

MAINTENANCE SERVICES AGREEMENT

THIS MAINTENANCE SERVICES AGREEMENT (this "Agreement") is made as of May 29, 2015 ("Effective Date"), by and between 3M COMPANY, acting through the Automated License Plate Reader ("ALPR") Business of its Traffic Safety & Security Division ("3M") and Pacific County Sheriff's Office, a County Government Entity ("Customer"). 3M and Customer are collectively referred to as "Parties" and individually as a "Party."

1. PRODUCTS & SERVICES

1.1 This Agreement describes the terms under which 3M will provide to Customer those maintenance services described in Exhibit A (collectively, the "Services") and the ALPR equipment and software described in Exhibit B (the "Products"), which have been or will be installed at the Customer site(s), also provided in Exhibit B (the "Customer Site").

2. TERM

This Agreement's term will begin on the Effective Date and expires on its first anniversary, unless sooner terminated as stated in this Section 2 (the "Term"). A Party may terminate this Agreement by notice to the other Party if that other Party has breached any obligation under this Agreement and failed to cure such breach within thirty days after notice of that breach. At the Term's end (regardless of cause), no Party is relieved of any existing and unfulfilled obligation, including, without limitation, payment of any amount due.

3. RESPONSIBILITIES & FEES

3.1 Customer will appoint a Customer employee to act as 3M's primary contact for Services ("Customer Contact") who will be trained, qualified, available and authorized to: (a) communicate all necessary information and initiate all Service requests to 3M, whether to be provided via 3M's phone support or a Technician; and (b) under 3M's verbal direction, perform Product diagnostic testing and install Software releases.

3.2 Customer will ensure that 3M has timely access to appropriate Customer personnel to perform all Services and that all Customer personnel with access to any 3M Product is adequately qualified and suitably trained to ensure his/her safety and to safeguard that Product. Customer will respond promptly to any 3M request for information, authorization or other decision reasonably necessary for 3M to perform Services. When a Technician is performing Services at a Customer Site, Customer will provide that Technician with: (a) suitable and safe access to Customer's facilities and systems; and (b) suitable space and associated resources, including any necessary computing and office support resources such as a sheltered, lighted and climate controlled environment with 120 volt power.

3.3 3M will perform the Services in exchange for the Maintenance Fee and reimbursement of Travel Expenses (all collectively referred to as "Fees"). Payment terms for Services are net thirty (30) days from the date of 3M's invoice, payable in United States dollars. Customer shall be billed yearly in advance for Services to be performed. Fees do not include any taxes that may be due, which are Customer's responsibility.

3.4 Upon 3M's failure to receive payment within thirty (30) days, in addition to any other remedies which 3M may have, it shall have the right to (i) repossess Goods and Software as to which full payment has not been received (ii) suspend further performance under this and/or other agreements with Customer, and (iii) terminate this agreement and/or other agreements with Customer, which other agreements 3M and Customer hereby amend accordingly. Customer shall be liable for all expenses, including attorney's fees, relating to the collection of past due amounts. On all currency-based transactions, interest of one and one-half percent (1-1/2%) per month, eighteen percent (18%) annually or, if lower, the maximum rate permitted by law, from the date on which it is due until it is paid, shall be added to past due accounts. Should Customer's financial responsibility become unsatisfactory to 3M, cash payments or security satisfactory to 3M may be required by 3M for future performance of Services. If such cash payment or security is not provided, in addition to 3M's other rights and remedies, 3M may discontinue performance

of Services including suspending any Software license without liability. Customer shall be responsible for payment upon receipt of an invoice, and 3M shall not be responsible for sending Customer more than one invoice.

4. LIMITED SERVICE WARRANTY & REMEDY

4.1 3M warrants to Customer for ninety (90) days from the date on which 3M performs a Service ("Service Warranty Period") that the Service will be performed in a workmanlike manner. Customer will promptly review a Service and is deemed to have accepted that Service, unless that Service fails to conform to the 3M Warranty and is rejected by Customer within the Warranty Period. 3M further warrants that 3M parts or components provided under this Agreement will be free from substantial defects in material and workmanship under normal use and service, wear and tear excepted, for one (1) year ("Parts Warranty Period") from the original date of purchase. The Service warranty and the Parts warranty are collectively referred to as the 3M Warranty.

4.2 The 3M WARRANTY DOES NOT APPLY TO THE EXTENT THE PRODUCT TO WHICH THE SERVICE RELATES IS: (a) provided for beta, evaluation, testing or demonstration purposes; (b) has been modified, altered, repaired, or serviced by anyone except 3M; (c) has not been stored, applied, installed, operated, repaired, or maintained in accordance with all recommendations, instructions supplied by 3M in its product and service literature, technical documents, websites, and other information; (d) damaged through contact with a person or thing, misuse, accident, vandalism, neglect, or other action by anyone other than 3M; (e) affected by environmental conditions, such as power fluctuations, improper power supply, or activity by animals or insects; or (f) any malfunction resulting from a Product's use with any software, firmware, equipment, accessory, or other product not made by 3M.

4.3 If 3M determines that the Service did not conform to the 3M Warranty during the respective Warranty Period, then, as CUSTOMER'S EXCLUSIVE REMEDY, 3M will, at its option: (i) re-perform that Service at 3M's expense; or (ii) refund any applicable Fee. If 3M makes any other determination, then any 3M resulting fees and/or costs will be paid, or reimbursed, by Customer.

4.4 For Customer's convenience, 3M may provide specifications, bulletins, engineering or technical information, recommendations, installation and operation instructions, and other information or materials relating to Products and Services ("Other Information"), but the Parties acknowledge that 3M makes only the 3M Warranty and does not warranty any Other Information. EXCEPT TO THE EXTENT PROHIBITED BY APPLICABLE LAW, THE 3M WARRANTY IS MADE IN LIEU OF ALL OTHER WARRANTIES, RIGHTS, OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND THOSE ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE. CUSTOMER IS SOLELY RESPONSIBLE FOR DETERMINING IF A SERVICE FITS ITS PARTICULAR PURPOSE AND IS SUITABLE FOR ITS NEEDS.

