactive features.
- 1.14. "FOV" shall mean field of view.
- 1.15. "FCM" shall mean flight crew member, a person on the Unmanned Aircraft System flight team that can be the Remote Pilot in Command, person manipulating the flight controls of the Small Unmanned Aircraft System, or Visual Observer, but may include other persons as appropriate or required to ensure the safe operation of the aircraft.
- 1.16. "Gigapan" shall mean a group, or sequence of photographs stitched to create an ultra high resolution cylindrical projection, from a single fixed location.
- 1.17. "HDR" shall mean high-dynamic-range, a technique used in photography to reproduce a greater dynamic range of luminosity than is possible with standard digital imaging or photographic techniques.
- 1.18. "Interactive Panorama" shall mean a group, or sequence of photographs stitched together by means of post-processing and HTML coding, to create a cubed cylindrical/spherical 360-degree panorama, from a single fixed location, with interactive features.
- 1.19. "Magic Hour AM" shall start immediately after sunrise, and end after approximately 30 mins.
- 1.20. "Magic Hour PM" shall start approximately 30 mins before sunset, and end at sunset.
- 1.21. "Major Revision" shall mean an edit session consisting of more than one hour of video editing time.
- 1.22. "Minor Revision" shall mean a single edit session consisting of less than one hour of video editing time.
- 1.23. "NAS" shall mean the National Airspace System.
- 1.24. "NOTAM" shall mean a Notice to Airmen. A Notice to Airmen is a notice filed with the Federal Aviation Administration to alert aircraft pilots of potential hazards along a flight route or at a location that could affect the safety of the flight.
- 1.25. "Person Manipulating the Flight Controls" shall mean a person under the direct supervision of a Remote Pilot in Command where the Remote Pilot in Command has the ability to immediately take direct control of the flight of the unmanned aircraft.
- 1.26. "Photograph/Visual Images" shall mean any type of recording, including photographs, projections, digital images, drawings, renderings, video recordings, or

- accompanying written descriptions.
- 1.27. "RAW" shall mean unedited Photograph/Visual Image(s), taken straight from camera.
  - 1.28. "Retouching" shall mean digitally manipulating and/or altering a Photograph/Visual Image, including but not limited to; adding and/or removing objects, painting elements and/or objects, altering pixels, or manipulating pixels. Also known as Photoshopping.
  - 1.29. "RPIC" shall mean Remote Pilot in Command, a flight crew member who holds a current Federal Aviation Administration Remote Pilot Certificate with a Small Unmanned Aircraft System rating, and has the final authority and responsibility for the operation and safety of a Small Unmanned Aircraft System operation conducted under Title 14 of the Code of Federal Regulations (14 CFR) part 107.
  - 1.30. "Scope of Work" shall mean the document that describes the specific Services to be performed by Drone 55, including any work product ("Deliverable") to be delivered by Drone 55, and other information necessary to define the work to be performed by Drone 55.
  - 1.31. "SSO" shall mean Sensor System Operator, a flight crew member who has remote control of the Unmanned Aircraft gimbal and any applicable payload/sensor.
  - 1.32. "sUAS" shall mean a Small Unmanned Aircraft System and its associated elements (including communication links and the components that control the Unmanned Aircraft) that are required for the safe and efficient operation of the Unmanned Aircraft in the National Airspace System.
  - 1.33. "TFR" shall mean a Temporary Flight Restriction. A Temporary Flight Restriction is a type of Notice to Airmen. A Temporary Flight Restriction defines an area restricted to air travel due to a hazardous condition, a special event, or a general warning for the entire Federal Aviation Administration airspace. The text of the actual Temporary Flight Restriction contains the fine points of the restriction.
  - 1.34. "Twilight AM" shall start approximately 20 mins before sunrise, and end at sunrise.
  - 1.35. "Twilight PM" shall start immediately after sunset, and end after approximately 20 mins.
  - 1.36. "UA" shall mean Unmanned Aircraft, an aircraft operated without the possibility of direct human intervention from within or on the aircraft.
  - 1.37. "Unsafe flight conditions" shall include but are not limited to; winds in excess of 10 mph, fog, clouds less than 500 feet above UA and/or less than 2000 feet horizontally from UA, ambient temperatures below 40-degrees Fahrenheit, ambient temperatures above 95-degrees Fahrenheit, less than 3 statute miles ("SM") of visibility, or precipitation.
  - 1.38. "VLOS" shall mean visual line-of-site.
  - 1.39. "VO" shall mean a Visual Observer, a flight crew member.

