

3 Washington Square Washington Avenue Extension Albany, New York 12205 Tel: (518) 452-3502 Fax: (518) 452-3581

February 9, 2010

Major Ed Salazar City of Overland Park 8500 Sante Fe Drive Overland, KS 66212

Dear Major Salazar:

Morphotrak, Inc. (*formerly Sagem Morpho Inc.*) is the Maintenance provider to the City of Overland Park. The Maintenance Services Agreement you currently have on file expired on December 31, 2008. The maintenance fee of \$19,775.46 will cover the equipment for the maintenance term January 1, 2010 through December 31, 2010.

Please find enclosed MorphoTrak's Maintenance Services Agreement which shall provide your agency with comprehensive and continued maintenance support on all of your equipment. Also please find attached to the renewal Maintenance Services Agreement, an annual maintenance pricing schedule detailing the monthly/annual fee associated with the equipment that you currently have at your facility.

With the execution of the Maintenance Services Agreement, MorphoTrak, Inc. shall continue to service your equipment through our Missouri staff of Customer Service Engineers (CSE's). As you know, all CSE's provide excellent customer service including, but not limited to, on-site customer service, on-site maintenance and repair, and on-site upgrades and training. All of the above-referenced services are included in the renewed Maintenance Services Agreement and are available to you annually; nine (9) business hours, five (5) business days per week.

If you choose not to select our comprehensive annual maintenance services as defined under the enclosed renewal Maintenance Services Agreement, the only alternative we offer for continued maintenance service is our CSE maintenance provided on a "Time & Material" basis. "Time & Material" maintenance provides support, technical and other maintenance services that you request on an hourly basis; which shall be charged at a premium rate of \$320.00 per hour during standard business hours, and \$480.00 per hour on all applicable evenings, weekends, and holidays. Note that all Time & Material maintenance requests require a minimum of four (4) hours for each service call and/or request placed by you. Furthermore, you shall be liable for all "Time & Material" services charged to your account with MorphoTrak. (For more information regarding "Time & Material" service please refer to "*Section 1: Definitions – Time & Material*" on page 2 of the enclosed Maintenance Services Agreement.)

Enclosed is a PDF original maintenance service agreement; please have an authorized representative sign TWO copies of the agreements and return both copies to my attention. After MorphoTrak's President has signed and executed the agreements, we will then forward you one (1) of the originals for your files.

MorphoTrak, Inc. is committed to providing you with the most comprehensive customer service and maintenance on your equipment. If you have any questions, please contact me at (518) 724-5241 or susan.noisseau@morphotrak.com.

NOTE: All Tax Exempt Customers will be required to submit a copy of their agency's tax certificate.

Sincerely, Susan Noisseau Susan Noisseau Contracts Administration Specialist 1

CORPORATE HEADQUARTERS 113 So. Columbus Street, Suite 400 Alexandria, VA 22314



MAINTENANCE SERVICES AGREEMENT

This Agreement is made and entered into by and between MORPHOTRAK, INC., ("MORPHO") and the customer identified below ("Customer"). This Agreement includes, and incorporates by this reference, the Basic Terms and Conditions set forth below, a Description of Supported Equipment and Software, MORPHO's Maintenance Services Agreement Terms and Conditions (the "Agreement"), and attached pricing spreadsheet(s), if relevant.

Customer (or a third party) entered into an Agreement for Purchase and Sale of Hardware and License of Software with MORPHO (the "Base Agreement") dated as of the date set forth below, pursuant to which Customer possesses the Equipment and Software (if the Base Agreement is between MORPHO and a third party, please write the name of such third party here: _______N/A_______.

Customer hereby orders, and MORPHO hereby agrees to provide, support services for the Equipment and Software during the Term in accordance with the terms of this Agreement. It is understood that if Customer submits a purchase order for the support services which are the subject of this Agreement, such order shall be subject to all terms and conditions of this Agreement with the same force and effect as if they were included on the Customer's purchase order.

MORPHO may revoke this offer at any time prior to receipt of Customer's signature. Unless otherwise agreed, this offer shall expire if not signed and returned to MORPHO by Customer within thirty (30) days after the date of MORPHO's signature.

BASIC TERMS AND CONDITIONS

Base Agreement Date : June 2002		Effective Date : January 1, 2010 - December 31, 2010						
1.	Customer's Site(s):							
	Overland Park Police Department, 8500 Santa Fe Drive, Overland Park, Kansas 66212							
2.	Initial Quarterly Fee:							
	\$19,775.46 (subject to 5% escalation fee in each subsequent year) for	9 business hours, 5 business days per week						

Terms defined elsewhere in this Agreement will have the same meanings when used herein. Customer acknowledges that it has received, read, understands and agrees to all of the provisions contained in this Agreement and attachments hereto.

OVERLAND PARK POLICE DEPARTMENT	MORPHOTRAK, INC.:								
	By (Signature):								
	Printed Name:								
	Title:								
	Address:	1145 Broadway Plaza, Suite 200							
		Tacoma, Washington 98402							
	Date Signed:								
	RTED EQUIPMENT AND SOF	TWARE							
hall consist of:									
A									
all consist of:									
Application Software ating System									
	DESCRIPTION OF SUPPOR hall consist of: A all consist of: Application Software								



MAINTENANCE SERVICES AGREEMENT TERMS AND CONDITIONS

These Maintenance Services Agreement Terms and Conditions are part of the Maintenance Services Agreement ("Agreement") between MORPHOTRAK, Inc. ("MORPHO") and the customer identified on cover sheet of this Agreement ("Customer"). MORPHO and Customer agree as follows:

SECTION 1. DEFINITIONS

"Annual Fee" means the annual fee payable for Basic Services. The Annual Fee payable during the initial Support Year is specified on the cover sheet of this Agreement. MORPHO may change the Annual Fee for any subsequent Support Year by giving Customer written notice of the change at least thirty (30) days prior to the beginning of the applicable Support Year. In addition, as provided below, MORPHO may increase the Annual Fee in any given Support Year s provided in Section 2.7 below.

