



## Axon Enterprise, Inc. Data Development Agreement

This Data Development Agreement ("**Agreement**") is made and entered into as of this 1 day of March, 2019 ("**Effective Date**") by and between Axon Enterprise, Inc., located at 17800 North 85<sup>th</sup> Street, Scottsdale, AZ 85255 ("**Axon**"), and Los Angeles Police Department, located at Los Angeles, CA ("**Agency**"). Axon and Agency hereinafter will be referred to individually as "**Party**" and collectively as "**Parties**".

WHEREAS, Axon is in the business of designing, developing, manufacturing, distributing and providing public safety products and services, including, without limitation, conducted electrical weapons and accessories, digital video cameras and accessories, mobile applications, Evidence.com, a digital evidence management solution, record management solutions, and machine learning solutions ("**Axon Systems**"); and

WHEREAS Agency is the owner of Agency Content that is uploaded, stored, and managed through Axon Systems; and

WHEREAS, Agency desires to grant Axon certain access to and use of Agency Content through Axon Systems, under the terms and conditions outlined herein.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### I. Access and Use of Agency Content.

Axon does not claim ownership of Agency Content that Agency uploads, stores, or manages in the Axon Systems. However, with respect to the Agency Content that is uploaded, stored or transferred to the Axon Systems, Agency hereby grants Axon the right and permission to access Agency Content to generate Anonymous data, excluding any data restricted from disclosure as required by law, if any, ("**Derivative Data**") (including, without limitation, the right to modify, reproduce, transmit, and create derivative works), to render such Derivative Data machine readable for training and improving certain Axon Systems (such as machine learning systems); and for other development, diagnostic and corrective purposes in connection with any Axon System. Agency Content will not be used for any purpose other than for those outlined in this Agreement. All rights in this Section are granted without the need for any compensation to Agency of any sort beyond the system performance benefits which this data will enable. This provision shall survive any termination of the Agreement.

For purposes of this Agreement, "**Agency Content**" means software, data, text, audio, video, images or other Agency content (a) run on the Axon Systems, (b) caused to interface with the Axon Systems, or (c) uploaded to the Axon Systems under the Agency account or otherwise transferred, processed, use or stored in connection with the Agency account.

### II. Transfer of Derivative Data.

Axon will access Agency Content from Agency's Evidence.com account. All Derivative Data transferred from Evidence.com is encrypted in transit and scrubbed, whereby the metadata is stripped of identifying information, including individual or Agency identifying information (i.e., "**Anonymous**"). Derivative Data is stored in an Anonymous format.

All Derivative Data is protected with strong logical access control mechanisms to ensure only users with appropriate business needs have access to data. Access control mechanisms are periodically validated by contracted specialized security firms. Derivative Data is transferred and retained in the United States.



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### III. Data Security Measures.

Axon is committed to protecting the security of Axon Systems, Agency's Content, and Derivative Data. Axon will implement commercially reasonable and appropriate measures designed to secure Axon Systems against access or disclosure. Axon will maintain a comprehensive Information Security Program that includes appropriate technical and organizational measures intended to protect Axon Systems against unauthorized disclosure or access. These measures include logical and physical access management, vulnerability management, configuration management, incident monitoring and response, encryption of digital evidence uploaded, security education, risk management, and data protection. Axon will not disclose Agency Content, Derivative Data or any information about the Agency except as compelled by a court or administrative body or required by any law or regulation. Axon will give notice if any disclosure request is received for Agency Content so the Agency may file an objection with the court or administrative body.

Axon has established and implemented policies, programs and procedures that are commercially reasonable and in compliance with applicable industry practices, including administrative, technical and physical safeguards to protect the confidentiality, integrity and security of Axon Systems against unauthorized access, use, modification, disclosure or other misuse.

Agency will use commercially reasonable efforts to safe guard and limit the disclosure of any Agency Content restricted from disclosure as required by law, if any. Axon will use its best efforts to implement internal controls and procedures in the event restricted Agency Content is otherwise disclosed to Axon.

