

STATE OF TEXAS §
 §
 COUNTY OF FORT BEND §

**ADDENDUM TO LIMITED USE
LICENSE AGREEMENT**

THIS ADDENDUM, entered into by and between Fort Bend County (hereinafter “County”), a body corporate and politic, acting herein by and through its Purchasing Agent according to Texas Local Government Code 262.011(d), and FileTrail, Inc. (hereinafter “FileTrail”).

THAT WHEREAS, the parties have executed and accepted that certain Limited Use License Agreement (hereinafter “Agreement”), attached hereto as Exhibit A, and incorporated by reference herein for all purposes; and,

WHEREAS, the following changes are incorporated as if a part of the original Agreement:

1. **Insurance:** Prior to commencement of the services, FileTrail shall furnish County with properly executed certificates of insurance which shall evidence all insurance required and provide that such insurance shall not be canceled, except on 30 days’ prior written notice to County. FileTrail shall provide certified copies of insurance endorsements and/or policies if requested by County. FileTrail shall maintain such insurance coverage from the time services commence until services are completed and provide replacement certificates, policies and/or endorsements for any such insurance expiring prior to completion of services. FileTrail shall obtain such insurance written on an Occurrence form from such companies having Bests rating of A/VII or better, licensed or approved to transact business in the State of Texas, and shall obtain such insurance of the following types and minimum limits:
 - a. Workers’ Compensation insurance in accordance with the laws of the State of Texas. Substitutes to genuine Workers’ Compensation Insurance will not be allowed.
 - b. Employers’ Liability insurance with limits of not less than \$1,000,000 per injury by accident, \$1,000,000 per injury by disease, and \$1,000,000 per bodily injury by disease.
 - c. Commercial general liability insurance with a limit of not less than \$1,000,000 each occurrence and \$2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.

- d. Business Automobile Liability insurance with a combined Bodily Injury/Property Damage limit of not less than \$1,000,000 each accident. The policy shall cover liability arising from the operation of licensed vehicles by policyholder.
- e. Professional Liability insurance with limits not less than \$1,000,000.

All Liability insurance policies (excluding Workers' Compensation and Professional Liability, if required) shall name County as an additional insured. Furthermore, the Workers Compensation and Liability Insurance carriers shall grant a waiver of subrogation in County's favor.

If required coverage is written on a claims-made basis, FileTrail warrants that any retroactive date applicable to coverage under the policy precedes the effective date of the contract; and that continuous coverage will be maintained or an extended discovery period will be exercised for a period of 2 years beginning from the time that work under the Agreement is completed.

- 2. **Indemnity.** FILETRAIL SHALL SAVE HARMLESS COUNTY FROM AND AGAINST ALL CLAIMS, LIABILITY, AND EXPENSES, INCLUDING REASONABLE ATTORNEYS FEES, ARISING FROM ACTIVITIES OF FILETRAIL, ITS AGENTS, SERVANTS OR EMPLOYEES, PERFORMED UNDER THIS AGREEMENT THAT RESULT FROM THE NEGLIGENT ACT, ERROR, OR OMISSION OF FILETRAIL OR ANY OF FILETRAIL'S AGENTS, SERVANTS OR EMPLOYEES.
- 3. **Attorney's Fees.** County does not agree to pay any and/or all attorney fees incurred by FileTrail, in any way associated with this agreement.
- 4. **Independent Contractor.** In the performance of work or services hereunder, FileTrail shall be deemed an independent contractor, and any of its agents, employees, officers, or volunteers performing work required hereunder shall be deemed solely as employees of FileTrail or, where permitted, of its subcontractors. FileTrail and its agents, employees, officers, or volunteers shall not, by performing work pursuant to this Agreement, be deemed to be employees, agents, or servants of County and shall not be entitled to any of the privileges or benefits of County employment.
- 5. **Reimbursables.** All travel reimbursements are subject to the Fort Bend County Travel Reimbursement Requirements for Fort Bend County Vendors.

6. **Applicable Law.** This Agreement shall be construed under and in accordance with the laws of the State of Texas. The parties hereto acknowledge that venue is proper in Fort Bend County, Texas, for all disputes arising hereunder and waive the right to sue or be sued elsewhere.
7. The Agreement is effective as of the date of execution by the last party.

Fort Bend County

By: _____

Robert Hebert, County Judge

Date: _____

2-2-10

ATTEST:

Dianne Wilson

Dianne Wilson, County Clerk
Fort Bend County

FileTrail, Inc.

