

**SUBJECT: RESOLUTION NO. 81, SERIES 2025 – A RESOLUTION
APPROVING A MASTER SERVICES AGREEMENT WITH EIDE
BAILLY LLP FOR AUDIT SERVICES**

DATE: OCTOBER 21, 2025

PREPARED BY: RYDER BAILEY, CPA, FINANCE DIRECTOR

PRESENTED BY: RYDER BAILEY, CPA, FINANCE DIRECTOR

SUMMARY:

An annual audit of City Finances is required by Louisville City Charter, Section 3.04.120 and by Colorado State Law (C.R.S. § 29-1-601).

BACKGROUND:

The Finance Department last issued a Request for Proposals (RFP) for Auditing Services on June 30, 2017. At that time, the Finance Department review team evaluated each proposal based on the criteria outlined within the RFP. Based upon the review team's evaluation of the technical and cost proposals, the Finance Committee recommended the City award the seven-year bid to Eide Bailly, LLP, which the City Council approved on October 17, 2017.

On May 5th, staff posted a Request for Proposals (RFP) for Professional Auditing Services on the City website and the City's Official Bidding Site to solicit bids for a multi-year contract for professional audit services.

The City received five (5) responses by the June 2, 2025 deadline. After reviewing all submissions for RFP requirements and completeness, the Selection Committee (comprised of Finance Department Staff and the Finance Committee Chair) interviewed the top two (2) firms.

On July 17, 2025, Staff presented this item and recommendation to engage Eide Bailly, LLC, to the City Council Finance Committee, which was unanimously supported.

ANALYSIS:

The Selection Committee and City Council Finance Committee recommend engaging the firm Eide Bailly, beginning in the audit year 2025, with up to four optional one-year extensions through the audit year 2029. This is a recurring and planned budgeted expense.

Staff is seeking delegated authority for the City Manager to execute future one-year renewals from 2026 to 2029, if deemed in the best interest of the City via Attachment 2 – Resolution.

2025 COUNCIL WORK PLAN:

Core Services - An annual audit of City Finances is required by Louisville City Charter, Section 3.04.120, and by Colorado State Law (C.R.S. § 29-1-601).

FISCAL IMPACT:

Budgeted?: Yes

The 2025 base audit expense is anticipated at \$69,825, including the additional 5% technology fee, and is budgeted. This amount represents a 0% increase when compared to the 2024 base fee.

Additional major programs, subject to the Single Audit Act, will be billed at \$10,500 per program, if deemed necessary. At this time, Staff anticipates being subject to the Single Audit Act and, therefore, will likely incur the \$10,500 cost for 2025.

In keeping with previous cost allocation methodology, audit fees are allocated across to the City's largest operating funds – the General Fund and Utility Funds.

ALTERNATIVES:

After an extensive request for proposal and selection process, no alternatives are being offered for consideration.

RECOMMENDATION:

Authorize the execution of a Master Services Agreement for professional auditing services with Eide Bailly, LLC for the 2025 audit year and delegate authority to the City Manager to annually renew the Agreement for audit years 2026- 2029.

ATTACHMENT(S):

1. Resolution No. 81, Series 2025
2. Master Services Agreement, dated August 2025.

**RESOLUTION NO. 81
SERIES 2025**

**A RESOLUTION APPROVING A MASTER SERVICES AGREEMENT WITH EIDE
BAILLY LLP FOR AUDIT SERVICES**

WHEREAS, a Master Services Agreement for auditing services has been proposed between the City and Eide Bailly LLP; and

WHEREAS, by this resolution the City Council desires to approve the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. The City Council hereby approves the Master Services Agreement by and between the City of Louisville and Eide Bailly for auditing services for the audit year 2025 (the "Agreement") in substantially the same form as the copy of such Agreement accompanying this Resolution.

