

February 21, 2005

STANDARD SOFTWARE LICENSE AND SERVICES AGREEMENT

This *Standard Software License and Services Agreement* which includes the attached Exhibits ("this **Agreement**") is between **New World Systems® Corporation** ("New World"), a Michigan Corporation and **Pennington County and City of Rapid City, South Dakota** ("Customer"). This **Agreement** sets forth the terms and conditions under which **New World** will furnish the Licensed Products and will provide certain services described herein to **Customer**.

The attached Exhibits include:

Exhibit A LICENSED STANDARD SOFTWARE AND FEES
Exhibit B..... INSTALLATION AND TRAINING SUPPORT SERVICES AND FEES
Exhibit C STANDARD SOFTWARE MAINTENANCE AGREEMENT
Exhibit D NON-DISCLOSURE AND SECURITY AGREEMENT FOR THIRD PARTIES
Exhibit E..... DEMONSTRATION SITE DISCOUNT
Exhibit F..... CUSTOMER REQUESTED STANDARD SOFTWARE ENHANCEMENTS/
MODIFICATIONS AND/OR CUSTOM SOFTWARE
Exhibit G DATA FILE CONVERSION ASSISTANCE
Exhibit H ACCEPTANCE TESTING
Exhibit I..... SOFTWARE PERFORMANCE TEST CRITERIA
Exhibit J CIVIL PROCESSING MODULES DELIVERY
Appendix 1 AGREEMENT AND AUTHORIZATION FOR PROCUREMENT OF THIRD
PARTY PRODUCTS AND SERVICES

By signing below, each of us agrees to the terms and conditions of this Agreement together with the attached Exhibits. This Agreement contains the complete and exclusive statement of the agreement between us relating to the matters referenced herein and replaces any prior oral or written representations or communications between us. Each individual signing below represents that (s)he has the requisite authority to execute this Agreement on behalf of the organization for which (s)he represents and that all the necessary formalities have been met. If the individual is not so authorized then (s)he assumes personal liability for compliance under this Agreement.

ACKNOWLEDGED AND AGREED TO BY:

NEW WORLD SYSTEMS® CORPORATION
(New World)

By: _____
Larry D. Leinweber, President

CITY OF RAPID CITY, SOUTH DAKOTA
(Customer)

By: _____
Jim Shaw, Mayor

ATTEST:

By: _____
Finance Officer

PENNINGTON COUNTY COMMISSIONERS, SD
(Customer)

By: _____
James Kjerstad, Chairman

Date: _____

Date: _____

This Agreement is effective upon the last date as shown on this cover page.

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I. DEFINITIONS. The following terms as defined below are used throughout this Agreement:

1. **"Licensed Standard Software"**:
The current version of **New World** standard and development application software package(s) (in machine readable code and, if applicable, the related source code) listed on Exhibit A. **"Development Software"** is standard application software currently under development by **New World** which, if applicable, will be completed and delivered to **Customer** as Licensed Standard Software during the term of this Agreement.
2. **"Upgrades"**:
Any enhanced and/or improved versions of the Licensed Standard Software provided as Licensed Standard Software under Exhibit C of this Agreement and released after the execution of this Agreement.
3. **"Licensed Custom Software"**:
Any software (programs or portions of programs) developed by **New World** specifically for **Customer's** own use.
4. **"Licensed Software"**:
The Licensed Standard Software (including any Development Software), Upgrades, and Licensed Custom Software provided under this Agreement.
5. **"Licensed Documentation"**:
New World User Manuals which includes the current specifications for the Licensed Standard Software and other written instructions relating to the Licensed Software (such as Product Bulletins, installation instructions, and training materials).
6. **"Authorized Copies"**:
Except as provided in Section II, subparagraph 1.3, the only authorized copies of the Licensed Software and Licensed Documentation are the copies of each application software package defined in this Paragraph. They are:
 - (i) the single copy of the Licensed Software and the related Licensed Documentation delivered by **New World** under this Agreement; and
 - (ii) any additional copies made by **Customer** as authorized in Section II, subparagraph 1.2.
7. **"Licensed Products"**:
The Licensed Software, the related Licensed Documentation, and the Authorized Copies of the foregoing.
8. **"Customer Liaison"**:
A **Customer** employee assigned to act as liaison between **Customer** and **New World** for the duration of this Agreement. Within ten (10) days of execution of this Agreement, **Customer** shall notify **New World** of the name of the Customer Liaison.
9. **"SSMA"**:
The **New World** Standard Software Maintenance Agreement as set forth in Exhibit C.
10. **"Computer"**:
The multiple MSP Server(s), to be located at:
*Pennington County and City of Rapid City
300 Kansas City Street
Rapid City, SD 57701*
Customer shall identify in writing the serial number of the Computer within ten (10) days of receipt of the Computer or within ten (10) days of execution of this Agreement, whichever is later. If the Computer is to be relocated, **Customer** shall notify **New World** of the new location in writing prior to the relocation.
11. **"Confidential Information"**:
Information disclosed or obtained by one party in connection with, and during the term of, this Agreement and designated as "Confidential" by the party claiming confidentiality at the time of disclosure. Confidential Information does not include any information which was previously known to the other party without obligation of confidence or without breach of this Agreement, is publicly disclosed either prior or subsequent to the other party's receipt of such information, or is rightfully received by the other party from a third party without obligation of confidence.
12. **"An Authorized User"**:
Subject to the number of users specified in Exhibit A, any PC workstation that is connected to access the Licensed Software resident on Computer and that may be actively logged on to access the programs, interfaces, data, or files created and/or maintained by the Licensed Software.
13. **"Modified"**:
Any alteration to the Licensed Software database schema, stored database procedures or programming machine readable code.

II. GENERAL TERMS AND CONDITIONS

1.0 SINGLE USE LICENSE

- 1.1 **New World** grants **Customer** a nontransferable and nonexclusive license to use the Licensed Software only on the Computer and only for its internal processing needs. **Customer** shall have the right and license to use, enhance, or modify the Licensed Software only for **Customer's** own use and only on the Computer by an authorized user. **New World** will deliver to **Customer** one copy of each application of the Licensed Software (in machine readable form compatible with the specified operating environment) and one copy of the related Licensed Documentation. If **Customer** fails to pay all license fees specified in Exhibit A and the applicable custom software fees, if any, **Customer** shall forfeit the right and license to use the Licensed Products and shall return them to **New World**.
- 1.2 In order to assist **Customer** in the event of an emergency, **Customer** is permitted to make up to two (2) back up copies on magnetic media of each application of the Licensed Software and one back up

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copy of the related Licensed Documentation. These Authorized Copies may be stored off-site away from **Customer's** premises as specified in the Definitions so long as they are kept in a location secure from unauthorized use. **Customer** or anyone obtaining access through **Customer** shall not copy, distribute, disseminate, or otherwise disclose to any third party the Licensed Products or copies thereof in whole or in part, in any form or media. This restriction on making and distributing the Licensed Products or copies of any Licensed Product, includes without limitation, copies of the following:

- (i) Program libraries, either source or object code;
- (ii) Operating control language;
- (iii) Test Data, sample files, or file lay outs;
- (iv) Program Listings; and
- (v) Licensed Documentation.

- 1.3 Upon written request by **Customer**, and with written permission by **New World**, additional Authorized Copies may be made for **Customer's** internal use only.

2.0 OWNERSHIP

- 2.1 The Licensed Products and all copyright, trade secrets and other proprietary rights, title and interest therein, remain the sole property of **New World** or its licensors, and **Customer** shall obtain no right, title or interest in the Licensed Products by virtue of this **Agreement** other than the nonexclusive, nontransferable license to use the Licensed Products as restricted herein.
- 2.2 The license to use any Licensed Custom Software provided under this **Agreement**, if any, is included in this license. **New World** shall have the right to use any data processing ideas, techniques, concepts, and/or know-how acquired by it in the performance of services under this **Agreement** including the development of Licensed Custom Software for the advancement of its own technical expertise and the performance of other Software License and Service Agreements or any other applicable agreements. **New World** shall have, without restriction, the right to use all programs, procedures, information, and techniques that are publicly available, obtained or obtainable from third parties and/or developed independently by **New World** without specific reference to **Customer's** organization.

3.0 CORRECTION AND SOFTWARE MAINTENANCE ON STANDARD SOFTWARE

- 3.1 For a warranty period of two hundred and seventy (270) days after the date the Licensed Standard Software is installed on computer and during the term of **Customer's** SSMA (see Exhibit C), **New World** provides software correction service and maintenance for the Licensed Standard Software. See Exhibit C for a description of the services available, the applicable fees and procedures, and the SSMA start date.

4.0 WARRANTIES

- 4.1 **New World** warrants that the Licensed Standard Software will perform as specified in its user manuals based on the then-current release of the Licensed Standard Software.
- 4.2 **New World** warrants that it possesses the necessary intellectual rights to license to **Customer** the Licensed Software provided hereunder.

