spillman technologies, inc.
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Quote and Purchase Addendum

Quoted Date:	June 12, 2013	Quote Number:	QUO-03151-L6L4H2
Quote Expiration Date:	September 30, 2013	Prepared By:	Billy Duncan

Services Included

- **First-year Maintenance** – For the specific module(s) listed in this document, all upgrades and live phone support services are included for the entire first year.
- **Project Management and Installation** – Spillman will assign a Project Manager as the agency's single point of contact. This individual will coordinate Spillman's expert installation and training staff to ensure a smooth upgrade transition.

Included in Quote

- IBM AIX 8202 E4C Rack Mounted Server
- Data Tapes
- Server Migration

Package Quote

$48,828

IBM AIX 8202E4C Rack Mounted Server
8x300GB 15K RPM SAS SFF Drives
1.5/3.0TB LTO-5 Tape Drive & 7 Tapes
32GB Memory, 8 Core 3.0 Ghz Power7 Processor--One Core Activated
3 Years 24x7 IBM Maintenance
On-Site Spillman Data Migration
Sales Tax Included $3,080

The Customer's signature below constitutes its agreement to purchase the licenses, products and/or services according to the terms quoted by Spillman within this document. This document shall serve as an addendum to the Purchase Agreement previously entered into between the Customer and Spillman. The terms and conditions of the Purchase Agreement, as well as the related License Agreement and Support Agreement, shall apply to the items quoted herein.

Your estimated 2nd-year Spillman maintenance will be: $0

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ATTACHMENT "A" BY MENTION MADE A BINDING PART OF THIS AGREEMENT AS SET FORTH HEREIN.

GILA COUNTY BOARD OF SUPERVISORS

_____

Michael A. Pastor, Chairman
of the Board of Supervisors

ATTEST:

_____

Marian Sheppard, Clerk of the Board
of Supervisors

APPROVED AS TO FORM:

_____

Bryan B. Chambers, Deputy Attorney Principal
for Bradley D. Beauchamp, County Attorney

SPILLMAN TECHNOLOGIES, INC.

_____

Individual Authorized to Sign

LANCE CLARK

Print Name

PRESIDENT & CEO

Title

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ATTACHMENT "A"

Gila County Contractor Standard Terms and Conditions Addendum

A. Addendum Applicability: Contractor and Gila County agree that the terms and conditions of this Addendum shall apply to and govern the contractual relationship between Contractor and Gila County and shall supplement any other contract or agreement entered into between the parties. In the event that the terms and conditions in this Addendum conflict with any provision of any other agreement entered into between the Contractor and Gila County (including a superiority provision similar to this provision), the terms and conditions of this Addendum shall control the contractual relationship between the parties and shall supersede any conflicting provisions found in any other contract or agreement. Contractor understands that acceptance of the terms and conditions contained in this Addendum are a condition precedent to entering into a contractual relationship with Gila County.

B. Contract Defined: As used in this Addendum, the term "Contract" shall refer to any written agreement between Gila County and a person, organization, corporation, company or other entity that provides supplies or services to Gila County regardless of the title or other name applied to that written agreement. The term includes by this reference all the terms and conditions of this Addendum.

C. Contractor Defined: As used in this Addendum, the term "Contractor" shall refer to a person, provider, organization, corporation, company or other entity providing supplies or services to Gila County pursuant to a written agreement regardless of the title or other name applied to "Contractor" in that written agreement.

D. Relationship of the Parties: Contractor is an independent contractor of the County. Contractor represents that he has or will secure, at his own expense, all personnel required in performing the services under this contract. Such personnel shall not be employees of or have any contractual relationship with the County. All personnel engaged in work under this contract shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. Contractor warrants that he has obtained or will obtain Worker's Compensation Insurance for his employees working on this contract and that any subcontractors will likewise obtain Worker's Compensation Insurance for of their employees working on this contract. It is further agreed by Contractor that he shall obey all state and federal statutes, rules, and regulations which are applicable to provisions of the services called for herein. Neither Contractor nor any employee of the Contractor shall be deemed an officer, employee, or agent of the County.

E. Non-Appropriations Clause: Contractor acknowledges that the County is a governmental entity, and the contract validity is based upon the availability of public funding under its authority. In the event that public funds are unavailable and not appropriated for the performance of County's obligations under this contract, then this contract shall automatically expire without penalty to County after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the County shall only activate this non-appropriation provision as an emergency fiscal measure. The County shall not activate this non-appropriation provision for its convenience, to circumvent the requirements of this contract, or to enable the County to contract with another Contractor for the same supplies or services covered under this Addendum.

