

Texas Governmental RENTAL AGREEMENT

RENTOR: Applied Concepts, Inc. (also referred to as ACI)
(DBA: Stalker Radar)
2609 Technology Drive, Plano, Tx 75074
Sales Phone: 972-801-4820 Fax: 972-398-3781
Accounting: 972-398-3750 Ext 145 Fax: 972-398-3751

RENTER: Williamson County Sheriff's Office, Acting by and through
Williamson County, Texas, a political subdivision of the State
of Texas
Attention: Lieutenant Patrick Erickson
508 S Rock St
Georgetown, TX 78626
Phone: 512-943-1347
Email: PErickson@wilco.org

Description of Radar Equipment (the "Radar Equipment"): Stalker Dual-E and DSR2X-F Dash Mounted Radar, DSR2X Harley Radar, SII SDR Handheld Radar, SII MDR Handheld with Rear Antenna and LIDAR XLR.

Quantity: (74) Dual-E Radar:	List Price: \$2,000.00 EA Extended Price: \$148,000.00
Quantity: (5) DSR2X-F Radar:	List Price: \$2,995.00 EA Extended Price: \$14,975.00
Quantity: (4) DSR2X Harley Radar:	List Price: \$3,295.00 EA Extended Price: \$13,180.00
Quantity: (12) SII SDR Handheld:	List Price: \$1,395.00 EA Extended Price: \$16,740.00
Quantity: (3) LIDAR XLR:	List Price: \$2,625.00 EA Extended Price: \$ 7,875.00
Quantity: (1) SII MDR Handheld w/ Rear Antenna:	List Price: \$2,395.00 EA Extended Price: \$2,395.00

Total Rental Agreement: \$203,165.00

Total Monthly Payment: \$5,643.47 per month for 36 months.

**NOTE: EQUIPMENT UNDER THIS AGREEMENT REMAINS THE SOLE
PROPERTY OF APPLIED CONCEPTS, INC. NO TITLE TO THE PROPERTY
IS PASSED UNDER THIS AGREEMENT. SEE SECTION 14 FOR PURCHASE
OPTION OR CONSIDER A LEASE/PURCHASE AGREEMENT!**

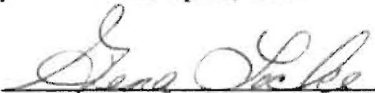
1. *Renter* hereby agrees to *Rent* the above described Radar Equipment, subject to the terms, provisions, conditions and agreements of this Rental Agreement herein set forth:
2. Said Radar Equipment is rented beginning with the delivery of said equipment to the *Renter* for the term specified above. *Renter* acknowledges that upon delivery of said Radar Equipment that Applied Concepts, Inc. has fulfilled its obligation of performance under the Rental Agreement except for requirements later stated in this Rental Agreement.
3. *Renter* agrees to pay Applied Concepts, Inc. the monthly payment specified above, by the 15th of the month following shipping by Applied Concepts, Inc. and equal successive monthly payments during the term of the Rental Agreement. Applied Concepts, Inc. will mail monthly invoices at the beginning of each month, but is not responsible if the invoice does not reach the *Renter*. At the end of the term of the Rental Agreement, *Renter* agrees to return the Radar Equipment to Applied Concepts, Inc. within 30 days. **At the end of the term of the Rental Agreement, *Renter* agrees to return the Radar Equipment to Applied Concepts, Inc. within 30 days unless *Renter* exercises its option to purchase per Section 14. If the Radar Equipment is not returned, *Renter* will be provided the option to continue on a "month to month" basis or purchase the equipment as per Section 14 of this Rental Agreement.**
4. *Renter* hereby assumes and shall bear the entire risk for loss or damage to the Radar Equipment from abuse, fire, flood, theft, neglect, loss, unauthorized use or other circumstances beyond the control of the *Renter*. No loss or damage to the Radar Equipment or any part thereof, shall impair any obligation of *Renter* under this Rental Agreement, which shall continue in full force and effect.
5. The warranty period for the Radar Equipment is the standard factory warranty at the time the order is received. *Renter* agrees that the warranty may be a shorter period of time than this Rental Agreement and that any repair cost outside of that warranty period will be at the *Renter's* expense. An extended warranty period may be purchased to cover any gap in time. Such extended warranty may be purchased and made part of this Rental Agreement or under a separate agreement.
6. If *Renter*, with regard to any item or items of equipment fails to pay any payment or other amount herein provided within 90 days after the same is due and payable, or if *Renter* with regard to any item or items of equipment fails to observe, keep, or perform any other provision of this Rental Agreement required to be observed, kept or performed by *Renter*, Applied Concepts, Inc. shall have the right to exercise any one or more of the following remedies: a.) To sue for and recover all payments then accrued with respect to any or all items of equipment; b.) To terminate this rent as to any or all items of equipment; and/or c.) To pursue any other remedy at law or in equity. All such remedies are cumulative, and may be exercised concurrently or separately.
7. **Interest and Late Payments.** Interest charges for any late payments shall be paid by *Renter* in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of *Renter's* fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday. In the event that a discrepancy arises in relation to an invoice, such as an incorrect amount on an invoice or a lack of documentation that is required to be attached to an invoice to evidence the amount claimed to be due, *Renter* shall notify Applied Concepts, Inc. of such an invoice of the discrepancy. Following *Renter's* notification of any discrepancy as to an invoice, the party requesting payment must resolve the discrepancy and resubmit a corrected or revised invoice, which includes all required support documentation, to the Williamson County Auditor. *Renter* shall pay the invoice within thirty (30) days from the


date of the Williamson County Auditor's receipt of the corrected or revised invoice. *Renter's* payment of an invoice that contains a discrepancy shall not be considered late, nor shall any interest begin to accrue until the thirty-first (31st) day following the Williamson County Auditor's receipt of the corrected or revised invoice