The foregoing warranties do not apply if the Licensed Product(s) have been **Modified** by any party other than **New World**. **New World** does not warrant that the features or functions of the Licensed Software will meet **Customer's** requirements or in any combination or use **Customer** selects. EXCEPT AS SPECIFICALLY PROVIDED IN THIS PARAGRAPH 4.0, NEW WORLD MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE LICENSED PRODUCTS' CONDITION, ITS MERCHANTABILITY, ITS FITNESS FOR A PARTICULAR PURPOSE, OR ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.

5.0 INSTALLATION AND TRAINING SUPPORT SERVICES

- 5.1 As provided for in Exhibit B and concurrent with timely payments, **New World** shall make available to **Customer** qualified representative(s) who will provide installation and training support services for each application of the Licensed Software delivered. See Exhibit B for a description of the services provided and the applicable fees and procedures.

6.0 CUSTOMER LIAISON AND CUSTOMER RESPONSIBILITIES

The successful implementation of the Licensed Products into **Customer's** environment requires **Customer's** commitment to and cooperation in the implementation process. Accordingly, **Customer** hereby agrees to the

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following:

- 6.1 **Customer** understands that the Licensed Software is designed to run in a specified operating environment which includes hardware, software and related equipment not provided by **New World**. **Customer** is responsible for assuring that the appropriate hardware equipment, the related components and all cabling are installed timely and are suitable for the successful installation of the Licensed Software.
- 6.2 **Customer** agrees to provide the management interface and support necessary to successfully complete the implementation of the Licensed Software. This support includes upper level priority setting and timely involvement during and after a change in **Customer's** organization, **Customer's** operations and/or after changes in **Customer's** internal policies or procedures which directly affect the software implementation.
- 6.3 **Customer** shall assign an upper level employee to serve as the Customer Liaison for the duration of the Licensed Software implementation. If **Customer** must replace the Customer Liaison for reasons beyond its control, **Customer** will assign a new Customer Liaison as soon as reasonably possible. **New World** is not responsible for any delay caused directly or indirectly by the reassignment of the Customer Liaison. In addition to other duties and responsibilities, the Customer Liaison shall:
 - (i) provide timely answers to **New World's** requests for information;
 - (ii) coordinate a mutually agreeable training schedule;
 - (iii) have authority to sign for and obligate **Customer** to any matters relating to service requests, design documents, performance test documents and/or delivery and service dates;
 - (iv) in situations where **Customer** participation is required, provide timely input for systems definition, detail design, and use of the software system.
- 6.4 **Customer** is responsible for creating and maintaining its master files, tables and the like which includes accurate data entry, accurate file editing and overall file control to assure successful systems performance.
- 6.5 **Customer** shall provide qualified personnel with sufficient back up to be trained to use the Licensed Software and to interpret the output. Applying the output information in **Customer's** environment is **Customer's** sole responsibility.

7.0 BILLING AND ADDITIONAL AUTHORIZED USER CHARGES

- 7.1 The attached Exhibits set forth the manner in which fees and payments shall be allocated and made under this **Agreement**. Past due amounts are subject to a service charge of 1.5% per month, which charge **Customer** agrees to pay. To the extent **Customer** imposes additional requirements on **New World** for services other than those expressly provided in this **Agreement**, **New World** retains the right to make additional price adjustments and/or any other adjustments that may be necessitated. Before performing these additional services, **New World** will notify **Customer** that the services are subject to additional charge.
- 7.2 If **Customer** wishes to add additional authorized users beyond the number(s) specified on Exhibit A, **Customer** agrees to pay the additional user fees at the then current user-based prices in effect. SSMA fees shall be increased according to the upgraded user-based charges on the next annual billing date after the additional authorized users are added. With said payments, the license provided in Section II, Paragraph 1.0 permits **Customer's** use of the Licensed Software for the specified users.
- 7.3 **Customer** shall notify **New World** if additional authorized users need to be added to access the Licensed Software and will pay the additional authorized user fees promptly when invoiced.
- 7.4 Any taxes or fees imposed from the course of this Agreement are the responsibility of the **Customer** and **Customer** agrees to remit when imposed. If an exemption is claimed by **Customer**, an exemption certificate must be submitted to **New World**.

8.0 NON-RECRUITMENT OF PERSONNEL

- 8.1 During the term of this **Agreement** and for twenty-four (24) months thereafter, each party agrees not to solicit or hire current or former employees of the other without the other's prior written consent.

9.0 CONFIDENTIAL INFORMATION/NON-DISCLOSURE AGREEMENT

- 9.1 Subject to the requirements of the Freedom of Information Act (FOIA) and/or other comparable applicable state law, each party shall hold all Confidential Information in trust and confidence for the party claiming confidentiality and not use such Confidential Information other than for the benefit of that party. The other party agrees not to disclose any such Confidential Information, by publication or

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otherwise, to any other person or organization.

- 9.2 **Customer** hereby acknowledges and agrees that all Licensed Products are Confidential Information and proprietary to **New World**. In addition to the other restrictions set forth elsewhere in this **Agreement** or otherwise agreed to in writing, **Customer** agrees to implement all reasonable measures to safeguard **New World**'s proprietary rights in the Licensed Products, including without limitation the following measures:

- (i) **Customer** shall only permit access to the Licensed Products to those employees who require access and only to the extent necessary to perform **Customer**'s internal processing needs.
- (ii) With respect to agents or third parties, **Customer** shall permit access to the Licensed Products only after **New World** has received, approved and returned a fully executed Non-Disclosure Agreement to **Customer** (see Exhibit D). **New World** reserves the right to reasonably refuse access to a third party after it has evaluated the request. **Customer** agrees to provide information reasonably requested by **New World** to assist **New World** in evaluating **Customer**'s request to permit third party access to the Licensed Products. In addition to any other remedies, **New World** may recover from **Customer** all damages and legal fees incurred in the enforcement of this provision on third party access;
- (iii) **Customer** shall cooperate with **New World** in the enforcement of the conditions set forth in the attached Non-Disclosure Agreement or any other reasonable restrictions **New World** may specify in writing in order to permit access;
- (iv) **Customer** shall not permit removal of copyright or confidentiality labels or notifications from its proprietary materials; and
- (v) **Customer** shall not attempt to disassemble, decompile or reverse engineer the Licensed Software.

- 9.3 **Customer** agrees that in addition to any other remedies that may be available at law, equity or otherwise, **New World** shall be entitled to seek and obtain a temporary restraining order, injunctive relief, or other equitable relief against the continuance of a breach or threatened breach of this paragraph 9.0 on Confidentiality and Non-Disclosure without the requirement of posting a bond or proof of injury as a condition for the relief sought.

10.0 LIMITATION OF LIABILITY AND RECOVERABLE DAMAGES

New World's entire liability and **Customer**'s exclusive remedies are set forth below:

- 10.1 For any claim relating to the non-conformance or imperfection of any licensed software provided under this **Agreement**, **New World** will correct the defect so that it conforms to the warranties set forth in Section II, subparagraph 4.1; or if after repeated attempts to correct the non-conformity, **New World** is unable to correct the non-conformity, then **Customer** may recover its actual damages subject to the limits set forth in subparagraph 10.2 below. For any other claim arising under or in connection with this **Agreement**, **Customer** may recover its actual damages subject to the limits set forth in subparagraph 10.2 below.
- 10.2 **New World**'s liability for damages, regardless of form of action, is limited to the recovery of direct damages up to the Exhibit A Licensed Standard Software fees paid to **New World**.
- 10.3 In no event shall **New World** be liable for any damages relating to **Customer**'s failure to perform its responsibilities or for loss of use, revenue or profits, or for any incidental or consequential damages, even if **New World** has been advised of the possibility of such damages. If it is determined that a limitation of liability or a remedy contained herein fails of its essential purpose, then the parties agree that the exclusion of incidental and/or consequential damages is still effective.

11.0 INTEGRATION WITH U.S. COPYRIGHT ACT

- 11.1 In addition to all other provisions provided under this **Agreement**, **Customer** agrees to be bound by and to comply with any and all provisions of the U.S. Copyright Act (*The Copyright Act of 1976, U.S.C. Sections 101-810 (1976) as amended*). If a provision of the U.S. Copyright Act and this **Agreement** conflict, the more restrictive of the two applies. If it cannot be determined which is the more restrictive, then the provision within this **Agreement** shall apply.

12.0 INDEPENDENT CONTRACTOR

- 12.1 **New World** is an independent contractor. The personnel of one party shall not in any way be considered agents or employees of the other. To the extent provided for by law, each party shall be responsible for the acts of its own employees.

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- 12.2 Each party shall be responsible for Workers' Compensation coverage for its own personnel.

13.0 *INSURANCE REQUIREMENTS*

New World shall not commence work under this **Agreement** until it has obtained the insurance required under this paragraph.

