



VERITY
MASTER AGREEMENT

FILED
AT 10:30
FEB 08 2017
ARTURO RAMONADO, JR., COUNTY CLERK
HIDALGO COUNTY, TEXAS
BY [Signature] DEPUTY

This Master Agreement ("**Agreement**"), entered into effective as the later of June 15, 2016 or the date in which a statement of certification is issued by the office of the Texas Secretary of State ("**the Effective Date**") by and between Hart InterCivic, Inc., a Texas corporation ("**Hart**") and the Customer set forth below ("**Customer**"), sets forth the terms and conditions pursuant to which Customer may procure from Hart certain hardware ("**Hardware**"), software ("**Software**") licenses and support services ("**Software Support Services**"), warranty services ("**Warranty Services**"), and/or design, engineering, software development, project management, operational training, election event support, and/or other services ("**Professional Services**"), from time to time. Hardware and Software may be referred to as "**Products**" and Warranty Services, Software Support Services and/or Professional Services may be referred to as "**Services**." Products may be "**Hart Hardware**," and "**Hart Proprietary Software**," (i.e. "**Hart Products**") or "**Third Party Hardware**" and "**Sublicensed Software**" (i.e. "**Third Party Products**"). The foregoing may be referred to together as the "**Verity system**."

Hart agrees to sell or provide to Customer Products and Services according to this Agreement, which includes all Schedules, Attachments and Exhibits. Customer agrees to all terms and conditions of this Agreement. Pricing and other material terms of Customer's initial commitment are as set forth in the Schedule A or Customer Signed Quote attached hereto as **Exhibit A**. This Agreement and Hart's quotations issued hereunder together comprise the complete and exclusive Agreement for the sale of the Products and the provision of the Services. No other terms and conditions sent by Customer shall apply, including any terms or conditions contained in any purchase order, request for quote (RFQ), request for proposal (RFP), communication or other operational form that is in addition to or different than the terms and conditions of this Agreement. Any of Customer's terms and conditions that are different from or in addition to those contained herein are hereby objected to and shall be of no effect unless specifically agreed to in writing by an officer of Hart. Customer acknowledges it has read and understands this Agreement (including all Schedules, Attachments and Exhibits) and is entering into this Agreement only on the basis of the terms set forth in this Agreement (including all Schedules, Attachments and Exhibits).

Agreed and Accepted:

Customer

Hart

Jurisdiction: Hidalgo County, TX

Name: Yvonne Ramón

Hart InterCivic, Inc.

Address: 101 S 10th Ave.

15500 Wells Port Drive

Edinburg, TX 78539

Austin, Texas 78728

Attn.: Phillip W. Braithwaite, CEO

Phone: (956) 318-2570

800-223-4278

Facsimile: (956) 318-2569

800-831-1485

E-mail: yvonne.ramon@co.hidalgo.tx.us

pbraithwaite@hartic.com

Executed By:

Name: Ramon Garcia

Phillip W. Braithwaite

Title: County Judge

CEO

This Agreement is not effective until executed by both parties. Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement.

APPROVED BY
COMMISSIONERS' COURT
ON: 2/6/17 [Signature]

Hart Intercivic Verity Master Agreement

(con't signature page)

Company's Name: Hart Intercivic Verity Master Agreement

Department: Hidalgo County Elections Office

A1-58401 Approved on CC on 02/06/2016-Regular

ATTEST:

By: Arturo Guajardo J. P.
Arturo Guajardo, Hidalgo County Clerk



Date: 02-08-17

3.4. **Payment Mechanics.** Customer will pay all amounts due under this Agreement in U.S. Dollars. All payments are to be made to Hart at its principal office in Austin, Texas, as set forth on the signature page or to such other location as may be designated by Hart in a notice to Customer. Hart reserves the right to require C.O.D. payment, a letter of credit, or other security for payment if it determines that such terms are required to assure payment. Customer shall promptly notify Hart in writing of any change to Customer's name, address, or billing information.

3.5. **Late Fees.** Hart may impose interest at the lower of: (1) one and one-half percent (1½%) per month, or (2) the highest rate of interest then permitted by applicable law for all past due balances, compounded monthly and rounded to the next highest whole month. Customer also agrees to pay or reimburse all fees and expenses reasonably incurred by Hart in collecting any amounts due under this Agreement, including, but not limited to, all attorneys' fees associated therewith. Hart shall have the right, in addition to any and all other rights and remedies available at law or in equity, to delay or cancel any deliveries, to reduce or cancel any or all quantity discounts extended to Customer, and/or to suspend the provision of Services if Customer is in default of payments or any other material term of this Agreement.

