RESOLUTION NO. 16-11-77

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA APPROVING THE PROJECT AGREEMENT BETWEEN UNITED DATA TECHNOLOGIES, INC., AND ISLAMORADA, VILLAGE OF ISLANDS TO PERFORM A PENETRATION TEST; AUTHORIZING VILLAGE OFFICIALS TO IMPLEMENT THE TERMS AND CONDITIONS OF THE PROJECT AGREEMENT; AUTHORIZING THE VILLAGE MANAGER TO EXPEND BUDGETED FUNDS; AUTHORIZING THE VILLAGE MANAGER TO EXECUTE THE PROJECT AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Islamorada, Village of Islands (the “Village”) has retained the services of United Data Technologies (“UDT”) for Information Technology (IT) Consulting and Support Services; and

WHEREAS, the Village Attorney has prepared a Project Agreement (the “Agreement”) for UDT to perform a Penetration Test; and

WHEREAS, the intent of the Penetration Test is to conduct both external and internal network penetration tests, PCI segmentation tests and web application penetration tests from the perspective of a “malicious hacker” while taking into consideration several factors such as platform vulnerabilities, misconfigured systems and architectural weaknesses to provide specific actionable recommendations that will enhance and strengthen the Village’s network security posture; and

WHEREAS, UDT has agreed to provide the services described in the Agreement; and

WHEREAS, the Village Council finds that approval of the Agreement between UDT and the Village attached hereto is in the best interest of the Village.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, AS FOLLOWS:
Section 1. Recitals. The above recitals are true and correct and incorporated into this Resolution by this reference.

Section 2. Approval of Agreement. The Agreement between UDT and the Village to provide Penetration Test services, a copy of which is attached as Exhibit “A,” together with such non-material changes as may be acceptable to the Village Manager and approved as to form and legality by the Village Attorney, is approved.

Section 3. Authorization of Village Officials. The Village Manager and/or his designee and the Village Attorney are authorized to take all actions necessary to implement the terms and conditions of the Agreement.

Section 4. Authorization of Fund Expenditure. Notwithstanding the limitations imposed upon the Village Manager pursuant to the Village’s Purchasing Procedures Ordinance, the Village Manager is authorized to expend budgeted funds to implement the terms and conditions of the Agreement.

Section 5. Execution of Agreement. The Village Manager is authorized to execute the Agreement on behalf of the Village, to execute any required agreements and/or documents to implement the terms and conditions of the Agreement and to execute any extensions and/or amendments to the Agreement, subject to the approval as to form and legality by the Village Attorney.

Section 6. Effective Date. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 3rd day of November, 2016.

Motion to adopt by Councilman Chris Sante, second by Vice Mayor Jim Mooney.
FINAL VOTE AT ADOPTION

Mayor Deb Gillis  YES
Vice Mayor Jim Mooney  YES
Councilman Mike Forster  YES
Councilman Chris Sante  YES
Councilman Dennis Ward  YES

DEB GILLIS, MAYOR

ATTEST:

KELLY TOTH, VILLAGE CLERK

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND BENEFIT OF ISLAMORADA, VILLAGE OF ISLANDS:

ROGET V. BRYAN, VILLAGE ATTORNEY
PROJECT AGREEMENT

Between

ISLAMORADA, VILLAGE OF ISLANDS

And

UNITED DATA TECHNOLOGIES, INC.

For

Work Authorization No. 2

Information Technology Consulting and Support Services

This Project Agreement between ISLAMORADA, VILLAGE OF ISLANDS (hereinafter referred to as "VILLAGE") and UNITED DATA TECHNOLOGIES, INC. (hereinafter referred to as "CONSULTANT"), hereby authorizes the CONSULTANT to provide the services as set forth below:

The VILLAGE and CONSULTANT agree as follows:

SECTION 1. SCOPE OF SERVICES

1.1 The CONSULTANT shall provide information technology services to the VILLAGE for the Project as described in the "Project Description" attached as Exhibit "1."

1.2 The "Scope of Services" and tasks to be provided by the CONSULTANT for this Project are those services and tasks as listed in Exhibit "1."

1.3 The VILLAGE may request changes that would increase, decrease, or otherwise modify the Scope of Services. Such changes must be contained in a written change order executed by the parties in accordance with the provisions of the Continuing Services Agreement between the VILLAGE and CONSULTANT, dated November 19, 2015, prior to any deviation from the terms of the Project Agreement, including the initiation of any extra work.

SECTION 2. DELIVERABLES

As part of the Scope of Services the CONSULTANT shall provide to the VILLAGE the following Deliverables:

- External Network Penetration Tests.
- Internal Network Penetration Tests.
- PCI Segmentation Testing.
- Web Application Testing.
4.2 Reimbursables. It is acknowledged and agreed to by CONSULTANT that the lump sum amount set forth in Section 4.1 includes Direct Expenses and describes the maximum extent of, VILLAGE'S obligation to reimburse CONSULTANT for direct, non-salary expenses, but does not constitute a limitation, of any sort, upon CONSULTANT'S obligation to incur such expenses in the performance of services hereunder.