5. CONFIDENTIALITY

The Parties agree that this Agreement's terms are their mutual confidential information and may not be disclosed to a third party during the Term and for three year(s) thereafter, without the other Party's consent, except 3M may disclose to its subcontractors such information as is necessary for performance of 3M's obligations. This Section 5 does not apply to information that was: (a) in the public domain; (b) already in the receiving Party's possession; (c) disclosed to the receiving Party by a third party; or (d) independently developed by the receiving Party. Except as stated in this Section 5, the Parties do not intend to convey any of their confidential information to each other.

6. DISPUTE RESOLUTION

6.1 This Agreement will be construed and enforced according to the laws of the State of Minnesota, without regarding to its conflicts of law rules. Any litigation regarding a Service or this Agreement will be brought only in the state or federal court located in Ramsey County, Minnesota, and the Parties consent to the personal jurisdiction of such courts. No provision of this Section 6 will preclude either Party seeking injunctive relief to prevent immediate or irreparable harm to it, but the dispute resolution process stated in Subsection 6.2 will otherwise be fully exhausted before the commencement of any litigation.

EACH PARTY IRREVOCABLY WAIVES ANY RIGHT TO A JURY TRIAL WITH RESPECT TO ANY CLAIMS OR DISPUTES ARISING OUT OF, OR RELATED TO, A PRODUCT ON WHICH 3M PERFORMS SERVICES, SERVICE, FEE, AND/OR THIS AGREEMENT. Any lawsuit or other action, regardless of form, relating to a Product, Service, Fee or this Agreement must be commenced within one year after the cause of action occurred.

6.2 Before commencing any litigation regarding a Product on which 3M performs Services, a Service, a Fee, and/or this Agreement, the Parties will enter into non-binding mediation conducted by a mutually selected mediator with experience in the industry. Each Party will pay its own attorneys' fees and the Parties will share equally the other mediation costs. If the mediation does not resolve the Parties' dispute(s) to their mutual satisfaction within four months after a written mediation request is made by a Party, either Party may commence an action, but only as stated in Subsection 6.1. All the Parties' negotiations pursuant to this Section 6 are confidential and will be treated as settlement negotiations for all purposes.

7. GENERAL PROVISIONS

7.1 The Parties are not partners, and their relationship will be one of seller and buyer of services. A Party has no right or authority to obligate, or to otherwise act as agent for, the other Party for any purpose. Customer will not assign any of its rights or obligations under this Agreement (an "Assignment") without 3M's prior written approval or such Assignment will be a default under this Agreement. An Assignment will include any transfer of at least 50% of Customer's assets or ownership. No Assignment will relieve Customer of any accrued obligation under this Agreement.

7.2 A Party will not be responsible for the delay in its performance of any obligation under this Agreement, except failure to pay any amount due, caused by acts of God, legal restrictions, inability to obtain Service Parts, or any other condition beyond its reasonable. If any of this Agreement's terms is, for any reason, held to be invalid, illegal or unenforceable by a court or tribunal of competent jurisdiction, then this Agreement will be deemed severable and the remainder of this Agreement will be enforceable, provided that a Party's rights are not substantially impaired.

7.3 All notices required or permitted under this Agreement will be given in writing and delivered personally, including via any nationally recognized overnight delivery service, to: (a) 3M at: 3M Center, Building 225-4N-14, Saint Paul, MN 55144-1000, Attention: Inside Sales; and (b) Customer at: Pacific County Sheriff's Office, PO Box 27 South Bend, WA 98586, Attention: Chief Deputy. Either Party's address change will be promptly communicated in writing to the other Party.

7.4 This Agreement (including any Exhibits) constitutes the Parties' entire agreement relating to its subject matter and supersedes all of their prior agreements and understandings, whether written or oral. No Party has relied on any warranty or other statement not in this Agreement. This Agreement may only be modified by a written document signed by the Parties. A Party's delay(s) and/or failure(s) to require strict performance under this Agreement will not waive its right subsequently to require such strict performance. This Agreement was negotiated between the Parties, each of whom had the opportunity to consult with legal counsel. All obligations related to warranty, remedy, indemnification, limitation of liability, dispute resolution and other covenants will survive the Term's end (regardless of cause) to the full extent necessary to protect the Party in whose favor they run.

7.5 EXCEPT TO THE EXTENT PROHIBITED BY APPLICABLE LAW AND FOR ITS CONFIDENTIALITY OBLIGATIONS IN SECTION 5, 3M WILL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE TO CUSTOMER FOR DIRECT (other than the Limited Remedy), SPECIAL, INDIRECT, CONSEQUENTIAL (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS), OR PUNITIVE DAMAGES IN ANY WAY RELATED TO A PRODUCT ON WHICH 3M PERFORMS SERVICES, THE SERVICES, FEES, THIS AGREEMENT, OR THIS AGREEMENT'S TERMINATION, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY ON WHICH SUCH DAMAGES ARE SOUGHT. 3M'S LIABILITY FOR ALL DIRECT DAMAGES SHALL NOT EXCEED THE VALUE OF AMOUNTS PAID UNDER THIS AGREEMENT.

AGREED AND ACCEPTED:

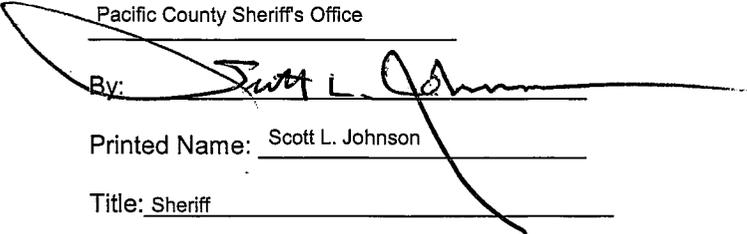
3M COMPANY

By: _____

Printed Name: Amanda McKee

Title: 3M Public Safety Inside Sales Representative

Pacific County Sheriff's Office

By:  _____

Printed Name: Scott L. Johnson

Title: Sheriff

EXHIBIT A TO MAINTENANCE SERVICES AGREEMENT
SERVICES AND PRICING

Maintenance Fee:

1.1 The Maintenance Fee is \$ 2,900.00 /yearly, paid in accordance with the terms of Section 3.3.

Scope of Services:

1.2 During the Term (as defined in Section 2), 3M will perform the following Services related to Products:

1.2.1 In exchange for the Maintenance Fee, 3M will provide for all Products:

(A) Telephone technical support on 3M's technical support business days from 7 a.m. until 6 p.m. (Central Time); and

(B) For any Product maintenance to be performed at the applicable Customer Site, all 3M technician ("Technician") labor time and any service parts needed to perform the Service ("Service Parts"), but Customer will reimburse 3M for the Technician's Travel Expenses as defined below.