"Basic Service" means the services described as Basic Service in Section 2.

"Business Days" means Monday through Friday, exclusive of Customer's business holidays.

"Business Hours" means 8:00 a.m. to 5:00 p.m., Local Time on Business Days.

"Effective Date" means the Effective Date specified on the cover sheet of this Agreement.

"Confidential Information" means any trade secret, proprietary, or confidential information of MORPHO's disclosed to Customer that, upon or promptly after disclosure by MORPHO, is marked or otherwise identified as proprietary or confidential, or which Customer otherwise knows or has reason to know is proprietary or confidential. Without limiting the generality of the foregoing, the parties hereby specifically agree that the following items constitute Confidential Information: (i) the Software and any Enhancements or updates thereto; (ii) the CAXI, FCP, FIP and MORPHO processor boards and image compression boards (collectively, the "Boards"), if any, along with any Enhancements to the same; and (iii) any technical information, data, or documents related to the Equipment, Software, or any Enhancements provided by MORPHO to Customer.

"Customer's Site" means Customer's place of business which is specified as Customer's Site on the cover sheet of this Agreement or such other location as may be agreed upon in writing by the parties.

"Enhancements" means any alterations, additions, improvements, or modifications of the Equipment or Software, maintenance of which would increase the cost to MORPHO of providing the Basic Service by more than 5% of the then-current Annual Fee.

"Equipment" means the equipment included in the Description of Supported Equipment and Software attached to the cover sheet of this Agreement, together with any repairs, replacements or corrections furnished by MORPHO (other than Enhancements) during the Term pursuant to this Agreement or any other agreement between the parties.

"Local Time" means local time at Customer's Site.

"MORPHO's Standard Charges" means MORPHO's then current standard rates and charges (including, without limitation, provisions for the reimbursement of travel, parts, and other expenses).

"MORPHO User Documentation" means any user manual, instructions, and/or other printed documentation furnished by MORPHO for Customer's use of the Equipment or Software, as the same may be revised, updated, or replaced by MORPHO from time to time during the Term.

"Software" means the computer programs and other software included in the Description of Supported Equipment and Software attached to the cover sheet of this Agreement, together with any corrections or updates of such computer programs (other than Enhancements) as may be furnished by MORPHO during the Term pursuant to this Agreement or any other agreement between the parties.

"Supplemental Services" means any services performed by MORPHO under this Agreement other than the Basic Service.

"Support Year" means any period of one year beginning with the Effective Date or any anniversary of the Effective Date.

"Term" means the term of this Agreement as specified in Section 6.

"Time & Material" means support, technical, or other service provided by MORPHO to Customer that is not included in the Basic Service and Agreement as described herein. Time & Material service shall only be charged to those Customers who elect the limited nine (9) Business Hours, five (5) Business Days service coverage. Time & Material service shall not apply to Customers who elect the comprehensive twenty-four (24) hours, seven (7) days per week coverage. Time & Material service shall be charged to Customer in addition to the costs and prices as stated in this Agreement. Time & Material service shall be charged at a premium rate of \$160.00 per hour during regular Business Hours, and at a premium rate of \$240.00 per hour for all applicable evening, weekend, and holiday service requests, with a required minimum of four (4) hours* for each Time & Material service call and/or request placed by Customer to MORPHO. Customer is also responsible for any other costs associated with Time & Material service including, but not limited to, mileage, hotel, and per diem expenses. Customer shall be liable for all Time & Material services charged to Customer's account with MORPHO.

*this minimum applies only to those customers located in the contiguous 48 states. Those customers located outside this area will incur additional costs including, but not limited to, a minimum labor fee that will include travel time to and from the site, at least one 8-hour work shift, hotel, rental car, and per diem charges for the entire service visit.

SECTION 2. BASIC SERVICE

During the Term, MORPHO will make available the following as Basic Service under this Agreement:

2.1 Service Requests. Upon Customer's request, MORPHO shall advise Customer of the name, telephone number, and location of MORPHO personnel authorized to receive Basic Service requests from Customer. MORPHO will use commercially reasonable efforts to ensure that such personnel will be available during Business Hours to provide Basic Service to Customer as set forth in this Agreement.

2.2 Preventive Maintenance. On a schedule mutually agreed upon by the parties, MORPHO will provide preventive maintenance services for the Equipment in accordance with MORPHO's maintenance manual for the Equipment or in accordance with alternative terms agreed upon by and between the parties.