Section 2. The Mayor is hereby authorized to execute the Agreement on behalf of the City, and the Mayor is hereby further authorized to negotiate and approve such revisions to the Contract as the Mayor determines are necessary or desirable for the protection of the City, so long as the essential terms and conditions of the Agreement are not altered.

Section 3. The City Manager is hereby authorized to renew the Agreement on an annual basis for audit years 2026-2029 if the City Manager finds that renewal is in the best interest of the City.

PASSED AND ADOPTED this ____ day of _____, 2025.

Christopher M. Leh, Mayor

ATTEST:

Genny Kline, City Clerk



EIDE BAILLY LLP MASTER SERVICES AGREEMENT

GENERAL

1) This Master Services Agreement ("Agreement") describes Eide Bailly LLP's standard terms and conditions applicable to the provision of Eide Bailly's services to the Client. For the purposes of this Master Services Agreement, any reference to "Eide Bailly" is a reference to Eide Bailly LLP. Any reference to "Client" is a reference to the party or parties that have engaged Eide Bailly to provide services and the party or parties ultimately responsible for payment of Eide Bailly's fees and costs. Client acknowledges and agrees that Eide Bailly is not in a fiduciary relationship with it and Eide Bailly has no fiduciary responsibilities to Client in the performance of its services described herein or in any applicable Statement of Work. As between this Agreement and any applicable Statement of Work, the language in this Agreement will control.

BILLING, PAYMENT, & TERMINATION

2) Billing and Payment Terms. Eide Bailly will bill Client for its professional fees and costs as provided in a Statement of Work. All bills are payable upon receipt and will include actual out-of-pocket expenses, administrative charges, and a technology fee. If collection action is necessary, expenses and reasonable attorney's fees will be added to the amount due.

Should our relationship terminate before the services provided for in a separate Statement of Work are completed, Client will be billed for services to the date of termination.

3) Termination. Either party may terminate this Agreement by written notice to the other party at any time for any reason, except Eide Bailly shall not terminate in a manner that causes undue harm to Client. Nothing in this Agreement shall prohibit Eide Bailly from terminating this Agreement or any Statement of Work where termination is required by applicable professional standards.

INFORMATION AND DATA

4) Sharing of Information. During the course of the engagement, Eide Bailly will only provide confidential engagement documentation to Client via Eide Bailly's secure portal or other secure methods, and request that Client uses the same or similar tools in providing information to Eide Bailly. Should Client

choose not to utilize secure communication applications, Client acknowledges that such communication contains a risk of the information being made available to unintended third parties. Similarly, Eide Bailly may communicate with Client or its personnel via e-mail or other electronic methods. Client acknowledges that communication in those mediums contains a risk of misdirected or intercepted communications.

5) Remote Access. Should Client provide Eide Bailly with remote access to its information technology environment, including but not limited to its financial reporting system, Client agrees to (1) assign unique usernames and passwords for use by Eide Bailly's personnel in accessing the system and to provide this information in a secure manner; (2) limit access to "read only" to prevent any unintentional deletion or alteration of Client's data; (3) limit access to the areas of Client's technology environment necessary to perform the procedures agreed upon; and (4) disable all usernames and passwords provided to Eide Bailly upon the completion of procedures for which access was provided. Eide Bailly agrees to only access Client's technology environment to the extent necessary to perform the identified procedures.

6) Electronic Sites. Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on Client's website or elsewhere, Client understands that electronic sites are a means to distribute information and, therefore, Eide Bailly is not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

7) Data and Records. Eide Bailly cannot agree to be the sole host and/or the sole storage for Client's financial and nonfinancial data. It is Client's responsibility to maintain Client's original data and records and Eide Bailly cannot be responsible to maintain such original information. By signing this Agreement, Client affirms that it has all the data and records required to make its books and records complete.