1.2.2 For any Product that is software for which Customer has a current, valid 3M license agreement ("Software"), 3M will also provide any Software bug fix or planned version release at no additional charge as long as Customer installs such fix. If a Technician is required to travel to the Customer Site to provide that Software update or release, then Customer will pay the Travel Expenses.

1.2.3 Any additional services must be requested by the Customer in writing and will be subject to this Agreement's terms and charged at 3M's then-current hourly rates.

1.3 The following items are out of scope:

- a. Equipment or software requiring repair due to the negligence, misuse or vandalism by Customer or another third party not under 3M's control;
- b. Training;
- c. Repair or maintenance due to use of non-manufacturer approved suppliers or connections; and
- d. Consumables.
- e. Adjustments to the Optical Character Recognition (OCR) Engine utilized in Customer's ALPR system(s).

1.4 Certain Services require Customer to have a high speed Internet connection and Customer acknowledges that it is Customer's sole responsibility for obtaining and maintaining such Internet access prior to arrival of 3M's Technician.

1.5 Travel Expenses:

Meals, transportation, lodging, and miscellaneous expenses are considered "Travel Expenses" and are billed at actual cost plus a ten percent (10%) administrative fee. The cost of shipping supplies required for Services are likewise charged at cost plus ten percent (10%). Payment of all Travel Expenses is in accordance with the payment terms defined in Section 3.3.

EXHIBIT B TO MAINTENANCE SERVICES AGREEMENT

PRODUCTS AND CUSTOMER SITES

ALPR Equipment and Software	Equipment and Software Identifications	Customer Site - Address
3M Two Camera Mobile ALPR System	KX208P57420124 1A4108501 KX205P56420262 KX203P56420008	300 Memorial Drive South Bend, WA 98586
3M Two Camera Mobile ALPR System	KX208P57420124 1A4110785 KX205P56420269 KX203P56420009	300 Memorial Drive South Bend, WA 98586
3M Back Office System Software (BOSS)		300 Memorial Drive South Bend, WA 98586

**3M SOFTWARE LICENSE AGREEMENT
ALPR PRODUCTS**



IMPORTANT: THIS 3M SOFTWARE LICENSE AGREEMENT ("SLA") IS A LEGAL AGREEMENT BETWEEN YOU (EITHER AN INDIVIDUAL PERSON OR A SINGLE LEGAL ENTITY REFERRED TO IN THIS SLA AS "YOU" OR "LICENSEE") AND 3M COMPANY ("3M"). BY INSTALLING, COPYING, ACCESSING OR OTHERWISE USING THE 3M SOFTWARE, YOU AGREE TO BE BOUND BY THE TERMS OF THIS SLA. IF YOU DO NOT AGREE TO THE TERMS OF THIS SLA, YOU ARE PROHIBITED FROM INSTALLING, COPYING, ACCESSING OR OTHERWISE USING THE 3M SOFTWARE, AND YOU MUST RETURN THE 3M SOFTWARE, WITH ITS ORIGINAL PACKAGING AND DOCUMENTATION, TO 3M FOR A REFUND, IF APPLICABLE.

1. 3M Software. As used herein, the term "3M Software" means any software embedded or pre-installed in a 3M ALPR product or provided for installation on a PC or other computing device, including, without limitation, 3M's Back Office System Software (BOSS), BOSS Portal and 3M License Plate Capture software products. "3M Software" includes all accompanying software documentation and instructions, and all 3M Software revisions, updates and upgrades unless accompanied by a separate license agreement.

2. Limited License.

General: Subject to the terms and conditions of this SLA, including payment of all applicable license fees, 3M grants to Licensee a limited, perpetual, non-exclusive, non-transferable license to use the 3M Software, in object code form only, solely for Licensee's own benefit and business purposes.

Embedded 3M Software: Licensee may use embedded or pre-installed 3M Software only with the product with which it is provided. Use of such 3M Software with any other product or device is prohibited.

Application Software: 3M Software provided for installation and use on a PC or other computing device requires purchase of an individual license for each such installation. For each such license, Licensee may install and use the 3M Software on a single computer or install and store the 3M Software on a storage device, such as a network server, that is used only to install the 3M Software on Licensee's other computers over an internal network (provided, however, that Licensee has purchased a license for each computer on which the 3M Software is installed and run). Licensee may physically transfer the 3M Software between computers provided that it is used on only one computer at any given time for each individual license purchased. A license for the 3M Software may not be shared, installed or used concurrently on different computers or virtual machines. Licensee may make one copy of the 3M Software in machine-readable form solely for backup purposes. If the 3M Software contains documentation that is provided in electronic form, Licensee may print one copy of such documentation. Licensee must reproduce on any such copy all copyright notices and any other proprietary legends on the original copy of the 3M Software. Licensee may not copy any printed materials accompanying the 3M Software.

3. Prohibited Use. In addition to the restrictions stated above, Licensee is prohibited from: (i) decompiling, reverse engineering or otherwise attempting to access the source code of the 3M Software, (ii) renting, loaning, or sublicensing the 3M Software to any other party; (iii) using the 3M Software to provide products or services to any other party, including but not limited to providing outsourcing, online, consulting or training services or performing as a service bureau for another party; and (iv) any other use of the 3M Software that is not expressly authorized by 3M as set forth herein. All rights to the 3M Software that are not expressly granted herein are reserved to 3M.

