

Attn:

**Mayor Joshua Ramsell
City of Rio Communities
360 Rio Communities Blvd.
Rio Communities, NM 87002**

**Proposal: Strategic Advisory Services, Revenue Enhancement,
Strategic Sourcing, Process Optimization & Change
Management Advisory Services**

Submitted: May 10, 2022

From:

**PGV Advisors, LLC
3348 Peachtree Road NE
Suite 700
Atlanta GA 30326**

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Introduction:

PGV Advisors is pleased to present this agreement to provide Revenue Enhancement, Process Improvement, Strategic Sourcing and Expense Reduction services to the City of Rio Communities, New Mexico. PGV has assembled a team of seasoned specialists who are prepared to collaboratively bring together their years of industry and government business expertise to assist the City of Rio Communities obtain an improved cost and revenue model. The improved better financial structure will allow the City to reallocate resources to fund other strategic initiatives.

Key Objectives:

- PGV will Identify areas where additional revenue can be brought for the City and develop implementation plans to realize the revenue
- PGV will perform an assessment along with benchmark for The City of Rio Communities utilizing its proprietary database to identify cost categories with the greatest potential for reduction in cost
- Identified spend categories will be evaluated, solutions developed and implemented that will provide the City of Rio Communities with significant annual cost savings

Firm Background and Focus:

PGV Advisors, with offices in Atlanta, Charlotte, Houston, Little Rock, New York, Tampa and other places, focuses on helping organizations grow profitably by improving their cost structure, enhancing revenue and improving their internal business processes. Research has shown that organizations, on average, do not effectively manage approximately 40% of their total spend leaving opportunity to deliver significant savings.

Benefits clients enjoy by working with PGV:

- **Revenue Enhancement** – Identify areas where additional revenue can be earned
- **Improved Total Cost Model** - Access to their current products and services at a lower total cost, *on average 18% lower* than their current cost structure
- **Vendor Management Program** - Stronger and better managed vendor relationships
- **Sustainability** – Access to tools and training which provide visibility and control over spend
- **Ongoing support** in data management, market research and spend category expertise
- **Flexible service delivery model** designed based upon each client’s specific requirements

PROJECT DESCRIPTION:

PGV Advisors seeks to provide value for the City of Rio Communities, New Mexico by conducting a thorough analysis of existing revenue models and spend categories. Through this process PGV will help identify opportunities for the City to benefit from:

- 1) Improved revenue enhancement areas
- 2) Improved vendor pricing on prospective purchase of goods and services and
- 3) Recovery of vendor overpayments

Our approach considers that every organization has a different culture therefore we invest the time to understand users' needs and develop practical solutions that drive higher revenue and lower total cost model.

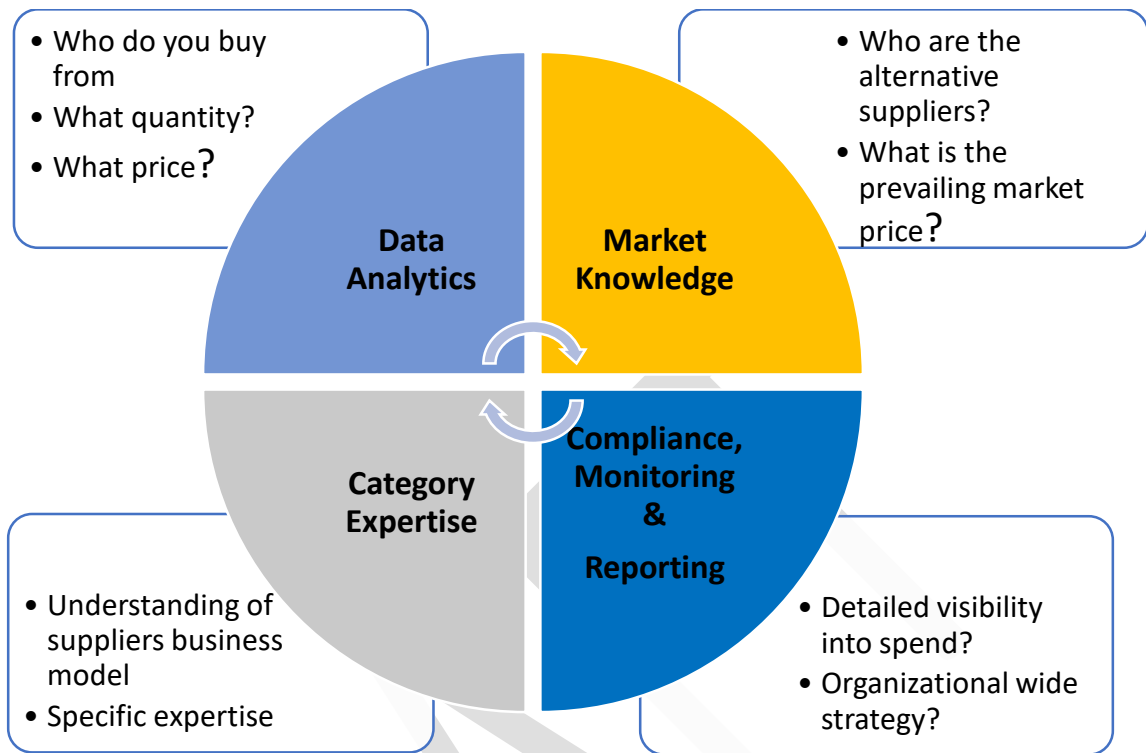
Revenue and Procurement organizations are typically not allotted the resources necessary to manage the data and market expertise required to administer the hundreds of categories under their supervision. Recognizing this, PGV has built a solution that allows our clients to tailor a solution to meet their specific resource needs in the areas of data analytics, market research, category expertise and compliance management.