3.6. **Billing Disputes.** If any dispute exists between the parties concerning the amount due or due date of any payment, Customer shall promptly pay the undisputed portion. Such payment will not constitute a waiver by Customer or Hart of any of their respective legal rights and remedies against each other. Customer has no right of set-off.

4. **HARDWARE SPECIFIC TERMS**

4.1. **Delivery.** Hart will provide estimated shipment dates upon acceptance of Customer's signed quotation. Shipment dates on Hart quotations are approximate only and Hart will not be subject to liability for late or delayed shipment. In the event Customer is unable to receive the Hardware Products at the time of delivery Hart, at its sole option and convenience, may deliver such products to storage at any suitable location including Hart's facilities. All costs incurred by Hart for the transportation, storage, and insurance of such Hardware Products shall be borne by Customer.

4.2. **Acceptance.** Customer shall examine all Hardware Products promptly upon receipt thereof. Within ten (10) business days of such receipt, Customer shall notify Hart in writing of any manner in which Customer claims that the Hardware Products fail to conform to their applicable specification, or as to any claimed shortages, or shipments errors. If no written notification is received by Hart within such period, the Hardware Products delivered hereunder shall be deemed accepted by Customer ("**Hardware Acceptance**"). Hardware Product will be deemed conforming if it meets Hart's published specification for such Product, and any specifications identified on the applicable quotation. Upon Customer's Acceptance, any defects in material or workmanship shall be addressed pursuant to the warranty in Section 9 below.

4.3. **Installation.** A Hart representative may install the Hardware Products at the Customer's site on a mutually agreed upon date during Hart's normal working hours, within ten (10) business days of delivery, or as soon as is practicable for both parties. Billing will occur on the date the Hardware is shipped to the Customer's site, per Section 3.1 If additional labor and rigging or Customer-specified customization is required for installation due to Customer's special site requirements, Customer will pay those costs including costs to meet union or local law requirements.

4.4. **Title and Transportation.** Hardware Products are shipped Ex Works (Incoterms 2010) from Hart's designated shipping point. Title transfer shall be deemed to occur upon Hart making such Hardware Products available to the carrier at Hart's designated shipping point. Risk of loss of, or damage to, thereto will pass to Customer upon delivery to Customer. Hart reserves the right to select the method and routing of transportation and the right to make delivery in installments unless otherwise specified at the time of quotation acceptance by Hart but in no event will the carrier be deemed the agent of Hart. Notwithstanding the foregoing, if customer chooses a financing option offered by Hart, then title to hardware will pass to Customer according to the terms of the finance agreement.

4.5. **Rescheduling and Cancellation.** Except in the event of unreasonable delays beyond the quoted delivery dates or an uncured default of a material term of this Agreement by Hart, Customer shall not have the right to change, cancel, or reschedule an accepted quotation in whole or in part without the prior consent of Hart. In the event Customer requests a rescheduling of any Hardware Product and such request is accepted by Hart, Customer agrees to promptly pay Hart's standard reschedule charge. Hart may not cancel a quotation after it has accepted Customer's signed submission thereof. Customer may not cancel an order after submission to Hart of a signed quotation. Any cancellations following such times will be at the non-cancelling party's sole discretion and upon terms dictated by the non-cancelling party.

5. **SOFTWARE SPECIFIC TERMS**

5.1. **License.** Subject to the terms and conditions of this Agreement and for so long as Customer has a current License and Support Subscription in effect, Hart grants to Customer (i) a personal, nonexclusive, nontransferable, and limited license to use the Hart Proprietary Software (which includes Firmware, meaning the Hart Proprietary Software embedded in any Verity system device that allows execution of the software functions) and (ii) a personal, nonexclusive, nontransferable, and limited sublicense to use the Sublicensed Software, if applicable. With this right to use, Hart will provide Customer, and Customer will be permitted to use, only the run-time executable code and associated support files of the Software for Customer's internal data processing requirements as part of the Verity system. The Software may be used only at the Licensed Location specified as the jurisdiction