- 2. SERVICES.** Drone 55 will provide Services as described in the Service Contract. The Service Contract expressly refers to and incorporates this General Provisions Set, and forms a part of the Service Contract, which is subject to the terms and conditions contained herein. In the event of any conflict between the terms of this General Provisions Set and the Service Contract, the terms of the Service Contract shall control. Drone 55 strives to provide quality Services and works diligently in such pursuit, including working hand in hand with Client in achieving this common goal. Client or Client representative is invited to share in the creative process of Photograph/Visual Image acquisition while on-site. Notwithstanding the foregoing, Client shall accept Drone 55's best judgment as to all matters related to the production, form, and delivery of the Deliverables, including, but not limited to, color, content, composition, and interpretation of the Service Contract. Any reshoot based on the aforementioned will be at the Client's expense. Client understands and agrees that acquisition tasks vary widely in degree of difficulty and possible outcome. Due to the inherent nature of sUAS, certain inaccuracies in Photograph/Visual Image perspective or aesthetics are understood and expected. Client acknowledges that Drone 55 may subcontract for the provision of some or all of the Services. Drone 55 shall ensure that all subcontractors used by Drone 55 possess the qualifications to perform the subcontracted work, and Drone 55 shall remain responsible for the performance of such subcontractors in accordance with the terms of this General Provisions Set, the Service Contract, and the Scope of Work.
- 3. SAFETY ACKNOWLEDGMENT.** Drone 55 reserves the right to keep the UA grounded, or discontinue flight for Unsafe Flight Conditions. Drone 55 reserves the right to abort, or modify flight, if it is determined that shots pose unnecessary risk to persons, or property. UA cannot be flown higher than 400 feet AGL, unless (a) flown within a 400-foot radius of a structure, and does not fly higher than 400 feet above the structure's immediate uppermost limit, or (b) a COA has been obtained that allows a deviation from the AGL limits. UA must remain within VLOS, unless a COA has been obtained that allows a deviation from the VLOS requirements. To ensure safety, Client and all persons must remain a minimum of 25 feet from sUAS, UA, CS, UA take-off and landing zone(s), RPIC, SSO, VO, and flight crew at all times.
- 4. DELIVERY AND TURNAROUND.** Deliverables and Turnaround time will be determined by the Service Contract. Turnaround time will commence on the first business day following the Appointment. "Business Day" means any day except; (a) a Saturday or Sunday; or (b) a day on which the New York Stock Exchange, or the NASDAQ Stock Market is closed for trading; (c) a California State Holiday; or (d) December 20 through January 4.
- 5. CANCELLATION, RESCHEDULING AND REFUNDS.** All cancellations, or rescheduling, requires a 48 hour notice prior to Appointment, or Client will be subject to additional charges, including but not limited to, any travel fees associated with the Appointment cancellation, and/or Appointment rescheduling. If Appointment is canceled or rescheduled for any reason, including but not limited to, TFR(s), NOTAM(s), COVID-19, or Unsafe Flight Conditions without a 48 hour notice, Client will be responsible for: (a) \$500 daily rescheduling fee(s); and (b) service fee(s); (c) Photograph/Visual Image fee(s); (d) data acquisition fee(s); (e) wait time fee(s); and (f) travel fee(s) associated with Appointment

rescheduling, including, but not limited to, airfare, hotel accommodation(s), and self driving fee(s), in addition to the Contract Price. Additionally, Client will be responsible for all non-refundable expenses made prior to Appointment cancellation(s) or Appointment rescheduling, whether or not a 48 hour notice was given. All sales of Services are final, and retainer is non-refundable. Prices for Services offered may change at any time, and the Services do not provide price protection or refunds in the event of a price reduction or promotional offering.