Our team becomes an extension of your existing team, and you maintain control of the process.

Potential Revenue Enhancement Opportunities

- a) **Cars on the road without insurance (state implied fines)**
- b) **Increase alcohol/tobacco tax revenue**
- c) **Optimization of unused properties for alternative purposes**
- d) **Various state and federal grants**
- e) **Smart City solution grants and funds**
- f) **Grants from philanthropists and family offices**
- g) **Develop vocational training centers and attract people**
- h) **New cell tower revenue**
- i) **Solar farm incentives**
- j) **Affordable housing solution**

Components of spend management



Potential Savings Opportunities

The following highlights range of savings we have recently achieved for clients by categories of spend:

| <u>Spend Category</u> | <u>Range of Savings</u> |
|------------------------------------------------------------|-------------------------|
| Real Estate, Facilities and Maintenance | 15% - 25% |
| Telecommunications | 20% - 40% |
| IT (Hardware, Software, Services) | 10% - 18% |
| Temporary Labor and Professional Services | 8% - 15% |
| Insurance (Health and Non-Health) | 7% - 12% |
| Logistics (Parcel, Road, Ocean and Air) | 8% - 12% |
| Equipment, Vehicle Rental | 9% - 17% |
| Office Supplies, Printing, Shop Supplies, Furniture | 12% - 35% |
| Travel (Air, Car, Hotel, Policies) | 9% - 25% |
| P-Card, Ghost Card, Travel Card Programs | 1% - 3% |
| Marketing & Promotional Services | 7% - 18% |

Scope of work would consist of the following:

To secure these benefits, PGV will develop a comprehensive strategy to identify, validate secure the pricing benefits and refunds of overpayments. Analysis can be conducted upon receipt of financial data by City of Rio Communities, with strategic sourcing efforts following once the strategy is developed. Strategic initiatives will be created as it relates to the category, led by our category expert advisors and technological resource tools.

Project activities will be performed in phases as follows:

- Analyze current and comprehensive yearly spend data;
- Categorize the data and develop strategic sourcing and savings initiatives which can be guided into implementation as needed;
- Provide initiative implementation and change management guidance for all areas of categorical spend;
- Negotiate new and existing vendor contracts to achieve perpetual savings;
- Provide expert advice in all realms of business (insurance, technology, facilities management, travel, marketing and exhibitions, and others.)

Identify and fully describe any work to be performed by City of Rio Communities:

- Provide requested data on timely basis
- Provide access to people to interview and meet as required
- Make necessary decisions based on facts

PROJECT FEASIBILITY

PGV has assembled a team of advisors and consultants who are well versed in cost reduction over a broad range of expense categories as well as experienced in project management, change management and strategic solution development.

PGV will develop and present strategies and solutions that will require decision of City leaders. For the City to enjoy the full benefit of the strategies, PGV must have access to the proper stakeholders and high-level individuals with decision making authority; in addition, access to all City-wide financial reports, spend data by vendor and applicable category contracts.

PROJECT SCHEDULE

Assessment Phase: First 2 months

Implementation Phase: 3 to 5 years

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PROJECT FINANCING PLAN

Implementation Phase:

PGV has designed a “No Risk” solution for the City which will not require the allocation of financial resources for implementation phase. Instead, the project will be performed on a success fee basis and, as such, the City of Rio Communities will only be required to pay a fee when they have received enjoyment of the benefits delivered by PGV’s efforts.

PGV believes that the level of expertise and the proprietary market intelligence it has collected will yield significant financial benefit for the City. The savings delivered by PGV will be enjoyed by the City over multiple years.