By: _____

Authorized Agent- Signature

Darrell Mervau

Authorized Agent- Printed Name

Title: _____

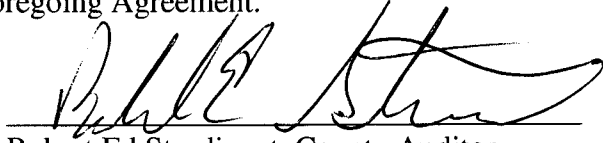
Vice President

Date: _____

1-25-2010

AUDITOR'S CERTIFICATE

I hereby certify that funds in the amount of \$ 35,720.⁰⁰ are available to pay the obligation of Fort Bend County within the foregoing Agreement.

A handwritten signature in black ink, appearing to read "Robert Ed Sturdivant", written over a horizontal line.

Robert Ed Sturdivant, County Auditor

EXHIBIT A

Limited Use License Agreement

This Limited Use License Agreement (the "Agreement") is effective as of _____ (the "Effective Date"), by and between FileTrail, Inc., with its principal office at 111 North Market Street, Suite 715, San Jose, CA 95113-1108 ("FileTrail") and Fort Bend County Texas ("Client").

1. LICENSE

(a) In consideration of the payment of the initial license fee (the "Initial License Fee") for the products as set forth in Exhibit A attached hereto and the FileTrail databases (all collectively referred to as the "Programs") and the Annual Renewal Fee (as defined herein and collectively with the Initial License Fee, the "Fees"), subject to the terms and conditions of this Agreement, FileTrail hereby grants to Client a non-transferable, non-exclusive, limited license to use the Programs as set forth in Section 2 below in object code only solely for Client's internal business purposes (the "License"). The License allows the Programs to be used for the benefit of Client, and the Programs may be used by and disclosed to employees and contractors of Client. Client shall remain fully responsible to FileTrail for compliance by such employees and contractors with the terms of this Agreement. For this purpose, "Client" includes Client and its Affiliates, and an "Affiliate" is any entity that directly, or indirectly through one or more intermediaries, is controlled by Client, where the term "control" means the ownership of more than fifty percent (50%) of the voting stock of an organization.

(b) Client, its employees and its contractors will not make copies of or distribute the Programs for any reason, other than one (1) copy per server from which the Programs can be accessed, one (1) copy for backup and archival purposes, one (1) copy for training purposes, and one (1) copy for testing purposes. Any such copies must retain all original copyright and proprietary rights notices. Client, its employees and its contractors will not disclose or distribute the Programs or any copies made in accordance with this Agreement to any third party except in connection with a backup or disaster recovery program.

(c) Client, its employees and its contractors may not alter, merge, modify, translate, reverse engineer, disassemble, adapt or in any other way derive any source code from the Programs. Notwithstanding the foregoing, modifications made through normal use of the Programs and any modifications required to incorporate the Programs into Client's systems are permitted however, all modifications shall be deemed a part of the Programs and subject to all the terms and conditions of this Agreement.

(d) Client shall fully comply with all applicable governmental regulations and laws in effect during the term of this Agreement, including without limitation, compliance with all export controls on the export of the Programs (including without limitation any intellectual property embodied therein).

2. NUMBER OF LICENSES

Client is licensed to utilize the Programs in conjunction with one (1) copy of the FileTrail databases (collectively, the "Database"). Client may access the Database through use

of the Programs by any number of Users, subject to the licensing and other restrictions and limitations as set forth in this Agreement and any Exhibits attached hereto. For the purposes of this Agreement and the Exhibits, the following terms shall have the following meanings:

- (a) "Concurrent Access Licenses" or "CAL" or "CALs" means the number of User Sessions active in the Programs at one time.
- (b) "Users" means the Client, its employees, its contractors or other persons who can access the Programs.
- (c) "Sessions" means distinct sessions as defined and managed by Microsoft IIS.

3. SUPPORT AND UPGRADES

FileTrail shall provide Client with support and upgrades for the Programs as described in Exhibit B attached hereto. Support inquiries received via telephone or website will be acknowledged within two (2) hours. All web submitted support inquiries and those telephone support inquiries not solved during the initial call shall be processed according to the following priority levels:

- (a) Critical – The issue has stopped or severely impaired the functionality of the Programs. These issues are assigned top priority for resolution and receive FileTrail's immediate attention.
- (b) Medium – The issue has limited the functionality of the Programs, although a temporary workaround is available.
- (c) Low - The issue is considered an inconvenience. FileTrail will use best efforts to correct the issue in a reasonable period of time after becoming aware of such issue, which may include a future release.

4. INTELLECTUAL PROPERTY

All right, title and interest in and to the Programs and related documentation including, but not limited to object code, source code, script, programming code, data, information, and any trade secrets, know-how, methodologies, and processes and all copyrights, trademarks, patents, trade secrets and any other proprietary rights inherent therein and appurtenant thereto shall remain the sole property of FileTrail, except as licensed to Client under this Agreement. FileTrail shall also be the sole owner of all modifications, improvements, derivative works (including, but not limited to, modifications, improvements and derivative works resulting from suggestions or ideas offered by, or resulting from discussions with Client) and deleted materials relating to the Program. Client agrees to assign or cause to be assigned to FileTrail any and all modifications, improvements, derivative works and deleted materials.