Repair, Replacement, and Correction. 2.3 Upon Customer's request, MORPHO will endeavor to promptly repair, replace, or otherwise correct any Equipment or Software that does not operate substantially in accordance with MORPHO specifications. If on-site inspection or work is required to correct any Equipment or Software: (i) for requests received between 8:00 a.m. and 3:00 p.m. Local Time on any Business Day, MORPHO will use commercially reasonable efforts to have an authorized representative of MORPHO at Customer's Site within four (4) hours after receipt of Customer's request; and (ii) for requests received at any other time, MORPHO will use commercially reasonable efforts to have an authorized representative of MORPHO at Customer's Site by 8:00 a.m. Local Time on the next Business The obligations set forth in this paragraph 2.3 do not apply to any Dav. exclusion under paragraph 2.6 or to expendable items such as lamps.

> (a) If Customer has agreed to and executed a Maintenance Service Agreement for nine (9) Business Hours. five (5) Business Days per week, this subsection shall apply. If onsite inspection or work is required to correct any Equipment or Software: (i) for requests received between 8:00 a.m. and 5:00 p.m. Local Time on any Business Day, MORPHO will use commercially reasonable efforts to have an authorized representative of MORPHO at Customer's Site within four (4) Business Days after receipt of customer's request; and (ii) MORPHO will handle requests for expedited service during other than Business Hours; i.e., between 5:00 p.m. and 8:00 a.m., and requests to schedule service prior to expiration of the four (4) Business Day service window, as stated above, on a Time & Materials basis. The obligations as set forth in this subsection 2.3 do not apply to any exclusion as stated under Section 2.6 or to expendable items such as lamps.

2.4 Documentation Updates. During the Agreement Term, within sixty (60) days after receipt of Customer's written request, MORPHO will make available to Customer any updates to the MORPHO User Documentation



made generally available by MORPHO to its customers (e.g., excluding any version customized for particular Customers).

2.5 Supplemental Services. Upon Customer's request, and in addition to the Basic Service, MORPHO will make available to Customer such additional consultation, technical assistance, training, and other services as the parties may agree upon in writing from time to time during the Term.

2.6 Exclusions. Basic Service does not include any repair, replacement, correction, or other support required: (a) with respect to any Enhancements; or (b) as a result of any: (i) breach or default under this Agreement by Customer; (ii) neglect, misuse, or abuse of the Equipment or Software; (iii) operation of the Equipment or Software in any unsuitable environment or for any unintended purposes, as determined by MORPHO in its sole discretion; (iv) loss, casualty, damage, or injury to person or property; (v) alteration, additions, improvements, modifications, relocation, or maintenance to the Equipment or Software not performed or authorized by MORPHO; (vi) use or combination of the Equipment or Software with any other products, goods, services, or other items furnished by anyone other than MORPHO; or (vii) failure by Customer to use the latest versions of the Equipment and Software provided to it by MORPHO. Further, Basic Service does not include any service which is provided, upon Customer's request, either: (a) on any day other than a Business Day, (b) at MORPHO's facility after Business Hours. or (c) at Customer's Site between 5:00 p.m. and 8:00 a.m. Local Time; provided, that Basic Service may include services provided between 5:00 p.m. and 7:00 p.m. Local Time if Customer has placed a service order between 1:00 p.m. and 3:00 p.m. Local Time pursuant to Section 2.3 above, if Customer makes its equipment and personnel available to MORPHO's authorized representative during such hours.

2.7 Enhancements. Any maintenance services required with respect to any Enhancements shall be the subject of a separate written agreement between the parties.

SECTION 3. PERFORMANCE OF SERVICES

3.1 Maintenance Parts. MORPHO shall provide all Equipment maintenance parts required in connection with the Basic Service at no cost to Customer. Parts removed from the Equipment in the performance of the Basic Service shall become the property of MORPHO. Parts installed in the Equipment shall become the property of Customer.

3.2 Replacement or Repair. In performing the Basic Service, MORPHO shall determine in its reasonable discretion whether to repair or replace any defective Equipment parts.

3.3 Inventory. In order to facilitate the performance of the Basic Services, MORPHO shall use commercially reasonable efforts to maintain a reasonable inventory of Equipment spare parts at a location designated by MORPHO in its sole discretion.

SECTION 4. CUSTOMER RESPONSIBILITIES

4.1 Use and Operation. Customer will use the Equipment and Software (as well as any Enhancements) only for the purposes specified in the MORPHO User Documentation. Customer will not use or permit the use of the Equipment or Software or any Enhancements for any other purpose. Customer will operate the Equipment, Software, and any Enhancements in strict accordance with the MORPHO User Documentation for all Equipment, Software, or Enhancements. Throughout the Term, Customer will provide suitable space, air conditioning (e.g., heating, cooling, circulation and filtering), utilities (e.g., electric power), and other requirements for installation and operation of the Equipment, Software, and any Enhancements at Customer's Site in accordance with the MORPHO User Documentation.

4.2 Location. MORPHO may immediately terminate this Agreement if Customer at any time during the Term does not keep the Equipment and Software in its sole possession and control at Customer's Site and in accordance with the MORPHO Equipment and Software License. Customer shall provide MORPHO with not less than ninety (90) days prior written notice of any relocation of the Equipment or Software were originally installed by MORPHO or the location identified and listed in the MORPHO Equipment and Software License. MORPHO may immediately terminate this Agreement if the new location is determined by MORPHO in its sole discretion to be unsuitable for any reason (including, without limitation, environmental conditions, inaccessibility, legal issues, or any other reason).

(a) For ILS2 P250M Livescan: This portable device requires no notice of relocation.

4.3 Modifications. Customer will not make or permit any alterations, additions, improvements, or modifications to the Equipment or Software without the prior written consent of MORPHO. In the event MORPHO becomes aware of any such unauthorized alterations, additions, improvements, or modifications to the Equipment or Software, MORPHO may, in its sole discretion, terminate this Agreement.