4. Termination. In addition to its other remedies at law and in equity, 3M may terminate this SLA and the license grants herein if: (i) Licensee is in material breach of any term or condition hereof; or (ii) if Licensee fails to make timely payment of any license or support fees due to 3M; and (iii) such default is not cured within ten (10) business days of Licensee's receipt of written notice of such default. In the event of such termination, Licensee shall immediately cease all use of the 3M Software and, within thirty (30) days of such termination, return, delete or destroy the 3M Software and all copies thereof, and certify, in writing to 3M, as to the same.

5. Confidentiality. Licensee acknowledges that the 3M Software contains valuable confidential, proprietary and trade secret information belonging to 3M. Licensee agrees to keep the 3M Software confidential and to use the 3M Software only as necessary to exercise the license rights granted in this SLA. Licensee shall disclose the 3M Software to its employees and agents only to the extent that such disclosure is necessary in the ordinary performance of their job duties, and only to such employees and agents as agree to be bound by the terms of this SLA.

6. Ownership of Intellectual Property. Licensee acknowledges that 3M owns the 3M Software and all modifications and derivative works thereof, regardless of author. Licensee disclaims and waives all right, title and interest in the 3M Software other than the license rights expressly set forth herein. To the extent that Licensee is

ever deemed to have any right, title or interest in the 3M Software, or in any modification or derivative work thereof, Licensee agrees to assign, and hereby assigns the same to 3M.

7. Limited Warranty. 3M warrants that for twelve (12) months following shipment of the 3M Software to Licensee, the 3M Software will perform materially in accordance with the written specifications and documentation provided by 3M. Licensee shall provide 3M with written notice of any warranty claim promptly within the warranty period stated above. As Licensee's sole and exclusive warranty remedy, 3M shall, at 3M's option and expense, (i) repair or replace the nonconforming 3M Software or (ii) refund any software license fees prepaid by Licensee. 3M DISCLAIMS, AND LICENSEE WAIVES, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. 3M DOES NOT WARRANT THAT THE 3M SOFTWARE WILL PERFORM UNINTERRUPTED OR WITHOUT ERROR. THIS LIMITED WARRANTY IS VOID WITH RESPECT TO ANY UNAUTHORIZED USE OF THE 3M SOFTWARE, USE OF THE 3M SOFTWARE OTHER THAN IN ACCORDANCE WITH 3M'S WRITTEN INSTRUCTIONS AND DOCUMENTATION, USE OF 3M SOFTWARE WITH PRODUCTS AND SERVICES NOT PROVIDED BY 3M, AND AS TO 3M SOFTWARE THAT HAS BEEN DAMAGED OR MODIFIED OTHER THAN BY 3M.

8. Limitation of Liability. 3M SHALL NOT BE LIABLE TO LICENSEE OR ANY PERSON FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR PERSONAL INJURY, LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF DATA, LOSS OF BUSINESS OR CONFIDENTIAL INFORMATION, LOSS OF PRIVACY, OR ANY OTHER PECUNIARY LOSS) ARISING OUT OF THE SUBJECT MATTER OF THIS SLA, ANY BREACH OR FAILURE TO PERFORM HEREUNDER, OR LICENSEE'S USE OF OR INABILITY TO USE THE 3M SOFTWARE, EVEN IF 3M HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL 3M'S ENTIRE LIABILITY ARISING FROM THE 3M SOFTWARE OR THIS SLA EXCEED THE AMOUNT ACTUALLY PAID TO 3M BY LICENSEE FOR THE 3M SOFTWARE.

9. Compliance with Laws. Licensee is solely responsible for determining whether its use of the APLR software complies with applicable laws and regulations, including but not limited to those governing the collection, storage and use of personally identifiable information. Use of BOSS software permits Licensee to share ALPR data with other BOSS licensees. Licensee is solely responsible for establishing and maintaining policies, procedures and third-party agreements relating to such information sharing as required by law.

10. U.S. Government Restricted Rights. As defined in FAR section 2.101, DFAR section 252.227-7014(a)(1) and DFAR section 252.227-7014(a)(1) or otherwise, the 3M Software is a "commercial item," "commercial computer software" and/or "commercial computer software documentation." Consistent with DFAR section 227.7202 and FAR section 12.212, any use, modification, reproduction, release, performance, display, disclosure or distribution of the Software by the U.S. government shall be governed solely by the terms of this SLA and is prohibited except to the extent expressly permitted herein.

11. Governing Law and Attorneys' Fees. This SLA is governed by the laws of the State of Minnesota, USA, excluding its conflict of laws rules, and specifically excluding the United Nations Convention on Contracts for the International Sale of Goods. Licensee consents to jurisdiction and venue in the state and federal courts located in Ramsey County, Minnesota, USA, and agrees that all disputes arising from this SLA shall be venued exclusively in such courts. In any action or suit to enforce any right or remedy under this SLA or to interpret any provision of this SLA, the prevailing party will be entitled to recover its costs, including reasonable attorneys' fees.

11. General.

Audit and Inspection. Upon 3M's request, with reasonable notice and during Licensee's normal business hours, licensee agrees to provide 3M and its agents reasonable access to Licensee's business records relating to Licensee's installation and use of the 3M Software, to enter and inspect any location where the 3M Software is stored, installed or in use, and to access and operate the 3M Software, for the purposes of auditing and verifying Licensee's compliance with this SLA.

Assignment. Licensee shall not assign, pledge, hypothecate, subcontract, sublicense or otherwise transfer, assign or delegate any of its rights, duties and/or obligations under this SLA (an "Assignment") without 3M's prior written consent. "Assignment" includes any transfer of at least fifty (50%) percent of Licensee's assets or equity ownership. Any Assignment made without 3M's prior written consent is void and cause for termination of this Agreement.

Waiver. The failure of 3M to insist upon strict performance of any covenants or obligations hereunder, irrespective of the length of time for which such failure continues, shall not be deemed a waiver of 3M's right to demand strict compliance in the future. No express or implied consent to, or waiver of, any breach or default of the performance of any obligations hereunder shall constitute a consent to, or waiver of, any other breach or default in the performance of the same or any other obligations hereunder. No term or provision of this SLA will be deemed waived and no breach will be deemed excused, unless such waiver is in writing and signed by 3M.