SECTION 4. AMOUNT, BASIS AND METHOD OF COMPENSATION

4.1 Lump Sum Compensation. VILLAGE agrees to pay CONSULTANT an amount not to exceed Fourteen Thousand Dollars ($14,000.00) as compensation for performance of all services related to the Project. It is understood that the method of compensation is that of lump sum which means that CONSULTANT shall perform all services set forth for total compensation in the amount stated above. Said lump sum includes but is not limited to, compensation for all fees, expenses, and out-of-pocket costs of the CONSULTANT.

4.2 Reimbursables. It is acknowledged and agreed to by CONSULTANT that the lump sum amount set forth in Section 4.1 includes Direct Expenses and describes the maximum extent of, VILLAGE'S obligation to reimburse CONSULTANT for direct, non-salary expenses, but does not constitute a limitation, of any sort, upon CONSULTANT'S obligation to incur such expenses in the performance of services hereunder.
SECTION 5. BILLING AND PAYMENTS TO THE CONSULTANT

5.1 Invoices.

5.1.1 Lump Sum Compensation. CONSULTANT shall submit invoices which are identified by the specific project number on a monthly basis and in a timely manner. These invoices shall identify the nature of the work performed, the phase of work, and the estimated percent of work accomplished in accordance with the Payment Schedule as shown on Exhibit "1", attached hereto and made a part of this Agreement. Invoices for each phase shall not exceed the amounts allocated to said phase. The statement shall show a summary of fees with accrual of the total and credits for portions paid previously.

5.2 Disputed Invoices. In the event that all or a portion of an invoice submitted to the VILLAGE for payment to the CONSULTANT is disputed, or additional backup documentation is required, the Village Manager shall notify the CONSULTANT within fifteen (15) working days of receipt of the invoice of such objection, modification or additional documentation request. The CONSULTANT shall provide the VILLAGE with a written response and any additional information requested by the VILLAGE within five (5) working days of the date of the VILLAGE’S notice. The VILLAGE may request additional information, including but not limited to, all invoices, time records, expense records, accounting records, and payment records of the CONSULTANT. The VILLAGE, at its sole discretion, may pay to the CONSULTANT the undisputed portion of the invoice.

5.3 Suspension of Payment. In the event that the VILLAGE becomes credibly informed that any representations of the CONSULTANT, provided pursuant to Subparagraph 5.1, are wholly or partially inaccurate, or in the event that the CONSULTANT is not in compliance with any term or condition of this Project Agreement, the VILLAGE may withhold payment of sums then or in the future otherwise due to the CONSULTANT until the inaccuracy, or other breach of Project Agreement, and the cause thereof, is corrected to the VILLAGE’S reasonable satisfaction.

5.4 Retainage. The VILLAGE reserves the right to withhold retainage in the amount of ten percent (10%) of any payment due to the CONSULTANT until the project is completed, as applicable. Said retainage may be withheld at the sole discretion of the VILLAGE and as security for the successful and timely completion of the CONSULTANT’S duties and responsibilities under this Project Agreement.

5.5 Final Payment. Submission of the CONSULTANT’S invoice for final payment and reimbursement shall constitute the CONSULTANT’S representation to the VILLAGE that, upon receipt from the VILLAGE of the amount invoiced, all obligations of the CONSULTANT to others, including its Subconsultants, incurred in connection with the Project, shall be paid in full. The CONSULTANT shall deliver to the VILLAGE all documents and computer files requested by the VILLAGE evidencing payment to any and all subcontractors, and all final specifications, plans or other documents as dictated in the Scope of Services and Deliverables. Acceptance of final payment shall constitute a waiver of all claims against the VILLAGE by the CONSULTANT.
SECTION 6. TERMINATION/SUSPENSION

6.1 For Cause. This Agreement may be terminated by either party upon three (3) calendar days written notice to the other for breach of any material term or condition of this Agreement. In the event that CONSULTANT abandons this Agreement or causes it to be terminated by the VILLAGE, the CONSULTANT shall indemnify the VILLAGE against any loss pertaining to this termination. In the event that the CONSULTANT is terminated by the VILLAGE for cause and it is subsequently determined by a court of competent jurisdiction that such termination was without cause, such termination shall thereupon be deemed a termination for convenience under Section 6.2 and the provisions of Section 6.2 shall apply.

6.2 For Convenience. This Agreement may be terminated by the VILLAGE for convenience upon five (5) calendar days written notice to the CONSULTANT. In the event of such a termination, the CONSULTANT shall incur no further obligations in connection with the Project and shall, to the extent possible terminate any outstanding subcontractor obligations. The CONSULTANT shall be compensated for all services performed to the satisfaction of the VILLAGE and reimbursable expenses incurred prior to the date of termination. In such event, the CONSULTANT shall promptly submit to the VILLAGE its invoice for final payment and reimbursement which invoice shall comply with the provisions of Paragraph 5.1. Under no circumstances shall the VILLAGE make payment of profit to the CONSULTANT for services which have not been performed.