## 6. CHANGE OF SCOPE.

**6.1. Additional Services.** If at any time during the term of the Service Contract, Client requests that Drone 55 provide additional services, or requests a modification or change in the Service Contract, Client and Drone 55 will follow the procedure set forth below:

**6.1.1. Change Order Request.** Client will submit to Drone 55, by means of a written order, all requests for additional services that alter, amend, enhance, add to, or delete from the Service Contract (the "Change Order"). A sample Change Order is set forth in Exhibit A.

**6.1.2. Change Order Evaluation.** Drone 55 will evaluate each Change Order, without charge, within ten (10) days of its receipt and will provide Client with: (a) the change in cost as a result of the Change Order; (b) the impact, if any, of the Change Order on the services and delivery; and (c) the availability of Drone 55 resources to carry out the Change Order. Drone 55 may, in its sole discretion, refuse to accept any proposed Change Order, and no Change Order shall be deemed accepted until signed by both Client and Drone 55.

**6.1.3. Change Order Acceptance.** If Drone 55 agrees to carry out the proposed Change Order, Client will promptly give Drone 55 written authorization to carry out the Change Order by executing the Change Order in the manner provided on Exhibit A.

**6.1.4. Performance of Change Order.** Drone 55 will begin performance in accordance with a Change Order immediately upon its execution by Drone 55 and Client. Drone 55 has no obligation to perform any additional services before receiving the executed Change Order, and Client has no obligation to pay Drone 55 for any services performed pursuant to a Change Order, before the Change Order is executed by all parties.

**6.1.5. Change Order as Binding Agreement.** Once fully executed, each Change Order is deemed to be incorporated into and to be part of the Service Contract and will constitute a formal amendment to the Service Contract, adjusting fees, and completion dates to the extent set forth in the Change Order.

**7. VISUAL LINE OF SITE.** (a) The person manipulating the flight control of the sUAS must be able to see the UA throughout the entire flight, with vision that is unaided by any device other than corrective lenses, the RPIC, the VO (if one is used), in order to: (1) Know the UA

location; (2) Determine the UA attitude and direction of flight; (3) Observe the airspace for other air traffic or hazards; and (4) Determine that the UA does not endanger the life or property of another. (b) Throughout the entire flight of the UA, the ability described in this paragraph must be exercised by either: (1) The RPIC; (2) the person manipulating the flight controls of the sUAS; or (3) A VO.

- 8. VISUAL OBSERVER.** The VO (if one is used) is a flight crew member. If a VO is used during the aircraft operation, all of the following requirements must be met: (a) The RPIC, the person manipulating the flight controls of the sUAS, and the VO must maintain effective communication with each other at all times. (b) The RPIC must ensure that the VO is able to see the UA in the manner specified in paragraph 7 (Visual Line of Site) of this General Provisions Set. (c) The RPIC, the person manipulating the flight controls of the sUAS, and the VO must coordinate to do the following: (1) Scan the airspace where the UA is operating for any potential collision hazard; and (2) Maintain awareness of the position of the UA through direct visual observation. A person may not operate or act as an RPIC or VO in the operation of more than one UA at the same time.
- 9. STAGING.** It is the Client's responsibility to prepare and/or stage the location(s) of Services(s) prior to filming. Drone 55 will take Photograph/Visual Images of location as-is.
- 10. RAW PHOTOGRAPH.** RAW photographs are electronically delivered in Digital Negative (.DNG) file format, or other RAW file format as dictated by the equipment.
- 11. RAW VIDEO.** RAW videos are electronically delivered in MPEG-4 (.MP4), Quicktime (.MOV) file format, or other RAW file format as dictated by the equipment.
- 12. PHOTOGRAPH EDITING.** Photograph Editing includes, cropping, straightening and tone adjustment, including but not limited to exposure, temperature and white balance. Retouching requests will be billed at \$150 per hour. Client will choose photograph(s) ("Photo Choice(s)") to be edited from photograph proofs ("Proofs"), which such Photo Choice(s) will thereafter be edited. Final Edited Photographs are delivered in JPEG (.JPG) file format. After delivery of Final Edited Photograph(s), additional edits will be billed at \$150 per hour.
- 13. SPHERICAL PANORAMA.** Equirectangular Projections are electronically delivered in TIFF (.tif) file format. RAW photographs will not be provided to Client. Equirectangular Projections do not include Retouching. Any Photograph Editing, or Retouching requested by Client will be billed at \$150 per hour. Client understands and agrees that Equirectangular Projection acquisition tasks have a high degree of difficulty, and require specific weather, and lighting conditions. Should Drone 55 deem flight conditions unacceptable or unsafe, Appointment will be rescheduled to a later date and Client will be responsible for rescheduling fees.
- 14. CYLINDRICAL PANORAMA.** Single Row Cylindrical Panorama consists of a group of photographs acquired along a single horizontal row. A Double Row Cylindrical Panorama consists of a group of photographs acquired along two horizontal rows. Cylindrical Projections are electronically delivered in TIFF (.tif) file format. RAW photographs will not be provided to Client. Cylindrical Projections do not include Retouching. Any Photograph