7. PROPRIETARY RIGHTS

- 7.1. **Reservation of Rights.** Customer acknowledges and agrees that the design of the Products, and any and all related patents, copyrights, trademarks, service marks, trade names, documents, logos, software, microcode, firmware, information, ideas, concepts, know-how, data processing techniques, documentation, diagrams, schematics, equipment architecture, improvements, bug fixes, updates, trade secrets and material are the property of Hart and its licensors. Customer agrees that the sale of the Hardware and license of the Software does not, other than as expressly set forth herein, grant to or vest in Customer any right, title, or interest in such proprietary property. All patents, trademarks, copyrights, trade secrets, and other intellectual property rights, whether now owned or acquired by Hart with respect to the Products, are the sole and absolute property of Hart and its licensors. Customer shall not, under any circumstances, cause or permit the adaptation, conversion, reverse engineering, disassembly, or de-compilation of any Product(s), or copy, reproduce, modify, sell, license, or otherwise transfer any rights in any proprietary property of Hart. Further Customer shall not remove any trademark, copyright, or other proprietary or restrictive notices contained on any Hart user documentation, operator's manuals, and environmental specifications, and all copies will contain such notices as are on the original electronic media. Intellectual Properties. All ideas, concepts, know-how, data processing techniques, documentation, diagrams, schematics, firmware, equipment architecture, software, improvements, bug fixes, updates, and trade secrets developed by Hart personnel (alone or jointly with others, including Customer) in connection with Confidential Information, Verity system, and Hart Proprietary Software will be the exclusive property of Hart
- 7.2. **Customer Suggestions and Recommendations.** Customer may propose, suggest, or recommend changes to the Products at any time. Such proposals, suggestions, or recommendations will become Hart's property and are hereby assigned to Hart. Hart may include any such proposals, suggestions, or recommendations, solely at Hart's option, in subsequent periodic Product updates, without restriction or obligation. Hart is under no obligation to change, alter, or otherwise revise the Products according to Customer's proposals, suggestions, or recommendations.
- 7.3. **License Back** If Customer possesses or comes to possess a licensable or sub-licensable interest in any issued patent with claims that read upon the Verity system, its method of operation, or any component thereof, Customer hereby grants and promises to grant a perpetual, irrevocable, royalty-free, paid-up license, with right to sublicense, of such interest to Hart permitting Hart to make, have made, use, and sell materials or services within the scope of the patent claims.

8. SOFTWARE SUPPORT SERVICES

- 8.1. **Description of Software Support Services.** Subject to the terms and conditions of this Agreement and for so long as Customer has the requisite number of License and Support Subscriptions in effect, Hart will provide Customer the Software Support Services described below. Software Support Services under this Section do not cover any of the exclusions from warranty and support coverage as described under Section 9. If Hart, in its discretion, provides Software Support Services in addition to the services described under this Section, Customer will pay Hart for such services on a time-and-materials basis at Hart's then-prevailing rates, plus expenses, and for replacements at Hart's list prices, unless otherwise agreed in writing by Hart and Customer.
- 8.1.1. *General Software Support.* General Software Support will consist of assisting the Customer in the use of software for purposes of election administration, including functions related to pre-election and post-election testing and general operation of the Verity system. Assistance is available via phone, email and online support through the Hart Customer Support Center. See **Exhibit B** for Hart Customer Support contact information and hours.
- 8.1.2. *Software Support Services.* Software Support Services may consist of periodic updates and specific software "bug" corrections to Hart Proprietary Software, at Hart's discretion. A software "bug" is any malfunction that prevents the Hart Software from performing substantially as described in the then-current technical manual for such software. Because not all errors or defects can or need to be corrected, Hart does not warrant that all errors or defects will be corrected. Hart reserves the right to determine whether any reported, claimed software malfunction is in fact a "bug." Software "bugs" must be reported in writing and be accompanied with sufficient detail to enable Hart staff to reproduce the error and provide a remedy or suitable corrective action. The exclusions from warranty coverage under Section 9.5 also are exclusions from Software Support Services under this Section. There will be on-site service charges for updates and/or "bug" releases of software and there may be feature charges for update or enhancement releases of software.

