



STATEMENT OF WORK (SOW)

Between VRTES LLC and Client-1.

Effective Date: 20 June 2025

Project Name: Canopypilot-LBE VR Simulation Software for Standalone Entertainment

1. INTRODUCTION

This Statement of Work ("SOW") is entered into between VRTES LLC ("VRTES"), a Delaware-based company, and Client-1. ("Client-1"), a corporation, to define the functionality and deliverables required for VRTES to develop and license its Canopypilot-LBE virtual reality parachute flight simulation software. Upon mutual agreement on this scope, VRTES shall provide a development and licensing quotation, which, once accepted by Client-1, will be incorporated into this Statement of Work (SOW) and signed by both parties before the commencement of work.

2. PARTIES INVOLVED

- **VRTES LLC**
55 Crispell Lane, New Paltz, New York, 12561
Contact: Ronnie Hughan
Email: ronnie@vrtes.io
 - **Client-1**
555 Anywhere Rd, Sometown
Contact: Don Clarke
Email: dclarke@client-1.net
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3. SCOPE OF WORK

This Statement of Work (SOW) defines the agreed-upon functionality and scope for a custom version of the Canopypilot-LBE VR simulation software to be delivered by VRTES. It will run on standalone Meta Quest 3 headsets and enable immersive parachute flight experiences at Client-1-operated locations. Initial specific deliverables are outlined below.

4. DELIVERABLES AND ACCEPTANCE CRITERIA

Deliverable	Acceptance Criteria	Testing Procedure	Sign-Off Authority
Custom VR Environment	Replica of specified real-world location with topographic and landmark accuracy within $\pm 10\text{m}$	Visual verification	Client-1 Representative
Time of Day Customization	Selection of time of day (e.g., sunset) available per location	Menu navigation test	Client-1 Representative
Default Locations	Three custom VR locations included; additional locations available for a separate fee	Installation test	VRTES Representative
Flight Experience	3-minute simulated parachute descent from 3000 feet	Timer and control test	Client-1 Representative
Steering Controls	Realistic canopy response to user input, matching training dynamics	Functional input test	VRTES QA Lead
Parachute Selection	Option to select beginner or professional canopy after the first jump	UI behavior test	Client-1 Representative
Social Sharing	QR code generates a jump summary with key metrics (location, accuracy, canopy type, operator ID)	QR code scan test	VRTES QA Lead
Operator Training Materials	YouTube playlist and PDF covering installation, user onboarding, hygiene, and troubleshooting	Training material delivery	Client-1 Ops Lead
Data Logging	Logs: operator ID, time/date, jump counts, landing outcomes, canopy type, landing softness score	Data review in log format	Client-1 Technical Lead

Software Distribution	Compressed .RAR via secure Google Drive link; license key sent separately	Delivery record	VRTES Technical Lead
License Revocation	VRTES reserves the right to revoke the license for breach or non-payment	Contractual clause only	N/A

5. LICENSE MODEL

- VRTES retains all intellectual property and proprietary rights to the software.
 - Client-1 is granted a non-exclusive, non-transferable, revocable **annual license**, paid quarterly in advance.
 - If any quarterly payment is not received within 30 calendar days of the invoice date, the license is automatically revoked.
 - Client-1 will sublicense the software on a per-seat basis to third-party operators, who will receive a license to be used on a unique device.
 - Each third-party operator must sign a separate End-User License Agreement (EULA) with VRTES before installation.
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6. SUPPORT & MAINTENANCE

- VRTES provides software support via email with a 24-hour business day response window.
 - Software updates, patches, and performance improvements will be managed under a Statement of Work (SOW).
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7. FEES & PAYMENT TERMS

- Upon acceptance of the scope defined in this Statement of Work (SOW), VRTES will issue a separate written quote for development and licensing.
 - Initial development will be paid in half upon receipt of the order and half upon acceptance by Client-1.
 - Client-1's quarterly subscription fees are invoiced at the beginning of each quarter.
 - Quarterly payments must be received within 30 calendar days; failure to do so will result in the license being revoked without further notice.
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8. CHANGE MANAGEMENT

- Client-1 may request new or enhanced functionality.
 - Any such request will be scoped and priced separately in a new Statement of Work (SOW), which both parties will sign before commencement.
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9. DATA PRIVACY AND OWNERSHIP

- All operational data (e.g., jump metrics, usage logs) is accessible to Client-1 via VRTES.
 - VRTES owns all analytics models and processing tools.
 - Data is stored securely in an encrypted format with a 12-month retention period.
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10. INTELLECTUAL PROPERTY PROTECTION

- Client-1 may not copy, modify, reverse engineer, decompile, disassemble, or attempt to derive source code from the software.
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11. GOVERNING LAW AND JURISDICTION

- This agreement shall be governed by and construed under the laws of the State of New York.
 - Disputes shall be subject to the exclusive jurisdiction of the courts of New York.
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12. SIGNATURES

IN WITNESS WHEREOF, the undersigned have executed this Statement of Work as of the Effective Date.

For VRTES LLC

Name: _____

Title: _____

Signature: _____

Date: _____

For Client-1

Name: _____

Title: _____

Signature: _____

Date: _____