Editing, or Retouching requested by Client will be billed at \$150 per hour. Client understands and agrees that Equirectangular Projection acquisition tasks have a high degree of difficulty, and require specific weather, and lighting conditions. Should Drone 55 deem flight conditions unacceptable or unsafe, Appointment will be rescheduled to a later date and Client will be responsible for rescheduling fees.

- 15. INTERACTIVE PANORAMA.** Interactive Panoramas are hosted on third party servers (“Servers”) and the hyperlink(s) are electronically delivered. Interactive Panoramas are hosted on Servers for a maximum of one year from date of delivery of hyperlink(s). After one year, Drone 55 will remove Interactive Panoramas without further notice, and hyperlink(s) will no longer be active. Additional hosting can be requested by Client for additional fees. Client can request Offline Interactive Panoramas for additional fees. Offline Interactive Panoramas are electronically delivered and stored locally. Drone 55 does not provide Interactive Panorama viewer software. After delivery of Interactive Panoramas, any editing, or Retouching requested by Client will be billed at \$150 per hour.
- 16. FLAT INTERACTIVE PANORAMA.** Flat Interactive Panoramas are hosted on Servers, and the hyperlinks are electronically delivered. Any editing, or Retouching requested by Client will be billed at \$150 per hour. Flat Interactive Panoramas are hosted on Servers for a maximum of one year from date of delivery of hyperlink(s). After one year, Drone 55 will remove Flat Interactive Panoramas without further notice, and hyperlink(s) will no longer be active. Additional hosting can be requested by Client for additional fees. Client can request Offline Flat Interactive Panoramas for additional fees. Offline Flat Interactive Panoramas are electronically delivered and stored locally. Drone 55 does not provide Interactive Panorama viewer software.
- 17. GIGAPAN.** A Gigapan is a custom service that is scheduled once a Client has provided Drone 55 with detailed specifications such as Gigapan resolution, mural type and size, FOV, view angle, degree of swing, view height, and time of day. Gigapans are electronically delivered in TIFF (.tif) file format. RAW photographs will not be provided to Client. Gigapans include Photograph Editing, UA removal, photograph stitch error retouching, and parallax retouching. Gigapans do not include sky replacement. Gigapans do not include Retouching. Any Retouching requested by Client will be billed at \$500 per hour. After delivery of Gigapans, any editing, or Retouching requested by Client will be billed at \$500 per hour. Client understands and agrees that Gigapan acquisition tasks have a high degree of difficulty, and require specific weather and lighting conditions. Should Drone 55 deem flight conditions unacceptable, or unsafe, Appointment will be rescheduled to a later date and Client will be responsible for rescheduling fees.
- 18. RAW PANORAMA.** RAW Panoramas do not include processing, including but not limited to Photograph Editing, Retouching or Stitching. RAW Panoramas are electronically delivered in Digital Negative (.DNG) file format, or other RAW file format as dictated by the equipment.
- 19. ECONOMY PANORAMA.** Economy Panoramas include automated software post processing. Post processing does not include, but not limited to; UA removal, Photograph

Editing, sky replacement, or Retouching, including but not limited to Stitch error Retouching. Stitch errors, parallax, ghosting, unlevelled verticals, and other by-products of the Stitching process is to be expected. Economy Panoramas do not include Drafts.