4.4 Risk of Loss. Customer will protect the Equipment, Software, and any Enhancements from loss, casualty, damage, and/or injury. Customer assumes all risk of loss, casualty, damage, and/or injury relating to the Equipment, Software, or Enhancements.

4.5 **Customer Contact.** Throughout the Term, Customer will provide at least one (1) contact in Customer's organization with whom MORPHO may discuss issues related to the maintenance and support of the Equipment and Software and the rights and obligations of the parties hereunder, and who will be authorized to make decisions relating to the same on behalf of Customer.

4.6 Diagnostic Software. Upon MORPHO's request, Customer will allow MORPHO to install on Customer's system such diagnostic software as MORPHO reasonably deems necessary to perform its obligations hereunder.

4.7 Log Entries. Customer shall promptly notify MORPHO of any failures, malfunctions, problems, or defects in the Equipment or Software. Customer shall maintain detailed logs of all Equipment and Software failures, malfunctions, problems, and defects. Upon request, Customer will make such logs available to MORPHO for use in connection with performance of its obligations hereunder. MORPHO reserves the right to share the log entries created, generated, and produced by Customer with any related or reasonably identifiable third party, manufacturer, or supplier. MORPHO may utilize the information contained in the Customer's log entries to limit MORPHO's liability and to properly direct primary and sole liability upon another third party, manufacturer, or supplier.

Facilities. Customer will provide safe and sufficient access to the 48 Equipment and Software at Customer's Site as reasonably required for MORPHO to perform its obligations and exercise its rights under this Agreement. Furthermore, Customer shall, at no charge to MORPHO: (i) provide access to such machines, communications facilities, and other equipment as are reasonably necessary to provide maintenance and support services; provided that, MORPHO shall be responsible for any toll calls made by MORPHO or its representatives from Customer's Site; and (ii) make available to MORPHO a storage space within reasonable proximity of Customer's Site which MORPHO may use for spare parts and other items required by MORPHO in performance of maintenance and support services. Such storage space shall include adequate heat, light, ventilation, electrical supply, and telephone access. Customer shall exercise reasonable care to ensure the physical security of all MORPHO property stored at such storage space, and shall provide adequate fireproof storage for all MORPHO documentation.

SECTION 5. COMPENSATION

5.1 Annual Fee. For each month during the Term, Customer shall pay MORPHO one-twelfth (1/12th) of the applicable Annual Fee (prorated for any partial months). MORPHO may issue its invoice for the Annual Fee installment for each month on or about the first day of such month. Customer may make an annual prepayment of the Annual Fee at the beginning of any Support Year. Pricing is subject to a five (5) percent annual escalation rate per Support Year.

5.2 Supplemental Services. Unless otherwise agreed by the parties, Customer will pay MORPHO for any Supplemental Services in accordance with MORPHO's Standard Charges. Unless otherwise agreed by the parties or provided for in MORPHO's Standard Charges, MORPHO will issue its invoices for any Supplemental Services on a periodic basis as such Supplemental Services are provided.

5.3 Payment. Customer shall pay each MORPHO invoice within thirty (30) days after the date of invoice. Any amount not paid when due will be subject to a finance charge equal to one and one-half percent (1.5%) per month or the highest rate allowable by applicable law, whichever is less, and said finance charge shall be determined and compounded daily from the date due until the date paid. Payment of such finance charges will not excuse or cure Customer's breach or default for late payment. Further, Customer will reimburse any costs or expenses (including, but not limited to, reasonable attorneys' fees) incurred by MORPHO to collect any amount which is not paid when due. MORPHO may accept any payment in any amount without prejudice to MORPHO's right to recover the entire balance of the amount due or to pursue any other right or remedy. No endorsement or statement on any payment or in any letter accompanying said payment will be construed as an accord or satisfaction. Unless otherwise clearly specified or implied, all amounts payable under this Agreement are denominated in United States



Dollars, and Customer shall pay all such amounts in lawful money of the United States.

5.4 Taxes. MORPHO shall bear the cost of all duties and similar fees payable on any replacement parts provided under this Agreement. Unless otherwise clearly specified, the fees and other amounts specified in this Agreement do not include any sales, use, or similar taxes. Customer shall pay or reimburse MORPHO for all such taxes or shall provide MORPHO with an exemption certificate satisfactory to MORPHO.

SECTION 6. TERM

6.1 General. The Term will commence upon the Effective Date and will continue until the fourth year anniversary of the Effective Date unless earlier terminated in accordance with paragraph 6.2, 6.3 or 6.4.

6.2 Anniversary Date. Either party may terminate the Term effective as of the end of any Support Year by giving the other party written notice of such termination at least ninety (90) days prior to the end of such Support Year.

6.3 Termination by MORPHO. MORPHO may terminate the Term by giving Customer written notice of such termination if: (i) Customer fails to make any payment when due, MORPHO gives Customer written notice of such failure and such failure is not cured within ten (10) days (or such longer period as may be permitted by MORPHO) after Customer's receipt of MORPHO's notice of the failure; (ii) Customer makes or permits any unauthorized use or disclosure of any Confidential Information; (iii) Customer commits a material non-monetary breach or default as defined under this Agreement, MORPHO gives Customer written notice of such breach or default, and the breach or default is not cured within thirty (30) days (or such longer period as may be permitted by MORPHO) after Customer's receipt of MORPHO's notice of the breach or default; or (iv) Customer files or has filed against it a petition to have Customer adjudged bankrupt or for reorganization or arrangement of Customer under any bankruptcy, moratorium, insolvency, reorganization, liquidation, conservatorship, or other debtor relief law, Customer makes any general assignment for the benefit of its creditors under any debtor relief law, a trustee or receiver is appointed to take possession of all or substantially all of Customer's assets under any debtor relief law, all or substantially all of Customer's assets are attached or seized, or Customer dissolves, liquidates, or adopts any plan or dissolution or liquidation.

