



This **SERVICE AGREEMENT** (this "Agreement") is made and entered into as of the Effective Date outlined in the Proposal ("Proposal"), by and between **FOUR HATS, INC.** ("Four Hats"), and **the Client identified in the Proposal** (the "Client"). This Agreement may refer to Four Hats or Client as a "Party," or collectively as the "Parties."

Four Hats is an experienced business which provides expert traffic control personnel, services and equipment for public and private entities or events that require the interruption of the traffic and the travelling public, including construction. Client desires to engage Four Hats to provide those services specifically identified and described in the accompanying Proposal. Four Hats desires to accept such engagement on all the terms and conditions set forth in this Agreement.

1. **Services.** Four Hats will provide the services to Client as identified and described in the Proposal (the "Services") in accordance with this Agreement. All Services shall be provided in accordance with the Service Guidelines set forth in the Proposal (the "Service Guidelines"). Four Hats may engage sub-agents ("Sub-Agents") to act on Four Hats' behalf or to otherwise perform any of Four Hats' obligations under this Agreement; provided that any compensation to such Sub-Agents shall be solely Four Hats' responsibility.
2. **Client Obligations:** Client agrees (a) to cooperate with Four Hats in all matters relating to the Services; (b) respond promptly to any requests by Four Hats to provide information, approval, authorizations or decisions that are reasonably necessary for Four Hats to perform Services in accordance with the requirements of this Agreement; and (c) provide such Client materials or information as Four Hats may request to carry out the Services in a timely manner and ensure that such Client materials or information are sufficient and accurate in all material respects.
3. **Client Act's or Omissions.** If Four Hats' performance of its obligations under this Agreement is prevented or delayed by any act or omission of Client, its agents, other contractors, or employees, then Four Hats will not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges or losses sustained or incurred by Client, in each case, to the extent arising directly or indirectly from such prevention or delay.
4. **Payment Terms.**
  - (a) *Fee.* Client agrees to pay Four Hats the fee(s) set forth in the Proposal (the "Fee"). The Fee for the Services will be the amount set out in the Proposal.
  - (b) *Expenses.* Client will be responsible for payment of all reasonable and customary expenses arising directly out of Four Hats' efforts under this Agreement. These costs include, but are not limited to, travel and any and all other reasonable expenses incurred by Four Hats to furnish the Services under the Agreement. Costs for travel shall include, but are not limited to: airfare, hotel accommodations, car rental, parking, and any and all other travel expenses. In addition to the foregoing, the applicable travel time that shall be calculated for purposes of hourly fees for travel outlined in the Proposal shall be the time from Four Hats' office to the Client's address listed in the Proposal. If Four Hats anticipates that substantial expenses will be incurred, then Four Hats may request a deposit by Client before incurring such expenses or Four Hats may request that Client pay the vender directly.
  - (c) *Invoicing.* Client must pay all invoiced amounts due to Four Hats on receipt of Four Hats' invoice, unless otherwise set forth in the Proposal. Client will make all payments hereunder in US dollars by cash, check, credit card, or electronic funds transfer, including wire transfer.
  - (d) *Unpaid Fees and Expenses.* In the event that any one of Four Hats' invoices remain unpaid for fifteen (15) days or more after becoming due, then Four Hats may (i) charge interest on such unpaid amounts at a rate of one and half percent (1.5%) per month or, if lower, the maximum amount permitted by applicable law, from the date such payment was due until the date paid; and (ii) suspend performance for all Services until payment has been made in full. Furthermore, Client agrees to pay all collection costs, including reasonable attorneys' fees and litigation costs, for collection of any unpaid fees or expenses. Client further agrees to notify Four Hats in writing or by email within five (5) days of receiving an invoice if Client disputes any expense or fee entry on that invoice. In the absence of any such written objections within five (5) days, Client will be deemed to have accepted and acknowledged the invoice as correct.
5. **Taxes.** Client will be responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state or local governmental entity on any amounts payable by Client hereunder.

**EXPERT TRAFFIC CONTROL**

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## 6. Representations and Warranties.

- (a) Four Hats hereby represents and warrants to Client that it will perform the Services using personnel of required skill, experience and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and will devote adequate resources to meet its obligations under this Agreement.
- (b) Four Hats shall not be liable for a breach of the warranty set forth in Section 6(a) unless Client gives written notice of the defective Services, reasonably described, to Four Hats within five (5) days of the time when Client discovers or ought to have discovered that the Services were defective.
- (c) Subject to Section 6(b), in the event of Four Hats' breach of the warranty set forth in Section 6(a), Four Hats shall, in its sole discretion: (i) re-perform such defective part of the Services; or (ii) credit or refund the price of the defective part of such Services at the pro-rata contract rate.
- (d) THE REMEDIES SET FORTH IN SECTION 6(c) SHALL BE THE CLIENT'S SOLE AND EXCLUSIVE REMEDIES AND FOUR HATS' ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 6(a).

