



SERVICES AGREEMENT

This Services Agreement (this "Agreement") is entered into as of the ____ day of December, 2006 ("Effective Date") by and between The Sanborn Map Company, Inc., a Delaware corporation ("Sanborn"), and Rapid City, South Dakota (the "City"). Either party hereto may be referred to as either the "Provider" or "Receiver" of confidential information as defined herein.

RECITALS

Sanborn is in the business of creating specialized geographic information solutions, products and services.

City wishes to enter into this Agreement with Sanborn in order to secure specific products and services from Sanborn.

NOW, THEREFORE, City and Sanborn mutually agree as follows:

Article 1 Services.

1.1 Sanborn agrees to perform those services for the City that are specified on Exhibit A (the "Services") and shall deliver to the City those deliverables specified on Exhibit A (the "Deliverables"). Sanborn shall use its commercially reasonable efforts to render services under this Agreement in a professional and business-like manner and in accordance with the standards and practices recognized in the industry.

1.2 Sanborn shall be the sole and exclusive owner of all right, title and interest in and to the Deliverables until such time as Sanborn has received full and final payment of all outstanding invoices with respect to the performance of the Services and delivery of the Deliverables hereunder. At such time as payment in full has been rendered to Sanborn, the City shall have such rights, title, and interest in and to the Deliverables as shall be set forth in any applicable license or title documents accompanying such Deliverables.

Article 2 Compensation. The City shall pay Sanborn for the Deliverables and performance of the Services in accordance with the terms specified on Exhibit B.

Article 3 Independent Contractor Status.

3.1 Sanborn is an independent contractor and no employees, associates or agents of Sanborn shall be deemed to be an employee, associate or agent of the City, or vice-versa. The City and Sanborn are not and shall not be considered as employer/employee, joint adventurers, partners, or one as agent of the other under this Agreement, and neither shall have power to bind or obligate the other.

3.2 Neither party shall have any liability for any act or omission made or committed, or alleged to be made or committed, by the other party or any of its employees, associates or agents.

Article 4 Term and Termination.

4.1 This Agreement shall remain in effect from the date hereof until all Services are performed and Deliverables are delivered, unless terminated earlier by either party by giving thirty (30) days' written notice to the other party. Upon the date so specified, Sanborn shall immediately terminate all activities on behalf of the City. Notwithstanding any such termination, City shall in no event be released from its obligation to pay Sanborn for all Services performed and those in process at the time of such termination, and Deliverables delivered prior to such termination. By mutual agreement the City and Sanborn are free to negotiate additional and similar geographic information solutions, products and services as change orders and/or amendments to this agreement either during or after the Deliverables and Services specified herein have been completed.

4.2 The provisions of sections 2-6 shall survive any termination of this Agreement.

Article 5 Indemnification

5.1 By the City. The City agrees to indemnify, defend and hold harmless Sanborn and Sanborn's directors, officers, shareholders, employees, agents and affiliates from and against any and all third party actions, claims, liabilities, damages, losses and expenses, including reasonable attorneys' fees and costs (collectively, "Claims") arising out of or related to the acts, errors or omissions of the City or any of the City's officers, directors, employees, agents or affiliates in connection with the performance of its obligations under this Agreement.

5.2 By Sanborn. Sanborn agrees to indemnify, defend and hold harmless the City and the City's directors, officers, shareholders, employees, agents and affiliates from and against any and all Claims arising out of or related to the acts, errors or omissions of Sanborn or any of Sanborn's officers, directors, employees, agents or affiliates in connection with the performance of its obligations under this Agreement.

5.3 Conditions of Indemnification of Third Party Claims. The obligations and liabilities of the parties hereunder with respect to Claims resulting from the assertion of liability by third parties shall be subject to the following terms and conditions:

(a) In the event that any claim or demand for which one party would be liable to the other hereunder (the "Indemnified Party" and the "Indemnifying Party" as applicable), is

asserted against or sought to be collected by a third party, the Indemnified Party shall promptly notify the Indemnifying Party of such claim or demand, specifying the nature of such claim or demand and the amount or the estimated amount thereof (which estimate shall not be conclusive of the final amount of such claim or demand) (the "Claim Notice"). The Indemnifying Party shall have 10 days from its receipt of the Claim Notice (the "Notice Period") to notify the Indemnified Party (1) whether or not the Indemnifying Party disputes its liability to the Indemnified Party hereunder with respect to such claim or demand, and (2) if it does not dispute such liability, whether or not it desires, at its sole cost and expense, to defend the Indemnified Party against such claim or demand; provided, however, that the Indemnified Party is hereby authorized prior to and during the Notice Period to file any motion, answer or other pleading that it shall deem necessary or appropriate to protect its interests. In the event that the Indemnifying Party notifies the Indemnified Party within the Notice Period that Indemnifying Party desires to defend against such claim or demand, then except as hereinafter provided, the Indemnifying Party shall have the right to defend the Indemnified Party by appropriate proceedings, which proceedings shall be promptly settled or prosecuted to a final conclusion in such a manner as to avoid any risk of an Indemnified Party becoming subject to liability for any other matter. If, in the reasonable opinion of an Indemnified Party, any such claim or demand involves an issue or matter that could have a material adverse effect on the business, operations, assets, properties or prospects of an Indemnified Party or an affiliate of an Indemnified Party, such Indemnified Party shall have the right to control the defense or settlement of any such claim or demand, and its reasonable costs and expenses thereof shall be included as part of the indemnification obligations of the Indemnifying Party hereunder. If the Indemnifying Party disputes its liability with respect to such claim or demand or elects not to defend against such claim or demand, whether by not giving timely notice as provided above or otherwise, then the amount of any such claim or demand, or, if the same be contested by the Indemnifying Party or by an Indemnified Party (but the Indemnified Party shall not have any obligation to contest any such claim or demand), then that portion thereof as to which such defense is unsuccessful, shall be presumptively deemed to be a liability of the Indemnifying Party hereunder (subject, if the Indemnifying Party has timely disputed liability, to a determination that the disputed liability is covered by these indemnification provisions).