- 13.1 **Workers' Compensation Insurance:** **New World** shall procure and maintain during the term of this **Agreement**, Workers' Compensation Insurance for all of its employees who engage in the work to be performed.
- 13.2 **Liability and Property Insurance - Comprehensive Form:** **New World** shall procure and maintain during the term of this **Agreement**, Liability and Property Damage Insurance in an amount not less than \$1,000,000 on account of each accident; and in an amount not less than \$1,000,000 for each accident for damage to property.
- 13.3 **Automobile Liability Insurance:** **New World** will procure and maintain during the term of this **Agreement**, Hired and Non-Ownership Motor Vehicle Bodily Injury and Property Damage Insurance in an amount not less than \$500,000 for injuries, including accidental death, to each person; and, subject to the same limit for each person, in an amount not less than \$500,000 for each accident; and in an amount not less than \$500,000 on account for each accident for damage to property.

14.0 *DISPUTE RESOLUTION PROCEDURE*

- 14.1 Except for matters which relate to prompt payment, or which are enforceable by injunction and/or other equitable remedies, or are related to the employee, confidentiality and/or non-disclosure paragraphs (paragraph 9.0 and its subparagraphs therein), any dispute or controversy arising out of or relating to this agreement, or breach thereof, shall be settled by the following procedure.

Level 1: Before entering into Level 2 or Level 3 of this Dispute Resolution Procedure (DRP), the **Customer** shall enter into a series of management meetings for the purpose of resolving the dispute or controversy through normal business management practices. The series of meetings, consisting of not less than three face-to face meetings, must be held between upper-level managers of both **Customer** and **New World**. Both parties agree to put forth their best efforts in these meetings. The first meeting shall be held at **Customer's** offices and subsequent meetings will alternate between **New World** and **Customer's** offices. The Level 1 period shall begin when one party gives notice to the other by certified mail that it is entering into this Level 1 procedure to resolve the dispute.

Level 2: Only after the parties have completed Level 1 of the DRP without resolving the dispute or controversy and before entering into Level 3 of the DRP, the **Customer** and **New World** shall enter into a mediation process. The mediation process is defined as follows:
The parties shall select a mediator from the American Mediation Association list to aid the parties in resolving the dispute or controversy. The mediator shall not be an employee or former employee of either party. The first meeting shall be held at Pennington County with mediation costs to be split equally between **Customer** and **New World**. At the meetings, each party may present materials and/or arguments to the mediator.

Level 3: Only after the completion of both Levels 1 and 2 above without a satisfactory resolution of the dispute or controversy, either party may bring suit in a Federal Court of their choosing. Each party shall bear the cost of their own legal expenses if Level 3 is used.

15.0 *TERMINATION*

- 15.1 **By Customer:** If **New World** fails to provide the Licensed Software as warranted in accordance with the terms of this **Agreement**, **Customer** may at its option terminate this **Agreement** with ninety (90) days written notice as follows:
- (i) The termination notice shall provide a detailed description (with examples) of any warranty defects claimed;
 - (ii) **New World** shall have ninety (90) days from receipt of said notice to correct any warranty defects in order to satisfy the terms of this **Agreement**;
 - (iii) During the ninety day cure period, **Customer** shall apply sound management practices and use its best efforts to resolve any issues or obstacles - including cooperating with **New World** and reassigning personnel if necessary to improve the working relationship;
 - (iv) At the end of ninety (90) days unless the termination has been revoked in writing by

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Customer, the **Agreement** terminates.

- 15.2 **By New World:** If **Customer** fails to make prompt payments to **New World** when invoiced, or if **Customer** fails to fulfill its responsibilities outlined in Section II, Paragraph 6.0, then **New World** may at its option terminate this **Agreement** with written notice as follows:
- (i) The termination notice shall define the reason for termination;
 - (ii) If the cited reason for termination is **Customer's** failure to make prompt payment, **Customer** shall have ten (10) days from receipt of said notice to make payment in full for all outstanding invoiced payments due;
 - (iii) If the cited reason for termination is **Customer's** failure to fulfill its responsibilities, **Customer** shall have ninety (90) days from receipt of said notice to correct any actual deficiencies in order to satisfy the terms of this **Agreement**;
 - (iv) During the applicable cure period, **New World** will use sound management practices and its best efforts to resolve any issues or obstacles -- including the reassignment of personnel if necessary to improve the working relationship;
 - (v) At the end of the applicable cure period, unless the termination has been revoked in writing by **New World**, the **Agreement** terminates.
- 15.3 In the event of termination by either party, **New World** shall continue to provide its services, as previously scheduled, through the termination date and the **Customer** shall continue to pay all fees and charges incurred through the termination date as provided in the attached Exhibits.
- 15.4 Upon termination under subparagraph 15.1, **Customer** shall return to **New World** all copies of each application of Licensed Software and related Licensed Documentation provided to **Customer** under this **Agreement**.
- 15.5 Nothing in this paragraph on termination is intended to infer that either party has or does not have a claim for damages.
- 15.6 The Terms and Conditions relating to ownership, warranties, non-recruitment of personnel, confidentiality and non-disclosure, limitation of liability and recoverable damages, Copyright Act, dispute resolution and the General provisions (18.0), survive termination.

16.0 *PATENT AND TRADEMARK INDEMNIFICATION*

New World agrees to indemnify and save the **Customer** harmless from and against any and all judgments, suits, costs, and expenses subject to the limits set forth in this **Agreement** resulting from any alleged infringement of any patent or copyright arising from the licensing of the Licensed Standard Software pursuant to this **Agreement**, provided that **Customer** has notified **New World** in writing of such allegation within thirty (30) days of the date upon which the **Customer** first receives notice thereof. **New World's** obligation to indemnify and save **Customer** harmless under this paragraph is void if the claim of infringement arises out of or in connection with any modification made to the Licensed Standard Software or any use of the Licensed Standard Software not specifically authorized in writing by **New World**.

17.0 *NOTICES*

- 17.1 Notices to **Customer** shall be deemed effective when sent by Registered or Certified U.S. Mail to the business address of the **Customer**.
- 17.2 Notices to **New World** shall be deemed effective when sent by Registered or Certified U.S. Mail to the following address (or to any other address so specified by **New World**):

New World Systems Corporation
888 West Big Beaver, Suite 600
Troy, Michigan 48084
Attention: President

18.0 *GENERAL*

- 18.1 This **Agreement** is the entire agreement between the parties superseding all other communications, written or oral, between the parties relating to the subject matter of this **Agreement**. **This Agreement may be amended or modified only in writing signed by both parties.**
- 18.2 This **Agreement** is governed by the laws of the State of South Dakota and it shall be binding on the successors and assigns of the parties.
- 18.3 Failure to enforce any provision of this **Agreement** shall not be deemed a waiver of that provision or any other provision of this **Agreement**.

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- 18.4 No action, regardless of form, arising out of the services performed or Licensed Products delivered hereunder, may be brought by either party more than two (2) years after the cause of action has accrued or after Level 1 or Level 2 of the Dispute Resolution Process (DRP) have been completed if applicable, except that an action for non-payment of fees may be brought within two (2) years of the date of the payment was due.
- 18.5 The paragraph headings which appear herein are included solely for convenience and shall not be used in the interpretation of this **Agreement**. Any provision of this **Agreement** determined to be invalid or otherwise unenforceable shall not affect the other provisions, which other provisions remain in full force and effect.

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EXHIBIT A
FOR LICENSED STANDARD SOFTWARE AND FEES

A. License Fee for LICENSED STANDARD SOFTWARE and DOCUMENTATION selected by CUSTOMER:

<u>Application Package</u>	<u>Cost</u>
<u>CAD</u>	
1. Aegis[®]/MSP Combined Multi-Jurisdiction LE/Fire/EMS CAD	\$90,000
- CAD Messaging	
- Call Scheduling	
- Call Stacking	
- Dispatch Questionnaire	
- Geo-File Verification	
- Hazard and Location Alerts	
- Interface to Aegis/MSP LE Records	
- Interface to Aegis/MSP Fire Records	
- Note Pads	
- Rip-N-Run	
- Run Cards	
- Tone Alerts	
- Unit Control Panel	
- Unit Recommendations	
- Hydrant Inventory	
 2. Additional Aegis[®]/MSP Software for Computer Aided Dispatch⁴	
- CAD Mapping	9,000
- Service Vehicle Rotation (Wrecker, Ambulance)	9,000
 3. Aegis[®]/MSP Third Party CAD Interface Software⁴	
- CAD Pager Interface	9,000
- E-911 Interface ⁵	9,000
- Priority Dispatch ProQA for EMD Interface	9,000
- Zetron Encoder Interface/Model 2200 (in development)	9,000
 SUB-TOTAL CAD MODULES	
	144,000

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LAW ENFORCEMENT RECORDS

4. Aegis®/MSP Multi-Jurisdictional Base Law Enforcement Records	60,000
- Accidents	
- Arrest	
- Business Registry	
- Case Processing	
- Computer Aided Investigations	
- Federal Reports (UCR/IBR)	
- Geo-File Verification	
- Impounded Vehicles	
- Incident Tracking	
- Jacket Processing	
- Personnel/Education	
- Property	
- Traffic Tickets and Citations	
- Wants and Warrants	
5. Aegis®/MSP Federal and State Compliance Reporting for LE Records	8,000
- Federal UCR/IBR	
6. Additional Aegis®/MSP Software for Law Enforcement Records	
- Alarm Tracking and Billing	8,000
- Case Management	8,000
- Field Investigations	8,000
- Pawn Shops	8,000
- Property Room Bar Coding	8,000
- Gang Tracking	15,000
- Bicycle Registration	10,000
- Orders of Protection	15,000
- Activity Reporting and Scheduling	10,000
- Gun Permits and Registrations	12,000
7. Aegis®/MSP Third Party LE Records Interface Software⁴	
- Identix/Visionics (DBI) Interface	8,000