PGV is proposing the following fee terms:

| | |
|------------------------------------------------|-------------------------------------------------------------------------------|
| Prospective Cost Savings & Revenue Enhancement | 25% of net improvements payable monthly for a 7 year period |
| Grants, Donations and Bonds | 25% of gross funds received |
| Vendor Recoveries (Refunds/Credits/Rebates) | 50% of secured recoveries payable upon receipt or credit to account |
| Project Based Fee Structure | 6% to 10% upcharge through vendors or agreed with the City of Rio Communities |

- Success fee: delivered revenue enhancement and cost savings based on value created by PGV efforts. Delivered improvement is defined as the new annual calculated cost/benefit as compared to your current cost/benefit structure which will be approved by City of Rio Communities management.
- Out of pocket expenses will be billed separately and approved by management in advance.

Out of pocket costs will be listed separately and billed at the actual amounts incurred. Normally, these amounts relate to travel related costs. Time spent in legal and regulatory matters or proceedings arising from our engagement, such as subpoenas, testimony, or consultation involving private litigation, arbitration, industry or government regulatory inquiries whether made at the City of Rio Communities’ request or by subpoena, will be billed to the City of Rio Communities separately.

If the contract is cancelled for any reason by the City of Rio Communities, PGV will be eligible to receive all the projected fees based on only the benefits implemented and based on the signed contract terms by the City.

Payment Terms

City of Rio Communities will be billed monthly, and payment is due upon receipt via Automated Clearing House (ACH) transfer. City of Rio Communities will be invoiced on the 1st of each month.

PROJECT COMMUNICATIONS

Monthly, the project team will assess progress of the project and meet with management to report status and to obtain management decision where necessary. Timing of these meetings will be determined at the commencement of the project.

Management responsibilities:

We will require management's cooperation during the course of our services. Management is responsible for:

- making all management decisions and performing all management functions;
- designating an individual who possesses suitable skills, knowledge and/or experience, preferably within senior management, to oversee our services;
- providing the facts, circumstances and assumptions relevant to the specific assignment and informing us of changes in facts, circumstances, and assumptions;
- providing access to all financial records and related information and to management and personnel with information of relevance pertaining to the specific assignment;
- participating in status meetings at mutually agreeable times and being reasonably available for consultation when management decisions or further information is required; and
- Evaluating the adequacy and the results of the services performed and accepting responsibility for such results.

Change Order or Scope Change

Any new activities apart from agreed upon categories can be added by agreeing between both parties through email confirmation, with specific reference to this agreement, and will become part of this agreement. All project completion approval can be done through email confirmation, with specific reference to this agreement.

Electronic transmittals

During the course of our engagement, PGV or the City of Rio Communities may need to electronically transmit confidential information to each other and to other entities engaged by either party. E-mail is a fast and convenient way to communicate. However, e-mail is not a secure means of communication and thus, confidentiality could be compromised. City of Rio Communities agrees to the use of e-mail and other electronic methods to transmit and receive information, including confidential information, between PGV and the City of Rio Communities and between PGV and third-party service providers or other entities engaged by either PGV or the City of Rio Communities.

Standards of performance and business risk allocations

We will perform our services in conformity with the terms expressly set forth in this AGREEMENT, including all applicable professional standards. Accordingly, our services shall be evaluated solely on our substantial conformance with such terms and standards. Any claim of nonconformance must be clearly and convincingly shown.

If because of a change in the City of Rio Communities' status or due to any other reason, any provision in this agreement would be prohibited by, or would impair our independence under, laws, regulations, or published interpretations by governmental bodies, commissions, or other regulatory agencies, such

provision shall, to that extent, be of no further force and effect and the agreement shall consist of the remaining portions.

City of Rio Communities hereby authorizes PGV to pursue cost savings identified above without impacting the City of Rio Communities' operations. While PGV, with the prior permission of City of Rio Communities, may pursue changing providers, City of Rio Communities is not required under any circumstances to change vendors. Any recommendations used by City of Rio Communities to implement changes within twenty-four months of submission or during the PGV's review shall be deemed accepted by City of Rio Communities. The corresponding fee as set forth in this Agreement shall be due and payable to PGV. In addition, recommendations for one location are applicable to all locations. Upon notification that implementation of approved changes has been completed, City of Rio Communities agrees to provide PGV with a copy of the subsequent two months of invoices in order to validate that implementation has correctly occurred.