(b) In the event that an Indemnified Party should have a claim against an Indemnifying Party hereunder that does not involve a claim or demand being asserted against or sought to be collected from it by a third party, the Indemnified Party shall promptly send a Claim Notice with respect to such claim to the Indemnifying Party; provided, that the failure to so notify shall not limit the Indemnified Party's right to indemnification unless such failure materially adversely affects the ability of the Indemnifying Party to defend such claim and then only to such extent. If the Indemnifying Party does not notify the Indemnified Party within the Notice Period that it disputes such claim, the amount of such claim shall be presumptively deemed a liability of the Indemnifying Party hereunder.

5.4 Participation; Cooperation. The Indemnified Party will at all times also have the right to participate fully in the defense at its own expense unless the third party Claim is made both against an Indemnifying Party and an Indemnified Party and the Indemnified Party has been advised by counsel that there are legal defenses available to such Indemnified Party that are materially different from those available to the Indemnifying Party, in which case the fees and expenses of one counsel in respect of such claim incurred by the Indemnified Party will be paid

by Indemnifying Party. The parties will cooperate in the defense of all third-party Claims that may give rise to indemnifiable Claims hereunder. In connection with the defense of any claim, each party will make available to the party controlling such defense, any books, records or other documents within its control that are reasonably requested in the course of such defense.

5.5 Limitation on Damages. Notwithstanding any other provision of this Agreement, neither party will be liable to the other for any punitive, indirect, special, consequential or incidental damages whatsoever. Sanborn's maximum aggregate liability to the City shall be limited to the aggregate dollar value of fees paid to Sanborn by the City pursuant to the terms hereof. EXCEPT FOR THE EXPRESS WARRANTIES MADE OR REFERENCED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE AS TO ANY ITEMS OR SERVICES PROVIDED UNDER THIS AGREEMENT.

Article 6 Miscellaneous.

6.1 This Agreement is made in the State of South Dakota, and shall for all purposes be construed in accordance with the laws of said State, without reference to choice of law provisions.

6.2 This Agreement is performable in, and venue of any action related or pertaining to this Agreement shall lie in, Pennington County, South Dakota.

6.3 This Agreement and its Exhibits contains the entire agreement between the City and Sanborn and supersedes any and all previous agreements, written or oral, between the parties relating to the subject matter hereof. No amendment or modification of the terms of this Agreement shall be binding upon the parties unless reduced to writing and signed by both parties.

6.4 This Agreement may be executed in counterparts, each of which shall be deemed an original.

6.5 In the event any provision of this Agreement is held illegal or invalid, the remaining provisions of this Agreement shall not be affected thereby.

6.6 The waiver of a breach of any provision of this Agreement by any parties or the failure of any parties otherwise to insist upon strict performance of any provision hereof shall not constitute a waiver of any subsequent breach or of any subsequent failure to perform.

6.7 Notice required under this Agreement shall be in writing and personally delivered or sent by certified mail to the City at its principal executive offices or to Sanborn at the last address filed by it in writing with the City.

6.8 This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives and successors and may be assigned by the City to any successor.

IN WITNESS WHEREOF, this Agreement is executed as of the Effective Date.

THE SANBORN MAP COMPANY, INC.

By: _____

Name: _____

Title: _____

CITY OF RAPID CITY, SOUTH DAKOTA

By: _____

Jim Shaw, Mayor

ATTEST:

Finance Officer

RECORDED AS TO FORM
CITY CLERK'S OFFICE

JPS

Date

12-21-06
Date

EXHIBIT A

Services and Deliverables

The Contract Documents are as follows and are listed in the order of precedence in the event of conflicting or contradictory information between them:

1. This Agreement
2. Sanborn's letter of negotiation dated December 18, 2006
3. Sanborn's Proposal
4. The City's RFP

EXHIBIT B

Compensation

The City shall pay, and Sanborn agrees to accept as full consideration for its Services and Deliverables under this Agreement, invoices for work performed at the City's request at the firm fixed price of two hundred thirty thousand eight hundred seventy two dollars (**\$230,872.00USD**).

Sanborn shall invoice the City monthly on a percentage complete basis according to the contract line items and prices listed below. Payment terms are NET30 days from receipt of invoice.

City area color photos, 6" and 1" pixels	\$50,517
City area ortho production	\$29,204
City area DTM update	\$25,471
City area contours/spots	\$ 9,604
Metadata.....	\$ 500
Autocad files	\$ 500
Hydrography update	\$ 3,928
Building footprints - whole area 10'x10' minimum building size.....	\$58,000
Metadata.....	\$ 200
County area color photos	\$44,165
County area rectification.....	\$ 8,783
Grand total	\$230,872