8) Mandatory Disclosures. Eide Bailly may be requested to make certain engagement

documentation available to outside parties, including regulators, pursuant to authority provided by law or regulation or applicable professional standards. If requested, access to such engagement documentation will be provided under the supervision of Eide Bailly's personnel. Furthermore, upon request, Eide Bailly may provide copies of selected engagement documentation to the outside party, who may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. Eide Bailly will be compensated for any time and expenses, including time and expenses of legal counsel, it may incur in making such documentation available or in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings as a result of Eide Bailly's performance of these services. Client and its attorney will receive, if lawful, a copy of every subpoena Eide Bailly is asked to respond to on its behalf. Wherever possible and as permitted under applicable court rules, Eide Bailly will work with Client to limit costs Client may incur."

9) Service Providers. Eide Bailly may use third-party service providers and/or affiliated entities (including Eide Bailly Shared Services Private Limited) (collectively, "service providers") in order to facilitate delivering its services to Client. Eide Bailly's use of service providers may require access to Client information by the service provider. Eide Bailly will take reasonable precautions to determine that such service providers have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. Eide Bailly will remain responsible for the confidentiality of Client information accessed by such service provider and any work performed by such service provider. Client acknowledges that its information may be disclosed to such service providers, including those outside the United States.

10) Use of Artificial Intelligence. While providing the services set forth in this Agreement, in order to enhance the quality and efficiency of services provided, Eide Bailly may use tools incorporating artificial intelligence, including, but not limited to, algorithms, machine learning, and automated processes ("AI"). The use of such technologies will comply with applicable laws and regulations. Eide Bailly will use appropriate due diligence and best practices to ensure that any AI tools and methods are secure.

11) Confidential Information. Neither of us may use or disclose the other's confidential information for any purpose except as permitted under this Agreement or as otherwise necessary for Eide Bailly to provide the services. Client's confidential information is defined as any information it provides to Eide Bailly that is not available to the public. Eide Bailly's confidential information includes its engagement documentation for engagements performed under this Agreement but shall not include any information that Client is required to disclose by court order or applicable law, including without limitation the Colorado Open Records Act, C.R.S. § 24-72-201, et seq. Eide Bailly's engagement documentation, including all workpapers, shall at all times remain the property of Eide Bailly. The confidentiality obligations described in this paragraph shall supersede and replace any and all prior confidentiality and/or nondisclosure agreements (NDAs) between us.

12) Retention Period. Eide Bailly agrees to retain its documentation or work papers for a period of at least eight years from the date of a report, other engagement deliverables, and/or completion of the engagement.

DISPUTES & LIMITATIONS

13) Mediation. Any disagreement, controversy, or claim arising out of or related to any aspect of Eide Bailly's services or relationship with Client (hereafter a "Dispute") shall, as a precondition to litigation in court, first be submitted to mediation. In mediation, the parties attempt to reach an amicable resolution of the Dispute with the aid of an impartial mediator. Mediation shall begin by service of a written demand. The mediator will be selected by mutual agreement. If we cannot agree on a mediator, one shall be designated by the American Arbitration Association ("AAA"). Mediation shall be conducted with the parties in person in Denver or Boulder, Colorado. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties. Neither party may commence a lawsuit until the mediator declares an impasse.

14) Limitation of Liability. Unless disallowed by law or regulation, the exclusive remedy available to Client for any alleged loss arising from or related to Eide Bailly's services shall be the right to pursue claims for actual damages that are directly caused by Eide Bailly's breach of this Agreement or Eide Bailly's violation of applicable professional standards. Unless disallowed by law or regulation, in no event shall Eide

Bailly's aggregate liability to Client exceed two times fees paid under the applicable Statement of Work, nor shall Eide Bailly ever be liable to Client for indirect, special, incidental, consequential, punitive, or exemplary damages, or attorneys' fees.

15) Time Limitation. Intentionally Omitted.