6.3 Assignment Upon Termination. Upon termination of this Project Agreement, the work product of the CONSULTANT shall become the property of the VILLAGE and the CONSULTANT shall, within ten (10) working days of receipt of written direction from the VILLAGE, transfer to either the VILLAGE or its authorized designee, all work product in its possession, including but not limited to, designs, specifications, drawings, studies, reports and all other documents and digital data in the possession of the CONSULTANT pertaining to this Project Agreement. Upon the VILLAGE’S request, the CONSULTANT shall additionally assign its rights, title and interest under any subcontractor’s agreements to the VILLAGE.

6.4 Suspension for Convenience. The VILLAGE shall have the right at any time to direct the CONSULTANT to suspend its performance, or any designated part thereof, for any reason whatsoever, or without reason, for a cumulative period of up to five (5) calendar days. If any such suspension is directed by the VILLAGE, the CONSULTANT shall immediately comply with same. In the event the VILLAGE directs a suspension of performance as provided herein, through no fault of the CONSULTANT, the VILLAGE shall pay the CONSULTANT as full compensation for such suspension the CONSULTANT’S reasonable costs, actually incurred and paid, of demobilization and remobilization.
SECTION 7. PERSONNEL ASSIGNED TO PROJECT

7.1 The CONSULTANT shall assign only qualified personnel to perform any services concerning this Project. At the time of execution of this Agreement, the parties anticipate that the following named individuals will perform those supervisory or primary functions indicated:

<table>
<thead>
<tr>
<th>NAME</th>
<th>FUNCTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Justin Jay Wallace</td>
<td>Field Services Manager AV</td>
</tr>
<tr>
<td>Amen Mohamed</td>
<td>Director of AV Services</td>
</tr>
<tr>
<td>Marcial Sanchez</td>
<td>Field Technician</td>
</tr>
<tr>
<td>Benjamin Serrano</td>
<td>Field Technician</td>
</tr>
</tbody>
</table>

So long as the individuals named above remain actively employed or retained by the CONSULTANT, they shall perform the functions indicated next to their names. Furthermore, the VILLAGE reserves the right to reject any proposed substitution for any of the above named individuals, and the VILLAGE shall have the further right to require that any individual assigned to the Project by the CONSULTANT be removed from the Project and reassigned for good cause.

SECTION 8. INCORPORATION OF CONTINUING SERVICES AGREEMENT

All terms and conditions of the "Continuing Service Agreement" between the VILLAGE and CONSULTANT, dated November 19, 2015, not specifically modified by this Project Agreement shall remain in full force and effect and are incorporated into and made a part of this Project Agreement by this reference as though set forth in full.

SECTION 9. SEVERABILITY

If any provision of this Project Agreement or its application to any person or situation shall to any extent, be invalid or unenforceable, the remainder of this Project Agreement, and the application of such provisions to persons or situations other than those to which it shall have been held invalid or unenforceable shall not be affected thereby, and shall continue in full force and effect, and be enforced to the fullest extent permitted by law.
IN WITNESS WHEREOF, the parties have executed this Agreement on the respective dates under each signature: The VILLAGE, signing by and through its Village Manager, attested to by its Village Clerk, duly authorized to execute same, and by CONSULTANT, by and through its ___President____, duly authorized officer to execute same.

VILLAGE
ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA

By: Seth Lawless, Village Manager

The ___ day of ________, 20__.

AUTHENTICATION:

Kelly Toth, Village Clerk

(SEAL)

APPROVED AS TO FORM AND LEGALITY
FOR THE USE AND BENEFIT OF ISLAMORADA,
VILLAGE OF ISLANDS, FLORIDA, ONLY

Roget V. Bryan, Village Attorney
CONSULTANT

UNITED DATA TECHNOLOGIES, INC.

By: [Signature]
Print Name: James Cline
Title: CFO

The ___ day of November, 20___.

AUTHENTICATE:

[Signature]
Secretary
Print Name: Enrique A. Fleche

(WITNESSES:

[Signature]
Print Name: Aymee Velazquez

[Signature]
Print Name: [Signature]

(CORPORATE SEAL)
Exhibit "1"