- 20. STANDARD PANORAMA.** Standard Panoramas includes Photograph Editing, UA removal, Stitch error retouching, and parallax retouching. Standard Panorama Cylindrical Projections do not include sky replacement. Standard Panorama Equirectangular Projections include sky replacement.
- 21. MAGIC HOUR / TWILIGHT.** Drone 55 cannot guarantee all Magic Hour and/or Twilight Photograph/Visual Images will have the same Illumination. Client understands and agrees that Magic Hour and Twilight Photograph/Visual Image acquisition tasks have a high degree of difficulty, and require specific weather conditions. Should Drone 55 deem flight conditions unacceptable, or unsafe, Appointment will be rescheduled to a later date and Client will be responsible for rescheduling fees.
- 22. LOCATION RELEASE.** Client warrants and represents that Client has obtained permission from the location property owner, and Client grants permission to Drone 55, its employees and agents, to take, and use photograph/visuals images of the interior, and exterior of the location, using Drone 55 photography system, including but not limited to, sUAS, UA, or other photograph/visual images recording equipment. Permission includes the right to bring personnel, equipment and supplies onto the property, and to remove them after completion of work. The permission herein granted shall include the right, but not the obligation, to photograph the actual name connected with the premises, and to use such name in the photograph/visual images. Drone 55 does not grant any right or make any warranty with regard to the use of names, people, trademarks, trade dress, logos, registered, unregistered or copyrighted audio, designs, works of art or architecture depicted or contained in the Deliverables. In such cases, Client is solely responsible for determining whether release(s) is/are required in connection with Client's proposed use of the Deliverables, and Client is solely responsible for obtaining such release(s). Client acknowledges that Drone 55 does not generally obtain releases for photograph/visuals images, and has not agreed to do so for Client. Some jurisdictions provide legal protection against a person's image, likeness or property being used for commercial purposes when they have not provided a release. Client shall be responsible for ensuring that all applicable releases necessary for Drone 55's Services and/or Client's use of the Deliverables are obtained and Client shall indemnify, defend, and hold harmless Drone 55 against any and all claims or damages made against or suffered by Drone 55 (including attorney's fees and costs) arising out of the failure to obtain any release. Client is also solely responsible for payment of any amounts that may be due under, and compliance with any other terms of, any applicable collective bargaining agreements as a result of Client's use of the Deliverables.
- 23. EDITED VIDEOS.** Any stylistic and specific video editing requests must be requested by Client via email and agreed to by Drone 55 prior to scheduling Appointment. Video editing does not include Retouching. Retouching requests will be billed at \$150 per hour. Edited videos are electronically delivered to Client in MPEG-4 (.MP4) file format. After delivery of



First Delivered Video, Client may request a maximum of three (3) Minor Revisions. If Client does not approve a Revision within 10 business days of delivery, the Revision will be considered the final Deliverable. After Final Delivered Video, additional edits will be billed at \$250 per hour. RAW video will not be provided to Client. Drone 55 shall include credit on the video, including but not limited to, the Drone 55 name and logo(s).