5. LICENSE RESTRICTIONS; ASSIGNMENT

Client may not transfer, assign, pledge, loan, rent, lease, sublicense, time-share the Programs or related documentation to another person or entity provided, however, that Client may assign this Agreement to any Affiliate upon written notice to, but without the consent of, FileTrail. Any unauthorized attempt to transfer this Agreement, the Programs or the License may result in the automatic termination of this Agreement and

the License in accordance with Section 10. Any attempted assignment or delegation in contravention of the above provisions shall be void and ineffective. This Agreement may be assigned by FileTrail to any Affiliate or third party upon written notice to, but without the consent of, Client.

6. LIMITATION OF LIABILITY

IN NO EVENT SHALL (1) FILETRAIL BE LIABLE TO CLIENT FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES (INCLUDING BUT NOT LIMITED TO, DAMAGES FOR LOSS OF BUSINESS PROFITS, LOSS OF GOOD WILL, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, OR THE LIKE) ARISING OUT OF THE USE OR INABILITY TO USE THE PROGRAMS OR TERMINATION OF THIS AGREEMENT AS DESCRIBED IN SECTION 10 AND (2) FILETRAIL'S LIABILITY ARISING FROM CLIENT'S USE OR INABILITY TO USE THE PROGRAMS OR ARISING UNDER THIS AGREEMENT EXCEED THE AGGREGATE AMOUNTS PAID BY CLIENT TO FILETRAIL UNDER THIS AGREEMENT.

7. LIMITED WARRANTY AND DISCLAIMER

FileTrail warrants that for a period of ninety (90) days following the shipment of the Programs to Client, the Programs will operate materially in compliance with the description set forth in the documentation accompanying the Programs. A warranty claim must be reported to File Trail in writing within 90 days following the shipment of the Programs to Client and FileTrail shall use reasonable efforts to remedy the problem.

EXCEPT AS PROVIDED BY THIS SECTION 7, THE PROGRAMS AND RELATED DOCUMENTS ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND AGAINST INFRINGEMENT. FILETRAIL DOES NOT WARRANT THAT THE PROGRAMS WILL MEET ANY REQUIREMENTS OR THAT THE OPERATION OF PROGRAMS WILL BE UNINTERRUPTED OR ERROR FREE. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY FILETRAIL OR A FILETRAIL AUTHORIZED REPRESENTATIVE SHALL CREATE A WARRANTY.

8. TERM OF LICENSE; FEES

Unless this Agreement is terminated earlier in accordance with Section 10, the initial term of this Agreement commences on the Effective Date of this Agreement and shall expire at midnight (local server time) on the first anniversary of the first day of end-user training (annually thereafter, the "Due Date"). The first day of the end-user training shall be determined by FileTrail which shall be final and conclusive. This Agreement may be automatically renewed for additional consecutive one year periods by Client's payment to FileTrail of the annual renewal fee (the "Annual Renewal Fee") prior to the Due Date. FileTrail will invoice Client for the Annual Renewal Fee at least sixty (60) days prior to the Due Date. In the case of nonpayment of the Annual Renewal Fee prior to the Due Date, the Programs will discontinue operation on the Due Date and this Agreement and the License will expire on the Due Date. If this Agreement has expired due to the non-payment of the Annual Renewal Fee, and the Client desires to use the Programs thereafter, FileTrail may in its sole discretion reinstate this Agreement and the License

upon the payment of the Annual Renewal Fee plus a reinstatement fee not to exceed \$250.00 (the "Reinstatement Fee"). Upon the Client's request FileTrail shall waive the Reinstatement Fee for the first reinstatement of this Agreement. FileTrail may only increase the Annual Renewal Fee (1) to the extent of an increase in the consumer price index (CPI) in any one year and (2) to reflect additions to the License in the event that Client agrees to license additional licensed programs or license quantities.

9. LATE PAYMENT

If FileTrail has not received full payment of the amounts due under this Agreement within thirty (30) days of the Due Date, Client agrees to pay FileTrail interest on the past due amounts, on demand, equal to the lesser of (a) one percent (1%) of the total outstanding balance per month, or (b) the highest rate permitted by applicable law. Interest will accrue from the Due Date on a daily basis until payment of all outstanding amounts is made in full. If FileTrail commences any legal proceeding for the collection of amounts due under this Agreement, Client shall pay for FileTrail attorneys' fees and collection costs. If Client disputes all or any portion of an invoice it must provide FileTrail a written notice prior to the due date of the applicable invoice. Such notice shall contain a detailed description of the item(s) in dispute, dollar amount(s) allocable to the disputed item(s) and the reason that Client is disputing the item. Client's failure to submit a notice timely and in accordance with this Section 9 shall constitute a waiver of the Client's right to dispute the applicable invoice.

