

THE STATE OF TEXAS §
 §
 COUNTY OF FORT BEND §

ASSIGNMENT

THIS AGREEMENT is made and entered into by and between Fort Bend County (hereinafter "Assignor"), a body corporate and politic under the laws of the State of Texas, and City of Rosenberg (hereinafter "Assignee").

WITNESSETH

WHEREAS, Assignor purchased one Ruggedized Printrak unit and one Printrak Hand Held unit (hereinafter "Units") under the Master Agreement between Harris County and MorphoTrak, Inc., as amended, (hereinafter "Master Agreement"), attached hereto as Exhibit A, on September 28, 2010;

WHEREAS, Assignee is a member of the Houston UASI Region that desires to obtain the Units, subject to the requirements of the Master Agreement; and

WHEREAS, Assignor and Assignee have executed a Governor's Division of Emergency Management State Administrative Agency Homeland Security Grant Program Property Transfer Record Agreement, attached hereto as Exhibit B and incorporated herein by reference for all purposes, for the Units;

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, the parties agree as follows:

AGREEMENT

A. Assignor assigns to Assignee all of Assignor's interest in the Units purchased under the Master Agreement.

B. Assignee assumes all responsibilities under the Master Agreement related to the Units. Assignee is not responsible for the one-time, up front purchase price of thirty-five thousand two hundred and fifty dollars and no/100 (\$35,250.00) for the Units.

D. Assignee agrees to be bound by all terms of the Master Agreement with regards to the Units and shall indemnify, defend, and hold Assignor harmless from any loss, attorney's fees, expenses, or claims resulting from Assignee's breach of the terms of the Master Agreement or the attached Governor's Division of Emergency Management State Administrative Agency Homeland Security Grant Program Property Transfer Record Agreement.

E. Assignee agrees that all written notices, demands, and other papers or documents to be delivered to Assignee under the Assignment and/or the Master Agreement shall be delivered to Rosenberg Police Department, 2120 Fourth St. Rosenberg, Texas 77471, Attention: Sergeant Richard Hooper or such other place or places as Assignee may designate by written notice delivered to MorphoTrak, Inc.

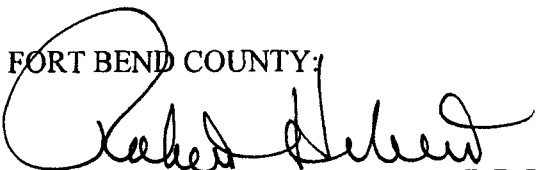
F. Assignee acknowledges that Assignor's initial purchase of the Units involved the use of Homeland Security Grant Program funds. As such, Assignee agrees to use the Units identified in this Assignment solely to provide law enforcement and emergency response communities with enhanced capabilities for detecting, deterring, disrupting, preventing, and responding to potential threats of manmade, natural disasters and acts of terrorism as described in the federal program guidelines, specifically: planning, equipment, training and exercise needs.

G. Assignee represents and warrants to Assignor that Assignee has the requisite authority to enter into the Master Agreement, the Governor's Division of Emergency Management State Administrative Agency Homeland Security Grant Program Property Transfer Record Agreement, and Assignment.

H. Assignor and Assignee bind themselves and their successors, executors, administrators and assigns to the other party of this Assignment and to the successors, executors, administrators and assigns of the other party, in respect to all covenants of this Assignment.

IN WITNESS HEREOF, Assignor and Assignee intending to be bound as of the date of the last signatory hereto execute this Assignment by their duly authorized representatives.

FORT BEND COUNTY:



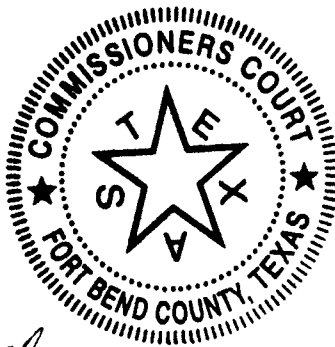
County Judge

1-11-2011
Date

ATTEST:



Dianne Wilson, County Clerk



CITY OF ROSENBERG:



Authorized Agent- Signature

October 20, 2010
Date

Jack Hamlett

Authorized Agent- Printed Name

City Manager

Authorized Agent- Title

EXHIBIT A



**Kelly E. Johnson, C.P.M., C.P.C.M.
Harris County Purchasing Agent**

July 20, 2010

Commissioners Court
Harris County, Texas

RE: Job No. 10/0024

Vote of the Court:	Yes	No	Abstain
Judge Emmett	☒	☐	☐
Comm. Lee	☒	☐	☐
Comm. Garcia	☒	☐	☐
Comm. Radack	☒	☐	☐
Comm. Eversole	☒	☐	☐

Members of Commissioners Court:

Please approve the attached Order authorizing the County Judge to execute the attached First Amendment to the Agreement for the following:

Description: Automated Fingerprint Identification System Technology Update for the Harris County Sheriff's Office

Vendor: MorphoTrak, Inc.

Amount: \$ 543,695 additional funds for the term 4/27/10 - 4/26/11
1,970,000 previously approved funds for the term 4/27/10 - 4/26/11
\$ 2,513,695

Reviewed by: X Sheriff's Office X Harris County Purchasing

The First Amendment updates the Best and Final Offer to include BioSP, a mobile interface, a mobile upgrade and provides for additional payment. A purchase order will be issued upon Commissioners Court approval.

Sincerely,


 Kelly E. Johnson
 Purchasing Agent *ry*

JK PAK/jig
 Attachments
 cc: Sheriff's Office
 Vendor

Presented to Commissioner's Court

JUL 27 2010
 APPROVE G L
 Recorded Vol _____ Page _____

FOR INCLUSION ON COMMISSIONERS COURT AGENDA JULY 27, 2010

**FIRST AMENDMENT TO THE AGREEMENT BETWEEN HARRIS COUNTY AND
MORPHOTRAK, INC.**

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This First Amendment to the Agreement is made and entered into by and between Harris County (the "County"), a body corporate and politic under the laws of the State of Texas, acting by and through the Harris County Sheriff's Office, and MorphoTrak, Inc. ("Seller" or "MorphoTrak"). County and MorphoTrak are referred to herein collectively as the "Parties" and individually as a "Party."

Recitals

On April 27, 2010, the County entered into an agreement (the "Master Agreement") with MorphoTrak as a result of the Request for Proposals Job N. 10/0024 to acquire an automated fingerprint identification system technology update known as the Biometrics System with the optional LiveScan stations.

The Parties desire to amend the Master Agreement for the first time (the "First Amendment") to update the Best and Final Offer to include BioSP, mobile interface, and a mobile upgrade (the "Services"), and to provide for additional payment.

MorphoTrak is willing to provide the Services.

Terms

I.

This First Amendment shall be governed by the Master Agreement, which is attached hereto as Exhibit A and incorporated herein by reference.

II.

The MorphoTrak Best and Final Offer ("BAFO") which is included in the Master Agreement, is hereby amended to update the BAFO by adding the additional Services as detailed by the "Job No. 10/0024 Automated Fingerprint Identification System Technology Update for Harris County Sheriff's Office" and the "AFIS Live Scan grant Project 2008 UASI Equipment List for Grant Proposal" dated 6/22/2010, both attached hereto as Exhibit B and incorporated herein by reference.

Invoices may be submitted for payment for the applicable amount on the following milestone schedule:

- Delivery of BioSP Hardware- One Hundred Sixty Four Thousand Eight Hundred and No/Dollars (\$164,800.00)
 - Delivery of Mobile AFIS system –Two Hundred Thousand and No/Dollars (\$200,000.00)
 - Site Acceptance Mobile AFIS system- One Hundred Seventy Eight Thousand Eight Hundred Ninety Five Dollars (\$178,895.00)
- Total \$543,695.00

III.

LIMIT OF APPROPRIATION

It is expressly understood and agreed that the County has available the total maximum sum of funds hereinafter certified available by the County Auditor of the County plus additional amounts of funds from time to time certified available for the purpose of satisfying the County's obligations under the terms and provisions of the Master Agreement. MorphoTrak further understands and agrees that payment for the Services under the Master Agreement shall be made from Grant Funds awarded to the County for the term of the Master Agreement.

MorphoTrak understands and agrees, said understanding and agreement also being of the absolute essence of this First Amendment, that the total maximum compensation that MorphoTrak may become entitled to for the Services performed under this First Amendment, and the total maximum sum that the County shall become liable to pay to MorphoTrak under this First Amendment for the Services, shall not under any conditions, circumstances, or interpretations thereof exceed the sum of Five Hundred Forty-Three Thousand Six Hundred Ninety-Five and No/Dollars (\$543,695.00) which is expected to be available pursuant to the award of the grant Funds. Notwithstanding anything to the contrary, or that may be construed to the contrary, the County's liability under the terms and provisions of this First Amendment is limited to said sum. When all the funds so certified are expended, MorphoTrak's sole and exclusive remedy shall be to terminate the Master Agreement.

Contractor understands that no funds have been appropriated or certified for any extension past the term of this First Amendment. Therefore, if the County requests an additional extension beyond this First Amendment, the extension is subject to the future allocation and certification of funds for the extension.

IV.

All other terms of the Master Agreement shall remain in full force and effect as originally written.

V.

It is expressly understood and agreed that the Master Agreement is attached to this First Amendment and incorporated herein by reference. In the event of any conflict between the terms and provisions of this First Amendment, or any portion thereof, and the terms and provisions of any other part or portion of the Master Agreement or any other terms and conditions, this First Amendment shall control.

VI.

EFFECTIVE DATE

The Effective Date of this First Amendment shall be on the date the First Amendment is approved by the Harris County Commissioners' Court.

VII.

Execution, Multiple Counterparts: This First Amendment may be executed in several counterparts. Each counterpart is deemed an original. All counterparts together constitute one and the same instrument. Each Party warrants that the undersigned is a duly authorized representative with the power to execute this Agreement.

Executed on this the _____ day of JUL 27 2010, 2010.

MORPHOTRAK, INC.

By: Rodrigue Beroukhim
Name: RODRIGUE BEROUKHIM
Title: VP OF SALES
Date: 7-22-2010

HARRIS COUNTY

By: Ed Emmett
ED EMMETT
COUNTY JUDGE

APPROVED AS TO FORM:

VINCE RYAN
COUNTY ATTORNEY

By: Barbara Smith Armstrong
Barbara Smith Armstrong
Assistant County Attorney
C.A. File 10GEN1387

EXHIBIT A

Master Agreement

(follows behind)

**ADDENDUM TO THE AGREEMENT
BETWEEN HARRIS COUNTY AND MORPHOTRAK, INC.**

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This Addendum to the above-referenced Agreement is made and entered into by and between Harris County ("County" or "Customer"), a body corporate and politic under the laws of the State of Texas acting by and through the Harris County Sheriff's Office, and MorphoTrak, Inc. ("Seller" or "MorphoTrak"). County and MorphoTrak are referred to herein collectively as the "Parties" and individually as a "Party."

Recitals

The County desires to acquire an automated fingerprint identification system technology update known as the Biometrics System with the optional LiveScan stations ("Services") as described in the Biometrics Systems Agreement attached hereto as Exhibit I and incorporated herein by reference (hereinafter known as the "Agreement").

MorphoTrak is willing to provide the Services to the County.

Terms

I.

It is expressly understood and agreed that the Agreement is attached to this Addendum as Exhibit 1 and incorporated herein by reference. In the event of any conflict between the terms and provisions of this Addendum, or any portion thereof, and the terms and provisions of any other part or portion of the Agreement, this Addendum shall control.

It is also expressly understood and agreed that the County's Request for Proposal ("RFP") including any and all Addenda for Purchasing Job # 10/0024 is attached hereto as Exhibit 2 and incorporated herein by reference. The order of precedence for all documents shall be in accordance with Article XVII Section 16.17 (Order of Precedence).

II.

GRANT AWARD

It is expressly understood and agreed that the County has available the total maximum sum of funds hereinafter certified available by the County Auditor of the County plus additional amounts of funds from time to time certified available for the purpose of

satisfying the County's obligations under the terms and provisions of this Agreement. MorphoTrak further understands and agrees that payment for the Services under this Agreement shall be made from Grant Funds awarded to the County for the term of the Agreement. It is expressly understood and agreed that the County shall rely solely on Grant Funds under the Grant awarded to the County with which to pay its obligations for the Services provided under this Agreement. The County shall not be liable under any circumstances or any interpretations hereof for any costs under this Agreement until the Grant Funds are actually received by the County and then only to the extent that such monies are actually received and certified available for this Agreement by the County Auditor.

In order to be eligible for payments under the Grant, MorphoTrak agrees to comply with all of the applicable terms and requirements of the Grant as provided by the County.