F. Indemnification Clause: Contractor will defend the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all third party claims ("Claims") arising from any personal injuries, death, or damages to tangible property caused or alleged to be caused by the negligence or willful misconduct of Contractor or any of its owners, officers, directors, agents, employees or subcontractors, and will pay any final judgment or amounts agreed in settlement. This indemnity includes any Claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. This indemnity excludes any Claims related to the functionality or use of, or bugs or errors in, the software provided to the County by Contractor, which shall be governed solely by the terms of the Computer Software License Agreement (as defined in Section G below). The County shall notify Contractor as soon as reasonably

possible if it becomes aware of any claim for which it may be entitled to indemnification under this section, and the County hereby gives Contractor full and complete authority and control over the defense of the claim, and shall provide such information and assistance as is necessary to enable Contractor to defend, compromise or settle such claim. Contractor will pay all costs and attorney's fees incurred in connection with the claim. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. County may, at its option and expense, participate in the defense of the claim with separate legal counsel. Contractor is not obligated to indemnify the County to the extent any liability or damages arises out of the negligence or intentional misconduct of the County, its employees or agents. In the case of shared fault, Contractor will be responsible for and indemnify the County for Contractor's proportionate fault. The foregoing will not be construed to create any waiver of County's governmental immunity with respect to third party claims.

Contractor also agrees to defend the County against any and all third party claims, demands, lawsuits or legal actions arising out of any actual or alleged infringement of any trademark, copyright, trade secret, or U.S. patent by the Spillman Software (as defined in the License Agreement), and Contractor will pay any damages, costs and expenses (including reasonable attorneys' fees) finally awarded in such action or paid to settle the action. Contractor will not be required to indemnify County unless (i) the County promptly notifies Contractor of any such claim; (ii) the County gives Contractor sole control of the defense and all settlement negotiations, and the authority to represent the County in defending the claim; and (iii) the County provides Contractor with any information and assistance that Contractor reasonably requests in defending against the claim. The County may, at its option and expense, be represented by separate counsel in any such action. If a court or other legal authority finds that any part of the Spillman Software infringes on a third party's intellectual property rights, or if Contractor believes that it infringes, Contractor will use reasonable efforts to obtain a license under the rights that have been infringed, to modify the Spillman Software so it is no longer infringing, or to provide to the County substitute Spillman Software that is non-infringing; provided that if in Contractor's judgment such options are not commercially reasonable, Contractor may terminate the license for the Spillman Software or the infringing portion thereof upon written notice to the County. Contractor will have no liability for infringement arising out of modification of the Spillman Software by any party other than Contractor, use of an outdated version of the Spillman Software, or the combination or use of the Spillman Software with any other Spillman Software, hardware, equipment, product, or process not furnished by Contractor, if use of the Spillman Software alone and in its current, unmodified form would not have been an infringement. Contractor is not liable for any infringement claims based upon third party software or hardware. This paragraph supersedes Section 15 of the License Agreement and sets forth Contractor's entire obligation with respect to any claim for infringement or misappropriation of any third party intellectual property rights.

G. Entire Contract Clause: The Contractor and the County have read this Contract and agree to be bound by all of its terms, and further agree that this Contract, together with the existing Purchase Agreement, Computer Software License Agreement (the "License Agreement"), and Computer Software Support Agreement between the parties, all dated effective August 27, 1999, constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral agreement or oral provision outside this Contract shall have any force or effect.

H. Non-Waiver of Enforceability: Failure of the County to enforce, at any time, any of the provisions of this Contract, or to request at any time performance by Contractor of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this contract or any part thereof, or the right of the County to enforce each and every provision.

I. Severability: If any provision of this Agreement is held unenforceable, all remaining provisions of this Contract shall remain in full force and effect.

J. Governing Law: Both parties agree that this Contract shall be governed by the laws of the state of Arizona. The parties further agree that the jurisdiction for any legal disputes arising out of this Contract shall be the Superior Court of the State of Arizona. The parties agree that even if this Contract does not specifically reference any provision required by state or federal law, those state and federally required provisions are incorporated into this Contract by this reference as though they were specifically listed herein.

K. Cancellation: This contract is subject to the cancellation provisions of A.R.S. §38-511.

L. Legal Arizona Workers Act Compliance: Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Contractor's employment of its employees, and with the requirements of A.R.S. § 41-4401 and 23-214(A) (together the "State and Federal Immigration Laws"). Contractor shall further ensure that each subcontractor who performs any work for Contractor under this contract likewise complies with the State and Federal Immigration Laws.

County shall have the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor as soon as possible so as not to delay project completion.

GILA COUNTY BOARD OF SUPERVISORS

_____
Michael A. Pastor, Chairman of the Board of Supervisors

ATTEST:

_____
Marian Sheppard, Clerk of the Board of Supervisors

APPROVED AS TO FORM:

_____
Bryan B. Chambers, Deputy Attorney Principal
***for* Bradley D. Beauchamp, County Attorney**

SPILLMAN TECHNOLOGIES, INC.

By: _____
Individual Authorized to Sign

LANCE CLARK
Print Name

PRESIDENT & CEO
Title