7. **Disclaimer of Warranties.** EXCEPT FOR THE WARRANTY SET FORTH IN SECTION 6(a) ABOVE, FOUR HATS MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES, INCLUDING ANY (A) WARRANTY OF MERCHANTABILITY; OR (B) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE OR OTHERWISE.

8. **Limitation of Liability.** FOUR HATS SHALL NOT BE LIABLE TO CLIENT OR ANY THIRD-PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT, PUNITIVE OR THIRD-PARTY DAMAGES OR CLAIMS, AND REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL FOUR HATS' AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE AGGREGATE AMOUNTS PAID OR PAYABLE TO FOUR HATS PURSUANT TO THIS AGREEMENT AND THE APPLICABLE PROPOSAL.

9. **Indemnification.** Each Party shall indemnify, defend and hold harmless the other Party, its officers, directors, employees, agents, affiliates, successors and permitted assigns (collectively, "Indemnified Party(ies)") against any and all losses, damages, liabilities, deficiencies, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees (collectively, "Losses") arising out of or resulting from any third party claim, suit, action or proceeding (each, an "Action"), related to or arising out of: (a) the breach of any of the representations, warranties, covenants, obligations, or conditions contained within this Agreement by the indemnifying Party and (b) any violation of applicable laws or regulations by indemnifying Party. Client shall additionally indemnify, defend and hold harmless Four Hats Indemnified Parties, its officers, directors, employees, agents, affiliates, successors and permitted assigns (collectively, "Indemnified Party") against any and all Losses arising out of or resulting from any Action, related to or arising out of Client's negligence or willful misconduct, including bodily injury arising out of Client's operations.

10. **Term and Termination.** This Agreement will commence on the Effective Date identified in the Proposal and in addition to any other remedies that may be available under this Agreement, Four Hats may terminate this Agreement with immediate effect upon written notice to Client, if Client has not otherwise performed or complied with any of the terms of this Agreement, in whole or in part. Otherwise, this Agreement will terminate on the upon completion of the Services.

## 11. Miscellaneous.

- (a) *Entire Agreement.* This Agreement and the Proposal constitute the sole agreement of the Parties with respect to its subject matter. It supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. In the event of any conflict between this Agreement and the Proposal, this Agreement shall govern, unless the Proposal expressly states that the terms and conditions of the Proposal will control. This Agreement may not be modified except in a writing signed by the Parties.
- (b) *Relationship of Parties.* The relationship of the Parties is that of an independent contractor and shall not be deemed to create any joint venture, association, or partnership.

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- (c) *Waiver.* No waiver by Four Hats of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Four Hats. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
- (d) *Force Majeure.* Four Hats shall not be liable or responsible to Client, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Four Hats including, without limitation, acts of God, flood, fire, snowstorm, earthquake, explosion, governmental actions, civil unrest, national emergency, or restraints.
- (e) *Successors; Assignment.* This Agreement binds and inures to the benefit of the Parties and their respective heirs, personal representatives, and successors. This Agreement or any rights or obligations under this Agreement shall not be assigned without the other Party's prior written consent.
- (f) *Survival.* Provisions of this Agreement, which by their nature should apply beyond their terms, will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Governing Law, Payment Terms, Indemnification, Submission to Jurisdiction and Survival.
- (g) *Including.* Unless the context requires otherwise, the term "including" means "including but not limited to."
- (h) *Severability.* If any part of this Agreement is for any reason held to be unenforceable, the rest of it remains fully enforceable.
- (i) *Notices.* All notices and other communications required or permitted under this Agreement must be in writing and must be sent to the Party at that Party's address set forth below and or at whatever other address the Party specifies in writing: To Four Hats: 1572 Hwy 85N, Suite 621, Fayetteville, Georgia 30214; and to Client, as set forth in the attached Proposal. All notices shall be delivered by personal delivery, e-mail (if such e-mail is identified in this Agreement) or by certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a notice is effective only (a) upon receipt of the receiving Party, and (b) if the party giving the notice has complied with the requirements of this Section.
- (j) *Governing Law; Submission to Jurisdiction.* Georgia law applies to this Agreement without regard to any choice-of-law rules that might direct the application of the laws of any other jurisdiction. ALL DISPUTES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT WILL BE BROUGHT IN THE COURTS OF COBB COUNTY, GEORGIA OR THE U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA AND THE PARTIES CONSENT TO THE JURISDICTION OF SUCH COURTS.
- (k) *Counterparts.* This Agreement may be signed in counterparts, each one of which is considered an original, but all of which constitute one and the same instrument.
- (l) *Voluntary and Knowingly.* The parties acknowledge that they have read this Agreement and that they have executed this Agreement voluntarily and knowingly.