10. TERMINATION

(a) Client may terminate this Agreement at any time upon written notice to FileTrail. Upon termination of this Agreement by Client, the Programs will cease to function on the annual Due Date for which payment was last received. Client shall not be entitled to a refund of any Fees.

(b) This Agreement may be terminated by FileTrail upon thirty (30) days' prior written notice to Client if Client is in breach of any of its material obligations hereunder, including but not limited to payment of Fees, and such breach is not remedied within such thirty (30) day period. Notwithstanding the foregoing, FileTrail may terminate this Agreement and the License immediately, upon written notice to the Client due to a breach by the Client of Sections 1, 5 or 11. Client shall not be entitled to a refund of any Fees if FileTrail terminates this Agreement as provided for in this Section 10(b).

(c) Upon the expiration of this Agreement or the termination of this Agreement by FileTrail in accordance with Section 10(b), Client shall cease using the Programs and Client will at FileTrail's request, return, delete, or destroy all original and copies of the Programs and related documentation in its possession or control.

11. CONFIDENTIALITY

(a) Each party's Confidential Information (defined below) shall: (i) be used by the other party solely for the limited purpose of performing or receiving the contemplated benefits under this Agreement; (ii) be held in confidence by the other party; and (iii) not be disclosed except by the receiving party to its employees, agents, and contractors having

a need-to-know and who have been advised by of the requirements of this Section 11 and have agreed to be bound by the provisions hereof.

(b) For purposes of this Agreement, "Confidential Information" means material, data, systems, and other information of or relating to either party or any of its affiliates, clients or customers which may not be accessible or known to the general public, including information concerning its or their customers and clients, business plans or opportunities, business strategies, finances, or employees and third-party proprietary or confidential information that the disclosing party or an affiliate of it treats as confidential. Confidential Information shall not include any information that (i) has entered or subsequently enters the public domain without a breach of any obligation under this Agreement; (ii) was known to the other party prior to the disclosure of such information; (iii) is obtained from a third party without violation of an obligation of nondisclosure and without restrictions on its disclosure; or (iv) is independently developed by the receiving party without reference to or reliance on the Confidential Information received pursuant to this Agreement.

(c) The obligations set forth in this Section 11 shall not apply to Confidential Information required to be disclosed under administrative or court order, or in an arbitration or litigation arising out of a dispute between the parties or their successors or assigns. If a party is legally required to disclose any Confidential Information, that party shall, to the extent allowed and practicable, provide the other party prompt notice of such requirement so that the other party may seek a protective order or other appropriate remedy.

12. NOTICES

All notices or other communications required or permitted under this Agreement shall be in writing and shall be delivered by personal delivery, registered mail return receipt requested, a "Next Day" delivery service requiring signature, or by electronic means, addressed as indicated on the signature page of this Agreement. Notices shall be deemed given on the date received or on the date delivery if refused.

13. GENERAL

Except as otherwise specified herein, neither this Agreement, nor any portion hereof, may be modified, amended or waived unless mutually agreed upon in writing by both parties. The failure of either party at any time to enforce any right or remedy available to it under this Agreement or otherwise with respect to any breach or failure by the other party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other party. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. If any of the provisions of this Agreement shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of each party shall be construed and enforced accordingly. The construction, interpretation and performance of this Agreement shall be governed by the laws of the State of California excluding its choice of laws rules and excluding the Convention for the International Sale of Goods. Each party submits to the exclusive

jurisdiction of the courts of Santa Clara County, California. The headings of the several Sections are inserted for convenience only and are not intended to affect the meaning or interpretation of this Agreement. This Agreement shall constitute the full, complete and entire Agreement between the parties with respect to the subject matter of this Agreement. The provisions of this Agreement supersede all prior or contemporaneous, oral or written, quotations, communications, agreements, and understandings of the parties with respect to the subject matter of this Agreement.

14. SURVIVAL

The parties' rights and obligations under the following provisions shall survive any termination or expiration of this Agreement: Intellectual Property (Section 4), Limitation of Liability (Section 6), Limited Warranty (Section 7) and Confidentiality (Section 11).

15. FORCE MAJURE

Notwithstanding anything to the contrary in this Agreement (including its Exhibits), neither party shall be deemed to be in default of or to have breached any provision of this Agreement as a result of any delay, failure in performance or interruption of service, resulting directly or indirectly from: (a) acts of God; (b) natural disasters; (c) acts of war, insurrection or terrorism; (d) strikes or lockouts; or (e) unauthorized network or computer intrusion, or Internet- or computer-related viruses, hacker attacks or other agents introduced by a third party, failure of the Internet, so long as any of the foregoing were not a result of the negligence of a party.