MorphoTrak agrees that the Grant Funds awarded to the County is the exclusive funding of the Agreement; therefore, all references in the Agreement of any kind to any remedial payments or any additional charges, or future payments, or payments of any kind including, but not limited to all references wherever found to fees, charges, claims, damages, change orders, additional costs, or any language of any kind that would increase the amount the County would pay for the Services are hereby deleted.

MorphoTrak agrees that payment to MorphoTrak shall be based upon Harris County's receipt of the deliverables in accordance with the RFP Purchasing Job # 10/0024 requirements, attached hereto as Exhibit 2 and incorporated herein by reference. The Parties agree that the County is prohibited from paying Contractor in advance pursuant to the Texas Constitution, therefore, any reference to advance payments in the Agreement are hereby deleted.

The Parties understand that payment obligations created by this Agreement are conditioned upon the availability of third-party funds (e.g., federal funds awarded to the State or County) and appropriated for the payment of such obligations under the Grant. In the event these funds are discontinued or reduced during the Agreement term, the County shall not be liable for payment of any funds above the actual Grant Funds the County receives. If the Parties are unable to renegotiate the Agreement upon mutually acceptable terms, MorphoTrak's sole and exclusive remedy shall be to terminate this Agreement. The County obligation to make any payments under this Agreement is limited to the amount of the Grant Funds. MorphoTrak shall provide the products, Services and deliverables during the applicable Grant Period only.

MorphoTrak understands and agrees, said understanding and agreement being also being of the absolute essence of this contract, that the total maximum compensation that MorphoTrak may become entitled to hereunder and the total maximum sum that the County shall become liable to pay to MorphoTrak hereunder shall not under any conditions, circumstances, or interpretations thereof exceed the sum of One Million Nine Hundred Seventy Thousand and No/Dollars (\$1,970,000.00) ("Purchase Price"), which is expected to be available pursuant to the award of the Grant Funds.

MorphoTrak understands and agrees that it shall not proceed with any Services until it receives written authorization from the County to begin. If at any time during the course of the Agreement, MorphoTrak knows that the funds available will not cover the cost of the Services, MorphoTrak shall notify the County immediately.

Subject at all times to the availability of Grant Funds and the County's right to withhold payment of any questionable charges, the County shall pay each such undisputed invoice in accordance with Texas state law. Upon approval by the Harris County Commissioners' Court (the "Court"), a Purchase Order will be issued in the amount of the Purchase Price. Attached to the Purchase Order will be MorphoTrak's Best and Final Offer ("BAFO") containing detailed line item pricing.

Invoices may be submitted for payment for the applicable amount on the following milestone schedule (see BAFO spreadsheet for item #s):

- Approval and acceptance of Design Documents (item #s 49 and 62 to 69) - One Hundred Forty-Three Thousand Nine Hundred Fifteen and No/Dollars (\$143,915.00)
- Factory Acceptance Test and Delivery of Equipment (item # 1 to 38) - Nine Hundred Sixty-Four Thousand Two Hundred Eight-Five and No/Dollars (\$964,285.00)
- Delivery of Electronic File Conversion (item# 39) One Hundred Ten Thousand and No/Dollars (\$110,000.00)
- Delivery of Livescans (item #77) Three Hundred Thirty-Three Thousand Three Hundred and No/Dollars (\$333,300.00)
- Completion of Site Acceptance Test (50% of item #s 40 to 48, 50 to 60, 70 to 76) Two Hundred Nine Thousand Two Hundred Fifty and No/Dollars (\$209,250.00)
- Final Acceptance (50% of item #s 40 to 48, 50 to 60, 70 to 76) Two Hundred Nine Thousand Two Hundred Fifty and No/Dollars (\$209,250.00)

III.

On page two of the Agreement, Section 3 (Scope of Agreement and Term), the paragraph titled 3.2 (Change Orders), is hereby deleted in its entirety and replaced with the following.

CHANGES IN SCOPE

The County may request changes within the general scope of the Agreement. If the change will result in an increase or decrease to the Agreement price, an amendment to the Agreement shall be executed detailing the change specifications, the additional cost under the Agreement, and the cost adjustment necessary to any present or future maintenance agreement executed in accordance with Article V below. MorphoTrak understands and agrees that any change or amendment to the Agreement is subject to the availability of Grant Funds and approval by the Court.

IV.

On page two of the Agreement, Section 3 (Scope of Agreement and Term), the paragraph titled 3.3 (Term), is hereby deleted in its entirety and replaced with the following.

The initial term of the Agreement shall commence on the Effective Date of the Agreement and continue for twelve (12) months, unless earlier terminated. At the County's option, the Agreement may be renewed on the same terms and conditions for four (4) additional one (1) year periods.

V.

On page two of the Agreement, Section 3 (Scope of Agreement and Term), the paragraphs entitled 3.4 (Additional Equipment, Software, or Services) and 3.5 (Maintenance Service) are hereby deleted in their entirety and replaced with the following.

The County may purchase additional Equipment, Software, or Maintenance at the prices found in MorphoTrak's Best and Final Offer ("BAFO"), attached hereto as Exhibit 3 and incorporated herein by reference, in accordance with Article VIII. The terms for additional purchases shall be in accordance with the terms of the Agreement and this Addendum including, but not limited to title, risk of loss, delivery, warranties, and payment as if each additional purchase constituted an original purchase.

VI.

On page two of the Agreement, Section 3 (Scope of Agreement and Term), the paragraph that reads:

3.6 MORPHOTRAK SOFTWARE. Any MorphoTrak Software, including subsequent releases, is licensed to Customer solely in accordance with the Software License Agreement. Customer hereby accepts and agrees to abide by all of the terms and restrictions of the Software License Agreement.

is hereby amended to read:

3.6 MORPHOTRAK SOFTWARE. Any MorphoTrak Software, including subsequent releases, is licensed to Customer solely in accordance with the Software License Agreement as amended by this Addendum. Customer hereby accepts and agrees to abide by all of the terms and restrictions of the Software License Agreement as amended by this Addendum.

VII.

On page two of the Agreement, Section 3 (Scope of Agreement and Term), the paragraph that reads:

3.7 NON-MORPHOTRAK SOFTWARE. Any Non-MorphoTrak Software is licensed to Customer in accordance with the standard license, terms, and restrictions of the copyright owner on the Effective Date unless the copyright owner has granted to MorphoTrak the right to sublicense the Non-MorphoTrak Software pursuant to the Software License Agreement, in which case it applies and the copyright owner will have all of Licensor's rights and protections under the Software License Agreement. MorphoTrak makes no representations or warranties of any kind regarding Non-MorphoTrak Software. Non-MorphoTrak Software may include Open Source Software. All Open Source Software is licensed to customer in accordance with, and Customer agrees to abide by, the provisions of the standard license of the copyright owner and not the Software License Agreement. Upon request by Customer, MorphoTrak will use commercially reasonable efforts to (i) determine whether any Open Source Software will be provided under this Agreement; and if so, (ii) identify the Open Source Software and provide to Customer a copy of the applicable standard license (or specify where such license may be found); and (iii) provide to Customer a copy of the Open Source Software source code if it is publicly available without charge (although a distribution fee or a charge for related services may be applicable).

is hereby amended to read:

3.7 NON-MORPHOTRAK SOFTWARE. Prior to installation, MorphoTrak shall inform the County of any and all Non-MorphoTrak Software to be installed. Upon the written approval of the County, any Non-MorphoTrak Software to which MorphoTrak has been granted the right to sublicense by the copyright owner may be installed and the copyright owner shall have the same rights granted to MorphoTrak under the Software License Agreement as amended by this Addendum.

If the Non-MorphoTrak software is only available for installation in accordance with the standard license, terms, and restrictions of the copyright owner, then County shall have the right to examine and grant written approval of said license, terms, and restrictions prior to installation. Such approval will not be unreasonably withheld by County. MorphoTrak makes no representations and warranties regarding any Non-MorphoTrak Software it installs. Failure by the County to approve the installation of any Non-MorphoTrak Software shall not constitute a breach of this Agreement.

Non-MorphoTrak Software may include Open Source Software. Prior to installation, MorphoTrak shall identify any and all Open Source Software to be installed and provide the County with a copy of any applicable licenses (or specify where such licenses may be found). County shall have the right to examine and grant

written approval of said licenses. Such approval will not be unreasonably withheld by County. Upon installation of any Open Source Software, MorphoTrak will provide to the County a copy of the Open Source Software source code if it is publicly available without charge. Failure by the County to approve the installation of any Open Source Software shall not constitute a breach of this Agreement.

VIII.

On page three of the Agreement, Section 3 (Scope of Agreement and Term), the paragraph entitled 3.9 (Optional Equipment or Software), is hereby deleted in its entirety and replaced with the following.

3.9 OPTIONAL EQUIPMENT OR SOFTWARE. The Parties understand and agree that the County shall have the option to add equipment, software, services, or maintenance in accordance with the following terms and Exhibit 3 pricing.

Live Scan units may be purchased at the BAFO prices for a period of two (2) years from the Effective Date of this Addendum and Agreement.

All other Equipment, Software, and services may be purchased at the BAFO prices until December 31, 2010.

The County may purchase a Maintenance contract at the BAFO price for the three (3) subsequent years following the conclusion of the one-year Warranty Period described in Section 9 (Representations and Warranties), by executing an amendment to this Agreement. If County elects to extend the maintenance contract beyond these three subsequent years ("year 4"), said maintenance contract may be renewable for one (1) one-year renewal term at a three percent (3%) increase in the price, in accordance with the remaining terms and conditions of the Agreement. If County elects to extend the maintenance contract an additional year ("year 5"), said maintenance contract may be renewable for one (1) one-year renewal term at a three percent (3%) increase over the year 4 price, in accordance with the remaining terms and conditions of the Agreement.

IX.

On page three of the Agreement, Section 5 (Contract Price, Payment, and Invoicing) is hereby deleted in its entirety and replaced with the following.

Section 5 FREIGHT, TITLE, RISK OF LOSS.

Delivery shall be FOB destination inside at a County location to

be selected by the County. All freight charges are included in the BAFO in Exhibit 3. Risk of loss and title to the Equipment shall pass to the County upon delivery; however, title to the Software will not pass to the County at any time.

X.

On page four of the Agreement, Section 6 (Sites and Site Conditions), the paragraph entitled 6.3 (Site Issues) is hereby deleted in its entirety and replaced with the following.

6.3 SITE ISSUES. If MorphoTrak or the County determines that the sites identified in the Technical and Implementation Documents are no longer available or desired, or if subsurface, structural, adverse environmental or latent conditions at any site differ from those indicated in the Technical and Implementation Documents, MorphoTrak and County will promptly investigate the conditions and County will select replacement site(s) or adjust the installation plans and Specifications as necessary. If such change in sites or adjustment of plans and Specifications causes a change in the cost, the County shall determine if Grant Funds are available and if so, will execute an amendment to the Agreement specifying the changes.

XI.

On page five of the Agreement, Section 8 (System Acceptance), the paragraph entitled 8.3 (Beneficial Use) is hereby deleted in its entirety and replaced with the following.

8.3 BENEFICIAL USE. The County acknowledges that MorphoTrak's ability to perform its implementation and testing requirements under this Agreement may be impeded if the County begins using the System independently for its benefit prior to System Acceptance. The Parties agree that for testing purposes, small and large batches of tests should be run on the System to ensure its ability to handle the normal level of activity for the County. The information from any or all tests may be used by the County without written permission and will not constitute Beneficial Use by the County.

County understands it must receive written permission from MorphoTrak to begin Beneficial Use prior to System Acceptance and that upon Beneficial Use, the County assumes the responsibility for the use and operation of the System.

XII.

Section 11 (Disputes) is hereby deleted in its entirety.

XIII.

On page seven of the Agreement, Section 12 (Default and Termination), the paragraph entitled 12.1 is hereby deleted in its entirety and replaced with the following.

12.1 DEFAULT BY A PARTY. If either Party fails to perform a material obligation under this Agreement, the other Party may consider the non-performing Party to be in default (unless a *Force Majeure* causes such failure) and may assert a default claim by giving the non-performing Party a written and detailed notice of default. MorphoTrak will have twenty (20) days after receipt of the notice of default to either;

- i) cure the default; or
- ii) if the default is not curable within twenty (20) days, to provide a written plan.

XIV.

