



This Agreement is made this the 9th day of September 2023, by and between Sky Elements, LLC, a Texas limited liability company, whose address is 3819 Rufe Snow Drive Ste 203, North Richland Hills, TX 76180, and hereinafter referred to as **“Sky Elements”** and Town of Avon, hereinafter referred to as “Customer.” Sky Elements is in the business of providing drone display services, and Customer desires to have Sky Elements provide drone display services at Customer’s event(s). The parties therefore agree as follows:

DRONE DISPLAY(S): Sky Elements agrees to furnish to Customer with drone display services, hereinafter referred to as “Display(s)” The Display(s) will be conducted in accordance with the following specifications:

Display Date: Nov 11, 2023

Number of Drones in the Display: 150

Display Location: 6570 E US HWY 36, Avon, IN 46123

PAYMENT TERMS: Customer shall pay Sky Elements \$ 25,000. Customer shall submit a 50% deposit upon execution of this contract. The balance remaining for each display will be paid to Sky Elements the day prior to the display.

SHOW DESIGN WORKFLOW: The drone display(s) design process is as follows:

- 1. Storyboard Process:** Sky Elements shall create a storyboard of Customer approved images. The storyboard contains rough sketches or images, or screen captures of all scenes and action notes, which describe the layout of the animations. Sky Elements shall send the storyboard to Customer for feedback and suggestions. Sky Elements will modify the storyboard in accordance with the Customer feedback. Images and order of shapes can be changed for no additional fee during the storyboard process.
- 2. Show Programing and Animation:** After completion of the storyboard process, Sky Elements shall begin the drone show design and animation process in accordance with the storyboard. After the animation and editing process, Sky Elements shall compile each sequence and render a video to Customer. Adjustments to shapes and images will be completed in accordance with Customer’s suggestions. Changes to order of animations or substitution of images not yet animated will result in a \$5,000 reanimation fee.
- 3. Final Delivery:** Sky Elements will perform the drone display(s) at Customer’s Event.

SECURE AREA: Customer agrees to furnish sufficient space for Sky Elements to properly conduct each Display as determined by the FAA (hereinafter “Secure Area”). For the purposes of the Agreement, “Unauthorized Persons” shall mean anyone other than the employees of Sky Elements or persons specifically designated in writing by Customer or the FAA.

INDEMNIFICATION AND HOLD HARMLESS: To the extent authorized by Texas law, Customer agrees to hold Sky Elements harmless from any damages caused to Customer which results as a consequence of unauthorized persons entering the Secure Area. Furthermore, Customer agrees to defend and indemnify Sky Elements from any and all claims brought against Sky Elements for damages caused wholly or in part by

Unauthorized Person who have entered the Secure Area.

AMENDMENT & ASSIGNMENT: This agreement may not be sold, assigned, amended, or transferred without the prior written consent of Sky Elements.

FORCE MAJEURE. If for any reason beyond its control including, but not limited to, strikes, labor disputes, accidents, government requisitions, acts of war, acts of God, epidemic, pandemic, governmental restrictions, or other similar events that would make the event impractical or impossible, the Parties agree Customer's sole remedy is to transfer the display date subject to Sky Element's availability. In no event will Sky Elements be liable for any damages, including, but not limited to consequential damages.

PERMITS AND APPROVALS: Sky Elements shall obtain all necessary Federal Aviation Administration (FAA) approvals and permits to enable Sky Elements to perform fully hereunder, including airspace authorization needed for the Display(s). The client shall be responsible for obtaining and payment of all required local city permits, coordinating with local police, managing road closures, and arranging for necessary barricades.

JURISDICTION AND VENUE. It is hereby stipulated that this Agreement is governed by the laws of the State of Texas, and any suit involving this Contract shall be brought in Tarrant County, Texas. For Display(s) that include licensed music accompaniment, Customer agrees to verify with their organization, venue, sponsor, and/or municipality, the permission to simulcast music and agrees to pay any and all fees associated with the broadcast of said music in the public environment of the Display(s).

INSURANCE: Sky Elements will maintain the following insurance coverages in connection with the Display(s) described in this contract.

Commercial General Liability: \$1,000,000

Automobile Liability: \$1,000,000

Umbrella: \$10,000,000

Workers Compensation: \$1,000,000

Aviation Liability: \$5,000,000

Sky Elements also agrees to include Customer as additional insured under the terms of this coverage. Sky Elements will provide a Certificate of Insurance. All entities listed on the certificate will be deemed an additional Insured per this contract.

CANCELLATION: Sky Elements shall determine what weather conditions, safety, or security concerns prohibit Sky Elements from proceeding with the Display(s); in the case of weather conditions, Sky Elements agrees to conduct the Display(s) on a mutually agreed upon rain/postponement date within one year from the original event date. Should Sky Elements be unable to perform the Display(s) at the Event due to safety concerns, security concerns, or in the case of cancellation by the customer, Sky Elements shall be entitled to 33% of the contract price for each of the workflow processes completed. For example, if Sky Elements has completed the Show Programming workflow, Sky Elements shall be entitled to 66% of the display price (33% for Storyboard, 33% for Show Programing and Animation). Final delivery is deemed to have occurred upon Sky Elements' arrival at the display location on the display date. Customer also acknowledges that damages corresponding to lost opportunity by reason of cancellation are inherently difficult to calculate, and that the liquidated damages amounts set forth above are a reasonable attempt to measure and liquidate those highly speculative damages.

[Signatures to follow on next page]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

SKY ELEMENTS, LLC

BY: _____

Date: _____

Preston Ward, Manager / General Counsel

CUSTOMER

BY: _____

Date: _____

Printed Name: Shelby Pride

Company: _____

Title: _____