Professional Services Statement of Work
Professional Services Statement of Work

Islamorada, Village of Islands Florida

Prepared for

Welcome to Islamorada, Village of Islands

Created: June 7, 2016
# Project Contacts

<table>
<thead>
<tr>
<th><strong>Customer Contact Information</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Name:</strong></td>
<td>Steve Hull</td>
</tr>
<tr>
<td><strong>Title:</strong></td>
<td>IT Manager</td>
</tr>
<tr>
<td><strong>Email:</strong></td>
<td><a href="mailto:steve.hull@islamorada.fl.us">steve.hull@islamorada.fl.us</a></td>
</tr>
<tr>
<td><strong>Address:</strong></td>
<td>86800 Overseas Highway, Islamorada, FL 33036</td>
</tr>
<tr>
<td><strong>Phone:</strong></td>
<td>305-664-6457</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>UDT Contact Information</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Name:</strong></td>
<td>Eddie Padron</td>
</tr>
<tr>
<td><strong>Title:</strong></td>
<td>Account Manager</td>
</tr>
<tr>
<td><strong>Email:</strong></td>
<td><a href="mailto:eddie.padron@udtonline.com">eddie.padron@udtonline.com</a></td>
</tr>
<tr>
<td><strong>Address:</strong></td>
<td>8825 NW 21 Terr Miami, FL 33172</td>
</tr>
<tr>
<td><strong>Phone:</strong></td>
<td>305-496-5061</td>
</tr>
</tbody>
</table>
# Table of Contents

- Project Contacts .......................................................... 1
- Project Background and Summary .................................... 3
- Project Scope ...................................................................... 3
  - Out of Scope .................................................................... 3
- Project Methodology .......................................................... 4
- Rules of Engagement .......................................................... 4
- Project Duration Estimates ................................................... 5
- Project Phases .................................................................... 5
- Kick-off .............................................................................. 5
- Planning ............................................................................. 5
- Execution of Tasks .............................................................. 5
- Post Execution .................................................................... 6
- Follow Up ........................................................................... 6
- Closeout ............................................................................ 6
- Project Tasks: ....................................................................... 6
  - Network Penetration Testing (Internal and External) .......... 6
  - Application Penetration Testing (Web Application) .......... 7
- Report on Findings .............................................................. 8
- Client Cooperation .............................................................. 9
- Professional Service Fees ..................................................... 9
  - Payment of Fees ............................................................... 10
- Work Hours ....................................................................... 11
- Key Assumptions ............................................................... 11
- Project Delays .................................................................... 13
- Manufacturer Product Defects ............................................. 13
- Employee Non-Solicitation .................................................. 13
- Scheduling ................................................................-------- 14
- Warranty .......................................................................... 14
- Limitation of Liability ........................................................ 14
- Confidentiality .................................................................... 14
- Acceptance and Approval ..................................................... 16
- Change Request Process: ...................................................... 17
Project Background and Summary

The main objective of this engagement will be to perform a series of penetration tests to identify and uncover potential vulnerabilities for those components, and or systems related to the Village of Islamorada’s herewith referred to as (Client) information technology platforms and information systems resulting from implementation errors, configuration faults, or other operational deployment weaknesses or deficiencies.

Project Scope

The tests and evaluations considered to be within the scope of this engagement include the following:

(a) External Network Penetration Tests
(b) Internal Network Penetration Tests
(c) PCI Segmentation Testing
(d) Web Application Penetration Test

Tests will be conducted from the perspective of a “malicious-hacker”, taking into consideration several factors such as platform vulnerabilities, misconfigured systems, and architectural weaknesses. Our tests and evaluations will provide the Client specific actionable recommendations that will enhance and strengthen their security posture.

Out of Scope

United Data Technologies is responsible only for performing the Services described in this Statement of Work. Services outside the scope of this Statement of Work include, but are not limited to:

- Any installation, configuration or testing of hardware or software not outlined in this SOW;
- Any application or host system access that encompasses coding, scripting, application analysis, system performance, and/or troubleshooting;
- Any OS, application or hardware tuning, troubleshoots or maintenance steps including patches, upgrades and/or installations/re-installations relating thereto;
- Any CPU, server, or mid-range host monitoring and console operations;
- Any disk storage installation, implementation, configuration or reconfiguration;
• Network (LAN or WAN) support of day to day operations, resolution of network connectivity or security access issues;

• Installation, certification or configuration, and support of electrical, network, telecommunications, cabling infrastructure and components;

• Development of any custom solutions including scripting;

• Modification to any of <Customer Formal Name> application software;

• Server and/or file system consolidations and/or relocation or validation of databases or data files

Moreover, the following assessment/evaluation tasks are not within the scope of this engagement:

(a) Social Engineering tests

(b) Wireless Network Penetration Testing

(c) Retests on found vulnerabilities

(d) Remediation work for identified vulnerabilities

Project Methodology

To ensure uniformity in the performance of our evaluations, our certified cyber security engineers follow industry best practices and standards while performing each evaluation. These include but are not limited to NIST SP800-115, NIST Cyber Security Framework, and OWASP vulnerabilities.

Rules of Engagement

All tests will follow specific Rules of Engagement prior to, and during the tests to ensure clear understanding of scope, and minimize impact to the Client’s operational environment and staff. These include the following:

(1) No denial of service attacks will be used

(2) No un-trusted tools and techniques will be used

(3) No active backdoor or Trojans will be installed

(4) No sensitive data will be copied, modified or destroyed

(5) The specific tasks of the tests performed will be documented

(6) The operational impact to the networks will be maintained to the minimum
The stated engagement rules above, will be reviewed during the project’s kick-off meeting to ensure its understandings and identify possible issues not previously discussed.