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FIRE RECORDS

8. Aegis®/MSP Fire Records Software Base Package	42,000
- Activity Reporting and Scheduling	
- Investigations	
- Business Registry	
- Hazardous Materials	
- Equipment Tracking and Maintenance	
- GEO File Verification	
- Hydrant Inventory and Inspections	
- Incident Tracking	
- Inspection Tracking	
- Personnel/Education	
- Pre-plans	
- Station Activity Log	
9. Federal and State Compliance Reporting for Fire Records	9,000
- State/NFIRS 5.0 Electronic Reporting	
10. Additional Aegis®/MSP Software for Fire Records	
- Vehicle Tracking and Maintenance	12,000
- Fire Permits (Planned release Q2/2005)	12,000

SUB-TOTAL RECORDS MODULES

253,000

CORRECTIONS

11. Aegis® Corrections Management Software Base Package	54,000
- Aegis®/MSP LE Records Interface	
- Bookings	
- Custody Tracking	
- Inmate Classification	
- Inmate Property Tracking	
- Inmate Tracking and Processing	
12. Aegis®/MSP Federal & State Compliance Reporting for Corrections	9,000
- Federal and State Corrections Reporting	
- FBI Fingerprint Card (cut form)	
- State Fingerprint Card	
13. Aegis/MSP Third Party Corrections Interface Software⁵	
- Swanson Commissary Interface	8,000

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Exhibit A/LICENSED STANDARD SOFTWARE AND FEES
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14. Additional Aegis[®]/MSP Software for Corrections Management

- Barcoding	9,000
- Commissary Accounting	9,000

SUB-TOTAL CORRECTIONS MODULES

89,000

ADDITIONAL PUBLIC SAFETY SOFTWARE

15. Aegis[®]/MSP Public Safety State/NCIC Interface Software⁶

- Aegis [®] /MSP State/NCIC Interface	13,000
- On-Line CAD Interface to State/NCIC	9,000
- On-Line Wants and Warrants Interface to State/NCIC	9,000
- On-Line Global Subjects Interface to State/NCIC	9,000

16. Aegis/MSP Redundancy

Base with One Application (CAD)	9,000
- Second Application (LE Records)	8,000
- Third Application (Fire Records)	8,000
- Fourth Application (Corrections)	8,000

17. Aegis/MSP Civil Paper Base Package

- Civil Paper Tracking	45,000
- Civil Paper Receipting	

18. Aegis/MSP State Compliance for Business Office

8,000

19. Additional Aegis/MSP Business Office Software

- Income & Property Transactions (Planned Future Release)	45,000
- Foreclosures (Planned Future Release)	45,000
- Revenue and Collections (Future Release)	23,000

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- | | |
|---|----------|
| 20. Aegis/MSP Data Analysis/Crime Mapping/Management Reporting | |
| - Base with One Application (CAD) | 24,000 |
| - Second Application (LE Records) | 6,000 |
| - Third Application (Fire Records) | 6,000 |
| - Fourth Application (Corrections) | 6,000 |
|
21. Aegis/MSP Imaging Software | |
| - Public Safety Line Ups/Mug Shots ⁷ | Included |
| - Digital Imaging ⁸ | Included |

**SUB-TOTAL ADDITIONAL PUBLIC SAFETY
SOFTWARE MODULES**

281,000

MOBILE SOFTWARE

MOBILE SOFTWARE ON THE RS/6000⁹

- | | |
|--|--------|
| 22. Base Message Switch to State/NCIC (31-50 users) | 46,000 |
| - Base Message Switch for MDT/MCT | |
| - State/NCIC Interface | |
|
23. Additional Aegis® Software for RS/6000 Message Switch | |
| - New World CAD Interface for Aegis MSP (31-50 users) | 10,000 |
| - Mobile Upload Software (31-50 users) ¹⁰ | 24,000 |

MOBILE SOFTWARE ON THE MSP Server

- | | |
|--|--------|
| 24. Aegis® Mobile Integration Software | |
| - MDT/MCT Base CAD/RMS Interface (31-50 users) | 10,000 |

MOBILE MANAGEMENT SERVER

- | | |
|---|--------|
| 25. Aegis® Mobile Management Server Software (31-50 users) | |
| - Base CAD/NCIC/Messaging | N/C |
| - Field Reporting | 10,000 |
| - Field Reporting Data Merge | 2,500 |

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Exhibit A/LICENSED STANDARD SOFTWARE AND FEES
Page 6

CLIENT SOFTWARE¹¹

26. Aegis® Mobile Unit Software (31 Units)

LE State/NCIC via Switch ⁶	\$500	ea.	\$15,500
LE CAD via Switch	\$750	ea.	23,250
LE Field Reporting (Federal Standards)	\$1,000	ea.	31,000

The following **4 New World** Reports are included:

- Incident (1 form)
- Case (1 form)
- Arrest (1 form)
- Supplement (1 form)

LE Field Reporting Compliance	\$200	ea.	6,200
LE Accident Field Reporting	\$500	ea.	15,500

The following **New World** Report is included:

- Accident (1 form)

LE Accident Field Reporting Compliance	\$200	ea.	6,200
Mobile Upload of Field Reports	\$600	ea.	18,600
Mugshot Image Download	\$200	ea.	6,200

Subtotal \$3,950 ea. 122,450

Less Laptop Software Volume Discount of 20% -24,490

TOTAL LAPTOP SOFTWARE

97,960

IN-STATION FIELD REPORTING CLIENT SOFTWARE¹¹

27. Aegis® Mobile Unit Software

LE Field Reporting (Federal Standards) (63 units)	\$1,000	ea.	63,000
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The following **4 New World** Reports are included:

- Incident (1 form)
- Case (1 form)
- Arrest (1 form)
- Supplement (1 form)

LE Field Reporting Compliance (63 units)	\$200	ea.	12,600
LE Accident Field Reporting (10 units)	\$500	ea.	5,000

The following **New World** Report is included:

- Accident (1 form)

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Exhibit A/LICENSED STANDARD SOFTWARE AND FEES
Page 7

LE Accident Field Reporting Compliance (10 units)	\$200	ea.	2,000	
Subtotal	\$1,900	ea.	82,600	
Less Laptop Software Volume Discount of 20%			<u>-16,520</u>	
TOTAL LAPTOP SOFTWARE				66,080

SUB-TOTAL MOBILE MODULES	266,540
---------------------------------	----------------

NEW WORLD STANDARD SOFTWARE LICENSE FEE	1,033,540
SITE LICENSE FOR UNLIMITED USERS (EXCEPT FOR MOBILE)*	\$200,000
SUB-TOTAL SOFTWARE LICENSE FEE	<u>1,233,540</u>
LESS DEMONSTRATION SITE DISCOUNT	(522,240)
TOTAL SOFTWARE LICENSE FEE ^{13,14}	<u>\$ 711,300</u>

*NOTE: This Site License entitles Pennington County and City of Rapid City, South Dakota to unlimited number of Authorized Users of the Standard Software listed in Exhibit A, except for users of the Mobile Software, to include Field Reporting Software and Mobile Client software. The Site License for unlimited Authorized Users is only available to the affiliated Public Safety agencies within Pennington County and City of Rapid City, South Dakota.

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Exhibit A/LICENSED STANDARD SOFTWARE AND FEES

Page 8

ENDNOTES

- ¹ *Personal Computers must meet the minimum hardware requirements for New World Systems' MSP product. Microsoft Windows 2000 or XP is the required operating system for all client machines. Windows 2000 Server and SQL Server 2000 are required for the Application and Database Server(s).*
- ² *New World Systems MSP product requires Microsoft Windows 2000 Server and SQL Server 2000 including required Client Access Licenses (CALs) for applicable Microsoft products. Servers must meet minimum hardware requirements provided by New World Systems.*
- ³ *Suggested minimum: 100MB Ethernet Network. 10MB CAT5 Ethernet Network may have less than adequate response time. Further consultation would be required to assess your network.*
- ⁴ *Does not include any required third party hardware or software unless specified in Section C of this proposal.*
- ⁵ *May require a "Serial-to-Ethernet" converter for multiple PSAPs (not included in this proposal).*
- ⁶ *Customer is responsible for obtaining the necessary State approval and any non-New World hardware and software.*
- ⁷ *Requires Pentium PC, Twain 32 Compliant Digital Freeze Frame Video Camera or Digital Camera supplied by Customer.*
- ⁸ *Requires Pentium PC, Twain 32 Compliant flatbed scanner supplied by Customer.*
- ⁹ *Currently supporting Motorola, Data Radio (DMP & IP), CDPD, EDACS, CDMA, GPRS, 802.11 and Electrocom Mobile Communication solutions only.*
- ¹⁰ *The Mobile Upload software provides for the automated upload of New World's Law Enforcement Field Reporting data over Customer's mobile data network. Customer is responsible for obtaining from their mobile vendor, the written definition and documentation of the optimal (mobile message) record size to upload laptop data over the mobile network to be used. This definition must be received within thirty (30) days of this Agreement being executed.*
- ¹¹ *Budgeting estimate for laptops: \$8,000 for ruggedized includes laptop, external modem mounted in vehicle and mounts; \$3,000 for standard includes laptop, external modem mounted in vehicle and mounts. Pricing estimates do not include installation of mounts.*
- ¹² *Customer must provide magnetic stripe encoding format. Also, pricing does not include required 3rd party equipment or hardware.*
- ¹³ *Prices assume that all software is licensed. Prices are quoted as preliminary estimates only and are subject to further clarification and confirmation.*
- ¹⁴ *Any taxes imposed are the responsibility of the purchaser and will be remitted when imposed.*