6.4 Termination by Customer. Customer may terminate the Term by giving MORPHO written notice of such termination if: (i) MORPHO commits a material breach or default as defined under this Agreement, Customer gives MORPHO written notice of the breach or default, and the breach or default is not cured within thirty (30) days (or such longer period as may be permitted by Customer) after MORPHO's receipt of Customer's notice of the breach or default; or (ii) MORPHO files or has filed against it a petition to have MORPHO adjudged bankrupt or for reorganization or arrangement of MORPHO under any bankruptcy, moratorium, insolvency, reorganization, liquidation, conservatorship, or other debtor relief law, MORPHO makes any general assignment for the benefit of its creditors under any debtor relief law, a trustee or receiver is appointed to take possession of all or substantially all of MORPHO's assets under any debtor relief law, all or substantially all of MORPHO's assets are attached or seized, or MORPHO dissolves, liquidates, or adopts any plan or dissolution or liquidation.

6.5 Effect of Termination. MORPHO will not be obligated to provide any service, repair, correction, updates, or other support as defined under this Agreement after the expiration or termination of the Term. If Customer terminates the Term pursuant to paragraph 6.4, MORPHO will refund to Customer that portion of the fees paid by Customer for the balance of the month of termination (or, if Customer has prepaid the fees for the then-current Support Year, for the balance of such Support Year as determined by the date

of Customer's termination), prorated on a daily basis. Customer will not be entitled to any refund in the event of a termination pursuant to paragraph 6.2 or 6.3. Sections 5, 7, and 8 of this Agreement, together with all other provisions of this Agreement which may reasonably be interpreted or construed as surviving the termination of the Term, shall survive any termination of the Term.

SECTION 7. CONFIDENTIAL INFORMATION

7.1 Confidential Information. Except as otherwise authorized by MORPHO in writing, Customer will: (i) use the Confidential Information solely for the purposes for which it is disclosed by MORPHO; (ii) not make any copies of any Confidential Information without MORPHO's prior written approval; (iii) take all necessary steps to protect Confidential Information from any unauthorized use or disclosure (including, without limitation, any steps

reasonably requested by MORPHO to protect any Confidential Information); and (iv) not disclose or furnish any Confidential Information to any third party other than employees of Customer who have a need to know the information and a written obligation to maintain the confidentiality of such information.

7.2 Access Limitation. Customer shall not reverse engineer, modify, disassemble, or decompile all or any part of the Software or the Boards provided by MORPHO; or otherwise attempt to discover any source code or trade secrets related to the Software, the Boards, or any other Confidential Information supplied or created by MORPHO. If MORPHO terminates this Agreement but the Base Agreement continues in force, Customer shall be entitled to engage a third party to maintain the Software and Equipment; provided that such third party: (i) is not a competitor of MORPHO, as determined in MORPHO's sole discretion. MORPHO shall provide such third party with information with respect to the Software and Boards as is necessary to maintain and support the Software and Equipment.

7.3 Equitable Relief. Customer acknowledges that unauthorized disclosure or use of the Confidential Information could cause irreparable harm to MORPHO for which monetary damages may be difficult to ascertain. Accordingly, Customer agrees that MORPHO shall have the right, in addition to any other rights or remedies available to MORPHO as defined under this Agreement or as defined by applicable law, to seek and obtain judicial injunctive and other equitable relief to prevent or stop any unauthorized disclosure or use of any Confidential Information.

7.4 Ownership. MORPHO reserves all rights, titles, and interests in and to all Confidential Information that may or may not be shared with Customer. MORPHO further reserves all rights, titles, and interests in any and all patents, copyrights, trade secrets, trademarks, and other proprietary rights associated with any and all confidential information that may be shared or communicated to Customer. No ownership or title to any Confidential Information or any other associated proprietary right(s) are or may be transferred to Customer under this Agreement.

7.5 Exceptions. The confidentiality obligations of Customer under this Section 7 shall not apply to any Confidential Information that Customer can conclusively prove that: (i) was in or entered the public domain through no fault of Customer; (ii) was known to Customer before the disclosure by MORPHO; (iii) was received by Customer from a third party legally entitled to make an unrestricted disclosure; or (iv) was required to be disclosed by applicable law, regulation, or order by a governmental authority having appropriate subject matter jurisdiction; provided, however, that in the event of any disclosure under this subparagraph (iv), Customer shall provide MORPHO with reasonable notice prior to any additional disclosure and provide such assistance as MORPHO may reasonably request to challenge or narrow the scope of such disclosure.

SECTION 8. MISCELLANEOUS

8.1 Disclaimer. THIS IS A SERVICES AGREEMENT. MORPHO DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY REPAIR, REPLACEMENT, CORRECTION, UPDATE, UPGRADE, SERVICE OR OTHER ITEM FURNISHED BY OR ON BEHALF OF MORPHO UNDER THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR USAGE OF TRADE.)