**Project Duration Estimates**

We estimate the project to lasts a total of nine (9) days. The majority of the tests will be performed remotely from UDT offices. The internal network and PCI segmentation testing will require our engineers to perform tests while on site, in the Client’s location. We expect these tests not to exceed four (4) working days.

**Project Phases**

The project will follow stages applicable to the engagement from an overall performance perspective. These phases include the following stages the Tasks for each of the evaluations will consists of the following: will consist of the following phases:

1. Kick-off
2. Planning
3. Execution of Tasks
4. Post-Execution
5. Follow Up
6. Close Out

**Kick-off**

An initial kick-off meeting will be scheduled between UDT and Client project personnel to review scope, assumptions, testing schedules, responsible personnel, 3rd Party testing coordination, tasks and personnel availability. Suggested personnel should include the Project Managers and Lead Engineers/Personnel from both UDT and Client organizations. The Client must coordinate and receive approval for testing from 3rd Parties hosting any of the target components considered to be in Scope of this assessment.

**Planning**

During the planning phase, UDT security consultants will gather information needed to execute the applicable evaluations and tests. Activities include but are not limited to review of documents, results of prior tests and personnel interviews if required.

**Execution of Tasks**

This phase will address activities related with the intended assessment method and technique. Specific activities for this phase will differ in performance based on type of assessment (i.e. network, web application).
Post Execution
Activities during this phase focuses on evaluating found vulnerabilities to determine root causes, develop mitigation recommendations and develop final report on findings.

Follow Up
During this phase, UDT will perform any and all agreed upon follow up tasks if applicable. Moreover, UDT will be responsible for documenting any equipment that has been deployed as part of this project and this SOW.

Closeout
Upon the successful completion of the phases mentioned above, the UDT Project Manager will schedule a Closeout Meeting with the Client's appropriate personnel.

The purpose of this meeting is to ensure that all the tasks that have been identified in this SOW or any change orders requested, have been completed. Additionally, the primary objective of this meeting will be to review the project’s objectives, evaluations performed, vulnerabilities identified and recommended actions to remediate each vulnerability found. Its recommended the closeout meeting be held in person to include appropriate personnel from each organization.

Project Tasks:
The following tasks will be performed for each assessment type considered to be in scope of this engagement:

Network Penetration Testing (Internal and External)
(a) Reconnaissance – UDT security consultants will gather as much information as possible to be utilized when penetrating the target(s) during the vulnerability assessment and exploitation phases. During this phase passive, semi-passive, and active information gathering will be performed. Activities include identifying External and Internal footprinting, Internet searches, reverse lookups, sniffing network traffic, port scanning, and actively enumerating the systems.

(b) Vulnerability Analysis – Primary objective is to discover flaws in systems and applications which can be further leveraged by an attacker. These flaws can range anywhere from host and service misconfigurations to insecure application design. This phase involves the performance of automated and manual vulnerability scans. The vulnerability testing will be performed at both the application and network layer.
(c) **Exploitation** - The exploitation phase will attempt to bypass the systems' security restrictions and attempt to identify the main entry point(s) into the organization and identify high value target assets.

(d) **Compliance** – In line with PCI-DSS v3.2, requirement 11.3.1, and 11.3.2, Internal and External Penetration testing will be performed on those IP segments identified to be within the Client’s cardholder data environment (CDE).

**Application Penetration Testing (Web Application)**

Evaluation focuses on layer seven (7) of the OSI model. This specific type of assessment excludes the network layout or implementation considerations of the application. The evaluation follows the testing methodology developed by OWASP testing standards and guides.

(a) **Reconnaissance & Enumeration** – Activities during this stage focus on gathering target information that can be utilized during the vulnerability and exploitation phases of the evaluation. Passive, semi-passive and active information gathering techniques will be utilized. Activities include enumeration of webserver applications, review of webpages' comments and metadata information, mapping of application architecture, and framework.

(b) **Configuration and Deployment Management Testing** – This phase includes gaining a thorough understanding of the deployed configuration of the server hosting the web application by testing HTTP methods, enumeration of old backups, unreferenced files for sensitive information, and application admin interfaces.

(c) **Authentication Testing** - The main objective of this phase is to test how robust the authentication method utilized by the application is.

(d) **Authorization Testing** – The focus of this evaluation will be to understand the authorization process, and how best to use that information to circumvent the authorization mechanisms.

(e) **Session Management Testing** - The set of all controls governing state-full interaction between a user and the web-based application will be evaluated which covers how user authentication is performed, and what happens upon them logging out.

(f) **Input Validation Testing** - During this phase, UDT security consultants will test the web application's input validation to detect weakness that could lead to most significant
vulnerabilities found in web applications, such as cross site scripting, SQL injection, interpreter injection, locale/Unicode attacks, file system attacks, and buffer overflows.