BUSINESS CASE STATEMENT

- (i) PGV Advisors aim to increase and grow value, perpetual savings, and increase internal employee productivity for City of Rio Communities. Our analysis will provide the basis of all recommendations and proper engagement with internal individuals at City of Rio Communities will help us to present all strategic plans for the best interest of City of Rio Communities.
- (ii) The benefits of working with PGV Advisors will be tangible and proven prior to execution. We base all recommendations on facts and proper analysis of such facts, matched with industry expertise and marketplace surveys, will support any strategic plan drafted and presented by PGV. Our strategic efforts will help internal employees by streamlining workflows with efficient tools, addressing costly work dynamics and possibly in other avenues. We would seek to provide guidance on strategic plans which can affect those in the surrounding area of City of Rio Communities and New Mexico on many levels.
- (iii) Identify any anticipated public support or opposition, as well as any anticipated government support or opposition, for the project. N/A
- (iv) In the event that we are awarded the project, we would capture projected changes.
- (v) Explain the strategy and plans that will be carried out to involve and inform the general public, business community, and governmental agencies in areas affected by the project: N/A
- (vi) Specify the strategies or actions to mitigate known impacts of the project. N/A
- (vii) The key benefit of the project is that it will create additional capital that will allow the City of Rio Communities to invest in social, environmental and growth capital projects.
- (viii) Describe compatibility with the local comprehensive plan, local infrastructure development plans, the capital improvements budget, or other government-spending plan: N/A
- (ix) Provide relevant proposer cost, quality, methodology, and process for identifying the project and time frame data. N/A

CONTACTS

(i) Primary Contacts:

Sam Datta, Principal and Co-Founder

Direct dial: (678)571-3895

Email: sdatta@pgvadvisors.com.

(ii) PGV is legally formed as a Delaware LLC by its two founders, Sam Datta of Atlanta and Christopher Clabby of Tampa.

(iii) PGV was formed in 2015 as an independent company; however, it was operated by the current principals as a division of a larger consulting firm for a number of years prior to being spun off from its parent.

(v) Provide a current or most recently audited financial statement of the firm or firms and each partner with an equity interest of twenty percent or greater for project proposals over \$20 Million.

N/A

(vi) Identify any persons known to the proposer who would be obligated to disqualify themselves from participation in any transaction arising from or in connection to the project pursuant to any State of New Mexico and/or City of Rio Communities, New Mexico conflict of interest laws.

N/A

City of Rio Communities, NM

Agreement

Authorization

The terms in this agreement shall survive its completion or termination by either party. If any portion of this agreement is held invalid, it is agreed that such invalidity shall not affect any of the remaining portions.

Please confirm your acceptance of this agreement by signing below and returning one copy to us. We appreciate the opportunity to work with the City of Rio Communities and assure you that this engagement will be given our closest attention.

Very truly yours,

PGV Advisors, LLC

Date: _____

Sam Datta
Principal
PGV Advisors, LLC
3348 Peachtree Road NE
Suite 700
Atlanta GA 30326

Agreed and Accepted by:

Date: _____

Mayor Joshua Ramsell
City of Rio Communities
360 Rio Communities Blvd.
Rio Communities, NM 87002

RESUMES

Sam Datta, Co-Founder & Principal



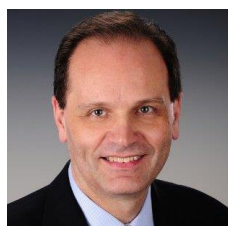
As a Principal of PGV, Sam co- leads our national team of professionals as well as developing our Atlanta and Houston market segment. Sam faces every challenge with sheer tenacity and conviction to succeed. As a Senior Executive and Board Member Sam builds enterprise value by reducing operating cost, finding new revenue streams through new channels, new markets, new products, and expanding the global footprint.

Sam's ability to drive cost down and improve revenue span a 25-year career with Fortune 100 companies and small to midsized companies whose yearly revenue ranging from \$10m to \$20 billion. Cumulatively Sam has delivered over \$2 billion in cost reduction through various initiatives. Sam

managed over 15 acquisitions, quadrupled companies' revenue through globalization and doubled EBITDA in three years.

Sam's Specialties: Private Equity, Turnarounds, EBITDA Improvement, Cost Reduction, Revenue Acceleration, Margin Enhancement, P&L Responsibility, Multiple Expansion, Portfolio Company, Strategic Planning, Transportation & Logistics, Aviation, Manufacturing, Distribution, Professional Services, Technology, and International Business.

Christopher Clabby, Co-Founder & Principal



As a Principal of PGV, Chris co-leads our national team of professionals as well as developing our New York and Florida market segment. Chris expertise is working with business owners and corporate executives to identify business challenges and leading the development and implementation of cross functional finance, tax and operational solutions that deliver measurable value.

While most advisors are subject matter experts in a narrow area, Chris broad base of experience in tax, finance, operations and M&A has allowed him to deliver a higher level of value to each of his clients. With the ability to lead teams focused on profit improvement, Chris has helped deliver hundreds of millions of dollars of value to organizations ranging from privately owned middle market businesses to Fortune 25 companies. With nearly 30 years of experience in professional services, the last 15 in various leadership roles, Chris has served as a managing partner and practice leader for an international accounting and consulting firms as well as having previously developed and led a successful financial advisory practice focused on delivering finance, operation and tax solutions.