On page 8 of the Agreement, Section 13 (Indemnification), the paragraph that reads:

13.1 GENERAL INDEMNIFICATION BY SELLER. Seller will indemnify and hold Customer harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Customer to the extent it is caused by the negligence of Seller, its subcontractors, or their employees or agents, while performing their duties under this Agreement, provided that Customer gives Seller prompt, written notice of any such claim or suit. Customer shall cooperate with Seller in its defense or settlement of such claim or suit. This section sets forth the full extent of Seller's general indemnification of Customer from liabilities that are in any way related to Seller's performance under this Agreement.

is hereby amended to read:

13.1 GENERAL INDEMNIFICATION BY SELLER. Seller will indemnify and hold Customer harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Customer to the extent it is caused by the negligence of Seller, its subcontractors, or their employees or agents, while performing their duties under this Agreement, provided that Customer gives Seller prompt, written notice of any such claim or suit. Customer shall cooperate with Seller in its defense or settlement of such claim or suit.

XV.

Section 14 (Limitation of Liability) is hereby deleted in its entirety and replaced with the following.

MORPHOTRAK SHALL HOLD HARMLESS THE COUNTY FROM AND AGAINST ALL CLAIMS AND LIABILITY DUE TO ACTIVITIES OF MORPHOTRAK, ITS AGENTS, EMPLOYEES, OR SUBCONTRACTORS PERFORMED UNDER THIS CONTRACT AND WHICH RESULT FROM ANY NEGLIGENT ACT, ERROR, OR OMISSION; INTENTIONAL TORT; INTELLECTUAL PROPERTY INFRINGEMENT; OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER; COMMITTED BY MORPHOTRAK OR BY ANY PERSON EMPLOYED BY MORPHOTRAK, OR MORPHOTRAK'S AGENT, CONSULTANT UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH MORPHOTRAK EXERCISES CONTROL. MORPHOTRAK SHALL ALSO HOLD HARMLESS THE COUNTY FROM AND AGAINST ANY AND ALL EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES WHICH MIGHT BE INCURRED BY THE COUNTY, IN LITIGATION OR OTHERWISE RESISTING SAID CLAIMS OR LIABILITIES WHICH MIGHT BE IMPOSED ON THE COUNTY AS THE RESULT OF SUCH ACTIVITIES BY MORPHOTRAK, ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, CONSULTANT UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH MORPHOTRAK EXERCISES CONTROL.

XVI.

On page nine of the Agreement, Section 15 (Confidentiality and Proprietary Rights), the paragraph entitled 15.1 (Confidential Information) is hereby deleted in its entirety and replaced with the following.

The Parties expressly acknowledge that this Agreement is subject to the Texas Public Information Act, TEX. GOV'T CODE ANN. §§ 552.001 *et seq.*, as amended (the "Act").

MorphoTrak agrees that to the extent, if any, that any provision of this Agreement is in conflict with the Act, the same shall be of no force and effect. Furthermore, it is expressly understood and agreed that the County, its officers and employees may request advice, decisions and opinions of the Attorney General of the State of Texas

in regard to the application of the Act to any software, or any part thereof, or other items or data furnished to the County, whether or not the same are available to the public. It is further understood that the County, its officers and employees shall have the right to rely on the advice, decisions and opinions of the Attorney General, and that the County, its officers and employees shall have no liability or obligations to MorphoTrak for the disclosure to the public, or to any person or persons, of any software, or a part thereof, or other items or data furnished to the County in reliance on any advice, decision or opinion of the Attorney General of the State of Texas.

In the event the County receives a written request for information pursuant to the Act that affects MorphoTrak's rights, title to, or interest in any information, or a part thereof, other items or data furnished to the County by MorphoTrak under this Agreement, then the County will promptly notify MorphoTrak of such request. MorphoTrak may, at its own option and expense, prepare comments and submit information directly to the Attorney General stating why the requested information is exempt from disclosure pursuant to the requirements of the Act. MorphoTrak must send its comments and information to the Attorney General within the time period prescribed by the Act.

XVII.

On page ten of the Agreement, Section 16 (General), entire section is hereby deleted in its entirety and replaced with the following.

16.1 INSURANCE. MorphoTrak shall, at all times during the term of this Agreement, maintain insurance coverage with not less than the type and requirements in this Article. Such insurance is to be provided at the sole cost of MorphoTrak. MorphoTrak's insurance policies shall be the primary policies for the Agreement. These requirements do not establish the limits of MorphoTrak's liability.

- i) All policies of insurance shall waive all rights of subrogation against the County, its officers, employees, and agents.
- ii) Upon request, certified copies of original insurance policies shall be furnished to the County.
- iii) The County reserves the right to require additional insurance should it deem it necessary.

MorphoTrak shall maintain:

- i) Commercial General Liability Occurrence Form including, but not limited to, Premises and Operations, Products Liability Broad Form Property Damage, Contractual Liability, Personal and Advertising Injury Liability and where the exposure exists, coverage for watercraft, blasting collapse and explosions, blowout, cratering and underground damage.

Three Hundred Thousand Dollars (\$300,000.00) each occurrence Limit Bodily Injury; Property Damage Combined Three Hundred Thousand Dollars (\$300,000.00); Products-Completed Operations Aggregate Limit Five Hundred Thousand Dollars (\$500,000.00) Per Job; Aggregate Three Hundred Thousand Dollars (\$300,000.00) Personal and Advertising Injury Limit.

The County shall be named as an "additional insured" on the commercial general liability policy.

- ii) Workers' Compensation (with Waiver of subrogation to the County) Employer's Liability, including all states, U.S. Longshoremen, Harbor Workers and other endorsements, if applicable to the Agreement, and in accordance with state law.

Statutory, and Bodily Injury by Accident: \$100,000.00 each employee. Bodily Injury by Disease \$500,000.00 policy limit, \$100,000.00 each employee.

- iii) Automobile Liability Coverage: \$300,000.00 Combined Liability Limits. Bodily Injury and Property Damage Combined. The County shall be named an "additional insured" on the automobile policy.

16.2 PERFORMANCE BOND. The performance bond shall be in the amount equal to the amount of money to be paid by the County under the contract, unless otherwise stated, and shall be executed by a surety company authorized to do business in the State of Texas. The prescribed performance bond application is available to the bidder from the County, and is the only form the

County will accept.

16.3 TAXES. The County is a governmental entity under TEX. TAX CODE ANN. § 151.309, as amended and claims exemption from sales and use taxes. The County agrees to provide exemption certificates to MorphoTrak upon request.

The County is neither liable for any personal property taxes, charges, or fees assessed against MorphoTrak nor obligated to reimburse MorphoTrak for any taxes, charges, or fees assessed against MorphoTrak for the goods or supplies provided or any services rendered under this Agreement. Any language in the Agreement in conflict with this section is hereby deleted.

16.4 SUCCESSORS AND ASSIGNS. The County and MorphoTrak bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators, and assigns of such other party, in respect to all covenants of this Agreement.

Neither the County nor MorphoTrak shall assign, sublet, or transfer its interest in this Agreement without the written consent of the other, which shall not be unreasonably withheld.

Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body, which may be a party hereto.

16.5 SUBCONTRACTING. Upon prior written approval by the County, MorphoTrak may subcontract any portion of the work to a subcontractor acceptable to the County and which meets all County guidelines.

16.6 WAIVER. Waiver by either Party of a breach or violation of any provision of the Agreement is not a waiver of any subsequent breach.

Waiver of a right or power to be effective, it must be in writing and signed by the waiving Party. An effective waiver of a right or power shall not be construed as either (i) a future or continuing waiver of that same right or power, or (ii) the waiver of any other right or power.

16.7 SEVERABILITY. If any provision or part of the Agreement or its application to any person, entity, or circumstance

is ever held by any court of competent jurisdiction to be invalid for any reason, the remainder of the Agreement and the application of such provision or part of the Agreement to other persons, entities, or circumstances are not affected.

16.8 INDEPENDENT CONTRACTORS. The Services performed by MorphoTrak under this Agreement are performed by MorphoTrak as an independent contractor.

This Agreement is not intended to and shall not create a joint enterprise, joint venture, or partnership between the County and MorphoTrak.

IN THE EVENT THAT ANY STATE OR FEDERAL AGENCY, OR COURT OF COMPETENT JURISDICTION DETERMINES THAT MORPHOTRAK IS NOT AN INDEPENDENT CONTRACTOR, MORPHOTRAK AGREES TO INDEMNIFY AND HOLD HARMLESS THE COUNTY FOR ANY AND ALL DAMAGES, PENALTIES, ASSESSMENTS, TAXES, OR EXPENSES THAT MAY BE INCURRED BY THE COUNTY AS A RESULT OF THIS DETERMINATION.

16.9 HEADINGS AND LANGUAGE. The numbering and other headings contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement. Whenever the context hereof requires, the gender of all words shall include the masculine, feminine, and neuter; and the number of all words shall include the singular and plural.

16.10 APPLICABLE LAW AND VENUE. The Agreement is subject to the state and federal laws, orders, rules, and regulations relating to the Agreement and funded by state or federal funds or of applicable conditions of participation in Medicaid or Medicare program(s). Each Party shall comply with all applicable federal, state, and local laws, ordinances, rules, and regulations concerning the performance of this Agreement or the use of the System.

This Agreement is governed by the laws of the State of Texas.

The forum for any action under or related to the Agreement is exclusively in a state or federal court of competent jurisdiction in Texas.

The exclusive venue for any action under or related to the Agreement is in a state or federal court of competent jurisdiction in Houston, Harris County, Texas.

16.11 ENTIRE AGREEMENT. This instrument contains the entire Agreement between the Parties relating to the rights herein granted and obligations herein assumed.

Any oral or written representations or modifications concerning this instrument shall not be effective excepting a subsequent written modification signed by both Parties.

16.12 NOTICE. Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been personally delivered to the address below, or deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, in a United States Post Office, addressed to the County or MorphoTrak at the following addresses. If mailed, any notice or communication shall be deemed to be received three (3) days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

To MorphoTrak: MorphoTrak, Inc.
1250 N. Tustin Ave.
Anaheim, CA 92807
Attn: Philip Moore

To the County: Harris County Sheriff's Office
1301 Franklin
Houston, TX 77002
Attn: Pete Schroedter

Copy to: Harris County Purchasing Agent
1001 Preston, Suite 670
Houston, Texas 77002

Either Party may designate a different address by giving the other Party ten (10) days written notice.

16.13 SURVIVAL OF TERMS. Any provision of this Agreement that by its plain meaning is intended to survive the expiration or earlier termination of this Agreement, including without limitation the indemnification and warranty provisions herein, shall survive such expiration or earlier termination. If an ambiguity exists as to survival, the provision shall be deemed to survive.

16.14 TERMINATION. County may terminate this Agreement at any time by notice in writing to MorphoTrak.

If MorphoTrak believes the County to be in breach of the Agreement, MorphoTrak may terminate this Agreement upon written notice and a thirty (30) calendar day period during which the County may cure. If the County is unable to cure and MorphoTrak terminates the Agreement, the County will cease using the Software, remove or delete all copies of the Software, and either return or destroy all copies of the Software and Documentation.

Upon receipt of a written termination notice, MorphoTrak shall discontinue all Services in connection with the performance of this Agreement and shall proceed to cancel promptly all existing orders and contracts insofar as such orders or contracts are chargeable to this Agreement.

Within sixty (60) days after receipt of notice of termination, MorphoTrak agrees to submit a statement, showing in detail the Services performed under this Agreement to the date of termination. The County shall be owed a pro rata refund of any monies paid but not utilized, including, but not limited to the Software License.

Force Majeure. In the event that either Party is unable to perform any of its obligations under the Agreement or to enjoy any of the benefits because of natural disaster, actions or decrees of governmental bodies or communications line failure not the fault of the affected party (referred to as a "*Force Majeure Event*"), the Party who has been so affected immediately agrees to give notice to the other Party and agrees to do everything possible to resume performance. Upon receipt of such notice, the Agreement is immediately suspended. If the period of nonperformance exceeds ten (10) calendar days from the receipt of notice of the *Force Majeure Event*, the Party whose ability to perform has not been so affected may terminate the Agreement immediately by giving written notice to the other Party.

When and if this Agreement is terminated, copies of all completed data files remain the property of the County. Any partially completed data files prepared under this Agreement shall be completed and delivered to the County.

16.15 PAYMENT. Invoices may be submitted for payment in accordance with Article II.

Invoices, at a minimum, must reference the purchase order and job numbers, state the contract amount, and the percentage due upon the respective date.

All invoices shall be paid in accordance with Texas state law. Any language or terms in the Agreement that conflict with the applicable law are hereby deleted.

16.16 NO THIRD-PARTY BENEFICIARIES. The County is not obligated or liable to any party other than MorphoTrak for the performance of this Agreement.

Nothing in the Agreement is intended or shall be deemed or construed to create any additional rights or remedies in any third party.