9. WARRANTY AND EXTENDED WARRANTY

- 9.1. **Certification.** Where applicable, Verity system components that require certification will meet the certification requirements in place on the effective date of the Master Agreement.
- 9.2. **Hart Hardware Limited Warranty.** Hart warrants that during the warranty period, the Hart Hardware purchased by Customer will be free from defects in materials and workmanship and will substantially conform to the performance specifications stated in the Verity Operator's Manuals for the Hart Hardware applicable at the time of the installation of the Hardware. The warranty period for new Hart Hardware is one (1) year, beginning ten (10) days after the shipping date. The warranty period for used and/or refurbished hardware is ninety (90) days, beginning ten (10) days after the shipping date. Hart will, at Hart's sole discretion, replace or repair any Hart Hardware that does not comply with this warranty, at no additional charge to Customer. To

PARTY HARDWARE AND SUBLICENSSED SOFTWARE, IF ANY, PROVIDED BY HART'S DISTRIBUTORS OR OTHER THIRD PARTIES TO CUSTOMER. If Hart sells, licenses, or sublicenses any Third Party Hardware or Sublicensed Software to Customer, Hart will pass through to Customer, on a nonexclusive basis and without recourse to Hart, any third-party manufacturer's warranties covering the equipment or software, but only to the extent, if any, permitted by the third-party manufacturer. Customer agrees to look solely to the warranties and remedies, if any, provided by the manufacturer or third-party licensor. For a list of Third Party Hardware, see Exhibit A. For a list of Sublicensed Software, see Exhibit D or the applicable order. The disclaimers in this Section 9.6 are not intended to apply to embedded third party software integrated within the Hart Proprietary Software, contemplated by Section 5.1.

- 9.7. **Limited Remedies.** HART'S SOLE RESPONSIBILITY FOR MALFUNCTIONS AND DEFECTS IN PRODUCTS AND SERVICES IS LIMITED TO REPAIR AND REPLACEMENT AS SET FORTH IN, AND TO THE EXTENT SET FORTH IN, THIS WARRANTY TERMS SECTION.

10. PROFESSIONAL SERVICES

- 10.1. **Professional Services.** Subject to the terms and conditions of this Agreement, Hart will provide Customer (i) operational training and on-site support at the first election in which the Products are used, and (ii) the Professional Services described in each Hart-accepted, Customer-signed quotation. Professional Service days cannot be exchanged for Product fees, Annual Fees, or fees for other Services. If the Professional Services in an applicable quotation are not used prior to 60 days after the date of the Customer's first election in which any portion of the Product is used, Hart's Professional Services obligations shall expire and unused days will be billed to the Customer without recovery of amounts paid in advance for Professional Services.

11. REPRESENTATIONS AND WARRANTIES

- 11.1. **Due Organization.** Each party represents that it is duly organized, validly existing, and in good standing in the jurisdiction of its organization, and that it has the requisite power and authority to execute and deliver this Agreement and to carry out the transactions contemplated by this Agreement.
- 11.2. **Conflicting Agreements.** Each party represents and warrants that it has no outstanding agreement or obligation that is in conflict with any of the provisions of this Agreement, or that would preclude it from complying with the provisions hereof.

12. CUSTOMER RESPONSIBILITIES

- 12.1. **Independent Determination.** Customer acknowledges it has independently determined that the Products purchased under this Agreement meet its requirements
- 12.2. **Cooperation.** Customer agrees to cooperate with Hart and promptly perform Customer's responsibilities hereunder. Customer will (a) provide adequate working and storage space for use by Hart personnel near the applicable Hardware; (b) provide Hart full access to the Hardware and Software and sufficient computer time, subject to Customer's security rules; (c) follow Hart's procedures for placing hardware warranty or software support service requests and determining if warranty remedial service is required; (d) follow Hart's instructions for obtaining hardware and software support and warranty services; (e) provide a memory dump and additional data in machine-readable form if requested; (f) reproduce suspected errors or malfunctions in Software; (g) provide timely access to key Customer personnel and timely respond to Hart's questions; and (h) otherwise cooperate with Hart in its performance under this Agreement.
- 12.3. **Site Preparation.** Customer shall prepare and maintain the installation site in accordance with instructions provided by Hart. Customer is responsible for environmental requirements, electrical interconnections, and modifications to facilities for proper installation, in accordance with Hart's specifications. Any delays in preparation of the installation site will correspondingly extend Hart's delivery and installation deadlines.
- 12.4. **Site Maintenance; Proper Storage.** Customer shall maintain the appropriate operating environment, in accordance with Hart's specifications, for the Products and all communications equipment, telephone lines, electric lines, cabling, modems, air conditioning, and all other equipment and utilities necessary for the Products to operate properly. Customer shall properly store the Products when not in use.
- 12.5. **Use.** Customer is exclusively responsible for supervising, managing, and controlling its use of the Products, including, but not limited to, establishing operating procedures and audit controls, supervising its employees, making timely data backups, inputting data, ensuring the accuracy and security of data input and data output, monitoring the accuracy of information obtained, and managing the use of information and data obtained. Customer will ensure that its personnel are, at all times, educated and trained in the proper use and operation of the Products and that the Hardware and Software are used in accordance with applicable manuals, instructions, and specifications. Customer shall comply with all applicable laws, rules, and regulations with respect to its use of the Products.
- 12.6. **Backups.** Customer is solely responsible for timely data backups, and Customer will maintain backup data necessary to replace critical Customer data in the event of loss or damage to data from any cause. Hart is not liable for data loss.