Chris has served clients in a wide variety of industries and sizes from start up to Fortune 50. In each situation, he has helped them to achieve their financial and operational goals by first understanding their finance and operational challenges and then developing a solution customized to help their organization capitalize on the opportunities.

Paul Marchena, Managing Director - Insurance



As a Managing Director of PGV, Paul leads our national Risk Management and Insurance practice. Paul has over 19 years of experience in the risk management consulting and insurance placement arena. His industry specialization areas are manufacturing, distribution, and public entities. In his role Paul provides executives with general risk management and insurance placement advice, business continuity, crisis management, risk control, and other operational risk management issues. He brings a wealth of experience in both the risk management consulting and insurance placement markets.

Paul's team focuses on bringing their clients a customized Risk Management Solution which addresses their complete needs from supply chain risks to employee benefits and privacy and data security liability. Paul and team have extensive experience in manufacturing, distribution and restaurant industries.

He began his career as an underwriter trainee at Royal Sun Alliance and proceeded to work for PricewaterhouseCoopers as a risk consultant working on domestic and international clients. Subsequently, Paul was asked to become manager of the retail insurance practice for Marsh & McLennan in their Grand Cayman office. In this role he provided day-to-day client management services for a wide spectrum of regional clients. During Paul's tenure his team assisted several large organizations respond to and mitigate their large claims in the aftermath of hurricane Ivan in 2004.

In 2006 Paul was recruited by Willis where he continued to assist several Caribbean regional executives with advisory services similar to his current role with Atlas. He has co-lead situational role playing and helped critique and design business continuity solutions.

Paul obtained his degree in Risk Management & Insurance from the prestigious Terry College of Business at the University of Georgia. He holds the Chartered Property & Casualty Underwriter (CPCU) and Associate in Risk Management (ARM) designations. He is also actively involved on a board level with several non for profit community organizations.

Frederick Esters, Director



Frederick is a Client Advisor with 30 years of industry experience.

Specialty includes: Relationship Development, Business Solutions, Sales and Marketing.

PGV Advisors, LLC

GENERAL BUSINESS TERMS AND CONDITIONS

1. **Services.** It is understood and agreed that PGV Advisors, LLC (“PGV”) services (“Services”) may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, Client. References herein to Client shall refer collectively to City of Rio Communities, New Mexico.
2. **Payment of Invoices.** Client agrees to pay properly submitted invoices within thirty (30) days of the invoice date, or such other date as may be specified in the Engagement Letter to which these General Business Terms and Conditions are attached (the “MSA”). Capitalized terms not defined herein shall bear the meanings ascribed to them in the MSA. Payments not received within thirty (30) days of the invoice date shall accrue a late charge of the lesser of (i) 1 % per month or (ii) the highest rate allowable by law, in each case compounded monthly to the extent allowable by law. Without limiting its rights or remedies, PGV shall have the right to halt or terminate entirely its Services until payment is received on past due invoices. If Client objects to all or any portion of any invoice, Client shall notify PGV, stating the reasons for the objection. Client shall be entitled to withhold payment of any amounts in dispute or for cause including, but not limited to (1) nonconforming Services not remedied, (2) damage caused by PGV, its subcontractors or agents during the performance of the Services to the property of Client, another contractor or other third party, (3) a breach of any provisions of this engagement, or (4) for claims made by PGV’s subcontractors or agents for amounts due but not paid by PGV, or for which a lien has been filed against Client’s property. The parties shall immediately make good faith efforts to settle any disputed portion of the invoice. Upon removal or cure of such cause, sums withheld shall be paid to PGV. Final payment of any amount due shall be made following completion or termination of the Services, completion of the actions set forth in Section 3(a)-(d) below, and receipt by Client of PGV’s invoice covering such final payment.
3. **Term.** Unless terminated sooner in accordance with its terms, this engagement shall terminate on the completion of the Services hereunder. This engagement may be terminated by either party at any time by giving written notice to the other party (i) not less than sixty (60) calendar days before the effective date of termination or (ii) immediately, by giving written notice of such termination to the other party if such other party shall be adjudicated bankrupt, become insolvent, have a supervisor, conservator, or receiver of its assets or property appointed or make a general assignment for the benefit of creditors, or institute or cause to be instituted any proceeding in a bankruptcy or reorganization or rearrangement of its affairs. In the event of such termination, Client agrees to pay PGV for time charges at standard hourly rates and expenses incurred to the date of termination to the extent the amount so computed exceeds payments previously made by Client for the engagement; provided, however, that such Services had previously been approved by Client. Client also agrees to pay PGV all projected benefits for the original period of the signed vendor contracts. Upon expiration or termination of the agreement for any reason, or at any other time upon the Client's written request, PGV shall within five (5) business days after such expiration or termination:
 - a) deliver to the Client all Deliverables (as defined in paragraph 4(b)) (whether complete or incomplete) and all hardware, software, tools, equipment or other materials provided for PGV’s use by the Client;