Nothing contained in the Agreement shall be construed to or operate in any manner whatsoever to increase the rights of any third party, or the duties or responsibilities of County with respect to any third party.

16.17 ORDER OF PRECEDENCE. In case of a conflict between this Addendum, the Agreement, or any of the exhibits, the order of precedence for all documents shall be: this Addendum, Exhibit 1 (Biometrics System Agreement), Exhibit 2 (Request for Proposal), and Exhibit 3 (Best and Final Offer).

XVIII.

In Exhibit A (Software License Agreement) to the Agreement, on page 13, Section 4 (Limitations on Use), the paragraph entitled 4.2 is deleted in its entirety and replaced with the following.

4.2 NO REVERSE ENGINEERING. The County will not: (i) reverse engineer, disassemble, peel components, decompile, reprogram or otherwise reduce the Software or any portion to human perceptible form or otherwise attempt to recreate the source code; (ii) modify, adapt, create derivative works of, or merge the Software; (iii) copy, reproduce, distribute, lend, or lease the Software or Documentation to any third party, grant any sublicense or other rights in the Software or Documentation to any third party, or take any action that would cause the Software or Documentation to be placed in the public domain except in accordance with Article XVI of this Addendum concerning the Texas Public Information Act; (iv) remove, or in any way alter or obscure, any copyright notice or other notice of MorphoTrak's proprietary rights; (v) provide, copy, transmit, disclose, divulge or make the Software or Documentation available to, or permit the use of the Software by any third party or on any machine except expressly authorized by this Agreement; or (vi) use, or permit the use of, the Software in a manner that would result in the production of a copy of the Software solely by activating a machine containing the Software.

SOFTWARE ESCROW AND SYSTEM AVAILABILITY.

Software Escrow – MorphoTrak agrees to escrow in the County's name, a copy of the Software underlying this license. MorphoTrak shall make periodic upgrades of the software including, but not limited to, any reasonable request for an upgrade by the County. The escrow shall ensure that if MorphoTrak's business fails or MorphoTrak does not maintain its obligations in accordance with this Agreement, the software can be accessed and released to the County, without disruption to the County's use. MorphoTrak shall provide verification of the escrow to the County upon execution of the Agreement, and on a yearly basis after for as long as the Agreement is in effect.

System Availability – MorphoTrak understands that the System needs to be available 24/7. Scheduled downtime shall be mutually agreed upon and coordinated between MorphoTrak and the County. Unscheduled downtime may not occur without the prior written permission of the County.

System availability will be measured as a percentage of time the "Software Product" is available to County. MorphoTrak warrants that system availability will be ninety-nine point nine percent (99.9%) of available time. Available time will be measured between 12:00 Midnight thru 11:59:59 PM CST Monday through Sunday. MorphoTrak shall provide County with an on-line report calculating system availability for the past thirty (30) days. Disputes between MorphoTrak and County will be reviewed in an as needed conference call. The County realizes there may be County infrastructure components which may affect system availability. In the event of incidences where the County's infrastructure causes an unscheduled outage, such outage will not be included in MorphoTrak's calculated availability.

XIX.

In Exhibit A (Software License Agreement) to the Agreement, on page 14, Section 6 (Limited Warranty; Disclaimer of Warranty), the paragraphs entitled 6.1 and 6.3 are deleted in their entirety and any Software warranty claims will be in accordance with Section 9 of the Agreement.

In Exhibit A (Software License Agreement) to the Agreement, on page 16, Section 13 (General), the paragraphs entitled 13.3, 13.4, 13.5, and 13.6 are deleted in their entirety and described in the Agreement.

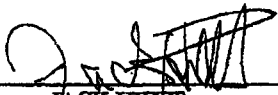
On page 17 of the Agreement, Exhibit B to the Agreement is hereby deleted in its entirety.

XX.

EFFECTIVE DATE: This Addendum and the Agreement shall be effective upon the approval of Commissioners Court.

EXECUTION. Multiple Counterparts: The Agreement and the Addendum may be executed in several counterparts. Each counterpart is deemed an original. All counterparts together constitute one and the same instrument. Each Party warrants that the undersigned is a duly authorized representative with the power to execute the Agreement and Addendum.

MORPHOTRAK, INC.

By: 
Name: JACK HIEFT
Title: SENIOR VICE PRESIDENT
Date: APRIL 23, 2010

HARRIS COUNTY

By: 
ED EMMETT
COUNTY JUDGE

APPROVED AS TO FORM:
VINCE RYAN
COUNTY ATTORNEY

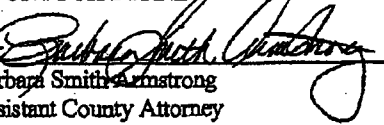
By: 
Barbara Smith Armstrong
Assistant County Attorney
C.A. File 10GEN0506

EXHIBIT 1

Biometrics Systems Agreement

(follows behind)

Biometrics System Agreement

MorphoTrak, Inc., ("MorphoTrak" or "Seller") having a place of business at _____ and _____, ("Customer"), having a place of business at _____, enter into this System Agreement ("Agreement"), pursuant to which Customer will purchase and Seller will sell the System, as described below. Seller and Customer may be referred to individually as "party" and collectively as "parties."

For good and valuable consideration, the parties agree as follows:

Section 1 EXHIBITS

The Exhibits listed below are incorporated into and made a part of this Agreement. In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement will take precedence over the Exhibits and any inconsistency between Exhibits A through E will be resolved in the order in which they are listed.

Exhibit A	MorphoTrak "Software License Agreement"
Exhibit B	"Payment Schedule"
Exhibit C	"Technical and Implementation Documents"
C-1	"System Description" dated _____
C-2	"List of Deliverables" dated _____
C-3	"Statement of Work" dated _____
C-4	"Acceptance Test Plan" or "ATP" dated _____
C-5	"Performance Schedule" dated _____
Exhibit D	"Maintenance and Support Agreement"
Exhibit E	"System Acceptance Certificate"

Section 2 DEFINITIONS

Capitalized terms used in this Agreement shall have the following meanings:

"Acceptance Tests" means those tests described in the Acceptance Test Plan.

"Beneficial Use" means when Customer first uses the System or a Subsystem for operational purposes (excluding training or testing).

"Contract Price" means the price for the System, exclusive of any applicable sales or similar taxes and freight charges.

"Effective Date" means that date upon which the last party to sign this Agreement has executed it.

"Equipment" means the equipment listed in the List of Deliverables that Customer is purchasing from Seller under this Agreement.

"Infringement Claim" means a third party claim alleging that the Equipment manufactured by MorphoTrak or the MorphoTrak Software infringes upon the third party's United States patent or copyright.

"MorphoTrak" mean MorphoTrak, Inc., a Delaware corporation.

"MorphoTrak Software" means Software that MorphoTrak or Seller owns.

"Non-MorphoTrak Software" means Software that a party other than MorphoTrak or Seller owns.

"Open Source Software" means software that has its underlying source code freely available to evaluate, copy, and modify. Open Source Software and the terms "freeware" or "shareware" are sometimes used interchangeably.

"Proprietary Rights" means the patents, patent applications, inventions, copyrights, trade secrets, trademarks, trade names, mask works, know-how, and other intellectual property rights in and to the Equipment and Software, including those created or produced by MorphoTrak or Seller under this Agreement and any corrections, bug fixes, enhancements, updates or modifications to or derivative works from the Software whether made by MorphoTrak, or another party.

"Software" means the MorphoTrak Software and Non-MorphoTrak Software in object code format that is furnished with the System or Equipment and which may be listed on the List of Deliverables.

"Specifications" means the functionality and performance requirements described in the Technical and Implementation Documents,

"Subsystem" means a major portion of the entire System that performs specific functions or operations as described in the Technical and Implementation Documents.

"System" means the Equipment, Software, services, supplies, and incidental hardware and materials combined together into a system as more fully described in the Technical and Implementation Documents.

"System Acceptance" means the Acceptance Tests have been successfully completed.

Section 3 SCOPE OF AGREEMENT AND TERM

3.1. **SCOPE OF WORK.** Seller will provide, ship, install and test the System, and perform its other contractual responsibilities, all in accordance with this Agreement. Customer will perform its contractual responsibilities in accordance with this Agreement.

3.2. **CHANGE ORDERS.** Either party may request changes within the general scope of this Agreement. If a requested change causes an increase or decrease in the cost or time required to perform this Agreement, Seller and Customer will agree to an equitable adjustment of the Contract Price, Performance Schedule, or both, and will reflect such adjustment in a change order. Neither party is obligated to perform requested changes unless both parties execute a written change order.

3.3. **TERM.** Unless otherwise terminated in accordance with the provisions of this Agreement or extended by mutual agreement of the parties, the term of this Agreement shall begin on the Effective Date and shall continue until the date of System Acceptance or expiration of the warranty period as set forth in Section 9, whichever occurs last.

3.4. **ADDITIONAL EQUIPMENT, SOFTWARE, OR SERVICES.** For three (3) years after the Effective Date of this Agreement, Customer may order additional Equipment, Software, or services provided they are then available. Each order must refer to this Agreement and must specify the pricing and delivery terms. Notwithstanding any additional or contrary terms in the order, the applicable provisions of this Agreement (except for pricing, delivery, passage of title and risk of loss to Equipment, warranty commencement, and payment terms) will govern the purchase and sale of the additional Equipment, Software, or services. Title and risk of loss to additional Equipment will pass at shipment; warranty will commence upon delivery; and payment is due within twenty (20) days after the invoice date. Seller will send Customer an invoice as the additional Equipment is shipped, Software is licensed, or services are performed.

3.5. **MAINTENANCE SERVICE.** After the warranty period, Customer may purchase maintenance and support services for the Equipment and MorphoTrak Software by executing the Maintenance and Support Agreement.

3.6. **MORPHOTRAK SOFTWARE.** Any MorphoTrak Software, including subsequent releases, is licensed to Customer solely in accordance with the Software License Agreement. Customer hereby accepts and agrees to abide by all of the terms and restrictions of the Software License Agreement.

3.7. **NON-MORPHOTRAK SOFTWARE.** Any Non-MorphoTrak Software is licensed to Customer in accordance with the standard license, terms, and restrictions of the copyright owner on the Effective Date unless the copyright owner has granted to MorphoTrak the right to sublicense the Non-MorphoTrak Software pursuant to the Software License Agreement, in which case it applies and the copyright owner will have all of Licensor's rights and protections under the Software License Agreement. MorphoTrak makes no representations or warranties of any kind

regarding Non-MorphoTrak Software. Non-MorphoTrak Software may include Open Source Software. All Open Source Software is licensed to Customer in accordance with, and Customer agrees to abide by, the provisions of the standard license of the copyright owner and not the Software License Agreement. Upon request by Customer, MorphoTrak will use commercially reasonable efforts to (i) determine whether any Open Source Software will be provided under this Agreement; and if so, (ii) identify the Open Source Software and provide to Customer a copy of the applicable standard license (or specify where such license may be found); and (iii) provide to Customer a copy of the Open Source Software source code if it is publicly available without charge (although a distribution fee or a charge for related services may be applicable).

3.8. **SUBSTITUTIONS.** At no additional cost to Customer, Seller reserves the right to substitute any Equipment, Software, or services to be provided by Seller, provided that the substitute meets or exceeds the Specifications and is of equivalent or better quality to the Customer. Any such substitution will be reflected in a change order.

3.9. **OPTIONAL EQUIPMENT OR SOFTWARE.** This paragraph applies only if a "Priced Options" exhibit is shown in Section 1 of this Agreement, or if the Parties amend this Agreement to add a Priced Options exhibit. During the term of the option as stated in the Priced Options exhibit (or if no term is stated, then for one (1) year after the Effective Date), Customer shall have the right and option to purchase the equipment, software, and related services that are described and listed in the Priced Options exhibit. Customer may exercise this option by giving written notice to Seller which must designate what equipment, software, and related services Customer is selecting (including quantities, if applicable). To the extent they apply, the terms and conditions of this Agreement will govern the purchase of the selected equipment, software, and related services. However, the parties acknowledge that certain contractual provisions must be agreed upon, and they agree to negotiate those in good faith promptly after Customer delivers to Seller the option exercise notice. Examples of provisions that may need to be negotiated are: specific lists of deliverables, statements of work, acceptance test plans, delivery and implementation schedules, payment terms, maintenance and support provisions, additions to or modifications of the Software License Agreement, hosting terms, and modifications to the acceptance and warranty provisions.

Section 4 PERFORMANCE SCHEDULE

Seller and Customer agree that they will perform their respective responsibilities substantially in accordance with the Performance Schedule. By executing this Agreement, Customer authorizes Seller to proceed with performance of this Agreement.

Section 5 CONTRACT PRICE, PAYMENT, AND INVOICING

5.1. **CONTRACT PRICE.** The Contract Price in U.S. dollars is \$_____, or if applicable, the Contract Price is as stated in the Payment Schedule. A pricing summary may be included with the Payment Schedule. If there is a reduction in the services, Software, and/or Equipment quantities, it may affect the overall Contract Price, including discounts if applicable.

5.2. **INVOICING AND PAYMENT.** Seller will submit invoices to Customer according to the Payment Schedule. Except for a payment that is due on the Effective Date, Customer will make payments to Seller within twenty (20) days after the date of each invoice. Customer will make payments when due in the form of a wire transfer, check, or cashier's check from a U.S. financial institution. Overdue invoices will bear simple interest at the rate of ten percent (10%) per annum, unless such rate exceeds the maximum allowed by law, in which case it will be reduced to the maximum allowable rate. For Customer's reference, the Federal Tax Identification Number for MorphoTrak, Inc. is 33-0154789.

5.3 **FREIGHT, TITLE, AND RISK OF LOSS.** All freight charges will be pre-paid by Seller and added to the invoices. Title to the Equipment will pass to Customer upon shipment, except that

title to Software will not pass to Customer at any time. Risk of loss will pass to Customer upon delivery of the Equipment to the Customer. Seller will pack and ship all Equipment in accordance with good commercial practices.

5.4 INVOICING AND SHIPPING ADDRESSES. Invoices will be sent to the Customer at the following address:

The city which is the ultimate destination where the Equipment will be delivered to Customer is:

The Equipment will be shipped to the Customer at the following address (insert if this information is known):

Customer may change this information by giving written notice to MorphoTrak.

Section 6 SITES AND SITE CONDITIONS

6.1. ACCESS TO SITES. In addition to its responsibilities described elsewhere in this Agreement, Customer will provide (i) a designated project manager; (ii) all necessary construction and building permits, zoning variances, licenses, and any other approvals that are necessary to develop or use the sites; and (iii) access to the work sites identified in the Technical and Implementation Documents as reasonably requested by Seller so that it may perform its duties in accordance with the Performance Schedule and Statement of Work.

6.2. SITE CONDITIONS. Customer will ensure that all work sites it provides will be safe, secure, and in compliance with all applicable industry and OSHA standards. To the extent applicable and unless the Statement of Work specifically states to the contrary, Customer will ensure that these work sites will have (i) adequate physical space for the installation, use and maintenance of the System; (ii) adequate air conditioning and other environmental conditions; (iii) adequate electrical power outlets, distribution and equipment for the installation, use and maintenance of the System; and (iv) adequate telephone or other communication lines for the installation, use and maintenance of the System, including modem access, and adequate interfacing networking capabilities. Before installing the Equipment or Software at a work site, Seller will inspect the work site and advise Customer of any apparent deficiencies or non-conformities with the requirements of this Section.

6.3. SITE ISSUES. If Seller or Customer determines that the sites identified in the Technical and Implementation Documents are no longer available or desired, or if subsurface, structural, adverse environmental or latent conditions at any site differ from those indicated in the Technical and Implementation Documents, Seller and Customer will promptly investigate the conditions and will select replacement sites or adjust the installation plans and Specifications as necessary. If such change in sites or adjustment to the installation plans and Specifications causes a change in the cost or time to perform, the parties will equitably amend the Contract Price or Performance Schedule, or both, by a change order.

Section 7 TRAINING

Any training to be provided by Seller to Customer under this Agreement will be described in a written training plan that is part of the Statement of Work. Customer will notify Seller immediately if a date change for a scheduled training program is required. If Seller incurs additional costs because Customer reschedules a training program less than thirty (30) days before its scheduled start date, Seller is entitled to recover these additional costs.

Section 8 SYSTEM ACCEPTANCE

8.1. **COMMENCEMENT OF ACCEPTANCE TESTING.** Seller will provide to Customer at least ten (10) days notice before the Acceptance Tests commence. System testing will occur only in accordance with the Acceptance Test Plan.

8.2. **SYSTEM ACCEPTANCE.** System Acceptance will occur upon successful completion of the Acceptance Tests described in the Acceptance Test Plan. Upon System Acceptance, the parties will memorialize this event by promptly executing a System Acceptance Certificate. If the Acceptance Test Plan includes separate tests for individual Subsystems or phases of the System, acceptance of the individual Subsystem or phase will occur upon the successful completion of the Acceptance Tests for such Subsystem or phase, and the parties will promptly execute an acceptance certificate for the Subsystem or phase. If Customer believes that the System has failed the completed Acceptance Tests, Customer will provide to Seller a written notice that includes the specific details of such failure. If Customer does not provide to Seller such notice within ten (10) business days after completion of the Acceptance Tests, System Acceptance will be deemed to have occurred as of the completion of the Acceptance Tests. Minor omissions or variances in the System that do not materially impair the operation of the System as a whole will not postpone System Acceptance or Subsystem acceptance, but will be corrected according to a mutually agreed schedule.

8.3. **BENEFICIAL USE.** Customer acknowledges that Seller's ability to perform its implementation and testing responsibilities under this Agreement may be impeded if Customer begins using the System before System Acceptance. Therefore, Customer will not commence Beneficial Use before System Acceptance without Seller's prior written authorization, which Seller will not unreasonably withhold. Seller is not responsible for System performance deficiencies that occur during unauthorized Beneficial Use. Upon commencement of Beneficial Use, Customer assumes responsibility for the use and operation of the System.

Section 9 REPRESENTATIONS AND WARRANTIES

9.1. **SYSTEM FUNCTIONALITY.** Seller represents that the System will perform in accordance with the Specifications in all material respects. Upon System Acceptance or Beneficial Use, whichever occurs first, this System functionality representation is fulfilled. Seller is not responsible for System performance deficiencies that are caused by ancillary equipment not furnished by Seller attached to or used in connection with the System or for reasons beyond Seller's control, such as (i) an earthquake, adverse atmospheric conditions, or other natural causes; (ii) Customer changes to load usage or configuration outside the Specifications; or (iii) any acts of parties who are beyond Seller's control.

9.2. **EQUIPMENT WARRANTY.** For one (1) year from the date of System Acceptance or Beneficial Use, whichever occurs first, Seller warrants that the Equipment under normal use and service will be free from material defects in materials and workmanship. If System Acceptance is delayed beyond six (6) months after shipment of the Equipment by events or causes within Customer's control, this warranty expires eighteen (18) months after the shipment of the Equipment.

9.3. **MorphoTrak Software Warranty.** Unless otherwise stated in the Software License Agreement, for one (1) year from the date of System Acceptance or Beneficial Use, whichever occurs first, Seller warrants the MorphoTrak Software in accordance with the terms of the Software License Agreement and the provisions of this Section 9 that are applicable to the MorphoTrak Software. If System Acceptance is delayed beyond six (6) months after shipment of the MorphoTrak Software by events or causes within Customer's control, this warranty expires eighteen (18) months after the shipment of the MorphoTrak Software.

9.4. **EXCLUSIONS TO EQUIPMENT AND MORPHOTRAK SOFTWARE WARRANTIES.** These warranties do not apply to: (i) defects or damage resulting from use of the Equipment or MorphoTrak Software in other than its normal, customary, and authorized manner; (ii) defects or damage occurring from misuse, accident, liquids, neglect, or acts of God; (iii) defects or damage occurring from testing, maintenance, disassembly, repair, installation, alteration, modification, or adjustment not provided or authorized in writing by Seller; (iv) breakage of or damage to antennas unless caused directly by defects in material or workmanship; (v) defects or damage caused by Customer's failure to comply with all applicable industry and OSHA standards; (vi) Equipment that has had the serial number removed or made illegible; (vii) batteries (because they carry their own separate limited warranty); (viii) freight costs to ship Equipment to the repair depot; (ix) scratches or other cosmetic damage to Equipment surfaces that does not affect the operation of the Equipment; and (x) normal or customary wear and tear.

9.5. **WARRANTY CLAIMS.** For Customer to assert a claim that the Equipment or MorphoTrak Software does not conform to these warranties, Customer must notify Seller in writing of the claim before the expiration of the warranty period.. Upon receipt of such notice, Seller will investigate the warranty claim. If this investigation confirms a valid warranty claim, Seller will (at its option and at no additional charge to Customer) repair the defective Equipment or MorphoTrak Software, replace it with the same or equivalent product, or refund the price of the defective Equipment or MorphoTrak Software. Such action will be the full extent of Seller's liability hereunder. If this investigation indicates the warranty claim is not valid, then Seller may invoice Customer for responding to the claim on a time and materials basis using Seller's current labor rates. Repaired or replaced product is warranted for the balance of the original applicable warranty period. All replaced products or parts will become the property of Seller.

9.6. **ORIGINAL END USER IS COVERED.** These express limited warranties are extended by Seller to the original user purchasing the System for commercial, industrial, or governmental use only, and are not assignable or transferable.

9.7. **DISCLAIMER OF OTHER WARRANTIES.** THESE WARRANTIES ARE THE COMPLETE WARRANTIES FOR THE EQUIPMENT AND MORPHOTRAK SOFTWARE PROVIDED UNDER THIS AGREEMENT AND ARE GIVEN IN LIEU OF ALL OTHER WARRANTIES. SELLER DISCLAIMS ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Section 10 DELAYS

10.1. **FORCE MAJEURE.** Neither party will be liable for its non-performance or delayed performance if caused by a "Force Majeure" which means an event, circumstance, or act of a third party that is beyond a party's reasonable control, such as an act of God, an act of the public enemy, an act of a government entity, strikes or other labor disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, riots, or any other similar cause. Each party will notify the other if it becomes aware of any Force Majeure that will significantly delay performance. The notifying party will give such notice promptly (but in no event later than fifteen days) after it discovers the Force Majeure. If a Force Majeure occurs, the parties will execute a change order to extend the Performance Schedule for a time period that is reasonable under the circumstances.

10.2. **PERFORMANCE SCHEDULE DELAYS CAUSED BY CUSTOMER.** If the Performance Schedule is delayed because of Customer (including any of its other contractors), (i) Customer will make the promised payments according to the Payment Schedule as if no delay occurred; and (ii) the parties will execute a change order to extend the Performance Schedule and, if requested by Seller, compensate Seller for all reasonable charges incurred because of such delay. Delay charges may include costs incurred by Seller or its subcontractors for additional freight, warehousing and handling of Equipment; extension of the warranties; travel; suspending

and re-mobilizing the work; additional engineering, project management, and standby time calculated at then current rates; and preparing and implementing an alternative implementation plan.

Section 11 DISPUTES

11.1. **SETTLEMENT PREFERRED.** Seller and Customer, through their respective project managers, will attempt to settle any dispute arising from this Agreement (except for a claim relating to intellectual property or breach of confidentiality provisions) through consultation and negotiation in good faith and a spirit of mutual cooperation. The dispute will be escalated to appropriate higher-level managers of the parties, if necessary. If cooperative efforts fail, the dispute will be mediated by a mediator chosen jointly by Seller and Customer within thirty (30) days after notice by one of the parties demanding non-binding mediation. Seller and Customer will not unreasonably withhold consent to the selection of a mediator, and they will share the cost of the mediation equally. The parties may postpone mediation until they have completed some specified but limited discovery about the dispute. The parties may also replace mediation with some other form of non-binding alternative dispute resolution ("ADR").

11.2. **LITIGATION.** Any claim relating to intellectual property or breach of confidentiality provisions and any dispute that cannot be resolved between the parties through negotiation or mediation within two (2) months after the date of the initial demand for non-binding mediation as described above in Section 11.1 may be submitted by either party to a court of competent jurisdiction in the state in which the System is installed. Each party consents to jurisdiction over it by such a court. The use of ADR procedures will not be considered under the doctrine of laches, waiver, or estoppel to affect adversely the rights of either party. Either party may resort to the judicial proceedings described in this section before the expiration of the two-month ADR period if (i) good faith efforts to resolve the dispute under these procedures have been unsuccessful; or (ii) interim relief from the court is necessary to prevent serious and irreparable injury to such party or any of its affiliates, agents, employees, customers, suppliers, or subcontractors.

Section 12 DEFAULT AND TERMINATION

12.1. **DEFAULT BY A PARTY.** If either party fails to perform a material obligation under this Agreement, the other party may consider the non-performing party to be in default (unless a Force Majeure causes such failure) and may assert a default claim by giving the non-performing party a written and detailed notice of default. Except for a default by Customer for failing to pay any amount when due under this Agreement which must be cured immediately, the defaulting party will have thirty (30) days after receipt of the notice of default to either (i) cure the default or (ii) if the default is not curable within thirty (30) days, to provide a written cure plan. The defaulting party will begin implementing the cure plan immediately after receipt of notice by the other party that it approves the plan. If Customer is the defaulting party, MorphoTrak may stop work on the project until it approves the Customer's cure plan.