(g) Error Handling - During this phase, tests will evaluate how the application reacts to undefined or erroneous data which may lead to information leakage providing attackers greater insight into the inner workings of the application.

(h) Cryptography – This phase will evaluate the level of encryption in place which protects data while in transit.

(i) Business Logic Testing - During this phase, the consultant will understand how the application works and tests how the application reacts in the event the normal application behavior is altered using unconventional or undefined actions. This type of vulnerability cannot be detected by a vulnerability scanner and relies upon the skills and creativity of the consultant. In addition, this type of vulnerability is usually one of the hardest to detect, and usually application specific but, at the same time, one of the most detrimental to the application, if exploited.

**Report on Findings**

A report on findings will be issued for each assessment type described to be within the scope of this engagement. Each report is broken down into two (2) major sections in order to communicate the objectives, methods, and results of the testing conducted. The major sections for each report issued include the following:

(a) The Executive Summary – provides the specific goals of each assessment, the high level findings of the testing exercise. The intended audience will be those who are in charge of the oversight and strategic vision of the security program as well as any members of the organization which may be impacted by the identified/confirmed threats. The executive summary should contain most if not all of the following sections:

- Background
- Overall Posture
- Risk Ranking/Profile
- General Findings
- Recommendations
• Strategic Roadmap

(b) The Technical Report – provides the technical details of the tests and all of the aspects/components agreed upon as key success indicators within the pre engagement exercise. The technical section of the report will describe in detail the scope, information, attack path, impact and remediation suggestions of each test. Specific goals of each assessment, the high level findings of the testing exercise and some of the following:

• Introduction
• Intelligence found on organization
• Vulnerability assessment findings
• Confirmation of Exploitations
• Risk/Exposure
• Conclusions
• findings.

Client Cooperation
The Client shall cooperate with UDT assigned personnel in the performance of the described activities and services. To comply with budgeted project estimates, UDT requires the timely, complete and accurate cooperation from the client.

Client shall be responsible for any delays or additional costs incurred by UDT if such cooperation is not provided.

Professional Service Fees
Pricing for this engagement is provided on a Fixed Fee, single project basis regardless of the actual number of engineers required to complete the tasks specified in this proposed Statement of Work. UDT pricing for this engagement is provided on a Fixed Fee basis, single project basis regardless of the actual number of engineers or hours reasonably required to complete the work.
Invoices upon which payment is not received within fifteen calendar days of the invoice date will accrue a late charge on the unpaid balance at a rate equal to the lesser of one and one half percent per month or the maximum rate allowed.

In the event additional work not specified in this document is requested by the Client, UDT will bill for incidental costs or agreed upon additional work formally approved for in writing by Client’s authorized personnel.

Payment of Fees

Payment of Fees are dependent on the size of the engagement and illustrated as follows:

(a) Total Professional Fees which are less than $5,000, shall be invoiced as follows:

- 50% of the total project amount billed upon execution of this Statement of Work document and prior to the start of the project;
- 50% of the outstanding balance due upon delivery of the project’s reports and findings;

(b) For projects with total Professional Fees greater than $5,000, shall be invoiced as follows:

- 45% billed upon execution of this Statement of Work and prior to the start of this project;
- 30% billed upon completion of assessments considered within the scope of this engagement;
- 25% billed upon the delivery of engagement’s report on findings.

In the event additional work not specified in this document is requested by the Client, UDT will bill for incidental costs or agreed upon additional work formally approved for in writing by Client’s authorized personnel.

Invoices upon which payment is not received within fifteen calendar days of the invoice date will accrue a late charge on the unpaid balance at a rate equal to the lesser of one and one half percent per month or the maximum rate allowed.

<table>
<thead>
<tr>
<th>Services / Deliverables</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Pen Test (30 IP Addresses)</td>
<td>$3,426</td>
</tr>
<tr>
<td>Internal Pen Test (3 Class C IP Ranges)</td>
<td>$6,558</td>
</tr>
<tr>
<td>(Includes PCI Segmentation Pen-testing)</td>
<td></td>
</tr>
<tr>
<td>Web Application Penetration Testing</td>
<td>$3,719</td>
</tr>
<tr>
<td>Fees include Report on findings &amp; Remediation</td>
<td>$0</td>
</tr>
<tr>
<td>Recommendations</td>
<td></td>
</tr>
<tr>
<td>Total Professional Fees:</td>
<td>$13,703</td>
</tr>
</tbody>
</table>
Without limiting its rights or remedies, UDT may suspend or terminate its services entirely until payment is received on past due invoices. The client will be responsible for any attorney's fees and costs incurred in pursuing and collecting payment.

**Work Hours**

UDT consulting services will be performed between 8:00am and 5:00pm (local time), unless after-hours or weekend work is requested or required.