Confidential Information in Customer's possession (including Confidential Information incorporated in software or writings, electronic and hard copies). Upon termination of Customer's license or sublicense of Software, Customer shall immediately discontinue all use of the Software and return to Hart or destroy at Hart's option, the Software, including Firmware (and all related Documentation (electronic and hard copy)) and all archival, backup, and other copies of Software, Firmware and Documentation, and provide certification to Hart of such return or destruction. Return or destruction may include hard drives and/or component flash drive devices.

- 14.4. **Customer Employees, Agents and Contractors.** Customer will inform its employees and other agents and contractors of their obligations under this Section 14 and shall be fully responsible for any breach thereof by such personnel.

15. INDEMNIFICATION

- 15.1. **Indemnity.** Hart, at its own expense, will defend Customer against any claim that the Hart Hardware or Hart Proprietary Software infringes an issued United States patent, registered United States copyright, or misappropriates trade secrets protected under United States law, and shall indemnify Customer against and pay any costs, damages and reasonable attorneys' fees attributable to such claim that are finally awarded against Customer, provided Customer (a) gives Hart prompt written notice of such claims; (b) permits Hart to control the defense and settlement of the claims; and (c) provides all reasonable assistance to Hart in defending or settling the claims.
- 15.2. **Remedies.** As to Hart Hardware or Hart Proprietary Software that is subject to a claim of infringement or misappropriation, Hart may (a) obtain the right of continued use of the Hart Hardware or Hart Proprietary Software for Customer or (b) replace or modify the Hart Hardware or Hart Proprietary Software to avoid the claim. If neither alternative is available on commercially reasonable terms, then, at the request of Hart, any applicable Software license and its charges will end, Customer will cease using the applicable Hart Hardware and Hart Proprietary Software, Customer will return to Hart all applicable Hart Hardware and return or destroy all copies of the applicable Hart Proprietary Software, and Customer will certify in writing to Hart that such return or destruction has been completed. Upon return or Hart's receipt of certification of destruction, Hart will give Customer a credit for the price paid to Hart for the returned or destroyed Hart Hardware and Hart Proprietary Software, less a reasonable offset for use and obsolescence.
- 15.3. **Exclusions.** Hart will not defend or indemnify Customer if any claim of infringement or misappropriation (a) is asserted by an affiliate of Customer; (b) results from Customer's design or alteration of any Hardware or Software; (c) results from use of any Hart Hardware or Hart Proprietary Software in combination with any non-Hart product, except to the extent, if any, that such use in combination is restricted to the Verity system designed by Hart; (d) relates to Sublicensed Software or Third Party Hardware alone; or (e) arises from Customer-specified customization work undertaken by Hart or its designees in response to changes in Hart Proprietary Software or Sublicensed Software that are made in response to Customer specifications.
- 15.4. **EXCLUSIVE REMEDIES.** THIS SECTION 15 STATES THE ENTIRE LIABILITY OF HART AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES FOR INFRINGEMENT AND TRADE SECRET MISAPPROPRIATION.