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Exhibit A/LICENSED STANDARD SOFTWARE AND FEES
Page 9

B. License Fee Payment Schedule for Licensed Standard Software and Documentation

- | | |
|--|-----------|
| 1. DOWN PAYMENT
(40% of the total Exhibit A cost -
Invoiced upon receipt of signed <i>Standard
Software License and Services Agreement</i>) | \$284,520 |
| 2. DELIVERY PAYMENT
(50% of each application cost -
Invoiced as each Exhibit A Licensed Standard
Software package is delivered to Customer) | \$355,650 |
| 3. FINAL PAYMENT
(10% of each application cost -
Invoiced 90 days after delivery of each
Licensed Standard Software package) | \$71,130 |

TOTAL LICENSED STANDARD SOFTWARE PAYMENTS DUE	<u>\$711,300</u>
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ALL PAYMENTS ARE DUE WITHIN THIRTY (30) DAYS FROM RECEIPT OF INVOICE

PRICING VALID THROUGH FEBRUARY 25, 2005.

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OPTIONAL SOFTWARE MODULES

Customer may license the following Licensed Standard Software modules, at the indicated prices for up to one year from the date of execution of this **Agreement**.

REGIONAL DATA SHARING^{1,2}

1. New World WebServer (licensed by # of user IDs) Software

51-100 users	30,000
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2. Database Server Manager Software for New World RMS

Gillette, WY w/1-2 ORIs on Server	6,000
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Lawrence Co., SD w/1-2 ORIs on Server	6,000
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Meade Co., SD w/1-2 ORIs on Server	6,000
------------------------------------	-------

Pennington Co., SD w/3-5 ORIs on Server	15,000
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County to County Interface Fee (to be defined)	TBD
--	-----

MOBILE SOFTWARE

MOBILE SOFTWARE ON THE RS/6000

3. Base Message Switch to State/NCIC (Upgrade from 50 to 100 users)	8,000
- Base Message Switch for MDT/MCT	
- State/NCIC Interface	

Base Message Switch to State/NCIC (Upgrade from 50 to 200 users)	42,000
- Base Message Switch for MDT/MCT	
- State/NCIC Interface	

4. Additional Aegis® Software for RS/6000 Message Switch

- New World CAD Interface for Aegis MSP (Upgrade from 50 to 100 users)	3,000
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- New World CAD Interface for Aegis MSP (Upgrade from 50 to 200 users)	10,000
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- AVL Interface (31-50 devices) ³	10,000
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MOBILE SOFTWARE ON THE MSP Server

5. Aegis® Mobile Integration Software

- MDT/MCT Base CAD/RMS Interface (Upgrade from 50 to 100 users)	1,000
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- MDT/MCT Base CAD/RMS Interface (Upgrade from 50 to 200 users)	7,000
---	-------

- AVL CAD Interface (31-50 users) ³	10,000
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Exhibit A/LICENSED STANDARD SOFTWARE AND FEES
Page 11

6. Aegis/MSP Third Party CAD Interface Software

- Priority Dispatch ProQA for Fire Interface (Future Release)	9,000
- Priority Dispatch ProQA for Police Interface (Future Release)	9,000

CLIENT SOFTWARE

7. Aegis® Mobile Unit Software (Per Unit Price)

LE State/NCIC via Switch	\$500	ea.	\$500	
LE CAD via Switch	\$750	ea.	750	
Drivers License Mag Strip Reader Interface	\$200	ea.	200	
In-Car Mapping	\$600	ea.	600	
Mugshot Image Download	\$200	ea.	200	
	Subtotal		\$2,250	ea. 2,250
	Less Laptop Software Volume Discount of 20%			<u>-450</u>
	TOTAL LAPTOP SOFTWARE			1,800

Note: Training and Support Services costs as well as Maintenance (SSMA) costs for these optional modules are not included on the preceding pages. However, they may be easily incorporated into the proposal upon determination of the final software package.

- ¹ Requires NCIC connection through New World Systems software to add NCIC to search results.
² Requires Windows-based Network Server Hardware & System Software.
³ Requires 3rd party GPS hardware.

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EXHIBIT B
PROJECT MANAGEMENT, INSTALLATION AND TRAINING SUPPORT SERVICES AND FEES

1. Project Management Services

New World shall act as Project Manager to assist **Customer's** management in implementing the Exhibit A software. This responsibility will include documenting, coordinating and managing the overall Implementation Plan with **Customer's** management and the **Customer** liaison. Project Management Services include:

- (a) a summary level Implementation plan;
- (b) a detail level Implementation plan;
- (c) revised Implementation plans (if required);
- (d) monthly project status reports; and
- (e) Project Status meetings
 - a project review (kickoff) meeting at **Customer's** location
 - progress status meeting(s) will occur during implementation via telephone conference or at **Customer's** location; and
 - a project close out meeting at **Customer's** location to conclude the project.
- (f) **New World** Consultation with other vendors or third parties.

To implement the Exhibit A applications, the project management fee will be \$90,000.

2. Training and Installation Support Hours Recommended

Allocating adequate support service hours for each application of Licensed Standard Software listed on Exhibit A is not only recommended but also is critical for a successful installation of and training on each application package. Based on the Licensed Standard Software listed on Exhibit A, **1650** hours of **New World** installation and training support services have been allocated. Avoiding or minimizing custom or modified features will aid in keeping the support costs to the amount allocated. **Customer** agrees to reimburse **New World** for support trips canceled by **Customer** less than ten (10) days before the scheduled start date to cover **New World's** out of pocket costs and lost revenues. The recommended installation and training support services include:

- (a) Installation of each package of Licensed Standard Software; and
- (b) **Customer** training and/or assistance in testing for each package of Licensed Standard Software; and
- (c) Tailoring of Licensed Standard Software by **New World** technical staff and/or consultation with **New World** technical staff.

The project management, training and installation support services are performed at **Customer's** premises and/or at **New World** national headquarters in Troy, Michigan (e.g., portions of project management are performed in Troy).

3. Interface Installation Service Fees

A flat rate fee is charged for the installation of selected interfaces on Exhibit A. This fee does not include hardware and/or third party product costs. Whenever possible, this work will be done remotely, resulting in savings in travel costs. If on-site installation and training is required **Customer** will be responsible for the actual travel costs. Installation includes the following interfaces with these corresponding fees.

- (a) Operating System Assurance
- (b) 911 Interface
- (c) Zetron Encoder Interface
- (d) ProQA for EMD Interface
- (e) CAD Pager Interface

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Exhibit B/PROJECT MANAGEMENT, INSTALLATION AND TRAINING SUPPORT SERVICES AND FEES

Page 2

- (f) Zetron TDD Interface
- (g) Identix/Visionics (DBI) Interface
- (h) CAD Redundancy
- (i) State/NCIC
- (j) New World Mug Shots/Imaging
- (k) GEO File Implementation

TOTAL	\$32,000
-------	----------

New World's implementation services are to assist and train customers in preparing the Geo-files for use with the MSP software. The **Customer** is responsible to provide at the very least a centerline street file with specific data requirements. (The required street data can be found in the MSP Mapping Requirements document.) If **Customer** has other map layers **New World** will review and assist in making these files compatible. If **Customer** does not provide other map layers, **New World** will work with **Customer** to create these layers. **Customer** is responsible for having clear boundaries laid out for map layers.

4. Support Service Fees Estimate

The 1650 hours of training and installation support services cost has been calculated using a rate of **\$130** per hour. Should all 1650 hours be used the total cost would be \$214,500. Additional services are also available at the rate of **\$130** per hour. This rate is protected for one year from the date **New World** executes this **Agreement**. After one year, **Customer** shall pay the then-current hourly rate for all Exhibit B support services rendered.

Based on the services suggested above, the Project Management, Training and Installation Support Service, and Interface Installation Service cost will be a total of \$336,500. (Plus all actual and reasonable travel expenses incurred by **New World** divided proportionately between all **New World** customers visited on a single trip and actual employee travel time for Installation and Training up to but not exceeding four (4) hours per **Customer** visit.) Travel costs not to exceed \$70,000 without written permission from the **Customer**.