12.2. **FAILURE TO CURE.** If a defaulting party fails to cure the default as provided above in Section 12.1, unless otherwise agreed in writing, the non-defaulting party may terminate any unfulfilled portion of this Agreement. In the event of such termination, the defaulting party will promptly return to the non-defaulting party any of its Confidential Information (as defined in Section 15.1). If Customer is the non-defaulting party, terminates this Agreement as permitted by this Section, and completes the System through a third party, Customer may as its exclusive remedy recover from Seller either (i) the diminution of value of the System due to the breach if it does not complete the System through a third party, or (ii) the reasonable costs incurred to complete the System to a capability not exceeding that specified in this Agreement less the unpaid portion of the Contract Price if it completes the System through a third party. In either case, Customer agrees to use its best efforts to mitigate damages and to provide Seller with detailed records substantiating the damages claim.

Section 13 INDEMNIFICATION

13.1. GENERAL INDEMNITY BY SELLER. Seller will indemnify and hold Customer harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Customer to the extent it is caused by the negligence of Seller, its subcontractors, or their employees or agents, while performing their duties under this Agreement, provided that Customer gives Seller prompt, written notice of any such claim or suit. Customer shall cooperate with Seller in its defense or settlement of such claim or suit. This section sets forth the full extent of Seller's general indemnification of Customer from liabilities that are in any way related to Seller's performance under this Agreement.

13.2. GENERAL INDEMNITY BY CUSTOMER. Customer will indemnify and hold Seller harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Seller to the extent it is caused by the negligence of Customer, its other contractors, or their employees or agents, while performing their duties under this Agreement, provided that Seller gives Customer prompt, written notice of any such claim or suit. Seller shall cooperate with Customer in its defense or settlement of such claim or suit. This section sets forth the full extent of Customer's general indemnification of Seller from liabilities that are in any way related to Customer's performance under this Agreement.

13.3. PATENT AND COPYRIGHT INFRINGEMENT.

13.3.1. Seller will defend at its expense any suit brought against Customer to the extent that it is based on an Infringement Claim, and Seller will indemnify Customer for those costs and damages finally awarded against Customer for an Infringement Claim. Seller's duties to defend and indemnify are conditioned upon: (i) Customer promptly notifying Seller in writing of such Infringement Claim; (ii) Seller having sole control of the defense of such suit and all negotiations for its settlement or compromise; (iii) Customer providing to Seller cooperation and, if requested by Seller, reasonable assistance in the defense of the Infringement Claim.

13.3.2. If an Infringement Claim occurs, or in Seller's opinion is likely to occur, Seller may at its option and expense procure for Customer the right to continue using the Equipment or MorphoTrak Software, replace or modify it so that it becomes non-infringing while providing functionally equivalent performance, or grant Customer a credit for such Equipment or MorphoTrak Software as depreciated and accept its return. The depreciation amount will be calculated based upon generally accepted accounting standards for such Equipment and MorphoTrak Software.

13.3.3. Seller will have no duty to defend or indemnify for any Infringement Claim that is based upon (i) the combination of the Equipment or MorphoTrak Software with any software, apparatus or device not furnished by Seller; (ii) the use of ancillary equipment or software not furnished by Seller and that is attached to or used in connection with the Equipment or MorphoTrak Software; (iii) any Equipment that is not Seller's design or formula; (iv) a modification of the MorphoTrak Software by a party other than Seller; or (v) the failure by Customer to install an enhancement release to the MorphoTrak Software that is intended to correct the claimed infringement. The foregoing states the entire liability of Seller with respect to infringement of patents and copyrights by the Equipment and MorphoTrak Software or any parts thereof.

Section 14 LIMITATION OF LIABILITY

This limitation of liability provision shall apply notwithstanding any contrary provision in this Agreement. Except for personal injury or death, Seller's total liability, whether for breach of contract, warranty, negligence, strict liability in tort, indemnification, or otherwise, will be limited to the direct damages recoverable under law, but not to exceed the price of the Equipment,

Software, or services with respect to which losses or damages are claimed. ALTHOUGH THE PARTIES ACKNOWLEDGE THE POSSIBILITY OF SUCH LOSSES OR DAMAGES, THEY AGREE THAT SELLER WILL NOT be liable for any commercial loss; inconvenience; loss of use, Time, DATA, GOOD WILL, REVENUES, profits or savings; or other SPECIAL, incidental, INDIRECT, OR consequential damages IN ANY WAY RELATED TO OR ARISING FROM THIS AGREEMENT, THE SALE OR USE OF THE EQUIPMENT OR SOFTWARE, OR THE PERFORMANCE OF SERVICES BY SELLER PURSUANT TO THIS AGREEMENT. This limitation of liability will survive the expiration or termination of this Agreement. No action for breach of this Agreement or otherwise relating to the transactions contemplated by this Agreement may be brought more than one (1) year after the accrual of such cause of action, except for money due upon an open account.

Section 15 CONFIDENTIALITY AND PROPRIETARY RIGHTS

15.1. CONFIDENTIAL INFORMATION.

15.1.1. During the term of this Agreement, the parties may provide each other with Confidential Information. For the purposes of this Agreement, "Confidential Information" is any information disclosed in written, graphic, verbal, or machine-recognizable form, and is marked, designated, labeled or identified at the time of disclosure as being confidential or its equivalent; or if in verbal form is identified as confidential or proprietary at the time of disclosure and confirmed in writing within thirty (30) days of such disclosure. Notwithstanding any other provisions of this Agreement, Confidential Information shall not include any information that: (i) is or becomes publicly known through no wrongful act of the receiving party; (ii) is already known to the receiving party without restriction when it is disclosed; (iii) is, or subsequently becomes, rightfully and without breach of this Agreement, in the receiving party's possession without any obligation restricting disclosure; (iv) is independently developed by the receiving party without breach of this Agreement; or (v) is explicitly approved for release by written authorization of the disclosing party.

15.1.2. Each party will: (i) maintain the confidentiality of the other party's Confidential Information and not disclose it to any third party, except as authorized by the disclosing party in writing or as required by a court of competent jurisdiction; (ii) restrict disclosure of Confidential Information to its employees who have a "need to know" and not copy or reproduce such Confidential Information; (iii) take necessary and appropriate precautions to guard the confidentiality of Confidential Information, including informing its employees who handle such Confidential Information that it is confidential and not to be disclosed to others, but such precautions shall be at least the same degree of care that the receiving party applies to its own confidential information and shall not be less than reasonable care; and (iv) use such Confidential Information only in furtherance of the performance of this Agreement. Confidential Information is and shall at all times remain the property of the disclosing party, and no grant of any proprietary rights in the Confidential Information is hereby given or intended, including any express or implied license, other than the limited right of the recipient to use the Confidential Information in the manner and to the extent permitted by this Agreement.

15.2. PRESERVATION OF PROPRIETARY RIGHTS.

15.2.1. MorphoTrak the third party manufacturer of any Equipment, and the copyright owner of any Non-MorphoTrak Software own and retain all of their respective Proprietary Rights in the Equipment and Software. Nothing in this Agreement is intended to restrict the Proprietary Rights of MorphoTrak, any copyright owner of Non-MorphoTrak Software, or any third party manufacturer of Equipment. All intellectual property developed, originated, or prepared by MorphoTrak in connection with providing to Customer the Equipment, Software, or related services remain vested exclusively in MorphoTrak, and this Agreement does not grant to Customer any shared development rights of intellectual property.

15.2.2. Except as explicitly provided in the Software License Agreement, nothing in this Agreement will be deemed to grant, either directly or by implication, estoppel, or otherwise, any right, title or interest in the Proprietary Rights of MorphoTrak or Seller. Customer agrees not to modify, disassemble, peel components, decompile, otherwise reverse engineer or attempt to reverse engineer, derive source code or create derivative works from, adapt, translate, merge with other software, reproduce, or export the Software, or permit or encourage any third party to do so. The preceding sentence shall not apply to Open Source Software which is governed by the standard license of the copyright owner.

Section 16 GENERAL

16.1. **TAXES.** The Contract Price does not include any amount for federal, state, or local excise, sales, lease, service, rental, use, property, occupation, or other taxes, assessments or duties (other than federal, state, and local taxes based on Seller's income or net worth), all of which will be paid by Customer except as exempt by law. If Seller is required to pay or bear the burden of any such taxes, it will send an invoice to Customer and Customer will pay to it the amount of such taxes (including any applicable interest and penalties) within thirty (30) days after the date of the invoice. Customer will be solely responsible for reporting the Equipment for personal property tax purposes.

16.2. **ASSIGNABILITY.** Neither party may assign this Agreement without the prior written consent of the other party, except that Seller may assign this Agreement to any successor of Seller's biometrics business, as conducted through Printrak International, Inc., or to any party acquiring the assets used by Seller in conducting such biometrics business or otherwise performing Seller's obligations under this Agreement.

16.3. **SUBCONTRACTING.** Seller may subcontract any portion of the work, but such subcontracting will not relieve Seller of its duties under this Agreement.

16.4. **WAIVER.** Failure or delay by either party to exercise any right or power under this Agreement will not operate as a waiver of such right or power. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either (i) a future or continuing waiver of that same right or power, or (ii) the waiver of any other right or power.

16.5. **SEVERABILITY.** If a court of competent jurisdiction renders any provision of this Agreement (or portion of a provision) to be invalid or otherwise unenforceable, that provision or portion of the provision will be severed and the remainder of this Agreement will continue in full force and effect as if the invalid provision or portion of the provision were not part of this Agreement.

16.6. **INDEPENDENT CONTRACTORS.** Each party shall perform its activities and duties hereunder only as an independent contractor. The parties and their personnel shall not be considered to be employees or agents of the other party. Nothing in this Agreement shall be interpreted as granting either party the right or authority to make commitments of any kind for the other. This Agreement shall not constitute, create, or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.

16.7. **HEADINGS AND SECTION REFERENCES.** The section headings in this Agreement are inserted only for convenience and are not to be construed as part of this Agreement or as a limitation of the scope of the particular section to which the heading refers. This Agreement will be fairly interpreted in accordance with its terms and conditions and not for or against either party.

16.8. **GOVERNING LAW.** This Agreement and the rights and duties of the parties will be governed by and interpreted in accordance with the laws of the State in which the System is installed.

16.9. ENTIRE AGREEMENT. This Agreement, including all Exhibits, constitutes the entire agreement of the parties regarding the subject matter hereof and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to such subject matter. This Agreement may be altered, amended, or modified only by a written instrument signed by authorized representatives of both parties. The preprinted terms and conditions found on any Customer purchase order, acknowledgment or other form will not be considered an amendment or modification of this Agreement, even if a representative of each party signs such document.

16.10. NOTICES. Notices required under this Agreement to be given by one party to the other must be in writing and either delivered in person or sent to the address shown below by certified mail, return receipt requested and postage prepaid (or by a recognized courier service with an asset tracking system, such as Federal Express, UPS, or DHL), or by facsimile with correct answerback received, and shall be effective upon receipt:

Customer
Attn: _____

fax: _____

Seller
Attn: _____

fax: _____

16.11. COMPLIANCE WITH APPLICABLE LAWS. Each party will comply with all applicable federal, state, and local laws, regulations and rules concerning the performance of this Agreement or use of the System.

16.12. AUTHORITY TO EXECUTE AGREEMENT. Each party represents to the other that (i) it has obtained all necessary approvals, consents and authorizations to enter into this Agreement and to perform its duties under this Agreement; (ii) the person executing this Agreement on its behalf has the authority to do so; (iii) upon execution and delivery of this Agreement by the parties, it is a valid and binding contract, enforceable in accordance with its terms; and (iv) the execution, delivery, and performance of this Agreement does not violate any bylaw, charter, regulation, law or any other governing authority of the party.

16.13. SURVIVAL OF TERMS. The following provisions shall survive the expiration or termination of this Agreement for any reason: Section 3.6 (MorphoTrak Software); Section 3.7 (Non-MorphoTrak Software); if any payment obligations exist, Sections 5.1 and 5.2 (Contract Price and Invoicing and Payment); Section 11 (Disputes); Section 14 (Limitation of Liability); Section 15 (Confidentiality and Proprietary Rights); and all of the General provisions in Section 16.

The parties hereby enter into this Agreement as of the Effective Date.