City of Rio Communities, NM

Agreement

- b) deliver to the Client all tangible documents and materials (and any copies) containing, reflecting, incorporating or based on the confidential information;
- c) permanently erase all the Confidential Information (defined below) from PGV's computer systems; and
- d) Certify in writing to the Client that PGV has complied with the requirements of this section.

4. Contract Cancellation Fees.

If this contract is cancelled without any cause, City will be liable to pay all incurred cost and projected fees to PGV based on realized revenue and future revenue of implemented programs during the terms of this contract.

5. Ownership.

- a) PGV Technology. PGV has created, acquired or otherwise has rights in, and may, in connection with the performance of Services hereunder, employ, provide, modify, create, acquire or otherwise obtain rights in, various concepts, ideas, methods, methodologies, procedures, processes, know-how, and techniques (including, without limitation, models; templates; the generalized features of the structure, sequence and organization of software; user interfaces and screen designs; general purpose consulting and software tools, utilities and routines; and logic, coherence and methods of operation of systems) (collectively, the "PGV Technology").
- b) Ownership of Deliverables. Except as provided below, upon full payment of the respective Services provided to PGV hereunder up to the date of termination, whether such Services were terminated upon completion of the Services or if the Services were earlier terminated by Client, the Client is and shall be, the sole and exclusive owner of all right, title and interest throughout the world in and to all the results and proceeds of the Services performed under the AGREEMENT (collectively, the "Deliverables"), including all patents, copyrights, trademarks, trade secrets and other intellectual property rights (collectively "Intellectual Property Rights") therein. PGV agrees that the Deliverables are hereby deemed a "work made for hire" as defined in 17 U.S.C. § 101 for the Client. If, for any reason, any of the Deliverables do not constitute a "work made for hire," PGV hereby irrevocably assigns to the Client, in each case without additional consideration, all right, title and interest throughout the world in and to the Deliverables, including all Intellectual Property Rights therein. Any assignment of copyrights under the AGREEMENT includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as "moral rights" (collectively, "Moral Rights"). PGV hereby irrevocably waives, to the extent permitted by applicable law, all claims PGV may now or hereafter have in any jurisdiction to any Moral Rights with respect to the Deliverables. To the extent that any PGV Technology is contained in any of the Deliverables, PGV hereby grants Client, upon full and final payment to PGV hereunder, a royalty-free, fully paid-up, worldwide, non-exclusive license to use such PGV Technology in connection with the Deliverables.

6. Limitation on Warranties. THIS IS A SERVICES ENGAGEMENT. PGV WARRANTS THAT IT WILL PERFORM SERVICES HEREUNDER IN A PROFESSIONAL MANNER, IN GOOD FAITH AND IN CONFORMANCE WITH ALL APPLICABLE LAWS AND CODES. PGV DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

7. Indemnity.

- a) Generally. PGV agrees to indemnify, hold harmless and defend Client, its shareholders, directors, officers employees and agents from and against any action, claim, demands, causes of actions, requests, lawsuits, judgments, or damages, costs, expenses, or losses (collectively, "Claims") including reasonable costs and attorneys' fees, asserted by any person, arising out of or relating to: (i) personal injury or property damage to the extent such claims or liabilities arise out of acts of omissions of PGV and/or its employees or agents in connection with their duties and responsibilities under the agreement, (ii) PGV's breach of the agreement, (iii) the alleged or actual misappropriation by PGV of Confidential Information, (iv) PGV's violation of applicable laws, and (v) allegations that the Deliverables, Services and/or any intellectual property furnished by PGV violate any third party's patent, trade secret or copyright within any jurisdiction (collectively, the "Indemnity Claims").
- b) Settlement of Claims. Client shall permit PGV to defend or settle any such Indemnity Claims, provided, however that (i) PGV shall not enter into any settlement agreement that would result in any admission by Client or payment by Client without Client's prior written consent, and (ii) Client may at its election participate in the defense of such claim, suit or the like through separate counsel at its own expense. Client agrees to provide PGV all reasonable assistance (at the expense of PGV) in connection with the defense or settlement of any such Indemnity Claim.
- c) Limitation on Damages. In no event shall either party or their respective employees, officers, directors and agents be liable for consequential, special, indirect, incidental, punitive or exemplary loss, damage or expense relating to the agreement, provided however, the limitations of such damages shall not apply in the case of PGV's (i) fraud or statements made fraudulently, willful misconduct or gross negligence; (ii) any Indemnity Claim; and/or (iii) any acts or omissions for which the governing law prohibits the exclusion or limitation of liability. In furtherance and not in limitation of the foregoing, PGV will not be liable in respect of any decisions made by Client because of the performance by PGV of its Services hereunder. The foregoing provisions shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise.