16) Limited Indemnity. Eide Bailly shall not be responsible for any misstatements in its deliverables to Client that it may fail to detect as a result of misrepresentations or concealment of information by any of Client's owners, directors, officers, or employees. Unless disallowed by law, regulation, or applicable professional standards, Client shall indemnify and hold Eide Bailly harmless from any claims, losses, settlements, judgments, awards, damages, and attorneys' fees arising from any such misstatement or concealment of information.

If, through no fault of Eide Bailly, it is named as a party to a dispute between Client and a third party, Unless disallowed by law or regulation, , Client shall indemnify and hold Eide Bailly harmless against any losses, damages, settlements, judgments, awards, and the costs of litigation (including attorneys' fees) it incurs in connection with the dispute.

Eide Bailly shall not be entitled to indemnification under this Agreement unless the services were performed in accordance with professional standards in all material respects.

To the fullest extent permitted by law, regulation, and applicable professional standards, Eide Bailly agrees to indemnify and hold harmless the City, and its elected and appointed officers and its employees, from and against all liability, claims, and demands, on account of any injury, loss, or damage, which arise out of or are connected with the services hereunder, if and to the extent such injury, loss, or damage is caused by the negligent act, omission, or other fault of Eide Bailly or any subcontractor of Eide Bailly, or any officer, employee, or agent of Eide Bailly or any subcontractor, or any other person for whom Eide Bailly is responsible Eide Bailly shall further bear all other costs and expenses incurred by the City or Eide Bailly and related to any such liability, claims and demands, including but not limited to court costs, expert witness fees and attorneys' fees only if the court determines that these incurred costs and expenses are related to such negligent acts, errors, and omissions or other fault of Eide Bailly.

Eide Bailly's indemnification obligation shall not be construed to extend to any injury, loss, or damage which is caused by the act, omission, or other fault of the City. The parties understand and agree that the City is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101 et seq., C.R.S., as from time to time amended, or otherwise available to the City, its officers, or its employees.

17) Governing Law and Venue. Any Dispute between us, including any Dispute related to the engagement contemplated by this Agreement, shall be governed by Colorado law. Any unresolved Dispute shall be submitted to a federal court in Denver, Colorado or state court located in Boulder County, Colorado.

18) Assignment. Client shall not assign, sell, barter, or transfer any legal rights, causes of actions, claims, or Disputes it may have against Eide Bailly to any person.

OTHER

19) U.S. Securities and Exchange Commission ("SEC") and other Regulatory Bodies. Where Eide Bailly is providing services either for (a) an entity that is registered with the SEC, (b) an affiliate of such registrant, or (c) an entity or affiliate that is subject to rules, regulations, or standards beyond those of the American Institute of Certified Public Accountants ("AICPA"), any term of this contract that would be prohibited by or impair our independence under applicable law or regulation shall not apply to the extent necessary only to avoid such prohibition or impairment.

20) HLB International. Eide Bailly is a member of HLB International, a worldwide organization of accounting firms and business advisors ("HLB"). Each member firm of HLB, including Eide Bailly, is a separate and independent legal entity and is not owned or controlled by any other member of HLB. Each member firm of HLB is solely responsible for its own acts and omissions, and no other member assumes any liability for such acts or omissions. Neither Eide Bailly nor any of its affiliates are responsible or liable for any acts or omission of HLB or any other member firm of HLB and hereby specifically disclaim any and all responsibility, even if Eide Bailly or any of its affiliates are aware of such acts or omissions of another member of HLB.

Engagements referred among HLB member firms may result in the payment and receipt of a referral fee.

21) Eide Bailly Alliance. Eide Bailly formed the Eide Bailly Alliance, a network for small to mid-sized CPA firms across the nation. Each member firm of The Eide Bailly Alliance, including Eide Bailly, is a separate and independent legal entity and is not owned or controlled by any other member of The Eide Bailly Alliance. Each member firm of The Eide Bailly Alliance is solely responsible for its own acts and omissions, and no other member assumes any liability for such acts or omissions. Neither Eide Bailly, nor any of its affiliates, are responsible or liable for any acts or omission of The Eide Bailly Alliance or any other member firm of The Eide Bailly Alliance and hereby specifically disclaim any and all responsibility, even if Eide Bailly, or any of its affiliates are aware of such acts or omissions of another member of The Eide Bailly Alliance.

22) Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, the remainder of this Agreement shall not be affected, and each such term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

23) Use of Deliverables and Drafts. Client agrees it will not modify any deliverables or drafts prepared by Eide Bailly for internal use or for distribution to third parties. Client also understands that Eide Bailly may, on occasion, send Client documents marked as draft and understand that those are for Client's review purpose only, should not be distributed in any way, and should be destroyed as soon as possible. When the engagement provides for the issuance of a report on financial or non-financial information, and/or other deliverables, Client may make copies of the report and/or other deliverables, but only if the entirety of the relevant underlying information, exactly as accompanying our report and/or deliverable, as appropriate, are reproduced and distributed with the report and/or other deliverables. Client agrees not to reproduce or associate our report and/or other deliverables with any other financial or non-financial information, or portions thereof, that are not the subject of our engagement.

24) Insurance. Eide Bailly agrees to obtain appropriate insurance under each Statement of Work as agreed upon by the parties.

25) Independent Contractor. It is the expressed intent of the parties that Eide Bailly is an independent

contractor and not the agent, employee or servant of the City, and that:

Eide Bailly shall satisfy all tax and other governmentally imposed responsibilities including but not limited to, payment of state, federal, and social security taxes, unemployment taxes, worker's compensation and self-employment taxes. No state, federal or local taxes of any kind owed by Eide Bailly shall be withheld or paid by the City.

Eide Bailly is not entitled to worker's compensation benefits except as may be provided by Eide Bailly nor to unemployment insurance benefits unless unemployment compensation coverage is provided by Eide Bailly or some entity other than the City.

Eide Bailly does not have the authority to act for the City, or to bind the City in any respect whatsoever, or to incur any debts or liabilities in the name of or on behalf of the City.

Eide Bailly has and retains control of and supervision over the performance of Eide Bailly's obligations hereunder and control over any persons employed by Eide Bailly for performing the services hereunder.

The City will not provide training or instruction to Eide Bailly or any of its employees regarding the performance of the services hereunder.

Neither Eide Bailly nor any of its officers or employees will receive benefits of any type from the City.

Eide Bailly represents that it is engaged in providing similar services to other clients and/or the general public and is not required to work exclusively for the City.

All services are to be performed solely at the risk of Eide Bailly and Eide Bailly shall take all precautions necessary for the proper and sole performance thereof.

Eide Bailly will not combine its business operations in any way with the City's business operations and each party shall maintain their operations as separate and distinct.

26) Nothing in this Agreement is intended or shall be deemed or construed as creating any multiple-fiscal year direct or indirect debt or financial obligation on the part of the City within the meaning of Colorado Constitution Article X, Section 20 or any other constitutional or statutory provision. All financial obligations of the City under this Agreement are subject to annual budgeting and appropriation by the Louisville City Council, in its sole discretion.

Acknowledged and agreed:

Eide Bailly LLP

EIDE BAILLY LLP

CLIENT

Signature

Name

Title

Date

Eide Bailly Use:

Client ID: 80119

Account Name: City of Louisville

Address: 749 Main St, Louisville, CO 80027

SR ID: SR-0069892

EIDE BAILLY LLP
TECHNOLOGY CONSULTING ADDENDUM
to MASTER SERVICES AGREEMENT

GENERAL

1) This Addendum only applies in conjunction with an associated Statement of Work for technology consulting services. All terms of the Master Services Agreement shall remain in full force and effect.