Seller

By: _____
Name: _____
Title: _____
Date: _____

Customer

By: _____
Name: _____
Title: _____
Date: _____

Exhibit A
Software License Agreement

In this Exhibit A, the term "Licensor" means MorphoTrak, Inc., ("MorphoTrak") or MorphoTrak, Inc.; "Licensee," means the Customer; "Primary Agreement" means the agreement to which this exhibit is attached; and "Agreement" means this Exhibit and the applicable terms and conditions contained in the Primary Agreement. For good and valuable consideration, the parties agree as follows:

Section 1 DEFINITIONS

1.1 "Designated Products" means products provided by MorphoTrak to Licensee with which or for which the Software and Documentation is licensed for use.

1.2 "Documentation" means product and software documentation that specifies technical and performance features and capabilities, and the user, operation and training manuals for the Software (including all physical or electronic media upon which such information is provided).

1.3 "Open Source Software" means software with either freely obtainable source code, license for modification, or permission for free distribution.

1.4 "Open Source Software License" means the terms or conditions under which the Open Source Software is licensed.

1.5 "Primary Agreement" means the agreement to which this exhibit is attached.

1.6 "Security Vulnerability" means a flaw or weakness in system security procedures, design, implementation, or internal controls that could be exercised (accidentally triggered or intentionally exploited) and result in a security breach such that data is compromised, manipulated or stolen or the system damaged.

1.7 "Software" (i) means proprietary software in object code format, and adaptations, translations, de-compilations, disassemblies, emulations, or derivative works of such software; (ii) means any modifications, enhancements, new versions and new releases of the software provided by MorphoTrak; and (iii) may contain one or more items of software owned by a third party supplier. The term "Software" does not include any third party software provided under separate license or third party software not licensable under the terms of this Agreement.

Section 2 SCOPE

MorphoTrak and Licensee enter into this Agreement in connection with MorphoTrak's delivery of certain proprietary Software or products containing embedded or pre-loaded proprietary Software, or both. This Agreement contains the terms and conditions of the license MorphoTrak is providing to Licensee, and Licensee's use of the Software and Documentation.

Section 3 GRANT OF LICENSE

3.1. Subject to the provisions of this Agreement and the payment of applicable license fees, MorphoTrak grants to Licensee a personal, limited, non-transferable (except as permitted in Section 7) and non-exclusive license under MorphoTrak's copyrights and Confidential Information (as defined in the Primary Agreement) embodied in the Software to use the Software, in object code form, and the Documentation solely in connection with Licensee's use of the Designated Products. This Agreement does not grant any rights to source code.

3.2. If the Software licensed under this Agreement contains or is derived from Open Source Software, the terms and conditions governing the use of such Open Source Software are in the

Open Source Software Licenses of the copyright owner and not this Agreement. If there is a conflict between the terms and conditions of this Agreement and the terms and conditions of the Open Source Software Licenses governing Licensee's use of the Open Source Software, the terms and conditions of the license grant of the applicable Open Source Software Licenses will take precedence over the license grants in this Agreement. If requested by Licensee, MorphoTrak will use commercially reasonable efforts to: (i) determine whether any Open Source Software is provided under this Agreement; (ii) identify the Open Source Software and provide Licensee a copy of the applicable Open Source Software License (or specify where that license may be found); and, (iii) provide Licensee a copy of the Open Source Software source code, without charge, if it is publicly available (although distribution fees may be applicable).

Section 4 LIMITATIONS ON USE

4.1. Licensee may use the Software only for Licensee's internal business purposes and only in accordance with the Documentation. Any other use of the Software is strictly prohibited. Without limiting the general nature of these restrictions, Licensee will not make the Software available for use by third parties on a "time sharing," "application service provider," or "service bureau" basis or for any other similar commercial rental or sharing arrangement.

4.2. Licensee will not, and will not allow or enable any third party to: (i) reverse engineer, disassemble, peel components, decompile, reprogram or otherwise reduce the Software or any portion to a human perceptible form or otherwise attempt to recreate the source code; (ii) modify, adapt, create derivative works of, or merge the Software; (iii) copy, reproduce, distribute, lend, or lease the Software or Documentation to any third party, grant any sublicense or other rights in the Software or Documentation to any third party, or take any action that would cause the Software or Documentation to be placed in the public domain; (iv) remove, or in any way alter or obscure, any copyright notice or other notice of MorphoTrak's proprietary rights; (v) provide, copy, transmit, disclose, divulge or make the Software or Documentation available to, or permit the use of the Software by any third party or on any machine except as expressly authorized by this Agreement; or (vi) use, or permit the use of, the Software in a manner that would result in the production of a copy of the Software solely by activating a machine containing the Software. Licensee may make one copy of Software to be used solely for archival, back-up, or disaster recovery purposes; provided that Licensee may not operate that copy of the Software at the same time as the original Software is being operated. Licensee may make as many copies of the Documentation as it may reasonably require for the internal use of the Software.

4.3. Unless otherwise authorized by MorphoTrak in writing, Licensee will not, and will not enable or allow any third party to: (i) install a licensed copy of the Software on more than one unit of a Designated Product; or (ii) copy onto or transfer Software installed in one unit of a Designated Product onto another device. Licensee may temporarily transfer Software installed on a Designated Product to another device if the Designated Product is inoperable or malfunctioning, if Licensee provides written notice to MorphoTrak of the temporary transfer and identifies the device on which the Software is transferred. Temporary transfer of the Software to another device must be discontinued when the original Designated Product is returned to operation and the Software must be removed from the other device. Licensee must provide prompt written notice to MorphoTrak at the time temporary transfer is discontinued.

4.4. Licensee will maintain, during the term of this Agreement and for a period of two years thereafter, accurate records relating to this license grant to verify compliance with this Agreement. MorphoTrak or an independent third party ("Auditor") may inspect Licensee's premises, books and records, upon reasonable prior notice to Licensee, during Licensee's normal business hours and subject to Licensee's facility and security regulations. MorphoTrak is responsible for the payment of all expenses and costs of the Auditor. Any information obtained by MorphoTrak and the Auditor will be kept in strict confidence by MorphoTrak and the Auditor and used solely for the purpose of verifying Licensee's compliance with the terms of this Agreement.

Section 5 OWNERSHIP AND TITLE

MorphoTrak, its licensors, and its suppliers retain all of their proprietary rights in any form in and to the Software and Documentation, including, but not limited to, all rights in patents, patent applications, inventions, copyrights, trademarks, trade secrets, trade names, and other proprietary rights in or relating to the Software and Documentation (including any corrections, bug fixes, enhancements, updates, modifications, adaptations, translations, de-compilations, disassemblies, emulations to or derivative works from the Software or Documentation, whether made by MorphoTrak or another party, or any improvements that result from MorphoTrak's processes or, provision of information services). No rights are granted to Licensee under this Agreement by implication, estoppel or otherwise, except for those rights which are expressly granted to Licensee in this Agreement. All intellectual property developed, originated, or prepared by MorphoTrak in connection with providing the Software, Designated Products, Documentation or related services, remains vested exclusively in MorphoTrak, and Licensee will not have any shared development or other intellectual property rights.

Section 6 LIMITED WARRANTY; DISCLAIMER OF WARRANTY

6.1. The commencement date and the term of the Software warranty will be a period of ninety (90) days from MorphoTrak's shipment of the Software (the "Warranty Period"). If Licensee is not in breach of any of its obligations under this Agreement, MorphoTrak warrants that the unmodified Software, when used properly and in accordance with the Documentation and this Agreement, will be free from a reproducible defect that eliminates the functionality or successful operation of a feature critical to the primary functionality or successful operation of the Software. Whether a defect occurs will be determined by MorphoTrak solely with reference to the Documentation. MorphoTrak does not warrant that Licensee's use of the Software or the Designated Products will be uninterrupted, error-free, completely free of Security Vulnerabilities, or that the Software or the Designated Products will meet Licensee's particular requirements. MorphoTrak makes no representations or warranties with respect to any third party software included in the Software.

6.2 MorphoTrak's sole obligation to Licensee and Licensee's exclusive remedy under this warranty is to use reasonable efforts to remedy any material Software defect covered by this warranty. These efforts will involve either replacing the media or attempting to correct significant, demonstrable program or documentation errors or Security Vulnerabilities. If MorphoTrak cannot correct the defect within a reasonable time, then at MorphoTrak's option, MorphoTrak will replace the defective Software with functionally-equivalent Software, license to Licensee substitute Software which will accomplish the same objective, or terminate the license and refund the Licensee's paid license fee.

6.3. Warranty claims are described in the Primary Agreement.

6.4. **The express warranties set forth in this Section 6 are in lieu of, and MorphoTrak disclaims, any and all other warranties (express or implied, oral or written) with respect to the Software or Documentation, including, without limitation, any and all implied warranties of condition, title, non-infringement, merchantability, or fitness for a particular purpose or use by Licensee (whether or not MorphoTrak knows, has reason to know, has been advised, or is otherwise aware of any such purpose or use), whether arising by law, by reason of custom or usage of trade, or by course of dealing. In addition, MorphoTrak disclaims any warranty to any person other than Licensee with respect to the Software or Documentation.**

Section 7 TRANSFERS

Licensee will not transfer the Software or Documentation to any third party without MorphoTrak's prior written consent. MorphoTrak's consent may be withheld at its discretion and may be

conditioned upon transferee paying all applicable license fees and agreeing to be bound by this Agreement.

Section 8 TERM AND TERMINATION

8.1 Licensee's right to use the Software and Documentation will begin when the Primary Agreement is signed by both parties and will continue for the life of the Designated Products with which or for which the Software and Documentation have been provided by MorphoTrak, unless Licensee breaches this Agreement, in which case this Agreement and Licensee's right to use the Software and Documentation may be terminated immediately upon notice by MorphoTrak.

8.2 Within thirty (30) days after termination of this Agreement, Licensee must certify in writing to MorphoTrak that all copies of the Software have been removed or deleted from the Designated Products and that all copies of the Software and Documentation have been returned to MorphoTrak or destroyed by Licensee and are no longer in use by Licensee.

Licensee acknowledges that MorphoTrak made a considerable investment of resources in the development, marketing, and distribution of the Software and Documentation and that Licensee's breach of this Agreement will result in irreparable harm to MorphoTrak for which monetary damages would be inadequate. If Licensee breaches this Agreement, MorphoTrak may terminate this Agreement and be entitled to all available remedies at law or in equity (including immediate injunctive relief and repossession of all non-embedded Software and associated Documentation unless Licensee is a Federal agency of the United States Government).

Section 9 UNITED STATES GOVERNMENT LICENSING PROVISIONS

This Section applies if Licensee is the United States Government or a United States Government agency. Licensee's use, duplication or disclosure of the Software and Documentation under MorphoTrak's copyrights or trade secret rights is subject to the restrictions set forth in subparagraphs (c)(1) and (2) of the Commercial Computer Software-Restricted Rights clause at FAR 52.227-19 (JUNE 1987), if applicable, unless they are being provided to the Department of Defense. If the Software and Documentation are being provided to the Department of Defense, Licensee's use, duplication, or disclosure of the Software and Documentation is subject to the restricted rights set forth in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013 (OCT 1988), if applicable. The Software and Documentation may or may not include a Restricted Rights notice, or other notice referring to this Agreement. The provisions of this Agreement will continue to apply, but only to the extent that they are consistent with the rights provided to the Licensee under the provisions of the FAR or DFARS mentioned above, as applicable to the particular procuring agency and procurement transaction.

Section 10 CONFIDENTIALITY

Licensee acknowledges that the Software and Documentation contain MorphoTrak's valuable proprietary and Confidential Information and are MorphoTrak's trade secrets, and that the provisions in the Primary Agreement concerning Confidential Information apply.

Section 11 LIMITATION OF LIABILITY

The Limitation of Liability provision is described in the Primary Agreement.

Section 12 NOTICES

Notices are described in the Primary Agreement.

Section 13 GENERAL

13.1. **COPYRIGHT NOTICES.** The existence of a copyright notice on the Software will not be construed as an admission or presumption of publication of the Software or public disclosure of any trade secrets associated with the Software.

13.2. **COMPLIANCE WITH LAWS.** Licensee acknowledges that the Software is subject to the laws and regulations of the United States and Licensee will comply with all applicable laws and regulations, including export laws and regulations of the United States. Licensee will not, without the prior authorization of MorphoTrak and the appropriate governmental authority of the United States, in any form export or re-export, sell or resell, ship or reship, or divert, through direct or indirect means, any item or technical data or direct or indirect products sold or otherwise furnished to any person within any territory for which the United States Government or any of its agencies at the time of the action, requires an export license or other governmental approval. Violation of this provision is a material breach of this Agreement.