7. Insurance. During the Term, PGV shall maintain in force (i) at least \$1,000,000 coverage for the following insurance policies: workers' compensation, commercial general liability, errors and omissions, and (ii) other forms of insurance, in each case with insurers reasonably acceptable to Client, with policy limits sufficient to protect and indemnify Client and its affiliates, and each of their officers, directors, agents, employees, subsidiaries, partners, members, controlling persons, and successors and assigns, from any losses resulting from PGV's or PGV's agents, contractors, servants or employees conduct, acts, or omissions.

8. Confidentiality. PGV recognizes and acknowledges that it will have access to certain of Client's and/or its affiliates' and/or subsidiaries' confidential information and unique property. Additionally, PGV understands that all information relating to and/or generated as a result of the work performed under this engagement is to be considered Confidential Information. PGV will not, during or after the term of this engagement, use (except for the purpose of providing the Services which are the subject of this

engagement) or disclose (except to PGV's employees and contract employees, as set forth below) any of Confidential Information to any person, firm, corporation, association, governmental entity, or other entity, except to authorized representatives of Client, for any reason or purpose whatsoever, without the express written consent of Client. PGV represents that it has entered into agreements with all of its employees and applicable subcontractors or agents requiring them not to disclose any Confidential Information. PGV shall limit internal dissemination of Client's and/or its affiliates and/or subsidiaries Confidential Information to those PGV employees and contract employees needing to know the information for the purpose of providing the Services which are the subject of this engagement, and then only if there is a clear understanding by such individuals of their obligation to maintain the confidential status of such Confidential Information and to restrict its use solely to performing professional Services for Client and/or its affiliates and/or subsidiaries pursuant to this engagement. Where the individual is a contract employee of PGV, Client reserves the right to request such contract employee enter into a confidentiality agreement directly with Client in a form acceptable to Client and containing terms not less strict than required hereunder. No right or license, express or implied, under any patent, patent application, technical information or other intellectual property of Client is granted herein. In the event that PGV is served with any legal process, administrative request for information, or any other third party request for Confidential Information, PGV further agrees that it will immediately notify Client, and that it will not disclose or release any such Confidential Information to any third party, including a governmental entity, until such time as Client has had the opportunity to review the request for information and either provide its written permission for PGV to respond and/or for Client to take efforts to protect its interests in said information by seeking a protective order or similar relief. The provisions of this Article shall survive the expiration or earlier termination of this engagement.

The obligations of this Section 8 do not apply to information which:

- i) is or becomes part of the public domain without the breach of any obligation of confidentiality owed to Client; or
 - ii) is required to be publicly disclosed under law, subject to the requirements and provision of this Section 8; or
 - iii) PGV can demonstrate by written documentation was in its possession before receipt from Client; or
 - iv) is covered by a written release from an authorized representative of Client.
9. Confidential Information. "Confidential information" shall mean all information relating to and/or generated as a result of the work performed under this engagement. Confidential information may include but shall not be limited to: technical data or know-how relating to discoveries, ideas, inventions, concepts, software, equipment, designs, drawing, specifications, demonstration or test scripts, content under development, unpublished patent applications, techniques, processes, models, data, documentation, diagrams, flow charts, research, development, business plans or opportunities, business strategies, future projects, products or services, projects, products or services under consideration, procedures, trade secrets, purchasing information, business ideas or concepts, computer systems information, computer software, strategy, marketing methods, information related to finances, costs, pricing, vendors, customers, employees, account transactions, owner, renter or purchaser information; to include personal information, owner, renter or purchaser prospect lists, including but not limited to any lists of persons provided to PGV or any other information to which PGV gains access during the performance of the AGREEMENT whether

before, on, or after the date hereof, directly or indirectly, in writing, orally, or by drawings or inspection of equipment or software, to the other party or any of its employees or agents.