- 24. VIDEO MUSIC.** Fifteen dollar (\$15) royalty-free music is included with edited video. Client is responsible for choosing a specific royalty-free song from [www.Pond5.com](http://www.Pond5.com), or [www.audiojungle.net](http://www.audiojungle.net). Client will be billed for any song over \$15. Should Client require a specific music license, prices may vary, and Client will be billed accordingly. Client can provide its own selections of royalty free music if Client provides Drone 55 proof of Client's license to use such royalty free music. Client shall indemnify, defend, and hold harmless Drone 55 against any and all claims or damages made against or suffered by Drone 55 (including attorney's fees and costs) arising out of the failure of Client to obtain any license for royalty free music provided by the Client. Video editing will not begin until music is specified by the Client. Drone 55 is not responsible for any Deliverable delays due to Client not specifying music. Any music changes after editing has begun, or delivery of First Delivered Video, will constitute a Major Revision, and Client will be billed \$250 per hour. If Client waives the option to choose music, Drone 55 will choose music.
- 25. POSTING AND UPLOADING.** Drone 55 will post Final Delivered Video to [www.Vimeo.com/Drone55](http://www.Vimeo.com/Drone55) and/or [www.drone55.com](http://www.drone55.com). The URL of the Final Delivered Video will be electronically delivered to Client. This URL can be freely used to create a link to/ from other websites. Drone 55 is not responsible for purchasing a personal domain or creating a personal website for Client. Drone 55 reserves the right to remove videos at any time without further notice, and Drone 55 is not responsible for broken links resulting in removal of videos.
- 26. VIDEO INFORMATION.** All information including but not limited to, property address, logos, copy, or specific title card information, must be provided, and/or requested by Client via email and agreed to by Drone 55 prior to scheduling Appointment. Drone 55 is not responsible for incorrect, or misspelled information provided by Client, and any corrections made for Client will count as one (1) Minor Revision.
- 27. VOICE OVER.** Client will provide the Voice Over script ("VO Script"). If Client waives the option of providing a VO Script, Drone 55 will write the VO Script, and submit to Client for approval. Video editing will not begin until VO Script has been provided by Client, or Drone 55 VO Script has been approved by Client in writing. Drone 55 will record Client VO audio track at the time of Services. Client also has the option of recording their own Voice Over ("Client VO"), or providing a pre-recorded Client VO audio track, which must be provided to Drone 55 at the time of the commencement of Services. Video editing will not begin until Client VO audio track is recorded, or obtained. Drone 55 is not responsible for any Deliverable delays, due to Client VO, or VO Script approval delays. Any Voice Over changes after VO Script approval, video editing has begun, or delivery of First Delivered Video, will constitute one (1) Major Revision, and Client will be billed accordingly.

- 28. INTERVIEW OR ON SCREEN APPEARANCE.** Drone 55 is not responsible for wardrobe, hair, or makeup. Drone 55 will not provide wardrobe, wardrobe stylist, hair stylist, or makeup stylist.
- 29. DRAFT.** Drone 55 will deliver low resolution Draft(s) for Client approval. Client approval, in writing, and, Drone 55 acknowledgment of receiving Client approval, in writing, is required before Drone 55 resumes work. If Client does not approve a Draft within 10 business days of delivery, the Draft will be considered the final Deliverable.
- 30. TRADEMARKS AND RIGHTS.** All trademarks, service marks and trade names of Drone 55 used are trademarks, or registered trademarks of Drone 55, Inc. All Photograph/Visual Images and Deliverables are considered the sole, and exclusive property of Drone 55. Drone 55 reserves all rights to the Photograph/Visual Images and Deliverables. Drone 55 grants to Client a perpetual, worldwide, non-exclusive, non-sublicensable and non-transferable right, to use Deliverables, without transfer of ownership. Such right shall not include right to use the Photograph/Visual Images for paid advertising. Copyright will remain with Drone 55. In the event that any of the Deliverables should be deemed to be a “work for hire” resulting in the ownership of any intellectual property rights by the Client (other than those specifically granted in this General Provisions Set), then Client shall be deemed to have irrevocable transferred and assigned such intellectual property rights to Drone 55.
- 31. INDEMNIFICATION.** Client agrees to defend, indemnify and hold harmless Drone 55, its parent, subsidiary and affiliated companies, and the directors, officers, agents, representatives and employees of each of them, from and against any and all liabilities, claims, demands, actions, losses, damages and expenses, (including, without limitation, attorneys’ fees and costs) judgments, subrogation's or other damages, including, without limitation, for personal injury or property damage, in any way arising out of or resulting from any of the following: (1) the breach by Client of any term, condition, representation or warranty under this General Provisions Set; or (2) a defect in or malfunction of the Equipment; or (3) the performance of any Services under this General Provisions Set; (4) the transport of the Equipment by Client to and from any location, including, without limitation, any location designated by Client; or (5) the negligence, willful misconduct or wrongful acts of Client, its employees, agents or contractors. Drone 55 makes no representations regarding the legality of the flight path chosen to complete the Services for the Client, or whether such flight path would constitute an invasion of privacy, or trespass as to any person or property. Client agrees to indemnify, defend and hold Drone 55 harmless against any civil or criminal complaints, claims, judgments or causes of action related to the flight path taken by any of the equipment used by Drone 55 to complete the Services for Client. Indemnification is not a waiver of claims against the manufacturer of the equipment used by Drone 55 to complete the Services for Client. The provisions of this paragraph shall survive the termination of this General Provisions Set. Drone 55 agrees to notify Client in writing of any claim or demand promptly upon learning of its existence, and upon Drone 55’s written request, Client shall assume the defense of the claim or demand.
- 32. CFR 14 PART 107.** The FAA regulates the operation of sUAS in the NAS. All sUAS