16. DISCLAIMERS AND LIMITATIONS OF LIABILITY

- 16.1. **Disclaimer of Warranty.** EXCEPT FOR THE EXPRESS LIMITED WARRANTIES APPLICABLE TO THE PRODUCT(S) AND/OR SERVICES SET FORTH IN SECTION 9, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, (A) THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE UNDER THIS AGREEMENT, AND (B) HART DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, TITLE AND NONINFRINGEMENT FOR ALL HARDWARE, SOFTWARE, AND SERVICES. CUSTOMER IS SOLELY RESPONSIBLE FOR ASSURING AND MAINTAINING THE BACKUP OF ALL CUSTOMER DATA. UNDER NO CIRCUMSTANCES WILL HART BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR THE LOSS OF OR DAMAGE TO CUSTOMER DATA THE EXPRESS LIMITED WARRANTIES REFERENCED ABOVE EXTEND SOLELY TO CUSTOMER AND DO NOT INCLUDE ANY TYPE OF ROUTINE MAINTENANCE SERVICE OR PREVENTATIVE MAINTENANCE SERVICE. SOME STATES (OR JURISDICTIONS) DO NOT ALLOW LIMITATIONS ON IMPLIED WARRANTIES, SO THE ABOVE LIMITATION MAY NOT APPLY.
- 16.2. **Limitations of Liability.** NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, HART WILL NOT BE LIABLE TO CUSTOMER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) OR FOR LOST DATA SUSTAINED OR INCURRED IN CONNECTION WITH THE HARDWARE, SOFTWARE, SERVICES, OR THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, REGARDLESS OF THE FORM OF ACTION AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE. IN ADDITION, HART'S TOTAL LIABILITY TO CUSTOMER FOR DAMAGES ARISING OUT OF OR RELATING TO THE HARDWARE, SOFTWARE, SERVICES, AND THIS AGREEMENT WILL IN NO EVENT EXCEED THE TOTAL AMOUNT ACTUALLY PAID BY CUSTOMER TO HART UNDER THIS AGREEMENT UNDER THE ORDER FOR THE HARDWARE, SOFTWARE OR SERVICE GIVING RISE TO THE APPLICABLE CLAIM. HART IS NOT LIABLE FOR DAMAGES CAUSED IN ANY PART BY CUSTOMER'S NEGLIGENCE OR INTENTIONAL ACTS OR, EXCEPT AS EXPRESSLY SET FORTH HEREIN, FOR ANY CLAIM AGAINST CUSTOMER OR ANYONE ELSE BY ANY THIRD PARTY.

than, with respect to Customer's performance, the Customer, and its governing entities); fires, floods, epidemics, or serious accidents; unusually severe weather conditions; failure of third parties to timely provide software, hardware, materials, or labor contemplated herein including by reason of strikes, lockouts, or other labor disputes. If any event constituting Force Majeure occurs, the affected party shall notify the other party in writing, disclosing the estimated length of the delay and the cause of the delay. If a Force Majeure or other such event occurs, the affected party will not be deemed to have violated its obligations under this Agreement, and time for performance of any obligations of that party will be extended by a period of time necessary to overcome the effects of the Force Majeure.

- 18.6. **Compliance with Laws.** Customer and Hart shall comply with all federal, state, and local laws in the performance of this Agreement, including those governing use of the Products. Products provided under this Agreement may be subject to U.S. and other government export control regulations. Customer shall not export or re-export any Products.
- 18.7. **Assignment.** Hart may assign this Agreement or its interests herein any including the right to receive payments, without Customer's consent. Customer will be notified in writing if Hart makes an assignment of this Agreement. Customer shall not assign this Agreement or any licenses granted hereunder without the express written consent of Hart, such consent not to be unreasonably withheld.
- 18.8. **Independent Contractors.** The parties to the Agreement are independent contractors and the Agreement will not establish any relationship of partnership, joint venture, employment, franchise, or agency between the parties. Neither party will have the power to bind the other or incur obligations on the other's behalf without the other's prior written consent. Hart's employees, agents, and subcontractors will not be entitled to any privileges or benefits of Customer employment. Customer's employees, agents, and contractors will not be entitled to any privileges or benefits of Hart employment.
- 18.9. **Notices.** Any notice required or permitted to be given under this Agreement by one party to the other must be in writing and shall be given and deemed to have been given immediately if delivered in person to the address set forth on the signature page for the party to whom the notice is given, or on the fifth (5th) business day following mailing if placed in the United States Mail, postage prepaid, by registered or certified mail with return receipt requested, addressed to the party at the party's address set forth on the signature page. Each party may change its address for notice by giving written notice of the change to the other party.
- 18.10. **Trademarks.** Verity Election Office™, Verity Voting™, Verity Scan™, Verity Touch™, Verity Controller™, Verity Access™, Verity vDrive™, Verity Touch Writer™, Verity Ballot™, Verity Layout™, Verity Build™, Verity Count™, Verity Relay™, Verity Key™, and Verity Central™, and such other Product names indicated as trademarked names of Hart are trademarks of Hart.
- 18.11. **Attorneys' Fees.** In any court action at law or equity which is brought by one of the parties to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, in addition to any other relief to which that party may be entitled.
- 18.12. **Equitable Relief.** The parties agree that a material breach of the confidentiality provisions of this Agreement or restrictions set forth herein would cause irreparable injury to Hart for which monetary damages alone would not be an adequate remedy, and therefore Hart shall be entitled to equitable relief in addition to any other remedies it may have hereunder or at law, without the requirement of posting bond or proving actual damages.
- 18.13. **Government Use.** The use, duplication, reproduction, release, modification, disclosure, or transfer of the Products, no matter how received by the United States Government, is restricted in accordance with the terms and conditions contained herein. All other use is prohibited. Further, the Products were developed at Hart's private expense and are commercial in nature. By using or receiving the Products, the Government user agrees to the terms and conditions contained in this Agreement including the terms and conditions contained in this paragraph.