16. ACCEPTANCE

The undersigned acknowledge this license agreement and by signing below affirms that they are authorized to sign this license by their organization. By signing below you also acknowledge that you have read and understand the Terms & Conditions and Pricing sections in Exhibit B.

For FileTrail

Signature _____

Printed Name _____

Title and Date _____

For Client

Signature _____

Printed Name _____

Title and Date _____

17. MARKETING ACCOUNT

FileTrail provides a special discount (detailed in Exhibit B) for clients who elect to be a Marketing Account. By electing to accept the Marketing Account discount, Client agrees to provide quotes and authorizes FileTrail to write and publish a Case Study about Client's use of FileTrail products and services. Client will provide a quote at the time on contracting on why they selected FileTrail or their reflections on the process of evaluating FileTrail. Up to three staff may be interviewed to gain insights and quotes for use in the Case Study. Client will be provided thirty days to reject materially-incorrect

statements or content which reveals competitive trade secrets or confidential information prior to finalization of the Case Study.

Examples of the quality of materials produced about other Marketing Account clients can be reviewed at:

- Article from RFIDJournal.com:
<http://www.rfidjournal.com/article/articleview/2582/1/1/>
- Case Studies:
http://www.filetrail.com/WS_Clients/stories.asp
- Abgenix Quote:
http://www.filetrail.com/WS_Clients/Quotes.asp#ID79

FileTrail provides a special discount for clients who elect to be a Marketing Account. By electing to accept the Marketing Account discount, Client agrees to provide quotes and authorizes FileTrail to write and publish a Case Study about Client's use of FileTrail products and services. Client will provide a quote at the time on contracting on why they selected FileTrail or their reflections on the process of evaluating FileTrail, and additional quotes later for use in the Case Study. Client will be provided thirty days to reject materially-incorrect statements or content which reveals competitive trade secrets or confidential information for the Case Study.

Election By Client

Initials _____

Exhibit A - Support

1. PROGRAMS

FileTrail, Inc. licenses and provides support and upgrades for the Programs. Licensing, support and upgrades are included as a part of the Fees.

2. SUPPORT

Support of these products is provided between 8:00 AM EST to 5:00 PM PST, Monday through Friday, except for US holidays. Support can be obtained by calling the Support number 800 310-0299 or using the Support email address ftsupport@filetrail.com (or as may appear revised on the FileTrail website (<http://www.filetrail.com>)).

Support includes:

- End-user issues such as 'How do I...' questions.
- Administrative-user issues such as 'How do I...' questions.
- Resolution of technical issues and programming bugs not caused by client.

FileTrail may charge standard published rates for any services requested by Client that are outside the scope of Support. Support does not include:

- Consultative questions that involve analysis of, or judgment on product configuration, implementation changes, configuration changes, import or conversion of additional data, or similar services.
- Changes to features nor functionality of the licensed Programs.
- Resolution of internal technology infrastructure issues.
- Installation, upgrading, configuration, analysis nor advice on third party products, including but not limited to: MS Access, MS SQL Server, Oracle, MS IE, Netscape, printers, scanners, or other products not sold by FileTrail, Inc.

In some cases, support may require the customer to provide FileTrail with Client's copies of the Database. All such materials will be handled in accordance with the confidentiality provisions of the Agreement.

FileTrail requires that one or two named contacts act as a central point of contact for all customer support issues.

3. UPGRADES

Software Upgrades include the following:

- Software Upgrades via web site or email
- Software Patches via web site or email.

Software Upgrades **do not include** the following:

- Additional Named Software
- Additional Concurrent Access Licenses
- Additional Third-Party Software

Exhibit B - FileTrail Products & Services

Project

OVERVIEW

Your FileTrail project incorporates items needed to implement a solution, including software, FileTrail configuration, bar code scanners and training, on an IIS Server utilizing an MS Access or MS SQL Server database. Additional items may optimize the solution to your specific situation. Implementation in more than one file room with separate requirements may incur additional charges for configuration.

Standard FileTrail Packages do not include data conversion, initial loading of data, color coded labeling, portable bar code scanners, additional configuration, technical support for servers and 3rd party software, filing system analysis nor consulting services, other than that explicitly detailed in the sections below.

This pricing expires sixty days from the date of this document. Quoted prices and rates may change without notice, but are guaranteed up to expiration of this document. Technical support for servers and 3rd party software will be invoiced at the standard hourly rate of \$150 per hour.