SERVICES AND DELIVERABLES

2) **Incorporation of Design Documentation.** The Deliverables identified in a Statement of Work may include Design Documentation. Any Design Documentation shall be submitted to Client for written approval. Upon Client's written approval, any Design Documentation shall be incorporated into the Deliverables described in a Statement of Work. If the Design Documentation conflicts with any such Deliverables, the Design Documentation shall control.

3. **Work Outside of Scope.** Eide Bailly shall have no obligation to provide any Deliverables or perform any Services not specifically set forth in a Statement of Work or Design Documentation. Client may request additional Deliverables and Services only pursuant to the Change Control procedures described immediately below.

4. **Change Control.** If either Party identifies a need to supplement or revise the Services or Deliverables described in a Statement of Work, the Party may create a change request ("Change Request"). The Change Request shall include relevant details such as changes to scope, assumptions, cost estimates, timelines, risks, and the like. Both Parties shall accept the terms of a Change Request before work outside the scope of a Statement of Work may continue. Eide Bailly shall charge Client, and Client shall pay Eide Bailly, on an hourly basis at Eide Bailly's normal hourly rates for any services or deliverables requested by Client that are not specified in a Statement of Work or an accompanying Change Request. Any signed Change Request shall thereafter be incorporated into the Statement of Work to which it refers.

5. **HIPAA.** Unless agreed by Eide Bailly in a separate signed writing:

- a) Client has not relied on Eide Bailly to opine upon Eide Bailly's actual or potential status as a Business Associate (as that term is defined in the Health Insurance Portability

and Accountability Act of 1996, as amended and supplemented ("HIPAA"));

- b) In providing the Services, Eide Bailly is not acting as a Business Associate on Client's behalf;
- c) The Services and Deliverables may not be used to store, maintain, process, or transmit protected health information ("PHI") (as that term is defined in HIPAA); and
- d) The Services and Deliverables will not be used in any manner that would require the Services or Deliverables to be HIPAA compliant.

OWNERSHIP RIGHTS

6. **Eide Bailly's Ownership Rights.** Eide Bailly retains all rights, titles, and interests, including Intellectual Property Rights, in any Preexisting Materials, including the right to use, reuse, or otherwise exploit any Preexisting Materials for its other clients. In addition, Eide Bailly retains all rights, titles, and interests, including all Intellectual Property Rights, in the Services, Software, Design Documentation, and Deliverables, including the right to provide similar services and deliverables to other clients.

7. **Client Ownership Rights.** Client retains all rights, titles, and interests, including all Intellectual Property Rights, in the Client Materials. Client grants Eide Bailly the right to use the Client Materials to provide the Services and Deliverables to Client. Eide Bailly shall not market, distribute, reproduce, or seek to commercially exploit the Client Materials.

8. **Contingent License.** Provided Client has fulfilled its obligations under this Agreement, Eide Bailly grants Client a perpetual, non-exclusive, transferable, worldwide, and royalty free license to use, reproduce, copy, perform, display, modify or have modified by third parties, create or have created by third parties derivative works of, the Services, Software, Design Documentation, and/or Deliverables.

CLIENT ENGAGEMENT RESPONSIBILITIES

9. **Appointment of Coordinator.** Client shall designate one individual and one alternate to serve as Eide Bailly's primary point of contact for the relationship contemplated by this Agreement (the "Coordinator"). The Coordinator shall have the authority to act for Client as to all aspects of this Agreement. Eide Bailly shall be entitled to rely on all statements and agreements made by the Coordinator during the term of this Agreement.