Severance and Interpretation. If any provision of this SLA is found to be illegal or unenforceable, such provision will be deemed to be deleted or narrowly construed to such extent necessary to make it enforceable, and this SLA will otherwise remain in full force and effect. If an ambiguity or question of intent arises, this SLA will be construed as if drafted jointly by the Parties and no presumption or burden of proof will arise favoring or disfavoring either Party by virtue of authorship of any of the provisions of this SLA.

Export. Licensee is prohibited from exporting the 3M Software from the country in which it was purchased without the prior written authorization of 3M and, if so authorized, then only in compliance with applicable export laws and regulations.

Survival. Upon termination of this SLA, sections of the SLA that, by their nature, would be reasonably expected to survive termination of the SLA, shall so survive and remain in effect indefinitely.

Entire Agreement. This SLA constitutes the entire agreement between Licensee and 3M with respect to the subject matter hereof. In the event of conflict between the terms and conditions of this SLA and any other agreements or representations by or between the parties hereto, whether oral or written, this SLA shall govern. The terms of this SLA cannot be modified by any terms in any printed forms, including but not limited to purchase orders, and can only be modified or amended by express, written consent of both parties.

* * *



Statement of Terms, Conditions and Warranties of Sale

3M Company
Traffic Safety & Security Division

In these Conditions of Sale, "3M" shall mean 3M Company; "the Customer" shall mean the purchaser of the Goods including all agents, employees, contractors, subcontractors, and other people acting on the customer's behalf under these conditions; the "Goods" shall mean the goods referred in the quotation supplied by 3M.

1. **Acceptance** – This is to acknowledge receipt of your order ("Purchase") for the 3M goods ("Goods") and/or licensed software and/or firmware, which are preloaded, or to be loaded into Goods ("Software") and/or performance of services ("Services"). Performance of any Services or sale of Goods or Software by 3M is expressly conditioned upon the terms and conditions herein. Acceptance of offers to purchase Goods, license Software or perform Services is expressly conditioned upon Customer's assent to the terms and conditions contained herein, which assent is acknowledged by Customer upon accepting shipment and shall prevail as the final expression for the parties in the event of conflict.

These terms and conditions take precedence over Customer's additional or different terms and conditions, to which notice of objection is hereby given. Neither commencement nor delivery by 3M shall be acceptance of Customer's additional or different terms and conditions. 3M expects, and Customer acknowledges, that if Customer disagrees with the terms contained herein, Customer will immediately (i.e. prior to use) return the Goods or Software to 3M or cancel performance of Services before 3M commences the performance of such Services.

2. **Validity** – 3M reserves the right to amend any errors and/or unintentional omissions on quotations at the time of acceptance of order. Quotations by 3M do not constitute an offer and 3M reserves the right to withdraw or amend the same at any time prior to the issue by 3M of any acceptance of order. No binding contract shall come into effect until the Customer's order has been accepted in writing, facsimile or e-mail by 3M. The Uniform Laws on International Sales are hereby excluded.
3. **Price** – 3M reserves the right to increase prices to allow for any increase in cost of appropriate federal, state and/or local taxes, surcharges, handling and/or shipping fees, labor and/or materials which may occur before delivery of the Goods. The prices do not include any export duties or tariffs payable in respect to the Goods nor any costs of insurance relating thereto. Prices for Goods, Software and Services remain in effect for one hundred twenty (120) days from quotation date. In all other respects, the quotation and solicitation for offers/orders for Goods, Software or Services may be withdrawn or modified at any time by 3M prior to acceptance by Customer.
4. **Taxes** – Prices do not include any sales, use, excise, value-added or similar taxes. Liability for all taxes, licenses, or other fees imposed by any governmental authority upon the production, sale, shipment, or use of Goods or Software or the performance of Services covered by this solicitation shall be assumed and paid for by the Customer, and Customer shall indemnify 3M against any such liability. Applicable sales or use taxes are billed by 3M unless suitable exemption certificates are furnished by Customer before acceptance by 3M.
5. **Insurance** – Where 3M insures the Goods at its discretion or at the Customer's request, charges for such insurance will be reflected on the invoice. 3M liability shall be limited to be amount received by 3M under such insurance or the value of the good whichever is less from which amount deduction may be made by 3M in respect to any expenses incurred by 3M. 3M shall be under no liability to affect any insurance in respect of the good for any period after the passing of the risk as stated in paragraph 21 below, notwithstanding that title remains with 3M.
6. **Shipment** – Shipping/freight is provided as a separate line item and quoted FOB 3M facility in Knoxville, TN. Shipping to the Customer's premises will, if required by the Customer, be arranged by 3M and charged as an extra. Any costs of insurance incurred by 3M in respect of such shipping shall also be charged as an extra and reflected on the invoice.
7. **Payment** – Unless otherwise specified in 3M's quotation and solicitation for offers, payment terms for Goods, Software and Services are net thirty (30) days from the date of 3M's invoice, payable in United States dollars. Customer shall be billed monthly for Services performed. Upon 3M's failure to receive payment within thirty (30) days, in addition to any other remedies which 3M may have, it shall have the right to (i) repossess Goods and Software as to which full payment has not been received (ii) suspend further performance under this and/or other agreements with Customer, and (iii) terminate this agreement and/or other agreements with Customer, which other agreements 3M and Customer hereby amend accordingly. Customer shall be liable for all expenses, including attorney's fees, relating to the collection of past due amounts. On all currency-based transactions, interest of one and one-half percent (1-1/2%) per month, eighteen percent (18%) annually or, if lower, the maximum rate permitted by law, from the date on which it is due until it is paid,

shall be added to past due accounts. Should Customer's financial responsibility become unsatisfactory to 3M, cash payments or security satisfactory to 3M may be required by 3M for future deliveries of Goods or Software or performance of Services. If such cash payment or security is not provided, in addition to 3M's other rights and remedies, 3M may discontinue deliveries of Goods or Software and/or suspend performance of Services without liability. Customer shall be responsible for payment upon receipt of an invoice, and 3M shall not be responsible for sending Customer more than one invoice.

