MegaTronics International Corp.

Manufacturer of the MegaTrak® Automated Fuel Management System

MegaTrak® Extended Warranty Agreement

The Gila County hereby accepts MegaTronics International Corp.'s (MTI's) extended warranty for the MegaTrak® System's Hardware, MT Pro Software, License and Customer Support (see letter: this an amendment to the initial and subsequent extended warranty agreements) which cover the following for one year, effective September 1, 2013 through August 31, 2014. Payment must be received before expiration date.

Hardware Maintenance Includes:

(8) Series 3000 MCU's (AC) (Hardwired); (2) Series 3000 MCU's (DC) (Hardwired); (3) ACCOMMs; **(Series 3000 - No longer covered under maintenance)**	$ 0.00
Globe Fuel Island: (4) Series 9000 MCU's (AC) (Hardwired); (1) Truck Mount Series 9000 (DC); **Shop** – (1) Series 9000 (AC)	$ 960.00
Payson: (1) Truck Mount Series 9000 (DC); **Light Shop** – (1) Series 9000 (AC); **Heavy Shop** – (1) Series 9000 (AC);	$ 480.00
(3) Series 9000 (AC) (spares); (1) Series 9000 (DC) (spare); (2) USB Key Encoders	$ 800.00

License and Software Maintenance Includes:

(1) MegaTrak Pro Standard Host License with Preventative Maintenance, Upgrades, Maintenance and Support	$ 995.00
(3) MegaTrak Pro Standard Remote License with Preventative Maintenance, Upgrades, Maintenance and Support	$1,050.00
TOTAL HARDWARE AND SOFTWARE:	**$4,285.00**

(Please sign, remit and return in the enclosed prepaid envelope for your convenience, keeping one copy for your files.)

NOTE: Attachment "A", by mention made a binding part of this agreement as set forth herein.

1. **Extended maintenance coverage does not include any ancillary products incorporated into the MCU hardware not manufactured by MTI. (i.e., antenna's etc.)**
2. **No expressed or implied warranty is made or included for any MegaTrak® part(s) and/or products which are not installed, used, or operated in accordance with MT instructions and specifications, or which may be damaged by accidents, abuse, misuse, vandalism, natural or personal disaster, including, but not limited to lightning, fire, flood, riot, and/or any unauthorized modifications or modifications made without prior written approval of MTI.**
3. **Site visits and the costs are not covered under this agreement and must be arranged for separately.**
4. **Customers not under maintenance contracts will be billed a license fee and for necessary software upgrades required by the MT software to function properly.**
5. **MTI is not responsible for loss of data. Customer must maintain sufficient backups.**
6. **MTI shall have no liability for damages or indemnity in any amount exceeding the charges paid by customer to MTI for the licensed program(s) above.**
7. **Any hardware not listed under "Hardware Maintenance Includes" is not covered, to include but not limited to equipment such as ATG probes, consoles, multiplexers and sensors.**
8. **All service or equipment ordered by customer must have a purchase order or RMA # from MTI.**
9. **Replacement of equipment over five (5) years of age and deemed not repairable may be purchased through MTI at a discounted price.**

P.O. Box 460584 San Antonio, Texas 78246 (210) 804-1007 FAX (210) 804-1020

9/27/2013

Kay Turner, MTI and Date

Don E. McDaniel, Jr./ County Manager

Print name for the Gila County

10/2/13

Signature and Date for Gila County

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 is 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 to 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. 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. Hold Harmless/Indemnification Clause

Contractor shall indemnify, defend, save and hold harmless the County of Gila and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. 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. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that the Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In

consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the County, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the County.

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 it constitutes the entire contract between the two parties and may only be modified by a written mutual contract signed by the parties. No oral provision in conflict with 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. 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.

J. Cancellation

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

K. 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. § 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.

Contractor shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of Contractor.

L. Warranty

Contractor expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Contractor warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods, or services, and that any goods will be adequately contained, packaged, marked and labeled. Contractor warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Contractor knows or has reason to know the particular purpose for which County intends to use the goods or services, Contractor warrants that such goods or services will be fit for such particular purpose. Contractor warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance of use of the goods or services furnished hereunder shall not affect the Contractor's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Contractor's warranty shall run to County, its successors, and assigns. Contractor agrees to replace or correct, at Contractor's sole cost and expense, defects of any goods or services not conforming to the foregoing warranty, or improperly installed, as well as guarantee to the County and to the Owner, against liability, losses or damage to any or all parts of the work arising from said installation during a period of two (2) years from date of completion. All guarantees will inure to the benefit of the County and the Owner, their successors or assigns, including equipment warranties, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of failure of Contractor to correct defects in or replace nonconforming goods or services promptly, County, after reasonable notice to Contractor, may make such corrections or replace such goods and services and charge Contractor for the cost incurred by the County in doing so. Contractor recognizes that County's requirements may require immediate repairs in reworking of defective goods, without notice to the Contractor. In such event, Contractor shall reimburse County for those costs, delays, or other damages which County has incurred.

MegaTronics International Corp. Administration	9/27/2013 Date
Gila County Don E. McDaniel, Jr., County Manager	10/2/13 Date