TERMS & CONDITIONS

- The project will be invoiced on approval as follows: 50% in advance, paid with delivery of a signed copy of this document. Another 25% will be invoiced on delivery of software and configured FileTrail database, with the final 25% invoiced on completion of training. Payments are due thirty days from date of invoice.
- Clients canceling or postponing on-site activities on notice shorter than 14 calendar days prior to the start of travel will be responsible for 25% of the fees for the previously scheduled training, but no less than \$2,000, plus any incidental expenses incurred as a direct result of cancellation or rescheduling.
- Client will reimburse FileTrail for all reasonable expenses (including airfare, car rental, hotel, meals, parking, etc.) incurred during on-site activities. Payments are due thirty days from date of invoice.
- Annual fees as quoted include licensing, telephone support, all upgrades, and all patches.
- IMPORTING DATA, MIGRATING LEGACY DATA, DATA CLEANUP AND OTHER DATA-RELATED SERVICES ARE NOT INCLUDED UNLESS EXPLICITLY QUOTED IN THE PRICING SECTION. All data migration services

require a full copy of data prior to quote; all other data-related services require a sample of data and estimate of volume prior to quote.

- Additional products or services requested by the Client will be provided at standard rates.
- FileTrail is not responsible for making changes, nor any vendor fees for making changes, to the designs of color coded labels in any product other than FTColorLabels purchased from FileTrail. All design changes or vendor fees for design changes in any other product that prints color coded labels are solely the Client's responsibility.
- For Installations that involve FTSynchronize, Client will provide data in a delimited-text format as specified by FileTrail.
- For Installations that involve Calendar Management, Client will provide data in a delimited-text format as specified by FileTrail.
- For RFID Installations that involve Passive Tracking:
 - Implementations using 10 or more ZonePorts must use a database server that meets our mid-level server specifications; Implementations using 40 or more ZonePorts must use a database server that meets our high-level server specifications;
 - Client will provide after-hours or weekend access by FileTrail staff for installation of hardware, if requested.
 - Client will provide a user account with sufficient access at PC workstations to allow installation of Microsoft .NET, .NET applications, Windows Fonts, and Java Runtime Edition (JRE) on PC workstations requiring it.
 - Client will provide one staff member to work with FileTrail installer(s) during RFID installation. This should be someone who is authorized to, or has quick access to persons to make snap decisions about installation. This is also an opportunity for local staff to learn about placement of hardware, configuration of RF-Enterprise, and troubleshooting.
 - Client will accommodate gotomeeting.com or provide a WebEx account for remote access to the application server and database server during times of installation, server support and trouble-shooting.
 - Client is responsible to provide, or pay for installation of electrical power sources and Ethernet drops needed for ethernet-based RFID hardware. These resources must be in place and tested prior to FileTrail's arrival on-site for installation of RFID hardware. FileTrail will charge standard rates for staff while on-site waiting for these to be provided correctly.
 - When ZoneTrackers are placed above a drop-ceiling they are usually placed directly on the ceiling tile – they do not generate heat and are light-weight. If client wants ZoneTracker mounted or attached, client is responsible to provide mounting components – additional labor charges may apply.

- When cabling is run above a drop-ceiling for ZoneTrackers it is laid directly on the ceiling. If client requires that these be secured above the ceiling tiles, client is responsible to provide installed materials for securing the cables.
- When cabling is run along a wall for ZoneTrackers it is placed directly on the wall surface. If client desires these cables to be run inside the wall, client is responsible to have lines run and ready for FileTrail to use.
- Client is responsible to provide surge protectors for ZonePorts. This is recommended if the electrical system is not well-behaved, as hardware warranties do not cover damage caused by the electrical system.
- For any RFID Installation, Client should notify FileTrail of the presence of any systems listed below at the time of contracting. FileTrail will test for interference during the Site Survey. Client is responsible for replacement of any such systems.
 - RFID will interfere with wireless duress systems which do not meet current FCC requirements and which operate in the local frequencies used by RFID (902 – 928 MHz in the US, 865 – 867 MHz in Europe). Clients with duress systems using the Innovonics FA receiver will need to upgrade to an Innovonics Echostream system.
 - RFID may interfere with older telephone handsets and poorly shielded wireless headsets.
 - RFID may interfere with older PA systems or poorly-shielded speakers.
- For RFID Installations, the RFID equipment will be installed in recommended areas where it will be used as specified in the license. The placement of equipment will need to be approved by an authorized Client representative. FileTrail will charge for the additional time if equipment needs to be moved after the initial installation for any reason, including aesthetics, staff relocation, change of furniture, other change order, etc.
- For RFID Installations, the RFID equipment is covered by manufacturer warranty. FileTrail will ship a replacement during warranty period. Client will be responsible for replacement of RFID equipment that is out of warranty or damaged by the electrical system.

SOLUTION SERVICE PROGRAM

The Solution Service Program (SSP) includes end-user support, technical support, software licensing, software upgrades and software patches. Annual fees for the SSP are due annually on the anniversary of the first day of end-user training.