8.2 Excused Performance. MORPHO will not be responsible for or be considered to be in breach or default under this Agreement on account of any cause beyond MORPHO's reasonable control or not occasioned by MORPHO's fault or gross negligence (including, but not limited to, MORPHO's inability, after due and timely diligence, to procure materials, parts, equipment, or services to Customer) that precludes, interrupts, disrupts, or terminates MORPHO's performance as defined under this Agreement. Thus, MORPHO's complete performance as stated in this Agreement shall be excused.

8.3 LIMITATIONS OF LIABILITY. MORPHO'S LIABILITY (WHETHER IN CONTRACT, TORT, OR OTHERWISE, AND NOTWITHSTANDING ANY FAULT, NEGLIGENCE, STRICT LIABILITY, OR PRODUCT LIABILITY OF MORPHO) WITH REGARD TO ANY REPAIR, REPLACEMENT, CORRECTION, UPDATE, UPGRADE, SERVICE, OR OTHER ITEM FURNISHED OR TO BE FURNISHED UNDER THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT PAID BY CUSTOMER TO MORPHO FOR SUCH ITEM. FURTHER, MORPHO SHALL NOT IN ANY EVENT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR INDIRECT DAMAGES, OR LOSS OF REVENUE, LOSS OF BUSINESS, OR OTHER FINANCIAL LOSS, ARISING OUT OF OR IN CONNECTION WITH OR AS CONSEQUENCE OF ANY REPAIR, REPLACEMENT,



CORRECTION, UPDATE, UPGRADE, SERVICE, OR OTHER ITEM FURNISHED OR TO BE FURNISHED UNDER THIS AGREEMENT.

8.4 Nonwaiver. Any failure by MORPHO to insist upon or enforce performance by Customer of any of the provisions contained herein or to exercise any right or remedy as defined under this Agreement or applicable law shall not be construed as a waiver or relinquishment of MORPHO's right to assert or rely upon any such provision, right, or remedy in that or any other instance; rather the same shall be and shall remain in full force and effect until the termination of this Agreement.

8.5 Assignment. Customer shall not assign this Agreement or any of its rights hereunder, by operation of law or otherwise, without the prior written consent of MORPHO. No assignment by Customer, with or without MORPHO's consent, will relieve Customer from any of its obligations as defined under this Agreement. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the signatory parties and their respective successors, assigns, and legal representatives.

8.6 Applicable Law and Venue. This Agreement will be interpreted, construed, and enforced in all respects in accordance with the laws of the State of Washington, without reference to its choice of law principles. Customer shall not commence or prosecute any action, suit, proceeding, or claim arising under or by reason of this Agreement other than in the state or federal courts located in King County, Washington. Customer irrevocably consents to the jurisdiction of the courts identified in the preceding sentence in connection with any action, suit, proceeding, or claim arising under or by reason of this Agreement.

8.7 Entire Agreement. This Agreement constitutes the entire agreement, and supersedes any and all prior agreements, between MORPHO and Customer with regard to MORPHO providing maintenance services for Equipment and Software. No amendment, modification, or waiver of this Agreement shall be valid unless set forth in a written instrument signed by the party to be bound and consented to and accepted by MORPHO.

Addendum to Maintenance Services Agreement

On this _____ day of February 2010, MORPHOTRAK, INC. (MORPHO) and the City of Overland Park, Kansas (Customer), have entered into a Maintenance Services Agreement effective January 1, 2010 through December 31, 2010, and wish to make changes to certain terms and conditions of that Agreement.

The parties agree to replace the following sections of that Agreement as described below. All other provisions in the Agreement remain unchanged. In the event of a conflict, this Addendum controls.

- 1. Paragraph 5.1, Annual Fee, shall be deleted and replaced with the following language:
- 5.1 **Annual Fee**. For each month during the Term, Customer shall pay MORPHO onetwelfth of the applicable Annual Fee (prorated for any partial months). MORPHO may issue its invoice for the Annual Fee installment for each month on or about the first day of such month. Customer may make an annual prepayment of the Annual Fee at the beginning of any Support Year. Pricing is subject to a five (5) percent annual escalation rate per Support Year. <u>The parties agree that the Annual Fee may be reduced if</u> <u>Customer deploys new equipment covered by a warranty during the term covered by this</u> <u>Agreement.</u>

Notwithstanding anything contained in the Agreement to the contrary, it is understood and agreed by the parties hereto that the Customer is obligated only to pay periodic payments or monthly installments under the Agreement as may lawfully be made from funds budgeted and appropriated for such purpose during the Customer's then current budget Year (i.e. January 1 to December 31), or from funds made available from any lawfully operated, revenue producing source. Should Customer fail to budget, appropriate or otherwise make available funds for payments due under the Agreement in any budget year, the Agreement shall be deemed terminated on the last day of the then current budget year for which appropriations were received without penalty or expense to the Customer of any kind whatsoever, except as to the portions of the recurring charges herein agreed upon for which funds have appropriated and budgeted or are otherwise made available. Customer agrees to notify MORPHO of such termination, which shall not constitute a default under the Agreement, as least sixty (60) days prior to the end of the Customer's then current budget year. This paragraph shall not be construed so as to permit Customer to terminate the Agreement in order to acquire any other functionally similar service or to allocate funds directly or indirectly to perform essentially the same application for which the service under this Agreement is intended.