UDT has made every attempt to accurately estimate the total project cost and number of engineers required to successfully complete the project. If impediments or complications arise that are out of the control of UDT, the length of the project could be impacted.

Valid impediments and/or complications consist of (but are not limited to):

- Malfunctioning customer-owned hardware deemed to be essential in completing any of the assessments requested
- Inability to access equipment or personnel that are required to complete the project
- Inability to begin or continue work related to the project because of a lack of Client-provided information, such as valid IP addresses, login information, network diagrams, change management requests, etc.
- Changes to either the project scope, timeline, deliverables or project schedule that occur after the date this agreement is executed

In the event a condition of this nature arises, UDT will notify the Client as soon as possible and provide further information before proceeding. If the size, scope or number of documented impediments or complications results in an unreasonable increase in either the number of engineers or hours required to complete the engagement, UDT may seek additional compensation from customer.

**Key Assumptions**

UDT made the following key assumptions in estimating resource allocation, schedule, and preparation of professional fees. Changes to key assumptions may result in changes to UDT's pricing and/or Project schedule.
• Additional required tasks discovered after the execution of this SOW that are not mentioned in this SOW will require a change order.

• Defective equipment utilized for this engagement, and provided by the Client that require additional troubleshooting hours by UDT personnel, may require the submission of a Change Order Request Form.

• Troubleshooting issues due to the Client’s configuration changes after milestone signoff will require a change order.

• United Data Technologies will perform most of the Services under this Statement of Work during normal business hours, 8:00 a.m. to 5:00 p.m. (local time) Monday through Friday, except United Data Technologies holidays, unless otherwise specified.

• United Data Technologies will be provided all required physical access to the Client’s facilities (identification badge, escort, parking decal, etc.) as required by the Client’s policies.

• Some of the Services provided may be performed during the night shift and weekends. The client will provide the required access to systems and resources.

• The Client is responsible for all transport of equipment from receiving area(s) to the data center(s) and/or equipment rooms where it will be installed.

• The Client is responsible for the condition and readiness of the electrical power distribution plant and the correction of any anomalies and/or deficiencies.

• The Client is responsible for providing all patch cables (copper and fiber optic) unless specifically indicated in the bill of materials.

• The Client is responsible for providing adequate rack space, power, environmental controls, data wiring, engineering/staging workspace and any other access required for completion of this project.

• Some activities on this project may be performed on United Data Technologies’ premises.

• United Data Technologies may engage subcontractors and third parties in performing a portion of this work.

• United Data Technologies will not make changes to the configuration of any network equipment after it has been installed and tested.

• The Client’s technical resources will be made available to the United Data Technologies project team for planning purposes and to answer questions about the existing environment.

Islamorada Penetration Testing Statement of Work Proposal

UDT
• The Client’s staff resources will participate in the acceptance and ready for use (RFU) testing associated with this solution and sign off on those tests upon successful completion.

• The Client will provide United Data Technologies admin access on appropriate devices for the success of this project

Project Delays
Delays caused by site non-readiness requiring multiple visits and additional time, are subject to additional charges. Examples causing possible delays may include:

• Power Issues

• Cabling Delays

• Personnel Availability

• Delays receiving required Client provided documentation

Manufacturer Product Defects
UDT is neither a manufacturer of hardware nor a publisher of computer software. Because of this, UDT cannot be held responsible for functionality or performance defects of any products associated with this engagement. Manufacturer warranties, where extended by the manufacturer, for products sold by or licensed through UDT (or UDT Product Partners) are set forth in end user license agreements and manufacturer warranty statements, and such warranties, if any, are solely those of the manufacturer. UDT will take reasonable measures to work, on behalf of the engagement, with vendors to escalate problems and take corrective action, based on the vendor’s recommendations. Any delays caused by support calls due to manufacturer defects that will require additional time are subject to billing.

Employee Non-Solicitation
During the term of this SOW, and for one year after, neither party will solicit for nor offer employment to any individual who is employed by the other, nor contractor of the other if such party was introduced to the employee directly or indirectly as a result of this SOW. Both parties agree to pay, as liquidated damages, an amount equal to the aggregate salary and wages (to include bonuses) paid to such employee in the previous six months. A general advertisement or a request for employment, which is initiated exclusively by an employee or contractor of the other, shall not be considered a solicitation pursuant to this section.
Scheduling
UDT requires a signed Purchase Order and Consulting Service Statement of Work before it can schedule any consultant to begin a project.

Warranty
All Services shall be performed by UDT in a professional and workmanlike manner and will be in accordance with the industry standard for providing similar services. UDT shall comply with Client's (i) safety and security rules and other rules applicable to those working in Client's facilities, and (ii) Client's policies concerning access to and security of any Client-owned information technology system to which Company may have access.

UDT warrants that it is free to enter into this Agreement and perform the consulting services of this Agreement. Except for those warranties provided herein, UDT disclaims all other representations or warranties. In no event shall UDT or Client be liable for indirect, special, incidental or consequential damages of any kind, including without limitation, lost profits.