operations in the NAS must be operated in accordance with Title 14 of the Code of Federal Regulations (14 CFR) part 107. Drone 55 is not responsible for any TFR, or NOTAM. Should a TFR, and/or NOTAM prevent flight within 48 hours of Appointment, or any time during Appointment, Appointment will be rescheduled to a later date and Client will be responsible for rescheduling fees.

**33. CERTIFICATE OF WAIVER OR AUTHORIZATION.** The FAA may issue a COA authorizing a deviation from any regulation specified in §107.205 if the Administrator finds that a proposed sUAS operation can safely be conducted under the terms of that COA.

**34. ADDITIONAL INSURANCE.** Once any additional insurance policies are bound, all associated fees are non-refundable and insurance coverage is non-transferable. All cancellations, or rescheduling will require a new policy and Client will be invoiced.

**35. FORCE MAJEURE.** Neither party shall be liable to the other for its failure to perform any of its obligations under this Agreement, except for payment obligations, during any period in which such performance is delayed or rendered impracticable or impossible due to circumstances beyond its reasonable control, provided that the party experiencing the delay promptly notifies the other of the delay.

**36. MISCELLANEOUS PROVISIONS.**

36.1. Should any litigation, including arbitration proceedings, be commenced between the parties to this General Provisions Set, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted in the litigation, to a reasonable sum as and for his or her attorney's fees in the litigation which shall be determined by the court or arbitrator in such litigation.

36.2. As used in this General Provisions Set, the masculine, feminine or neuter gender, and the singular or plural number, shall each be deemed to include the other whenever the context so indicates. Paragraph headings contained herein are for convenience only and shall not be considered for any purpose in construing this General Provisions Set.

**EXHIBIT A**

**SAMPLE CHANGE ORDER**

This Change Order ("Change Order") is entered into on \_\_\_\_\_, by and between Drone 55, Inc. ("**Drone 55**"), and \_\_\_\_\_ ("**Client**"), and modifies that certain "Service Agreement," dated \_\_\_\_\_, by and between Drone 55 and Client (the "Contract").

1. DESCRIPTION AND SPECIFICATIONS OF CHANGE. Drone 55 will do the following pursuant to this Change Order: \_\_\_\_\_.
2. PAYMENT. The services to be performed pursuant to this Change Order are payable on a time and materials basis at the following rates: \_\_\_\_\_. Payment for the services to be performed pursuant to this Change Order shall be against invoices describing in reasonable detail the nature and extent of the work performed during the billing period.
3. RELATIONSHIP TO CONTRACT. This Amendment is subject to all the terms and conditions of the Contract, executed by the parties.

IN WITNESS WHEREOF, the parties have executed this Change Order on the date set forth above.

**Drone 55, Inc.**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_ Title: \_\_\_\_\_

**CLIENT**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (Printed): \_\_\_\_\_ Title: \_\_\_\_\_