2. Section 8, Miscellaneous, shall be deleted and replaced with the following language:

- 8.1 **Disclaimer.** THIS IS A SERVICES AGREEMENT. MORPHO DOES NOT MAKE AND HEREBY DISCLAIMS, ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RRESPECT TO ANY REPAIR, REPLACMEENT, CORRECTION, UPDATE, UPGRADE, SERVICE OR OTHER ITEM FURNISHED BY OR ON BEHALF OF MORPHO UNDER THIS AGREEMENT (INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY ARISING FROM COURT OF PERFORMANCE, COURSE OF DEALING, OR USAGE OF TRADE.
- 8.2 **Excused Performance**. MORPHO will not be responsible for or be considered to be in breach of default under this Agreement on account of any cause beyond MORPHO's reasonable control or not occasioned by MORPHO's fault or gross negligence (including, but not limited to, MORPHO's inability after due and timely diligence, to procure materials, parts, equipment or services to Customer) that precludes, interrupts, disrupts or terminates MORPHO's performance as defined under this Agreement. Thus, MORPHO's complete performance as stated in this Agreement shall be excused.
- 8.3 LIMITATIONS OF LIABILITY. MORPHO'S LIABILITY (WHETHER IN CONTRACT, TORT, OR OTHERWISE, AND NOTHWITHSTANDING ANY FAULT, NEGLIGENCE, STRICT LIABLITY OR PRODUCT LIABILITY OF MORPHO) WITH REGARD TO ANY REPAOR, REPLACEMENT, CORRECTION, UPDATE, UPGRADE, SERVICE OR OTHER ITEM FURNISHED OR TO BE FURNISHED UNDER THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT PAID BY CUSTOMER TO MORPHO FOR SUCH ITEM. FURTHER, MORPHO SHALLL NOT IN ANY EVENT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR INDIRECT DAMAGES, OR LOSS OF REVENUE, LOSS OF BUSINESS, OR OTHER FINANCIAL LOSS, ARISING OUT OF OR IN CONNECTION WITH OR AS A CONSEQUENCE OF ANY REPAIR, REPLACEMENT, CORRECTION, UPDATE, UPGRADE, SERVICE, OR OTHER ITEM FURNISHED OR TO BE FURNISHED UNDER THIS AGREEMENT.
- 8.4 **Nonwaiver**. Any failure by MORPHO to insist upon or enforce performance by Customer of any of the provisions contained herein or to exercise any right or remedy as defined under this Agreement or applicable law shall not be construed as a waiver or relinquishment of MORPHO's right to assert or rely upon any such provision, right or remedy in that or any other instance; rather the same shall be and shall remain in full force and effect until termination of this Agreement.
- 8.5 **Assignment**. Customer shall not assign this Agreement or any of the rights hereunder, by operation of law or otherwise, without the prior written consent of MORPHO. No

assignment by Customer, with or without MORPHO's consent, will relieve Customer from any of its obligations as defined under this Agreement. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the signatory parties and their respective successors, assigns and legal representatives.

8.6 **Applicable Law and Venue**. This Agreement will be interpreted construed and enforced in all respect in accordance with the laws of the State of WashingtonKansas, without reference to its choice of law principles. Customer shall not commence or prosecute any action, suit, proceeding or claim arising under or by reason of this Agreement other than in the state or federal courts located in King County, WashingtonJohnson County, Kansas. Customer MORPHO irrevocably consents to the jurisdiction of the courts identified in the preceding sentence in connection with any action, suit, proceeding, or claim arising under or by reason of this Agreement.

8.7 Affirmative Action/Other laws. During the Term of this Agreement, MORPHO agrees as follows:

MORPHO shall observe the provisions of the Kansas Act Against Discrimination (a) and shall not discriminate against any person in the performance of work under the present Agreement because of race, color, religion, age, disability, sex, ancestry, national origin or veteran status. (b) MORPHO shall, in all solicitations or advertisements for employees include the phrase "equal opportunity employer," or a similar phrase to be approved by the Kansas Human Rights Commission (Commission). (c) If MORPHO fails to comply with the manner in which MORPHO reports to the Commission in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, MORPHO shall be deemed to have breached the present Agreement and it may be canceled, terminated or suspended, in whole or in part, by Customer. If MORPHO is found guilty of a violation of the Kansas Act Against (d) Discrimination under a decision or order of the Commission which has become final, MORPHO shall be deemed to have breached this Agreement and it may be canceled, terminated or suspended, in whole or in part, by Customer. (e) MORPHO shall include the provisions of subsection (a) through (d) in every subcontract or purchase order so that such provisions will be binding upon such subcontractor or vendor.

<u>(f)</u>	Provisions (a) through (e) shall not apply to a contract entered into by a contractor
	(i) who employs fewer than four employees during the term of such contract; or
	(ii) whose contracts with the Customer cumulatively total \$5,000 or less during
	the fiscal year of the Customer.

 (g) MORPHO shall abide by the Kansas Age Discrimination in Employment Act (K.S.A. 44-1111 et seq.) and the applicable provision in the Americans with Disabilities Act (42 U.S.C. 12101 *et seq.*) as well as all federal, state and local laws, ordinances and regulations applicable to this project and to furnish any certification required by any federal, state or local governmental agency in connection therewith.

8.8 **Insurance**. MORPHO shall maintain throughout the duration of this Agreement insurance in, at minimum, the amounts specified below. All general liability insurance shall be written on an occurrence basis unless otherwise agreed to in writing by Customer.