Limitation of Liability
UDT's or Client's maximum liability for any action, regardless of the form of action, whether in tort or contract, arising under this agreement shall be limited to the amount of services fees paid by UDT and Client hereunder. The services provided by UDT under this agreement are point in time advisory and security controls implemented as a result of this statement of work do not imply or in any way guarantee the integrity, confidentiality, and availability of Client's information technology resources, systems or data.

UDT follows current industry best practices, compliancy or otherwise, pertaining to and for information technology security and the mitigation of risks or vulnerabilities. Vulnerabilities and attacks evolve over time as do control measures for detection and prevention. Information technology security requires a holistic approach and an ongoing process of risk assessment and policy review to be fully effective.

Both parties agree to indemnify and hold each other harmless for any injuries to persons or property caused by the intentional and willful acts or gross negligence of each party in the performance of services under this Agreement.

Confidentiality
Client and UDT shall agree that all information which is disclosed by either party to the other which is identified or reasonably understood to be confidential or proprietary, shall be treated by both Parties as strictly confidential. Both Parties agree that at no time or in any manner, either directly or indirectly, shall the information be divulged, disclosed or communicated in any manner to any third
party, except on a need to know basis only in connection with services rendered under this Agreement.

Proprietary information shall not be deemed to include information that (a) is in or becomes in the public domain without violation of this Agreement, or (b) is already in the possession of, or was rightfully known without an obligation to maintain its confidentiality prior to receipt, or (c) is rightfully received from a third entity having no obligation on confidentiality. The confidentiality provisions of this Agreement shall remain in full force and effect after the termination of this Agreement. Within thirty (30) days after termination of this Agreement, each party shall certify in writing that all copies of confidential information have been returned or destroyed.

UDT shall be an independent contractor with respect to Client and is not an employee of Client. UDT shall not have the right to bind Client to any party or contract. Except as provided herein, Client shall not have the right to direct or control the means by which UDT achieves the results it is to accomplish pursuant to this Agreement. UDT, its employees and agents shall not be entitled to receive any compensation, benefits or other incidents of employment from Client as a result of this Agreement.

UDT shall be responsible for all taxes and other expenses arising from providing services hereunder. UDT shall maintain workers compensation insurance in the amount required by the laws of the state in which the services are being performed, if required. UDT shall also maintain Commercial General Liability insurance with a minimum combined single limit of $1,000,000 per occurrence covering personal injury and property damage, Employer’s Liability Insurance with a minimum combined single limit of $1,000,000, and Commercial Automobile Liability Insurance for any motor vehicle, covering bodily injury and property damage with a minimum combined single limit of $1,000,000.

This Agreement is not assignable by any of the parties hereto, except with the written permission of the non-assigning party. This Agreement contains and accurately recites the complete and entire agreement among the parties, and it expressly terminates, cancels, and supersedes any and all prior agreements or understandings, whether oral or in writing, if any, among the parties. The waiver by either party of a breach or violation of any provision of this Agreement shall not constitute a waiver of any subsequent or other breach or violation. This Agreement shall be governed by Florida law, without regard to the choice or conflict of law provisions thereof. This Agreement may not be modified except in a writing signed by the parties.
Acceptance and Approval
This Statement of Work is agreed to by the parties. Any terms and conditions attached to, or described within any purchase order outside of this Statement of Work by Client in connection with this Statement of Work are null and void.

By accepting this proposal, the Client authorizes UDT to perform the work described here, and the Client represents that it has obtained the authorization of all necessary third parties, which may be affected by the work.

FOR CLIENT

Name: 

Address: 

Signature: 

UNITED DATA TECHNOLOGIES, INC.

Name: 

Address: 

Signature: 
Change Request Process:

In the event both United Data Technologies and the agree to a change in this Statement of Work, a written description of the agreed change (called a "Change Authorization") will be prepared, which both parties must sign.

The Change Authorization will describe the change, the rationale for the change, and specify any change in the charges, estimated schedule, or other terms. Depending on the extent and complexity of the requested changes, United Data Technologies may charge for the effort required analyzing it. When charges are necessary in order to analyze a change, United Data Technologies will provide a written estimate and begin the analysis on written authorization. The terms of a mutually agreed upon Change Authorization will prevail over those of this Statement of Work or any previous Change Authorization.
Change Order Request

Requested on “DATE”

Client Name: 

Project Name: 
Project Sponsor:  

Project Number: Project Ticket # 
Requestor: 

Project Phase: 
Priority: High Med. Low 

Description of Change: 

Reason for Change: 

Ramifications of Change: Schedule Staffing Other (explain ramifications below) 

Estimated Cost: $ 
UDT Responsibilities 

Response to Change Request

Approved Rejected Cancelled 

Name: 

Signature: 

Title: 

Date: 

Client - Confidential - Copyright UDT, Inc. 2014 All Rights Reserved