Quote Number

00001409

Account Name

Hidalgo County, TX

Grand Total

\$5,491,500.00

Item	Unit Price	Quantity	Total Price	BuyBoard Discount Percent	BuyBoard Discount Amount	BuyBoard Price	Additional Discount	Final Discounted Price
* Verity Controller	\$4,650.00	220	\$1,023,000.00	1%	(\$10,230.00)	\$1,012,770.00	(\$97,832.76)	\$914,937.24
* AutoBallot Kit	\$419.00	220	\$92,180.00	1%	(\$921.80)	\$91,258.20	(\$8,815.47)	\$82,442.73
* Verity Touch	\$4,650.00	854	\$3,971,100.00	1%	(\$39,711.00)	\$3,931,389.00	(\$379,768.97)	\$3,551,620.03
Verity Standard Booth	\$0.00	854	\$0.00	1%	\$0.00	\$0.00	\$0.00	\$0.00
* Verity Touch w/ Access	\$5,250.00	220	\$1,155,000.00	1%	(\$11,550.00)	\$1,143,450.00	(\$110,456.34)	\$1,032,993.66
Verity Accessible Booth	\$0.00	220	\$0.00	1%	\$0.00	\$0.00	\$0.00	\$0.00
Jelly Switches	\$183.70	50	\$9,185.00	1%	(\$91.85)	\$9,093.15	(\$878.39)	\$8,214.76
vDrive	\$66.00	260	\$17,160.00	1%	(\$171.60)	\$16,988.40	(\$1,641.07)	\$15,347.33
Verity Key	\$109.00	90	\$9,810.00	1%	(\$98.10)	\$9,711.90	(\$938.16)	\$8,773.74
Verity Build	\$50,000.00	1	\$50,000.00	1%	(\$500.00)	\$49,500.00	(\$4,781.66)	\$44,718.34
Verity Build Dimensional Overlays	\$0.00	1	\$0.00	1%	\$0.00	\$0.00	\$0.00	\$0.00
Verity Count	\$15,000.00	1	\$15,000.00	1%	(\$150.00)	\$14,850.00	(\$1,434.50)	\$13,415.50
Verity Central	\$60,000.00	1	\$60,000.00	1%	(\$600.00)	\$59,400.00	(\$5,737.99)	\$53,662.01
Canon DR-G1130 Central Scanner	\$10,000.00	1	\$10,000.00	1%	(\$100.00)	\$9,900.00	(\$956.33)	\$8,943.67
Ethernet Switch, 8 Port	\$0.00	1	\$0.00	1%	\$0.00	\$0.00	\$0.00	\$0.00
Verity Workstation	\$5,800.00	3	\$17,400.00	1%	(\$174.00)	\$17,226.00	(\$1,664.02)	\$15,561.98
23" Flat Panel Monitor	\$0.00	3	\$0.00	1%	\$0.00	\$0.00	\$0.00	\$0.00
Okidata B431D Printer	\$325.00	3	\$975.00	1%	(\$9.75)	\$965.25	(\$93.24)	\$872.01
Black Toner, Okidata B431D	\$165.00	3	\$495.00	1%	(\$4.95)	\$490.05	(\$47.34)	\$442.71
Okidata C911 Printer w/ Starter Cartridges	\$6,000.00	1	\$6,000.00	1%	(\$60.00)	\$5,940.00	(\$573.80)	\$5,366.20
Okidata ML-1120 Line Printer	\$300.00	1	\$300.00	1%	(\$3.00)	\$297.00	(\$28.69)	\$268.31
Toner Cartridge, Okidata C911, Black	\$130.00	1	\$130.00	1%	(\$1.30)	\$128.70	(\$12.43)	\$116.27
Corrugated Plastic Transfer Case for Verity Voting Device	\$70.00	1,294	\$90,580.00	1%	(\$905.80)	\$89,674.20	(\$8,662.45)	\$81,011.75
Verity Battery Charger, 6 Bay	\$540.00	35	\$18,900.00	1%	(\$189.00)	\$18,711.00	(\$1,807.47)	\$16,903.53
Verity Caddy Cover, 4' Wide	\$250.00	162	\$40,500.00	1%	(\$405.00)	\$40,095.00	(\$3,873.14)	\$36,221.86
Verity Caddy w/ Casters, 4' Wide	\$740.00	162	\$119,880.00	1%	(\$1,198.80)	\$118,681.20	(\$11,464.51)	\$107,216.69
New Implementation Services	\$40,000.00	1	\$40,000.00	1%	(\$400.00)	\$39,600.00	(\$3,825.32)	\$35,774.68
License and Support	\$197,175.00	1	\$197,175.00	0%	\$0.00	\$197,175.00	\$0.00	\$197,175.00