8. Applied Concepts, Inc. agrees that *Renter* or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Rental Agreement, have access to and the right to examine and photocopy any and all books, documents, papers and records of Applied Concepts, Inc., which are directly pertinent to the services to be performed and Radar Equipment to be provided under this Rental Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. Applied Concepts, Inc. agrees that *Renter* shall have access during normal working hours to all necessary Applied Concepts, Inc. facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. *Renter* shall give Applied Concepts, Inc. reasonable advance notice of intended audits.
9. The obligations of *Renter* under this Rental Agreement do not constitute a general obligation or indebtedness of *Renter* for which *Renter* is obligated to levy, pledge or collect any form of taxation. It is understood and agreed that *Renter* shall have the right to terminate this Rental Agreement at the end of any fiscal year of *Renter* if the governing body of *Renter* does not appropriate sufficient funds as determined by *Renter's* budget for the fiscal year in question. *Renter* may effectuate such termination by giving written notice of termination to Applied Concepts, Inc. at the end of *Renter's* then-current fiscal year and return the Radar Equipment, on the effective date of termination, to Applied Concepts, Inc. its agent or as otherwise directed by Applied Concepts, Inc. If *Renter* terminates this Rental Agreement and returns the Radar Equipment to Applied Concepts, Inc. pursuant to this provision, the *Renter* shall not be obligated to pay any additional amounts under this Rental Agreement and the parties' obligations hereunder shall cease following the effective date of termination. Such termination under this provision shall be without penalty.
10. In addition to reserving its rights to avail itself of all remedies available at law or in equity, *Renter* reserves the right to terminate this Rental Agreement and/or purchase order, if any, upon written thirty (30) day's notice for non-performance on the part of Applied Concepts, Inc. Such termination under this provision shall be without penalty.
11. Applied Concepts, Inc. reserves the right not to rent or lease any further product to *Renter* if this Rental Agreement is terminated by *Renter* for any reason prior to the end of the term. If *Renter* terminates this Rental Agreement for any reason other than those listed in sections # 9 or # 10, *Renter* shall pay Applied Concepts, Inc. an amount equal to three (3) month's rent as a penalty for *Renter's* early termination.
12. Each party to this Rental Agreement hereby agrees and acknowledges that venue and jurisdiction of any suit, right or cause of action arising out of or in connection with this Rental Agreement shall lie exclusively in either Williamson County, Texas or in the Austin Division of the Western Federal District of Texas, and the parties hereto expressly consent and submit to such jurisdiction. Furthermore, except to the extent that this Rental Agreement is governed by the laws of the United States, this Rental Agreement shall be governed by and construed in accordance with the laws of the State of Texas, excluding, however, its choice of law rules.
13. Each individual executing this Rental Agreement hereby certifies, that by executing this Rental Agreement, that he or she is duly authorized to act within the powers of his or her office and on behalf of the entity for which he or she is executing on behalf of. Furthermore, *Renter* hereby affirms that the Radar Equipment being rented is essential to its governmental mission.

14. The *Renter* is obligated only to pay rental payments under this Rental Agreement as may lawfully be made from 1.) funds budgeted and appropriated for that purpose during such fiscal period; or 2.) funds made available from a lawfully operated revenue producing source. In the event of such termination, *Renter* agrees to peaceably surrender possession of the Radar Equipment to Applied Concepts, Inc. or its assignee on the date of such termination in the manner set forth in Section 9 hereof and Applied Concepts, Inc. will have all legal and equitable rights and remedies to take possession of the Radar Equipment.
15. The prices and rental amounts set out on page 1 in this Rental Agreement are valid for a period of 120 days from the date signed by Applied Concepts, Inc. Any Rental Agreement executed by *Renter* after that date must be approved by Applied Concepts, Inc. prior to it being valid. Acceptance of an order and or shipping of the above-described Rental Equipment constitutes acceptance by Applied Concepts, Inc.
16. At any time during or within thirty (30) days after the final rent payment is made by *Renter*, the *Renter* may purchase any or all of the Radar Equipment in its possession at that time and receive 50% of the rental payments that *Renter* made on the Radar Equipment as credit towards the List Price set out on page 1 of this Rental Agreement.
17. It is agreed by *Renter* and Applied Concepts, Inc. that any fax or electronic transmitted document(s) will be considered as an original for all purposes of this Rental Agreement and therefore any signatures transmitted by fax or other electronic form are the same as a hand signed document.
18. Executed to be effective as of the date of the last party's execution hereof.

Applied Concepts, Inc.

By:  (Gena Locke)
For: Tim Carrio, Regional Sales Manager
Dated: 10/05/2012


VP Finance
Secretary/Treasurer

RENTER:

**Williamson County Sheriff's Office,
acting by and through
Williamson County, Texas, a political
subdivision of the State of Texas**

By: 
Dan A. Gattis,
Williamson County Judge