10. **Publicity.** No publicity releases (including news releases and advertising) relating to this engagement and the Services hereunder shall be issued by PGV without the prior written approval of Client. Any technical paper, article, publication, or announcement of advances generated in connection with the Services under this engagement, during the period of performance of the engagement or in the future, shall require Client's prior written approval. PGV shall not use the name or trademarks of Client or any of its or their subsidiaries, licensees, divisions or affiliated companies, as a reference in any sales materials, presentations, or on sales calls, or in any of PGV's customer lists or in any publicity, news release, Client biography or advertisement, or in any other written materials or any promotion or other activity of any kind, without Client's prior written consent. Client specifically prohibits the photographing of any portion of the Services or other Client property by PGV without the written permission of Client.
11. **Cooperation.**
 - a) Client shall reasonably cooperate with PGV in the performance by PGV of its Services under the Engagement Letter, including, without limitation, providing PGV with reasonable facilities and timely access to data, information and personnel of Client.
 - b) Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to PGV for purposes of the performance by PGV of its Services hereunder. PGV will base its conclusions on the facts and assumptions that Client submits and will not independently verify this information. Inaccuracy or incompleteness of the information Client provides could have a material effect on PGV's conclusions.
 - c) PGV will not update its advice for subsequent changes or modifications to the law and regulations, or to judicial and administrative interpretations thereof, unless Client separately engages PGV to do so in writing after such changes or modifications.
12. **Force Majeure.** No party shall be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.
13. **Independent Contractor.** It is understood and agreed that PGV is an independent contractor and that neither party is, nor shall be considered to be, an agent, distributor, partner or representative of the other. As such, PGV shall pay all salaries, wages, expenses, social security taxes, federal and state unemployment taxes and any similar taxes relating to the performance of this engagement for its employees, subcontractors and agents as may be applicable. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
14. **Personnel.** PGV shall provide Client a list of personnel assigned to perform any Services. Any changes to personnel on any given project must be approved by Client in writing. During the term of this engagement, and for a period of twelve (12) months following the expiration or termination thereof, neither party will actively solicit the employment, or encourage the separation of, the personnel of the other party involved directly with providing Services hereunder. If a party breaches this section 14, such party will pay the non-breaching party 100% of the total compensation (including salary and bonus) paid or payable to the solicited, employed or retained employee during the twelve (12) months

City of Rio Communities, NM

Agreement

before the breach occurred.

15. Survival. Unless otherwise explicitly stated, all provisions of these General Terms and Conditions shall survive the expiration or termination of this engagement.
16. Assignment. Client may assign, transfer or delegate any of the rights or obligations hereunder without the prior written consent of PGV. PGV may not assign or subcontract its rights and obligations hereunder without the prior written consent of Client.
17. Entire Engagement. These terms, and the Proposal or Engagement Letter to which these terms are appended, including the exhibits and any subsequent Addenda agreed to in writing by the parties, constitutes the entire agreement between PGV and Client with respect to the subject matter hereof and supersedes all other oral and written representations, understandings or agreements relating to the subject matter hereof.
18. Governing Law and Severability. These terms, and the AGREEMENT, including the exhibits, shall be governed by, and construed in accordance with, the laws of the State of Florida (without giving effect to the choice of law principles thereof). If any provision of these terms is found by a court of competent jurisdiction to be unenforceable, such provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth herein.
19. Alternative Dispute Resolution. Parties to this engagement agree that any dispute that may arise regarding the meaning, performance, or enforcement of this engagement will, prior to resorting to litigation, be submitted to non-binding mediation upon the written request of any party to the engagement. The party requesting mediation shall select the mediation provider from the list of mediation training providers approved by the American Arbitration Association. The mediation shall be exclusively conducted in Hillsborough City, Florida in accordance with Commercial Mediation Rules of the American Arbitration Association or such other rules as may be agreed upon by the parties. Costs of any mediation proceeding shall be shared equally by both parties. Exclusive jurisdiction for any lawsuit or proceeding shall be brought in the federal or state courts located in Hillsborough City, Florida.
20. Notices. Any notice provided for in herein shall be in writing and shall be either personally delivered, or mailed first class mail (postage prepaid) or sent by reputable overnight courier service (charges prepaid) to the parties at the address set forth in the MSA, or at such address or to the attention of such other person as either party has specified by prior written notice to the other party. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), or certified or registered mail (in each case, return receipt requested, postage prepaid)
21. Non-Disparagement. The parties covenant and agree that, both during the term of this engagement and from and after the termination of this engagement, no party will, either directly or indirectly, in any individual or representative capacity, make any statement, either oral or written, nor perform any other act or omission to act that is or could be detrimental to the goodwill of the other party, including, but not limited to, statements concerning either Client or PGV regarding their method of practice or the quality of Services, unless and until ordered otherwise by a court or administrative agency or compelled by judicial process or by action of an administrative agency.
22. Counterparts. The agreement may be executed in any number of counterparts, each of which shall be considered to be all original but all of which together shall constitute one and the same instrument.