8. **Destination** – 3M reserves the right to decline or cancel contracts received directly or indirectly where the ultimate destination of the Goods is a country with which it is not lawful for a United States company to trade or where the law of the destination country prohibits the importation of the Goods.
9. **Regulation** – The Customer, in placing the order with 3M, is deemed to warrant compliance with every applicable legal or regulatory requirement of any government or other relevant authority and those necessary licenses or permits required in connection with the contract have been lawfully obtained by the Customer prior to the shipment of the Goods.
10. **Consignment** – 3M may make any extra charge as required to ship Goods in consignments of smaller quantities than originally quoted.
11. **Illustrations and Brochures** – All descriptive literature and illustrations given are intended as a general guide of the Goods described and none of these shall form part of the contract nor shall any provision contained therein be deemed to be a representation, warranty, term or condition of or relating to the contract or constitute a collateral contract. All drawings prepared by 3M in connection with the Goods and the copyright of such drawings shall remain at all times the property of 3M.
12. **Specifications** – 3M follows a policy of continual product or component development, which may be implemented without notice and without affecting the validity of this contract, and, unless 3M agrees otherwise in writing, 3M shall not be responsible for providing Customer with any product improvements that occur after the date of sale. 3M shall not be liable for failure to attain performance figures stated in the contract unless these have been guaranteed within a specific margin of tolerance.
13. **Weights and Measurements** – 3M drawings, descriptive matter, weights, dimensions, and shipping specifications are approximate only, unless specifically guaranteed. Cable is provided within +10% of specified length.
14. **Cancellation and Returns** –
 - a) Contracts may only be altered or cancelled by the Customer with the written consent of 3M who shall, upon giving such consent, be entitled to invoice the Customer for any and all costs and lost profits arising out of the cancellation.
 - b) Goods returned not due to 3M error are assessed a fifteen percent (15%) restocking and handling charge with a minimum charge of \$100 plus all transportation charges. In order to be accepted by 3M, Goods returned under this Section must be returned within ninety (90) days of shipment.
15. **Limited Warranty – Hardware Limited Warranty:** Customer assumes the responsibility for the selection of a particular Good to achieve its intended results, and for the installation, use, and results obtained therefrom. Subject to the limitations of liability set forth in Section 16, 3M warrants the hardware it manufactures to be free from defects in material and workmanship under normal use for a period of twelve (12) months from the date of shipment (“Hardware Warranty Period”). 3M's obligation under this warranty shall be limited to the repair or exchange of any part or parts which may prove defective under normal use and service during the Hardware Warranty Period and which our examination shall disclose to our reasonable satisfaction to be defective. Any field engineering required to resolve a hardware warranty item will be billed in accordance with Paragraph 27.

THIS LIMITED WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON 3M'S PART, AND 3M NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE SALE OF THE GOODS. BY USING THE GOODS, THE CUSTOMER ACKNOWLEDGES THAT NO OTHER REPRESENTATIONS WERE MADE TO HIM OR RELIED UPON BY HIM WITH RESPECT TO THE QUALITY AND FUNCTION OF THE GOODS HEREIN SOLD.

This warranty does not extend to any losses or damages due to misuse, accident, abuse, neglect, normal wear and tear, negligence (other than 3M's), unauthorized modification or alteration, use beyond rate capacity, or improper installation, maintenance or application. To the extent that Customer or its agents has supplied specifications, information, representation of operating conditions or other data to 3M in the selection or design of the Goods and the preparation of

3M's quotation, and in the event that actual operating conditions or other conditions differ from those represented by Customer, any warranties or other provisions contained herein which are affected by such conditions shall be null and void.

If within thirty (30) days after Customer's discovery of any warranty defects within the Hardware Warranty Period, Customer notifies 3M thereof in writing, 3M shall, at its option, repair, correct or replace F.O.B. point of manufacture, or refund the purchase price for, that portion of the Goods found by 3M to be defective. Failure by Customer to give such written notice within the applicable time period shall be deemed an absolute and unconditional waiver of Customer's claim for such defects. Goods repaired or replaced during the Hardware Warranty Period shall be covered by the foregoing warranty for the remainder of the original warranty period or ninety (90) days from the date of shipment, whichever is longer.

Customer assumes all other responsibility for any loss, damage, or injury to persons or property arising out of, connected with, or resulting from the use of Goods, either alone or in combination with other products/components.

Software Limited Warranty: The 3M Software Warranty is as set forth in Section 7 of the 3M Software License Agreement for ALPR Products ("SLA").

Service Warranty: 3M warrants to Customer that Services provided will be performed by trained personnel using proper equipment and instrumentation for the particular Service provided. Any analysis of data, subsequent recommendations and other Services will be in accordance with established industry standards and practices, as applicable.

EXCEPT AS SPECIFICALLY PROVIDED FOR ABOVE, 3M EXTENDS NO WARRANTIES OF ANY KIND TO SERVICES, EQUIPMENT OR MATERIALS AND HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

This warranty does not extend to any losses or damages due to misuse, accident, abuse, neglect, normal wear and tear, negligence (other than 3M's), unauthorized modification or alteration, use beyond rate capacity, or improper installation, maintenance or application. To the extent that Customer or its agents has supplied specifications, information, representation of operating conditions or other data to 3M in the selection or design of the Services and the preparation of 3M's quotation, and in the event that actual operating conditions or other conditions differ from those represented by Customer, any warranties or other provisions contained herein which are affected by such conditions shall be null and void.

Equipment Manufactured by Others: Computer equipment and peripherals sold by 3M, but manufactured by other companies, carry the manufacturer's original warranty. 3M does not warrant and shall not be liable for equipment or instruments supplied by 3M but manufactured by others.

16. **Limitation of Remedy and Liability** – THE SOLE AND EXCLUSIVE REMEDY FOR BREACH OF ANY WARRANTY HEREUNDER SHALL BE LIMITED TO REPAIR, CORRECTION REPLACEMENT, PROPER PERFORMANCE, OR REFUND OF THE PURCHASE PRICE AS NOTED IN SECTION 15. BECAUSE OF THE NATURE OF THE GOODS, SOFTWARE AND/OR SERVICES AND THE CIRCUMSTANCES PECULIAR TO IT OR THEM, THE CUSTOMER ACKNOWLEDGES THAT THE EXCLUSION OF REMEDIES IS NEITHER UNREASONABLE NOR UNCONSCIONABLE.