Quote Number 00001409
 Account Name Hidalgo County, TX
 Grand Total \$5,491,500.00

Total Discounted Price \$6,232,000.00
 Shipping and Handling (Estimated) \$9,500.00
 Solution Price \$6,241,500.00
 Competitive Product Trade-In Discount (\$750,000.00)
 Grand Total \$5,491,500.00

Bill To 101 S 10th Ave.
 Edinburg, TX 78539

Ship To 101 S 10th Ave.
 Edinburg, TX 78539

Customer Contact

Contact Name Yvonne Ramon

Email yvonne.ramon@co.hidalgo.tx.us

Phone (956) 318-2570 or 956-292-7712

General Information

Expiration Date 6/28/2016

Instructions Please fax with signature to (512) 252-6921 or scan and email to fliston@hartic.com to place this order.

Payment Terms Net 30

Terms and Conditions

Subsequent License and Support will be billed annually per contract terms.
 Grand Total includes estimated Shipping and Handling.
 Pricing subject to inventory availability at time of quote execution and acceptance.
 Competitive Product Trade-in Discount is fixed and does not vary with quantity of returned competitive product. Hart will pick-up the competitive product between June 16 and July 28, 2017.
 Products marked with an asterisk (*) above are currently in the Texas state certification process. As per the terms of the BuyBoard contract, once the product is certified, it is added to Hart's BuyBoard Contract #460-14. The projected pricing and discounts for these items is provided herein and will be added to Hart's BuyBoard Contract prior to delivery.
 The discount offered herein expires if the signed quote is not returned to Hart by 5:00 PM on June 28, 2016.
 Customer agrees to accept delivery of equipment upon inventory availability and no later than 12/31/16.
 Taxes will be calculated in conjunction with the Customer based on the final approved price list.

Hart Approval

Prepared By Felice Liston

Title Director of Sales

Signature *Felice Liston*

Customer Approval

Name: Ramon Garcia

Title: County Judge

Customer Approval: Ramon Garcia

Date: 2/6/17

APPROVED BY
 COMMISSIONERS' COURT
 ON: 2/6/17 *ms*

Exhibit B

Hart Customer Support Contact Information and Hours

The following contact information is to be used by Customer for submitting Support requests to Hart InterCivic, Inc.:

Customer Support Center	1-866-275-4278 (1-866-ASK-HART)
Customer Support Center Fax	1-512-252-6925 or 1-800-831-1485
E-mail Address	hartsupport@hartic.com
Web	https://hartsupport.hartic.com
Hart InterCivic, Inc. Switchboard	1-800-223-HART (4278)
Hours of Operation	7AM-6PM Central Time, M-F
After Hours	Leave Voicemail with contact information for return call

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Exhibit D

HART PROPRIETARY AND SUBLICENSSED SOFTWARE

Hart Proprietary Software Licensed to Customer via annual subscription:

ITEM NUMBER	DESCRIPTION	NUMBER OF LICENSES
1	Verity Build	One (1)
2	Verity Count	One (1)
3	Verity Central - Server	One (1)

Licensed Location is the jurisdiction named on the signature page of this Agreement.

Software Sublicensed to Customer via annual subscription:

None

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