The objective of the SSP are to ensure that every client is efficiently using their FileTrail solution and has full access to the latest features and capabilities. As part of this objective FileTrail implements many enhancements and cosmetic changes from customer feedback.

Support is provided from 8AM to 8PM Eastern, Monday through Friday, excluding holidays. Support may be contacted by phone at 800-310-0299 or email at ftsupport@filetrail.com. Our service goals are to respond to every issue within two hours. The majority of questions or issues are resolved in the initial contact.

Weekend and after-hours support is available by appointment at no extra charge. Clients are encouraged to provide advance notification whenever large changes are planned in the IT environment that may impact the server(s) involving the FileTrail application or database.

The SSP costs are detailed in the pricing section in the **Annual** column.

PRICING

FOUNDATION SOFTWARE

FileTrail automates file tracking and records management, streamlining processes from creation through archiving and destruction. Our intuitive interface ensures high user adoption as all staff gain access at their desks to see what exists and where it is, and quickly request from the central file room or archives.

Data can be automatically imported periodically using FTSynchronize to eliminate data entry and trigger labeling and assembly of new case folders. FileTrail's nested tracking capabilities simplifies tracking of individual folders and helps staff re-file folders into the correct shelves.

Please indicate your selection below by checking the box to the left of one Package.

	<u>Initial</u>	<u>Annual</u>
<input type="checkbox"/> Package C	\$ 13,600	\$ 2,950

This Package Includes:

- Five CAL FileTrail Professional
- Two direct-connect laser bar code scanner
- Our three-round configuration process (up to 5 fieldsets)
- Two days (16 hours) of on-site training

RFID FOUNDATION

RFID begins with automation of file room processes and use of a portable reader for audits and detecting critical files.

	<u>Initial</u>	<u>Annual</u>
2, RF-DeskTracker (\$1,295 each, \$120 annual)	\$2,590	\$ 240

DeskTrackers are for the desks of those who will do check-in and check-out or for self-serve check-out stations. Includes RF-Desktop software license.

Please enter quantities of each connection type needed:

___ USB ___ Serial

2, RF-MobileTracker (\$5,995 each, \$800 annual)	\$ 11,990	\$ 800
---	-----------	--------

RF-Mobile portable tracking allows a handheld RFID tracker to be used remotely to record tracking movement, conduct audits, or find missing files.

RFID PASSIVE TRACKING

FileTrail Gen 2 RFID automates file tracking by creating a passive tracking environment.

	<u>Initial</u>	<u>Annual</u>
RF-Enterprise License (\$12,800 per server, \$2,100 annual)	\$	\$
RF-Enterprise middleware manages communication with RFID devices and applies the data to the database without requiring any active user participation. Licensed for two RFID Quotros.		
Site Survey	\$	tbd

Check-In Table

{describe placement/usage here}

RF-ZonePort Duo (each 1,895, 100 annual)	\$	\$
The Duo contains ZonePort and ZoneTracker functionality, and can support an additional ZoneTracker connected with a light coax cable up to 40-foot long. ZonePorts connect to Ethernet and filter data to reduce network traffic. Client will provide a standard power outlet and Ethernet connection for each. Includes RF-Zoneware license.		
RF-ZoneTracker (each 295)	\$	
One ZoneTracker may be added to each ZonePort Duo via a light coax cable up to 40-foot long, to increase the area of coverage.		

Passive Tracking

{describe placement/usage here}

RF-ZonePort Quatro (each 2,995, 200 annual)	\$	\$
The Quatro contains ZonePort functionality with four ports supporting ZoneTrackers connected with light coax cable up to 40-foot long. ZonePorts connect to Ethernet and filter data to reduce network traffic. Client will provide a standard power outlet and Ethernet connection for each. Includes RF-Zoneware license.		
RF-ZonePort Duo (each 1,895, 100 annual)	\$	\$
The Duo contains ZonePort and ZoneTracker functionality, and can support an additional		

ZoneTracker connected with a light coax cable up to 40-foot long. ZonePorts connect to Ethernet and filter data to reduce network traffic. Client will provide a standard power outlet and Ethernet connection for each. Includes RF-Zoneware license.

_, **RF-ZoneTracker** (each 295) \$

One ZoneTracker may be added to each ZonePort Duo or up to four ZoneTrackers may be added to each ZonePort Quatro via a light coax cable up to 40-foot long.

INSTALLATION

FileTrail works with your technical staff to ensure that installation of hardware and software goes smoothly. Please review the points in Terms & Conditions that relate to RFID.