General Liability Insurance

Minimum Requirements

COMMERCIAL GENERAL LIABILITY POLICY (Complete Certificate "Form B):

 Each Occurrence:
 \$5,000,000.001,000,000

General Aggregate: \$5,000,000.002,000,000

Products/Completed Operations Personal

& Advertising Injury:

\$5,000,000.001,000,000

Policy must include the following:

(a) Premises and Operations

(b) Broad Form Contractual

(c) Independent Contractors

Automobile Liability Insurance

Policy shall protect MORPHO against claims for bodily injury and/or property damage								
arising from the ownership or use of all owned, hired and/or non-owned vehicles and								
must include protection for either:								
(a) Any Auto, or								
(b) All Owned Autos; Hired Autos; and Non-Owned Autos.								
Limits of liability protection required are the SAME as the limits for the General Liability section. Policy shall insure the contractual liability assumed by MORPHO.								
Workers' Compensation and Employers' Liability								
This insurance shall protect MORPHO against all claims under applicable state Workers'								
Compensation laws. MORPHO shall also be protected against claims for injury, disease								
or death of employees which, for any reason, may not fall within the provisions of the								
Workers' Compensation law. The certificate shall include confirmation that coverage								
applies in the State of Kansas and the liability limits shall not be less that the following.								
Worker's Compensation: Statutory								
Employers' Liability:								
Bodily Injury by Accident \$100,000.00 Each Accident								
Bodily Injury by Disease \$500,000.00 Policy Limit								
Bodily Injury by Disease \$100,000.00 Each Employee								
Industry Ratings								
Customer will only accept coverage from an insurance carrier who offers proof that it:								
(a) is licensed to do business in the State of Kansas;								
(b) carries a Best's policy holder rating of A- or better; AND								
(c) carries at least a Class VIII financial rating; OR								

(d) is a company mutually agreed upon by MORPHO and Customer.

Certification of insurance coverage in subparagraphs a., b., and c. above shall be on one of the Customer's standard certificate of insurance forms.

Unless otherwise specified, Customer shall be shown as an additional insured on all general and automobile liability policies of insurance.

Subcontractors' Insurance

If a part of the Agreement is to be sublet, MORPHO shall either:

- (a) cover all subcontractors under its insurance policies; or
- (b) require each subcontractor not so covered to secure insurance which will protect against all applicable hazards or risks of loss as, and in the minimum amounts designated.

MORPHO shall indemnify and hold harmless the Customer as to any and all damages, claims or losses, including attorney's fees arising out of the acts or omissions of its subcontractors. The provisions of this Agreement shall not be operative until proof of insurance is submitted to Customer.

8.9 **Entire Agreement**. This Agreement constitutes the entire agreement of the parties, and supersedes any and all prior negotiations, representations, and agreements between MORPHO and Customer with regard to MORPHO providing maintenance services for Equipment and Software. No Amendment, modification, or waiver of this Agreement shall be valid unless set forth in a written instrument signed by the party to be bound and consented to and accepted by MORPHO.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first written above.

Customer: City of Overland Park, Kansas

By: ____

Carl Gerlach, Mayor

ATTEST:

Marian Cook City Clerk

APPROVED AS TO FORM:

John J. Knoll Senior Assistant City Attorney

MORPHO: Sagem Morpho, Inc...

Jean-Marc Suchier President/CEO

ATTEST:

CORPORATE ACKNOWLEDGMENT

State of _____)) ss. County of _____)

BE IT REMEMBERED, that on this _____ day of ______, 20____, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came _______ of MorphoTrak, Inc., a corporation duly organized and existing under and by virtue of the laws of Delaware and who is personally known to me to be such officer and who is personally known to me to be the same person who executed as such officer the attached instrument on behalf of said Corporation, and such person duly acknowledged the execution of the same to be that act and deed of said Corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

Notary Public

My Commission Expires:

Appendix A Maintenance Spreadsheet

		IN													Total
ITEM DESCRIPTION	QTY	SERVICE	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	2010
ITEM DESCRIPTION															
ILSS WS w/Palms	2	Sep-02	\$1,708.93	\$1,708.93	\$1,708.93	\$1,708.93	\$1,708.93	\$1,708.93	\$1,708.93	\$1,708.93	\$1,794.38	\$1,794.38	\$1,794.38	\$1,794.38	\$20,848.95
UPS	2	Sep-02	\$19.17	\$19.17	\$19.17	\$19.17	\$19.17	\$19.17	\$19.17	\$19.17	\$20.13	\$20.13	\$20.13	\$20.13	\$233.90
Duplex Printer	2	Sep-02	\$72.94	\$72.94	\$72.94	\$72.94	\$72.94	\$72.94	\$72.94	\$72.94	\$76.59	\$76.59	\$76.59	\$76.59	\$889.89
SUBTOTAL			\$1,801.04	\$1,801.04	\$1,801.04	\$1,801.04	\$1,801.04	\$1,801.04	\$1,801.04	\$1,801.04	\$1,891.10	\$1,891.10	\$1,891.10	\$1,891.10	\$21,972.74
TOTAL*			\$1,620.94	\$1,620.94	\$1,620.94	\$1,620.94	\$1,620.94	\$1,620.94	\$1,620.94	\$1,620.94	\$1,701.99	\$1,701.99	\$1,701.99	\$1,701.99	\$19,775.46

*10% discount applied for 9/5 coverage