### IV. Intellectual Property and Ownership.

**Ownership of Agency Content.** Except as otherwise outlined herein, Agency has, reserves and retains all right, title and interest in and to the Agency Content. By uploading or storing Agency Content using the Axon Systems, Agency is affirming that it alone created or otherwise owns the Agency Content and no one else has any rights to it or could claim they own it or that the same infringes on rights of others.

**Ownership of Axon Systems.** Agency does not acquire ownership or rights in any Axon products or services whether now in the marketplace or which may be introduced to the marketplace in the future, regardless of whether Axon Systems in any manner access or use Agency Content for the purposes outlined in this Agreement. Other than as outlined in the Agreement, Agency acknowledges and agrees that it acquires no license to the Axon Systems and that Axon exclusively owns all right, title and interest in and to the Axon Systems, its data and any modifications, alterations, translations or derivative works relating to the Axon Systems, including, but not limited to, any code written by Axon in connection with the access or use of Agency Content. Without limiting the foregoing, Agency shall not file any application or registration for any Intellectual Property relating to Axon Systems and Agency agrees that it does not receive joint ownership rights in any Intellectual Property in the Axon Systems in current or future form.

**"Intellectual Property"** as stated herein is defined as, any know-how, patent, trademark, service mark, trade secret, design, business name, topographical or similar right; any copyright or other intellectual property monopoly right; or any interest or application (including by way of license). Except as expressly granted herein, neither party through this Agreement, grants the other party any Intellectual Property rights or other propriety rights.

### V. Relationship of the Parties.

This Agreement shall not be deemed to create a joint venture, partnership, or other form of legal association between the Parties which would impose liability upon one Party for the act or failure to act



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of the other Party, or to obligate the Parties to enter into a joint venture, partnership or other such legal association. This Agreement does not create an agency relationship between the Parties or otherwise to make one Party the legal representative of the other Party. Nothing contained in this Agreement shall be construed as providing for the sharing of profits, losses, expenses, debts or liabilities arising out of the efforts of either or both of the Parties. Except as explicitly set forth elsewhere herein, each Party shall be responsible for all of its own costs incurred in the performance of this Agreement.

### VI. Limitation on Liability.

IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY DIRECT, SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, WHETHER FOR BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT OR UNDER ANY OTHER LEGAL THEORY. INSOFAR AS APPLICABLE LAW PROHIBITS ANY LIMITATION ON LIABILITY HEREIN, THE PARTIES AGREE THAT SUCH LIMITATION WILL BE AUTOMATICALLY MODIFIED, BUT ONLY TO THE EXTENT SO AS TO MAKE THE LIMITATION COMPLIANT WITH APPLICABLE LAW.

The Agency is responsible for instituting proper and timely backup procedures for any Agency Content that may be damaged, lost, or corrupted; and using backup copies to restore any Agency Content in the event of any loss of, damage to, or corruption of the operational version of Agency Content, even if such damage, loss, or corruption is due to Axon's negligence.

Agency acknowledges that Axon's access or use of Agency Content under the this Agreement and any derivative or duplicate works thereof remains Anonymous; therefore, Axon is unable to retrieve any specific Agency Content in the event of Agency's loss or corruption of Agency Content, and in no event will Axon be liable for loss of, damage to, or corruption of Agency Content from any cause.

### VII. Miscellaneous

Both parties agree that all disputes arising hereunder will be governed by the laws of the State of Arizona without reference to conflict of laws principles. No waiver of any right or obligation under this Agreement shall be effective unless in writing and signed by an authorized representative of the Party intended to be bound. This Agreement contains the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement, and supersedes all prior agreements or understandings, whether oral and written, with respect to such subject matter. This Agreement may only be modified or amended in a writing, signed by an authorized representative of each Party. If for any reason a court of competent jurisdiction determines that any provision of this Agreement, or portion thereof, is unenforceable, the remainder of this Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the Parties have each caused this Agreement to be signed and delivered by its duly authorized representative as of the Effective Date.

Axon Enterprise, Inc.

By: Jason Hartford  
9FDA3F2EC8B9434  
Printed Name: Jason Hartford  
VICE PRESIDENT, PRODUCT MGMT  
Title: \_\_\_\_\_

Agency

By: John McMahon  
Printed Name: John McMahon  
Title: Commander, Information Technology Group