5. Additional Services Available

Other **New World** services may be required or requested for the following:

- (a) Additional software training;
- (b) Tailoring of Licensed Standard Software by **New World** technical staff and/or consultation with **New World** technical staff;
- (c) **New World** Consultation with other vendors or third parties;
- (d) Modifying the Licensed Standard Software;
- (e) Designing and programming Custom Software;
- (f) Maintaining modified Licensed Standard Software and/or Custom Software.

Customer may request these additional services in writing using **New World's** Request For Service (RFS) procedure (or other appropriate procedure mutually agreed upon by **Customer** and **New World**).

6. Payments for Project Management Services

Project Management Services will be billed as follows:

Day 10 after Agreement Signed	\$ 27,000
Day 90 after Agreement Signed	\$ 27,000
Day 180 after Agreement Signed	\$ 27,000
Upon Project Completion or 365 days	\$ <u>9,000</u>
after Agreement signed, whichever comes first	
Total:	\$90,000

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7. Payments for Interface Installation Services

Interface Installation Services will be billed as follows:

- 50% of the total amount is due upon Agreement being signed. \$16,000
 - 50% of each Interface amount is due upon completion of the individual installation. \$16,000
- Total Due: \$32,000

8. Payments for Training and Installation Support Services and Travel Costs

All hours for training and installation support services and all travel costs will be billed weekly for services provided in the previous calendar week.

Note: Any taxes imposed from the course of this Agreement are the responsibility of the **Customer** and **Customer** agrees to remit when imposed. If an exemption is claimed by the **Customer**, an exemption certificate must be submitted to **New World**.

ALL PAYMENTS ARE DUE THIRTY (30) DAYS FROM RECEIPT OF INVOICE.

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EXHIBIT C
STANDARD SOFTWARE MAINTENANCE AGREEMENT

This Standard Software Maintenance Agreement (SSMA) between New World Systems Corporation (**New World**) and **Pennington County and City of Rapid City, South Dakota (Customer)** sets forth the standard software maintenance support services provided by **New World**.

1. **Service Period**

This SSMA shall remain in effect for a period of five (5) years beginning on the 271st day after the installation of the Licensed Standard Software to **Customer** (the start date) and ending on the same calendar date five (5) years after the start date. Upon software delivery, Licensed Standard Software installation shall not be delayed more than 30 days from computer's availability for use.

2. **Services Included**

The following services or features are available under this SSMA:

- (a) Upgrades, including new releases, to the Licensed Standard Software (prior releases of Licensed Standard Software application packages are supported no longer than nine (9) months after a new release is announced by **New World**);
- (b) Temporary fixes to Licensed Standard Software (see paragraph 6 below);
- (c) Revisions to Licensed Documentation;
- (d) Reasonable telephone support for Licensed Standard Software on Monday through Friday from 8:00 a.m. to 8:00 p.m. (Eastern Time Zone); and
- (e) Invitation to and participation in user group meetings.
- (f) Emergency 24-hour per day telephone support, for *Aegis* CAD and Mobile only, seven (7) days per week for Licensed Standard Software. Normal service is available from 8:00 a.m. to 8:00 p.m. (Eastern Time Zone). After 8:00 p.m., the *Aegis* CAD phone support will be provided via beeper and a **New World** support representative will respond to CAD service calls within 30 minutes of call initiation.

Items a, b, and c above will be distributed to **Customer** on magnetic media or other means, as appropriate. After installation, **Customer** shall return any magnetic media to **New World**.

Additional support services are available as requested by **Customer** using the then-current hourly rates or applicable fees. Exhibit B has a description of support services available.

3. **Maintenance for Modified Licensed Standard Software and Custom Software**

Customer is advised that if it requests or makes changes or modifications to the Licensed Standard Software, these changes or modifications (no matter who makes them) make the modified Licensed Standard Software more difficult to maintain. If **New World** agrees to provide maintenance support for Custom Software or Licensed Standard Software modified at **Customer's** request, or for prior release of New World's software, then the additional **New World** maintenance or support services provided shall be billed at the then-current Exhibit B hourly fees plus reasonable expenses.

4. **Billing**

Maintenance costs will be billed annually, beginning on the 271st day after installation of the Licensed Standard Software and on the same day each year thereafter for the term of the SSMA. (Any Exhibit B support or service hours and travel costs incurred are billed weekly for the previous calendar week.)

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5. **Additions of Software to Maintenance Agreement**

Additional Licensed Standard Software licensed from **New World** will be added to the SSMA ninety (90) days after it is installed at **Customer's** location. Costs for the maintenance for the additional software will be billed to **Customer** on a pro rata basis for the remainder of the maintenance year and on a full year basis thereafter.

6. **Requests for Software Correction on Licensed Standard Software**

At any time during the two hundred seventy (270) day warranty period or during the SSMA period, if **Customer** believes that the Licensed Standard Software does not conform to the current specifications set forth in the user manuals, **Customer** must notify **New World** in writing that there is a claimed defect and specify which feature and/or report it believes to be defective. Before any notice is sent to **New World**, it must be reviewed and approved by the Customer Liaison. Documented examples of the claimed defect must accompany each notice. **New World** will review the documented notice and when a feature or report does not conform to the published specifications, **New World** will provide software correction service at no charge. (See paragraph 4.0 of the General Terms and Conditions of this Agreement for the **New World** warranties provided). A non-warranty request is handled as a billable Request for Service (RFS) (see Exhibit B).

The no charge software correction service does not apply to any of the following:

- (a) situations where the Licensed Standard Software has been changed by anyone other than **New World** personnel;
- (b) situations where **Customer's** use or operations error causes incorrect information or reports to be generated; and
- (c) requests that go beyond the scope of the specifications set forth in the current User Manuals.

7. **Maintenance Costs for Licensed Standard Software Packages Covered for MSP Servers**

New World agrees to provide software maintenance at the costs listed below for the following **New World** Licensed Standard Software packages installed at **Customer's** location:

<u>Application Package</u>	<u>Number of Modules</u>
1. <i>Aegis</i> /MSP Combined Multi-Jurisdiction LE/Fire/EMS CAD	15
2. Additional <i>Aegis</i> /MSP Software for Computer Aided Dispatch	2
3. <i>Aegis</i> /MSP Third Party CAD Interface Software	4
4. <i>Aegis</i> /MSP Multi-Jurisdictional Base Law Enforcement Records	14
5. <i>Aegis</i> /MSP Federal and State Compliance Reporting for LE Records	1
6. Additional <i>Aegis</i> /MSP Software for Law Enforcement Records	10
7. <i>Aegis</i> /MSP Third Party LE Records Interface Software	1
8. <i>Aegis</i> /MSP Fire Records Software Base Package	12
9. Federal and State Compliance Reporting for Fire Records	1
10. Additional <i>Aegis</i> /MSP Software for Fire Records	2
11. <i>Aegis</i> Corrections Management Software Base Package	6
12. <i>Aegis</i> /MSP Federal and State Compliance Reporting for Corrections	3
13. <i>Aegis</i> /MSP Third Party Corrections Interface Software	1
14. Additional <i>Aegis</i> /MSP Software for Corrections Management	2
15. <i>Aegis</i> /MSP Public Safety State/NCIC Interface Software	4
16. <i>Aegis</i> /MSP Redundancy	4
17. <i>Aegis</i> /MSP Civil Paper Base Package	2

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Exhibit C/STANDARD SOFTWARE MAINTENANCE AGREEMENT

Page 3

18. <i>Aegis</i> /MSP State Compliance for Business Office	1
19. Additional <i>Aegis</i> /MSP Business Office Software	3
20. <i>Aegis</i> /MSP Data Analysis/Crime Mapping/Management Reporting	4
21. <i>Aegis</i> /MSP Imaging Software	2
22. Base Message Switch to State/NCIC	2
23. Additional <i>Aegis</i> Software for RS/6000 Message Switch	2
24. <i>Aegis</i> Mobile Integration Software	1
25. <i>Aegis</i> Mobile Management Server Software	3
26. <i>Aegis</i> Mobile Unit Software	8
27. <i>Aegis</i> In-Stations Field Reporting Client Software	4

TOTAL LIST COST: \$ 1,233,540

**ANNUAL
MAINTENANCE COST:
(5-Year Plan, billed annually)
Warranty Period – No Costs
Year 1 - \$200,541
Year 2 - \$213,075
Year 3 - \$225,608
Year 4 - \$238,142
Year 5 - \$250,676**

ALL PAYMENTS ARE DUE THIRTY (30) DAYS FROM RECEIPT OF INVOICE.