13.3. **ASSIGNMENTS AND SUBCONTRACTING.** MorphoTrak may assign its rights or subcontract its obligations under this Agreement, or encumber or sell its rights in any Software, without prior notice to or consent of Licensee.

13.4. **GOVERNING LAW.** This Agreement is governed by the laws of the United States to the extent that they apply and otherwise by the internal substantive laws of the State to which the Software is shipped if Licensee is a sovereign government entity, or the internal substantive laws of the State of Illinois if Licensee is not a sovereign government entity. The terms of the U.N. Convention on Contracts for the International Sale of Goods do not apply. In the event that the Uniform Computer Information Transaction Act, any version of this Act, or a substantially similar law (collectively "UCITA") becomes applicable to a party's performance under this Agreement, UCITA does not govern any aspect of this Agreement or any license granted under this Agreement, or any of the parties' rights or obligations under this Agreement. The governing law will be that in effect prior to the applicability of UCITA.

13.5. **THIRD PARTY BENEFICIARIES.** This Agreement is entered into solely for the benefit of MorphoTrak and Licensee. No third party has the right to make any claim or assert any right under this Agreement, and no third party is deemed a beneficiary of this Agreement. Notwithstanding the foregoing, any licensor or supplier of third party software included in the Software will be a direct and intended third party beneficiary of this Agreement.

13.6. **SURVIVAL.** Sections 4, 5, 6.3, 7, 8, 9, 10, 11 and 13 survive the termination of this Agreement.

13.7. **ORDER OF PRECEDENCE.** In the event of inconsistencies between this Exhibit and the Primary Agreement, the parties agree that this Exhibit prevails, only with respect to the specific subject matter of this Exhibit, and not the Primary Agreement or any other exhibit as it applies to any other subject matter.

13.8 **SECURITY.** MorphoTrak uses reasonable means in the design and writing of its own Software and the acquisition of third party Software to limit Security Vulnerabilities. While no software can be guaranteed to be free from Security Vulnerabilities, if a Security Vulnerability is discovered, MorphoTrak will take the steps set forth in Section 6 of this Agreement.

Exhibit B

Payment Schedule

This quote is subject to the following:

1. Twenty-Five percent (25%) of the purchase price due at the time of contract signing.
2. Twenty-Five percent (25%) of the purchase price due at the signature and approval of the Requirements Document.
3. Forty-five percent (45%) of the purchase price due upon equipment shipment.
4. Five percent (5%) of the purchase price due upon system acceptance.
5. Payment net twenty (20) days from receipt of invoice.¹

¹ Customer's payment shall be due and payable no later than twenty (20) days after date of invoice. MorphoTrak will accept a check payable to MorphoTrak, Inc. or a wire transfer drawn on a United States financial institution. Any payment not received by the twenty-first day shall accrue interest compounded at one and one-half percent (1-1/2%) per month. Any collection or attorney's fees incurred by MorphoTrak seeking to enforce payment under this Agreement shall be reimbursed by Customer.

EXHIBIT 2

Request for Proposal

The complete, detailed Request for Proposal including all addenda is too voluminous to include here. A set of the documents comprising the complete, detailed scope of work and requirements is on file in the Purchasing Agent's office, identified as Purchasing Job No. 10/0024.

EXHIBIT 3

Best and Final Offer

(follows behind)

Presented to Commissioner's Court

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

APR 27 2010

APPROVE _____
Recorded Vol _____ Page _____

The Commissioners Court of Harris County, Texas convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the _____ day of APR 27 2010, 2010 with the following members present, to-wit:

Ed Emmett	County Judge
El Franco Lee	Commissioner, Precinct No. 1
Sylvia R. Garcia	Commissioner, Precinct No. 2
Steve Radack	Commissioner, Precinct No. 3
Jerry Eversole	Commissioner, Precinct No. 4

and the following members absent, to-wit: none
constituting a quorum, when among other business, the following was transacted:

**ORDER AUTHORIZING EXECUTION OF AN ADDENDUM and AGREEMENT
BETWEEN
HARRIS COUNTY and MORPHOTRAK, INC.**

Commissioner Garcia introduced an order and made a motion that the same be adopted. Commissioner Lee seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

Vote of the Court	Yes	No	Abstain
Judge Emmett	☒	☐	☐
Comm. Lee	☒	☐	☐
Comm. Garcia	☒	☐	☐
Comm. Radack	☒	☐	☐
Comm. Eversole	☒	☐	☐

The County Judge thereupon announced that the Order had been duly and lawfully adopted. The Order adopted reads as follows:

Recitals

1. Under the competitive proposal process of the County Purchasing Act, Local Government Code, Section 262.021, *et. seq.*, as amended, Harris County advertised a Request for Proposal (Purchasing Job No. #10/0024 which is supplemental to the Addendum and the Agreement), for an automated fingerprint identification system technology update with LiveScan stations.
2. MorphoTrak, Inc. was awarded the contract to provide an automated fingerprint identification system technology update and LiveScan stations for the Sheriff's Office.

3. MorphoTrak, Inc. represents and acknowledges that it is fully qualified and able to provide a technology update for the automated fingerprint identification system as described in the Agreement.

Now, therefore, be it Ordered by the Commissioners Court of Harris County :

1. That the recitals are true and correct.
2. That County Judge Ed Emmett be, and he is hereby, authorized to execute for and on behalf of the Harris County Sheriff's Office (Purchasing Job No. 10/0024) an Addendum and the Agreement with MorphoTrak, Inc. to provide an automated fingerprint identification system technology update with LiveScan stations for the Sheriff's Office, for a twelve (12) month term with four (4) one-year renewal terms, and at a cost of \$1,970,000.00. The Addendum and Agreement are incorporated herein by reference for all purposes as though fully set forth herein word for word.
3. All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purpose of this Order,

EXHIBIT B

**"Job No. 10/0024 Automated Fingerprint Identification System Technology Update for Harris
County Sheriff's Office" (Best and Final Offer Update)**

and

"AFIS Live Scan grant Project 2008 UASI Equipment List for Grant Proposal" dated 6/22/2010

(follow behind)

MorphoTrak

Job No. 10/0024 Automated Fingerprint Identification System Technology Update for the Harris

MOBILE AFIS UPGRADE PROPOSAL		PRICE	BEST AND FINAL
	for Mobile:	\$254,500	
	▣ Advanced Matching Controller		\$3,100
1	▣ Advanced Fingerprint Matching Processors		\$6,000
1	▣ Expert Matching Processor		\$3,000
1	▣ Advanced Matching Application Software		\$51,740
	▣ Mobile AFIS Gateway Server		\$3,000
	▣ Mobile AFIS Application Software		\$50,000
	▣ Rack-Optimized Servers		\$25,800
	▣ System Cabinet and Console Expansion		\$0
	▣ ADS Expansion		\$32,000
	▣ ADS Application Software		\$45,260
	Professional Services for Implementation & Support:	\$125,850	
	▣ Project Management		\$15,761
	▣ Software & Systems Engineering		\$7,005
	▣ Systems Integration & Test		
	▣ Design & Implement Workflows		\$23,600
	▣ Design & Implement Interfaces		\$18,800
	▣ System Configuration		\$8,800
	▣ Support Installation		\$12,200
	▣ Systems Test		\$7,600
	▣ Support Post Installation		\$7,950
	▣ Factory Acceptance Test		\$0
	▣ Quality Assurance		\$1,751
	▣ Equipment Delivery & Installation		\$6,932
	▣ System Acceptance Test		\$0
	▣ User Training		\$4,816
	▣ System Transition & Cutover		\$0
	▣ 1 Year Warranty		\$0
Net Base Proposal Total:		\$380,350	\$346,115

MorphoTrak

Job No. 10/0024 Automated Fingerprint Identification System Technology Update for the Harris

ORIGINAL MOBILE AFS INTERFACE		PRICE	BEST AND FINAL
1	▣ Search of the Mobile Database.		\$0
	▣ Creation of the FBI RISC Image based format		\$0
	▣ Transmission to the State		\$0
	▣ Return from the State		\$0
		\$32,780	\$32,780
Net Base Proposal Total:		\$32,780	\$32,780

MorphoTrak

Job No. 10/0024 Automated Fingerprint Identification System Technology Update for the Harris County Sheriff's Office

BASE PROPOSAL		UNIT PRICE	EST. PRICE BEST AND FINAL
	BioSP Option		
1	Aware BioSP Core Server License (4 Core)	\$27,680	\$27,680
1	Aware BioSP Format Manager	\$15,770	\$15,770
1	Aware BioSP Transaction Manager	\$18,320	\$18,320
1	Aware BioSP Subject Manager	\$31,080	\$31,080
1	Aware BioSP Fingerprint Analysis Module	\$19,910	\$19,910
1	Aware BioSP Reporting Module	\$15,130	\$15,130
1	Aware BioSP AccuPrint Module	\$15,910	\$15,910
1	BioSP Server	\$5,000	\$5,000
1	Professional Services for Implementation & Support:		
	Project Management		\$8,000
	Systems Integration		
	Support Installation		\$6,400
	Equipment Delivery & Installation		\$1,600
	One-Year Warranty		Included
Net Base Proposal Total:			\$164,800

AFIS LIVE SCAN GRANT PROJECT
2008 UASI
EQUIPMENT LIST FOR GRANT PURCHASE

6/22/2010

CITY	EQUIPMENT NEEDED	COST	REVISED COST
Rosenberg			
	Ruggedized Printrak		\$ 30,300.00
	Printrak Hand Held		\$ 4,950.00
			<u>\$ 35,250.00</u>
Richmond			
	Printrak Desktop		\$ 26,330.00
	Printrak Hand Held		\$ 4,950.00
			<u>\$ 31,280.00</u>
Missouri City			
	Ruggedized Printrak		\$ 30,300.00
	Latent Station		\$ 55,000.00
			<u>\$ 85,300.00</u>
Sheriff's Office			
	Ruggedized Printrak		\$ 30,300.00
			<u>\$ 30,300.00</u>
	Total		<u>\$ 182,130.00</u>
	Grant Project Total		<u></u>
	Remaining Amount		<u></u>
	Total AFIS		<u></u>
	Total		<u></u>

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

JUL 27 2010
APPROVE _____
Recorded Vol _____ Page _____

The Commissioners Court of Harris County, Texas, convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the ____ day of JUL 27 2010, 2010 with the following members present, to-wit:

Ed Emmett	County Judge
El Franco Lee	Commissioner, Precinct No. 1
Sylvia R. García	Commissioner, Precinct No. 2
Steve Radack	Commissioner, Precinct No. 3
Jerry Eversole	Commissioner, Precinct No. 4

and the following members absent, to-wit: Radack,
constituting a quorum, when among other business, the following was transacted:

**ORDER AUTHORIZING EXECUTION OF THE FIRST AMENDMENT TO THE
AGREEMENT BETWEEN HARRIS COUNTY AND MORPHOTRAK, INC.**

Commissioner Garcia introduced an order and made a motion that the same be adopted. Commissioner Lee seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

Vote of the Court	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Judge Emmett	☒	☐	☐
Comm. Lee	☒	☐	☐
Comm García	☒	☐	☐
Comm. Radack	☐	☐	☐
Comm. Eversole	☒	☐	☐

Recitals

1. On April 27, 2010, the County entered into an agreement (the "Master Agreement") with MorphoTrak as a result of the Request for Proposals Job N. 10/0024 to acquire an automated fingerprint identification system technology update known as the Biometrics System with the optional LiveScan stations.
2. The Parties desire to amend the Master Agreement for the first time (the "First Amendment") to update the Best and Final Offer to include BioSP, mobile interface, and a mobile upgrade (the "Services"), and to provide for additional payment.

3. MorphoTrak is willing to provide the Services.

Now, therefore, be it Ordered by the Commissioners Court of Harris County:

1. That the recitals set forth in this Order are true and correct.
2. That County Judge Ed Emmett be, and he is hereby, authorized to execute for and on behalf of Harris County, the First Amendment to the Agreement between Harris County and MorphoTrak, Inc., in order to add BioSP, mobile interface, and a mobile upgrade to the scope of the Master Agreement, and to provide for additional funding in the amount of Five Hundred Forty-Three Thousand Six Hundred Ninety-Five and No/Dollars (\$543,695.00). The First Amendment is incorporated herein as though fully set forth word for word.
3. All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purpose of this Order.

EXHIBIT B

AFIS LIVE SCAN GRANT PROJECT
2008 UASI
EQUIPMENT LIST FOR GRANT PURCHASE

6/22/2010

CITY	EQUIPMENT NEEDED	COST	REVISED COST
Rosenberg			
	Ruggedized Printrak		\$ 30,300.00
	Printrak Hand Held		\$ 4,950.00
			\$ 35,250.00