	<u>Initial</u>
Remote Installation of FileTrail (\$400)	\$ N/C

ADDITIONAL ITEMS

	<u>Initial</u>	<u>Annual</u>
Optional Software		
FTSynchronize (\$2,500 initial, \$500 annual)	\$ 2,500	\$ 500
FTColorLabel with 1 design (\$500 initial, \$300 annual)	\$	\$
_, Additional FTColorLabel label design (\$300 each)	\$	
_, Additional 3 CALs (\$5,800 initial, \$1,950 annual)	\$	\$
_, Additional 5 CALs (\$7,500 initial, \$2,950 annual)	\$	\$
_, Additional 10 CALs (\$12,800 initial, \$3,950 annual)	\$	\$

Services

Configuration/Implementation of FTSynchronize (\$1,600)	\$ 1,600
Data Loading (requires review of full copy of data)	\$ N/C

Supplies

_, Color Coding Labels (\$180 / 1,000)	\$
_, Color Coding Labels (\$1,600 / 10,000)	\$
1, RF-TrackingTags (\$4,800 / 12,000)	\$ 4,800

_, RF-TrackingTags (\$19,000 / 50,000)	\$
_, RF-TrackingTags (\$35,000 / 100,000)	\$
_, RF-TrackingTags (\$150,000 / 500,000)	\$

Standard rates for professional services are \$150 per hour, development services are \$200 per hour.

Expected expenses for training include air fare from San Jose, California, Hotel, Car Rental and Meals.

Expected expenses for installation include air fare from California or Maryland, Hotel, Car Rental and Meals for two staff.

This pricing is good for sixty days from the date of this document. Prices may change without notice, but are guaranteed up to expiration of this document. All prices are provided in US Dollars (USD).

MARKETING ACCOUNT

	<u>Initial</u>	<u>Annual</u>
Marketing Account Discount	\$-1,360	\$

PROJECT COST SUMMARY

	<u>Initial</u>	<u>Annual</u>
Foundation Software	\$13,600	\$ 2,590
RFID Foundation	\$14,580	\$ 1,040
RFID Passive Tracking	\$	\$
Installation	\$N/C	
Additional Items	\$8,900	\$ 500
Less: Marketing Account Discount	\$ -1,360	\$
Final Project Totals	\$35,720	\$ 4,130



CERTIFICATE OF LIABILITY INSURANCE

OP ID RC
FILET-1

DATE (MM/DD/YYYY)

01/28/10

PRODUCER Walton & Associates Insurance Atlantic-Pacific Brokers, Inc. 3150 Almaden Expwy Suite 102 San Jose CA 95118 Phone: 408-265-2800 Fax: 408-265-9174	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
INSURED File Trail Inc. Darrell Mervau 111 N. Market St. #715 San Jose CA 95113	<table border="1"><tr><th>INSURERS AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td>INSURER A: Hartford Casualty Insurance Co</td><td></td></tr><tr><td>INSURER B:</td><td></td></tr><tr><td>INSURER C:</td><td></td></tr><tr><td>INSURER D:</td><td></td></tr><tr><td>INSURER E:</td><td></td></tr></table>	INSURERS AFFORDING COVERAGE	NAIC #	INSURER A: Hartford Casualty Insurance Co		INSURER B:		INSURER C:		INSURER D:		INSURER E:	
INSURERS AFFORDING COVERAGE	NAIC #												
INSURER A: Hartford Casualty Insurance Co													
INSURER B:													
INSURER C:													
INSURER D:													
INSURER E:													

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY	57SBAAW4752	07/16/09	07/16/10	EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 10,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMP/OP AGG	\$ 2,000,000
					GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	
A A	AUTOMOBILE LIABILITY	57SBAAW4752 57SBAAW4752	07/16/09 07/16/09	07/16/10 07/16/10	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
	<input checked="" type="checkbox"/> HIRED AUTOS					
<input checked="" type="checkbox"/> NON-OWNED AUTOS						
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC	\$
	<input type="checkbox"/>				AUTO ONLY: AGG	\$
	EXCESS / UMBRELLA LIABILITY				EACH OCCURRENCE	\$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$
	<input type="checkbox"/>					\$
	DEDUCTIBLE					\$
	RETENTION \$					\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	57WBCNQ1154	07/12/09	07/12/10	WC STATU-TORY LIMITS	OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below					
	E.L. EACH ACCIDENT				\$ 1,000,000	
	E.L. DISEASE - EA EMPLOYEE				\$ 1,000,000	
	OTHER				E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
A	Employee Dishonest	57SBAAW4752	07/16/09	07/16/10	\$500 Ded	\$100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

* 10 Days written notice for Non-Pay Cancellation

CERTIFICATE HOLDER

Fort Bend County Texas 4520 Reading Road Rosenberg TX 77471	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30*</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
---	---

ACORD 25 (2009/01)

© 1988-2009 ACORD CORPORATION. All rights reserved.

The ACORD name and logo are registered marks of ACORD

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.