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EXHIBIT D
NEW WORLD SYSTEMS CORPORATION
NON-DISCLOSURE AND SECURITY AGREEMENT FOR THIRD PARTIES

This Agreement, when accepted and executed by New World, grants the undersigned the permission to use and/or have limited access to certain New World Systems® Corporation (**New World**) proprietary and/or confidential information

Installed at: Pennington County and City of Rapid City
Customer Name

Located at: 300 Kansas City Street
Rapid City, SD 57701

Authorized Signature of Customer:

Name (Please Print or Type)	Title	Signature
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In exchange for the permission to use or have access to **New World** proprietary and/or confidential information, including without limitation, **New World** software and/or documentation, the organization and individual whose names appear below, agree to the following:

1. No copies in any form will be made of **New World** proprietary or confidential information without the expressed written consent of **New World's** President, including without limitation, the following:
 - Program Libraries, whether source code or object code;
 - Operating Control Language;
 - Test or Sample Files;
 - Program Listings;
 - Record Layouts;
 - All written confidential or proprietary information originating from **New World** including without limitation, documentation, such as user manuals and/or system manuals; and/or
 - All **New World** Product Bulletins and/or other **New World** Product related materials.
2. **New World** software, **New World** documentation, or other proprietary or confidential information shall not be used for any purpose other than processing the records of the Customer identified above as permitted in the Customer's *Standard Software License and Services Agreement* with **New World**.
3. The undersigned agree(s) that this Agreement may be enforced by injunction in addition to any other appropriate remedies available to **New World**. If it is determined that the money damages caused by the undersigned's failure to comply with the foregoing terms are difficult to ascertain, they are hereby estimated at liquidated damages of no less than three times the then-current License Fees for the License Software provided to **Customer** under the *Standard Software License and Service Agreement* between **Customer** and **New World**.

Agreed and Accepted by Third Party (Organization)

Agreed and Accepted by Third Party (Individual)

Organization: _____

Individual: _____

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Accepted and Approved By New World Systems Corp.

By: _____

Title: _____

Date: _____

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EXHIBIT E
DEMONSTRATION SITE DISCOUNT

New World has provided **Customer** a significant discount in exchange for the privilege of using **Customer's** site for demonstration purposes. Accordingly, after the Licensed Software has been delivered and installed, **Customer** agrees to act as a demonstration site for prospective **New World** customers. **Customer** also agrees to serve as a reference or remote demonstration site on the telephone for prospective **New World** customers. By agreeing to be a demonstration site, **Customer** is not necessarily endorsing the **New World** software and **Customer** will not actively participate in any type of marketing and advertising campaign for or on behalf of **New World**.

Demonstrations will be coordinated with the appropriate **Customer** personnel and will be scheduled to minimize the interruption to **Customer's** operations. **New World** will provide **Customer** reasonable notice for preparation.

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EXHIBIT F
CUSTOMER REQUESTED STANDARD SOFTWARE ENHANCEMENTS/MODIFICATIONS
AND/OR CUSTOM SOFTWARE

A. DEFINITION OF PROJECT

New World will provide the **Customer** requested Standard Software Enhancements and/or Custom Software as discussed below to address the **Customer's** requirements. **Customer** agrees to cooperate in not making modifications and enhancements too extensive as defined in the B-2a procedure below.

CAPABILITIES INCLUDED IN FIXED COST UNDER B-4a BELOW

1. Custom Software Interfaces

- a. Two-way Interface to Courts:
With **New World** providing consultation, **Customer** is responsible for obtaining technical contacts and/or technical specifications from the third parties involved.
- b. Two-way Interface to Printrak AFIS:
With **New World** providing consultation, **Customer** is responsible for obtaining technical contacts and/or technical specifications from the third parties involved.
- c. Sweet Soft Interface from EMS RMS:
With **New World** providing consultation, **Customer** is responsible for obtaining technical contacts and/or technical specifications from the third parties involved.
- d. ITX Imaging Custom Interface
With **New World** providing consultation, **Customer** is responsible for obtaining technical contacts and/or technical specifications from the third parties involved.

With **New World** providing consultation, **Customer** is responsible for obtaining technical contacts and/or technical specifications from the third parties involved in the interfaces.

2. Software Enhancements

Jail Modifications:

- a. Generation of a "PCN" (Personal Control Number).
This is an arrest based number generated by the state and coming from the AFIS system. This number will be tied to both a person and a charge, and will allow for multiple PCN numbers.
- b. Timers or Ticklers for Bookings by Way of an Alert.
This will allow the alert to show a running clock on the event.
- c. Inmate Activity Log
All activity will get logged into the event tracking and scheduling portion of the software. The event area provides the full booking search, and the event history stays with the Inmate/Booking providing historical information.
- d. Security Over Narratives.
This will provide the ability to add narratives to events and secure it.

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Exhibit F/CUSTOMER REQUESTED STANDARD SOFTWARE ENHANCEMENTS AND/OR CUSTOM SOFTWARE
Page 2

- e. Billing Rules for Juveniles.
Accommodate the billing rules.
- f. Release of Possessions.
This will involve both intake and release, and will allow a user to accept the default number of copies to print or change it.
- g. Trustee Time-off.
Develop what triggers an inmate to a trustee within the system.
- h. New Event Type – to Track Programs.
This will provide a method to setup and track the many required programs and courses that inmates can attend.
- i. New Event Type – to Track Case Management and Other Observations.
This will provide a generic form that allows for a date/time stamp, officer ID, a category, and free form narrative and provide a way to log observations about inmate and their progress in any one of a number of settings.
- j. Multiple Agency/ORI Names and Viewing Activity
This will allow the agency to select the match criteria for names and by selecting any name they would see all the other activity from other ORI's associated with that individual.
- k. Default in the Logged-in Person's ID.
- l. Booking Wizard.
This will provide enhancements to both the booking and releasing processes by allowing the agency to tailor these steps and make mandatory fields part of the process.
- m. License Bar Code for Mobile:
With **New World** providing consultation, **Customer** is responsible for obtaining technical contacts and/or technical specifications from the third parties involved.

B. METHODOLOGY TO PROVIDE ENHANCEMENTS AND/OR CUSTOM SOFTWARE

1. Definition of New World Responsibility

This project includes the following activities to be performed by **New World**.

- Review of required features with **Customer**. Only items identified in Paragraph A above will be provided in this implementation plan.
- Preparation of Software Specifications Design Document (SSDD) to include:
 - menu samples
 - screen samples
 - report samples

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Exhibit F/CUSTOMER REQUESTED STANDARD SOFTWARE ENHANCEMENTS AND/OR CUSTOM SOFTWARE
Page 3

- Programming and programming test
- On-site training, testing, and/or other support services using Exhibit B rates and fees.

For modification requiring over 50 hours of work, **New World** utilizes a design document procedure (see B-2a below). For smaller modifications, **New World** uses a Request For Service (RFS) procedure. Both procedures are reviewed with **Customer** at a pre-installation planning meeting. The RFS procedure utilizes a form with a narrative description and supporting documentation if applicable to define the work to be done.

2. Implementation Schedule

<u>Activity</u>	<u>Targeted Time Period</u>
a. Complete Design Review or RFS Procedure with Customer Staff. Customer agrees to be reasonable and flexible in not attempting to design the modifications to be more extensive than called for in the scope (cost and schedule) of this project.	To be determined
b. New World submits first draft of SSDD or RFS.	To be determined
c. SSDD or RFS acceptance and sign-off by Customer (no programming will be done by New World until the formal sign-off and Customer's authorization to proceed in writing).	To be determined
d. New World completes programming from SSDD or RFS and provides modified software to Customer .	To be determined
e. Software Modification Acceptance Test	To be determined

3. CUSTOMER RESPONSIBILITY

Customer's responsibilities are additionally defined in Section II, paragraph 6.0 of the General Terms and Conditions of this **Agreement**. All **Customer** requested changes after design sign-off must be documented by **Customer** and authorized in writing including potential costs, if any. Additional changes will most likely delay the schedule and may increase the cost.

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Exhibit F/CUSTOMER REQUESTED STANDARD SOFTWARE ENHANCEMENTS AND/OR CUSTOM SOFTWARE
Page 4

4. COST AND PAYMENT FOR MODIFICATIONS

(a) The cost for the enhancements and/or custom software is to be paid as follows:

- | | |
|--|-------------------------|
| - 60% on execution of Agreement | \$78,000 |
| - 40% on installation of enhancements and/or custom software | <u>\$52,000</u> |
| - Total Exhibit F Cost | <u>\$130,000</u> |

Note: Where applicable, travel costs for **New World** employees to complete the tasks for Exhibit F services are billed under the provisions of Exhibit B services. All travel to be mutually agreed upon by **Customer** and **New World**.

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EXHIBIT G
DATA FILE CONVERSION ASSISTANCE

New World will provide conversion assistance to **Customer** to convert the existing data master files specified below. The following information is required to be submitted to New World Systems:

1. List of data files and total number of data files to be converted,
2. Data descriptors (data dictionary) of all data elements contained in the files to be converted,
3. Number of data elements contained in the files,
4. Data to be converted is in fixed field length format with comma delimiters.

Data can be submitted in EBCDIC format with a fixed field, fixed record length and fixed block format, or in an ASCII format on the following media types: 3 ½" disk, 8mm tape or CD. An accurate record count must also be provided.

Customer will endeavor to provide the above items within sixty (60) days of execution of Agreement.

New World shall provide to Customer completed conversion programs and a test set of converted data within one hundred fifty (150) days of receipt of required information from **Customer** as described above.