3M SHALL NOT BE LIABLE FOR DAMAGES CAUSED BY DELAY IN PERFORMANCE AND IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION (WHETHER BASED IN CONTRACT, INFRINGEMENT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE), SHALL 3M'S LIABILITY TO CUSTOMER AND/OR ITS CUSTOMERS EXCEED THE PRICE PAID BY CUSTOMER FOR THE SPECIFIC GOODS, SOFTWARE AND/OR SERVICES PROVIDED BY 3M GIVING RISE TO THE CLAIM OR CAUSE OF ACTION. CUSTOMER AGREES THAT IN NO EVENT SHALL 3M'S LIABILITY TO CUSTOMER AND/OR ITS CUSTOMERS EXTEND TO INCLUDE INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES. The term "consequential damages" shall include, but not be limited to, loss of anticipated profits, business interruption, loss of use or revenue cost of capital or loss or damage to property or equipment.

It is expressly understood that any technical advice furnished by 3M with respect to the use of the Goods, Software or in connection with the Services is given without charge, and 3M assumes no obligation or liability for the advice given, or results obtained, all such advice being given and accepted at Customer's risk.

17. **Inspection** – There shall be no special tests of the Goods except as provided for either in 3M quotation or in the Customer's order and, if the Customer fails, after fourteen (14) business days notice, to attend or to be represented at any such tests, they may be conducted by 3M in the Customer's absence. Results of such tests will be binding upon the Customer. Further, if the Goods fail to meet such tests, the Customer may reject the Goods within ten (10) business days of

the date of delivery to the Customer. After this time, if not rejected, the Goods shall be deemed accepted. During the ten (10) business day time period, the Customer must provide to 3M in writing the specific reason/s the Goods are being rejected. If no such writing is provided, the Goods are deemed to have been accepted by the Customer.

18. **Indicated Delivery Dates** – Delivery dates are approximate only and 3M shall be under no liability to the Customer in respect of any delay or non-delivery of the Goods however caused.
19. **Partial Deliveries** – 3M reserves the right to dispatch part of the order and each installment shall be separately invoiced and paid for when due without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve the Customer of the obligation to accept remaining deliverables. The order shall not be cancelable by the Customer for delays in delivery of any installment.
20. **Date and Place of Deliveries** – Delivery shall be FOB 3M’s facility in Knoxville, TN. The Customer is responsible for all shipping costs to the final point of destination. Shipping shall take place when the Customer receives 3M invoice addressed to the Customer informing the Customer that the Goods are ready for dispatch. Where such invoice is sent to the Customer by the United States Postal Service, it shall be conclusively presumed to have been received by the Customer on the fifth working day after mailing in the United States.
21. **Risk** – The risk of loss in the Goods will pass to the Customer on delivery in accordance with paragraph 20 above.
22. **Labeled and Listed Products** – Whenever the Goods comprise products which have been certified as labeled and listed by approved certification authorities (“Labeled and Listed Products”), it is the sole responsibility of the Customer to ensure that the Labeled and Listed Products are operated and serviced only in accordance with the instructions contained in any relevant 3M product user and maintenance manual in accordance with 3M guidelines referred to in paragraph 15.
23. **Storage and Delayed Delivery** – If the Customer fails to give instructions for shipment within fourteen (14) days of received advice from 3M that the Goods are ready for shipment (as provided by paragraph 20 above), payment shall be due forthwith and 3M shall be entitled to store the Goods at any available place at the Customer’s risk and expense.
24. **Property** – Ownership of Goods will pass to the Customer when 3M has received payment in full and, until such time as this shall occur, the Goods shall be stored by the Customer separately from all other goods and shall be clearly marked by the Customer as being the property of 3M.
25. **Shortage in Delivery or Damage or Loss in Transit** – 3M shall in no way be responsible for any breakage or loss of Goods in transit and shall be under no liability to affect any insurance in this respect unless otherwise previously agreed. Both the carrier concerned and 3M must be advised in writing of all shortages in quantity delivered and any breakage or loss within three (3) days of the consignment. In the event of the Goods failing to reach their destination, both the carrier and 3M must be notified of this in writing within seven (7) days after the date on which the Customer was advised that the Goods had been shipped. As further security for payment of the price of the Goods by Customer, Customer hereby grants to 3M a security interest in the Goods.
26. **Commissioning** – The quotation does not include commissioning and installation services unless expressly stated otherwise. Extra charges may apply if 3M is requested to supply:
 - a) Descriptive literature or instructions other than one (1) copy in English for the operation of the equipment, or
 - b) The services of any 3M’s engineer on-site for the purpose of checking, servicing, or commissioning. Any complaints regarding the quality of such services must be made to the Support Line (1-877-777-3571) within ten (10) business days of the said services being carried out.
27. **Subsistence and Other Travel Expenses** – Meals, transportation, lodging, and miscellaneous expenses are considered travel expenses and are billed at actual cost plus a ten percent (10%) administrative fee. If time required to complete work is extended at the Customer’s request, travel and living expenses will also increase. Travel hours consumed by the 3M engineer will be incorporated within the daily rate for services performed. The cost of shipping supplies required for Services are likewise charged at cost plus ten percent (10%). Payment of all travel and living expenses are in accordance with the payment terms defined in paragraph 7.
28. **Overseas Sales** – In any case where Goods are sold CIF or on the basis of any other international trade terms contained in Incoterms (1980), such term shall apply as if expressly incorporated herein except so far as any part of the same is inconsistent with any of the provisions contained in these terms.
29. **Repairs** – Before returning Goods for repair, Customer must contact 3M in writing as required under paragraph 15. 3M will assign a Return Materials Authorization (RMA) number which must accompany the returned Goods. Goods returned for repair must be sent to 3M Company, 804 Innovation Drive, Knoxville, TN 37932, with shipping paid by the Customer and, after repair or exchange, items will be shipped to the Customer at 3M’s expense. All

repairs will be warranted for the remaining Warranty Periods set forth in paragraph 15 or ninety (90) calendar days, whichever is longer.