10. **Third-Party Products and License Terms.** In connection with the receipt of any services or the use of any third-party products, software, tools, or components incorporated into or referenced in any applicable Statement of Work, Client expressly acknowledges and agrees to be bound by the terms and conditions of any applicable third-party license agreements, whether such terms are provided directly by the third party or referenced by Eide Bailly. Client further agrees that:

- a) **No Objection.** Client shall not contest, object to, or otherwise challenge, the enforceability or applicability of any such third-party license terms.
- b) **Deemed Receipt.** Client acknowledges that it has received, reviewed, and understood all applicable third-party license agreements, or, where such agreements are publicly available or referenced in the Statement of Work, that it has had a reasonable opportunity to do so. Client shall not assert any claim or defense based on non-receipt or lack of awareness of such terms.
- c) **Indemnification.** Eide Bailly shall not be responsible for claims, liabilities, damages, losses, or expenses (including reasonable attorneys' fees) arising out of or related to Client's breach of any third-party license terms.
- d) **Survival.** The provisions of this section shall survive the termination or expiration of the applicable Statement of Work or this Agreement.

WARRANTIES

11) **Express Warranty.** Eide Bailly shall perform all Services, and the Deliverables shall have been prepared in a workmanlike manner.

12) **Warranty Against Non-Infringement.** Any Services, Software, or Deliverables, when properly used as contemplated by this Agreement, shall not infringe or misappropriate any United States copyright, trademark, patent, or other trade secrets of any third parties. Eide Bailly has any necessary rights and permissions to use any Third-Party Software in the manner contemplated by this Agreement.

13) **Warranty Disclaimers.** Except as specifically described in this Warranties section, all Services, Software, Third-Party Software, Deliverables, and any other product or service provided by Eide Bailly to Client are furnished "as is" and without any other express or implied warranties of any kind. Eide Bailly expressly disclaims any and all such warranties, such as, but without limitation, any implied warranties of merchantability, or fitness for a particular purpose. Eide Bailly does not warrant that any Services, Software, Third-Party Software, or Deliverables will be uninterrupted or error free.

14) **Remedies for Breach of Warranty.** The exclusive remedy to Client for a breach of any warranty arising under this Agreement shall be the repair or replacement of the Services, Software, Deliverables, or any other product or service provided to Client by Eide Bailly. If a court of competent jurisdiction determines that this remedy fails of its essential purpose, Client's damages for breach of warranty shall be limited as described in the Master Services Agreement.

DEFINITIONS

15) As used in this Addendum:

- a) **"Client Materials"** means all of Client's proprietary business information, methodologies, procedures, utilities, algorithms, models, documents, and concepts, and any Intellectual Property Rights therein, which are provided by Client to Eide Bailly in furtherance of this Agreement.
- b) **"Deliverables"** means only those tangible items Eide Bailly agrees in writing to provide to Client in a Statement of Work.

- c) **“Design Documentation”** means a written description of requirements or functionality created through a collaborative process between Eide Bailly and Client for the purpose of analysis, planning, and implementation of the Services and/or Deliverables.
- d) **“Intellectual Property Rights”** means patents, patent applications, patent rights, trademarks, trademark registrations, trademark applications, service marks, business marks, trade names, brand names, all other names and slogans embodying business or product goodwill (or both), copyright registrations, copyrights (including those in computer programs, software such as source code and object code, development documentation, programming tools, drawings, specifications and data), trade secrets, proprietary information, know-how, mask works, industrial designs, processes and technical information and all related rights now existing or hereafter created.
- e) **“Preexisting Materials”** means Eide Bailly’s proprietary business information, methodologies, programming, tools, know-how, procedures, utilities, algorithms, models, software libraries, source code, design, products, platform, and documents, and all Intellectual Property Rights therein.
- f) **“Services”** means only those technology consulting services Eide Bailly agrees in writing to provide to Client in a Statement of Work.
- g) **“Software”** means all computer code and related uses of information technology including but not limited to, all documentation, manuals, and instructions, that is used, designed, developed, and/or implemented by Eide Bailly for Client under this Agreement.
- h) **“Third-Party Software”** means all software that is owned by an entity other than Eide Bailly or Client and is being used by Eide Bailly to provide the Services and/or Deliverables to Client.

shall be defined according to its plain English definition.

16. Usage. All terms defined herein shall include the plural as well as the singular. Any undefined term