Master files to be converted:

Master Files:

Master Name (Jackets)
Master Property
Master Gun
Master Vehicle

Police CAD/RMS

CAD Police, Fire Incident/Call for Service
Cases
Arrests
Tickets/Citations
Gun Registration
Gun Permits
Bicycle Registration
Pawn Shops
Warrants

Fire CAD/RMS

Incidents
Pre-plans
Inspections
Investigations

Corrections

Bookings
Housing
Classifications
Activity

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Exhibit G/DATA FILE CONVERSION ASSISTANCE
Page 2

The cost to provide the data file conversion is \$70,000. The payment schedule for the conversion is as follows:

1. DOWN PAYMENT	\$49,000
(70% - due upon execution of Agreement)	
2. FINAL PAYMENT	<u>\$21,000</u>
(30% - due upon delivery of data file conversion)	
TOTAL PAYMENTS DUE FOR	
DATA FILE CONVERSION (Exhibit G)	<u>\$70,000</u>

Note: Where applicable, travel costs for New World employees to complete the tasks for Exhibit G services are billed under the provisions of Exhibit B services. All travel to be mutually agreed upon by **Customer** and New World.

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EXHIBIT H
ACCEPTANCE TESTING

Each application of Licensed Software shall be deemed to have been accepted upon the successful completion of either *Criteria 1* or *Criteria 2* (listed below) whichever occurs first. Acceptance Testing is successful under either Criteria 1 or Criteria 2 unless the Licensed Software application contains a warranty defect which substantially impairs the value and **Customer's** use of the Licensed Software. Any claimed defects must be documented in writing as set forth in Exhibit C.

Criteria 1:

Using Exhibit B support service hours, **New World** shall assist **Customer** in conducting the following software acceptance test:

Following published specifications using established procedures and controls, the test criteria includes:

- (i) the successful entering and editing of a representative sample of transactions;
- (ii) the successful processing of a representative sample of file maintenance transactions for the master file transactions; and
- (iii) the successful generation of standard output reports.

Testing under Criteria 1 may be completed before **Customer** has gone "live" on the application. If Criteria 1 is used, **Customer** agrees to provide the requisite resources to timely complete the acceptance test procedure. If **Customer** unreasonably delays the start of the Criteria 1 test procedure for more than fourteen (14) calendar days beyond the designated test date, then successful software acceptance shall be deemed to have occurred for that application of Licensed Software on the fifteenth (15th) day after the designated test date.

Criteria 2:

Successful acceptance of each application of Licensed Software delivered shall be deemed to have occurred at the time **Customer** begins using the application of Licensed Software to produce data or output which is distributed for actual use and/or otherwise used as "live data".

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EXHIBIT I
SOFTWARE PERFORMANCE TEST CRITERIA

New World represents that the Exhibit A Licensed Standard Software will provide satisfactory performance to satisfy the current processing requirements of **Customer**. This representation is conditioned on current master file sizes, current transaction volumes, and reasonable history retention requirements. It is also conditioned upon **Customer's** agreement not to add other applications in addition to those listed on Exhibit A, and not to use any third party software products or hardware in a way that impacts software performance. This representation is further conditioned upon **Customer** balancing the computer system properly, including but not limited to, backups, file purges, tuning the system as required, and/or any other items that may impact performance.

Satisfactory performance is defined as average response time of 2 seconds or less in over 80% of the input or inquiry transactions during any measured four hour period; plus an average response time of 5 seconds or less in over 98% of the input or inquiry transactions during any measured four hour period. Given the above definition, should the Exhibit A software not perform satisfactorily, then **Customer** shall notify **New World** in writing and give **New World** 30 days to determine if the unsatisfactory performance is related to **New World** products or is related to other factors not part of the **New World** software (see examples above). **New World** shall have unrestricted access to the Computer during the 30-day correction period and shall be able to make any adjustments necessary to improve system performance. **New World** shall document adjustments made and notify **Customer** in writing of the adjustments. If requested by **Customer**, and using Exhibit B support services, **New World** shall train **Customer** on how to make adjustments. After 30 days, if the system performance has not improved, and should the unsatisfactory performance be attributable solely to the **New World** software, then **New World** shall provide additional computer capacities (memory, disk storage) at **New World's** cost to improve the performance. The additional computer capacities will be added within 90 days of the 30-day correction period ending.

For purposes of this software performance section, any **New World** time involved in selecting equipment, interfacing software or hardware, tuning or balancing the system, resolving problems, and/or other activities performed on **Customer's** behalf to initially start up or improve hardware or software performance will be performed using Exhibit B support service guidelines and fees. As defined above, given written notice of software performance deficiencies by **Customer**, the **New World** time spent during the 30 day correction period to evaluate the alleged deficiencies will not be billable to **Customer** unless **New World** can document and demonstrate that the alleged deficiencies are not due to deficiencies of the Exhibit A software, in which case the time spent by **New World** during the 30-day correction period would be billed to **Customer**.

The software performance representation set forth in this Exhibit expires 1 year from the date any two major applications (e.g., CAD, Records, or Mobile) have gone into "live use".

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EXHIBIT J
CIVIL PROCESSING MODULES DELIVERY

A. **DEFINITION OF PROJECT**

New World will provide the **Customer** requested Standard Software as discussed below to meet **Customer's** requirements.

STANDARD SOFTWARE TO BE PROVIDED

Aegis/MSP Business Office Software

- Income & Property Transactions (Planned Future Release)
- Foreclosures (Planned Future Release)
- Revenue and Collections (Future Release)

Functionality of the above Standard Software will be comparable to the Aegis/400 Business Office Software demonstrated to Customer during their evaluation process.

STANDARD SOFTWARE DELIVERY

The above modules will be provided to Customer with the first major release of Aegis/MSP during calendar year 2006; anticipated to be on or about April, 2006.

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APPENDIX 1
AGREEMENT AND AUTHORIZATION
FOR PROCUREMENT
OF THIRD PARTY PRODUCTS AND SERVICES
February 21, 2005

This agreement (**Agreement**) between **Pennington County and City of Rapid City, South Dakota (Customer)** and **New World Systems® Corporation, (New World)** is to cover the procurement of Third Party products and services by **New World** for **Customer**.

The attached configuration (Exhibit 1) describes the Third Party products and services that **Customer** will be obtaining through **New World**. By their written approval below, **Customer** authorizes **New World** to order the Exhibit 1 products for delivery to:

*Pennington County and City of Rapid City
300 Kansas City Street
Rapid City, SD 57701*

Upon execution of this **Agreement**, a down payment of 50% of the Exhibit 1 cost is due. The balance is due upon delivery of the hardware. **Customer** agrees that failure to pay the amount billed within thirty (30) days will result in a daily finance charge equal to .1% (.001) of the Exhibit 1 cost. If applicable, the finance charge will be computed and invoiced separately based on the receipt of **Customer's** payment to **New World** for Exhibit 1 amounts due. **Customer** agrees to pay all applicable finance charges (if any) promptly.

Customer is responsible for the site preparation and related costs to install the Exhibit 1 products. **Customer** is responsible for any returned product charges, including re-stocking and shipping fees, for all 3rd party products ordered by **New World** on the **Customer's** behalf. Actual and reasonable travel expenses incurred by **New World**, and actual employee travel time up to but not exceed four (4) hours per **Customer** visit, are in addition to the Exhibit 1 cost and will be billed weekly as incurred.

Any taxes or fees imposed from the course of this Agreement are the responsibility of the **Customer** and **Customer** agrees to remit when imposed. If an exemption is claimed by the **Customer**, an exemption certificate must be submitted to **New World**.

After execution of this **Agreement**, the Exhibit 1 components and cost may be changed by mutual agreement of both parties. If a change order in the configuration requires additional costs, **New World** shall notify **Customer** of the additional costs and with **Customer's** approval, these costs shall be borne by **Customer**. Without such approval, the change order will not be processed.

Customer shall or may be required to execute selected Agreements with vendors and **New World** shall not confirm the ordering of any Exhibit 1 products without **Customer's** authorized signature on these Agreements. **Customer** shall receive the benefit of all warranties, services, etc. provided for in the Agreements.

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ACKNOWLEDGED AND AGREED TO BY:
NEW WORLD SYSTEMS® CORPORATION
(New World)

By: _____
Larry D. Leinweber, President

CITY OF RAPID CITY, SOUTH DAKOTA
(Customer)

By: _____
Jim Shaw, Mayor

ATTEST:

By: _____
Finance Officer

PENNINGTON COUNTY COMMISSIONERS, SD
(Customer)

By: _____
James Kjerstad, Chairman

Date: _____

Date: _____

Each individual signing above represents that (s)he has the requisite authority to execute this Agreement on behalf of the organization for which (s)he represents and that all the necessary formalities have been met.

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AGREEMENT AND AUTHORIZATION
FOR PROCUREMENT
OF THIRD PARTY PRODUCTS AND SERVICES

February 21, 2005

EXHIBIT 1
CONFIGURATION

1. ESRI Software		
MapObjects (200 users)		\$15,000
2. Diagramming Software		
Scene PD (41 users)		8,200
TOTAL THIRD PARTY COSTS		\$23,200