30. **Force Majeure** – 3M shall not be liable to the Customer for any loss or damage which may be suffered by the Customer as a direct or indirect result of 3M being prevented, hindered or delayed in the manufacture of the Goods by reason of any circumstances whatsoever outside the control of 3M including but without limit to the generality of the foregoing: any act of God, riot, strike, lock-out, trade dispute or labor disturbance, accident, breakdown of 3M facility or 3M machinery, fire, flood, difficulty in obtaining workers, materials or transport or any foreign or domestic terrorism.
31. **Proprietary Information and Copyright** – Any data supplied by 3M is for use in support of its manufactured and supplied Goods, Software and/or Services only. Reproduction or use of supplied data for any other purpose is prohibited, except with the express written permission of 3M. Any Software supplied is copyrighted. Licensee may make one copy of the 3M Software in machine-readable form solely for backup purposes.
32. **License** – 3M Software is provided under the terms of the SLA. Violation of the SLA terms immediately terminates said license.
33. **Software Updates** – 3M agrees to provide Customer, at no charge except for media, preparation and shipping charges, for a period of twelve (12) months from the date of shipment, updates to the Software made at the sole discretion of 3M. Should Customer desire to purchase Software maintenance for the next subsequent year following the initial year from the date of purchase, and thereafter on an annual basis, and if 3M is still providing maintenance, Customer may purchase the same, annually, at the existing rate.
34. **Variation of Conditions** – These terms and conditions may be varied only by written agreement of an authorized representative of 3M.
35. **Non-Assignment** – The benefit to the Customer of this contract shall not be assigned in whole or in part to any other person, company or agent except with the express prior written consent of 3M.
36. **Default and Insolvency** – Each of the following shall constitute an “Event of Default” under this Agreement:
 - a) The Customer fails to perform or observe any term, covenant or undertaking in any agreement with 3M (including failure to pay any amount due to 3M) and such default continues for seven (7) calendar days after 3M gives the Customer written or oral notice of such failure to perform.
 - b) The Customer files a voluntary petition under any bankruptcy, reorganization or insolvency law of any jurisdiction; the Customer consents to or applies for appointment of a trustee, receiver, custodian or similar official appointed to take possession of all or substantially all of the Customer’s assets and shall not be dismissed within thirty (30) days after appoint; the Customer makes any assignment for the benefit of creditors or other arrangement or composition under any laws for the benefit of insolvents; an order for relief is entered against the Customer under any bankruptcy, reorganization or insolvency law of any jurisdiction or in any case, proceeding or other action seeking such order remains undismissed for thirty (30) days after its filing; or any writ of attachment, garnishment or execution is levied against all or substantially all of the Customer’s assets; or all or substantially all of the Customer’s assets become subject to any attachment, garnishment, execution or other judicial seizure, and the same is not satisfied, removed, released or bonded within thirty (30) days after date the writ was levied or date of the attachment, garnishment, execution or other judicial seizure.
 - c) If the Customer is an individual, the death of the Customer.

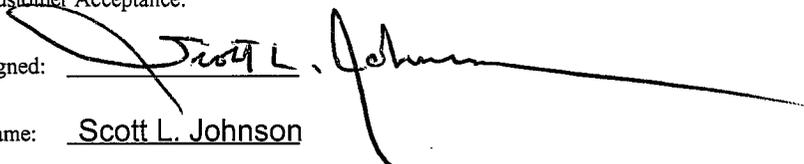
Upon the occurrence of an Event of Default:

- a) The Customer shall forthwith, upon demand, deliver to 3M any Goods which are in the possession or control of the Customer the property in which remains with 3M and, in default thereof, 3M shall be entitled to repossess the same and for such damage caused thereby and the Customer shall indemnify 3M from, and against all actions, proceedings, claims and such like arising; and;
- b) 3M shall be entitled by notice in writing to the Customer to declare that all amounts due are immediately payable (whether under this or any other contract) and all such amounts shall bear interest in accordance with paragraph 7 from date of notice until payment.
- c) 3M shall have the remedies provided under the Uniform Commercial Code of the State of Minnesota and other applicable laws of the State of Minnesota for any breach, default or nonperformance of and provision of this Agreement.

d) No right or remedy given to 3M hereunder is intended to be exclusive; each shall be cumulative and in addition to any other remedy provided herein or otherwise available at law or in equity. No failure by 3M and no delay in exercising any right shall operate as a waiver of that right. Nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise of a right, power or privilege granted hereunder or otherwise.

37. **Headings** – The headings used in these Terms and Conditions of Sale are for convenience only and shall not affect the construction thereof.
38. **Entire Contract** – This writing constitutes the entire agreement and understanding between the parties as of the date of acceptance by 3M and shall not thereafter be modified in any way except in writing by an authorized 3M representative. No waiver of these terms and conditions shall be binding upon 3M unless made in writing and signed by 3M. No conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain, or supplement these terms and conditions shall be binding unless hereafter made in writing and signed by the party to be bound, and no modification or additional terms shall be applicable to this agreement by 3M's receipt, acknowledgement or acceptance or purchase orders, shipping instruction forms, or other documentation containing terms at variance with or in addition to those set forth herein. No waiver by either party with respect to any breach or default or of any right or remedy, and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver be expressed in writing and signed by the party to be bound.
39. **United States Law** – The contract shall be governed by, construed, and interpreted in accordance with the laws of the United States of America and the State of Minnesota and, for the purpose of the determination of any dispute arising out of or in connection with the contract, the parties hereby submit to the jurisdiction of the Minnesota courts. Any controversy or claim arising out of or relating to this order shall be settled by arbitration held in Ramsey County, Minnesota, in accordance with the rules of the American Arbitration Association and judgment upon any arbitration award may be entered in any court having jurisdiction. In the event of a dispute under this contract, the prevailing party shall be entitled to recover its attorney's fees and costs from the other.

Authorized Customer Acceptance:

Signed: 
Name: Scott L. Johnson
Title: Sheriff
Date: 7/13/2015