

**REQUIREMENTS AGREEMENT**  
**C-06-121-07-16**

Corrected Page

THIS AGREEMENT (the "Agreement") is entered into effective as of **July 16, 2006** by and between **The Tire Coral, Inc.**, a Texas Corporation, ("Seller") and **Hidalgo County Sheriff's Office** ("Buyer").

WHEREAS, Buyer has solicited proposals for the supply of its requirements of **Hidalgo County Sheriff's Office - "Tires for County Vehicle"**, as further described in Exhibit "A" which is attached hereto and incorporated herein by reference for all purposes (the "Products") for a period commencing **July 16, 2006** to **July 15, 2007** with the County's option to renew two (2) additional one (1) year term based on the prior year's performance evaluation and contingent upon cost remaining unchanged and;

WHEREAS, Seller has submitted a proposal to supply Buyer's requirements; and

WHEREAS, Buyer has determined that Seller has submitted the lowest and best bid to meet Buyer's requirements for the Product.

NOW THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, all of the Products that Buyer may require for use by Buyer in **"Tires for County Vehicles"** in the areas of **Hidalgo County Sheriff's Office** projects for a period commencing **July 16, 2006** to **July 15, 2007** with the County's option to renew two (2) additional one (1) year term based on the prior year's performance evaluation and contingent upon cost remaining unchanged; and/or sixty (60) day grace period extension at the end of the contract for unforeseen delays on subsequent contract, and it is agreed that the Products will meet the specifications set forth in Exhibit "A" hereto.

2. When Buyer determines that it needs a quantity of the Products to be delivered, it will, according to its Purchasing Policies, complete and submit to Seller a Purchase Order describing the type and quantity of the Products required.

3. Buyer agrees to pay Seller for each Purchase Order based on the prices set out in Exhibit "B". Seller shall render invoices for each Purchase Order, and the invoices shall be paid by Buyer on or before the 30th day following receipt of the invoice.

4. County and Seller agree that either party may terminate this contract upon thirty (30) days written notice at any time for any reason or no reason at all.

5. General Provisions.

a. **Conflict with Applicable Law.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof,