

Master Purchase Agreement

Motorola, Inc. ("Motorola") and the State of South Dakota through the South Dakota Bureau of Information and Telecommunications ("Customer") enter into this "Agreement", pursuant to which Customer may purchase and Motorola will sell those Products and services as described below. Seller and Customer may be referred to individually as a "Party" and collectively as the "Parties."

For good and valuable consideration, the Parties agree as follows:

Section 1 EXHIBITS

The exhibits listed below are incorporated into and made a part of this Agreement. In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement takes precedence over the exhibits and any inconsistency between the exhibits will be resolved in their listed order.

Exhibit A Motorola "Software License Agreement"
Exhibit B "List of Products and Pricing" dated June 1, 2009

Section 2 DEFINITIONS

Capitalized terms used in this Agreement have the following meanings:

- 2.1. "Confidential Information" means any information that is disclosed in written, graphic, verbal, or machine-recognizable form, and is marked, designated, or identified at the time of disclosure as being confidential or its equivalent; or if the information is in verbal form, it is identified as confidential at the time of disclosure and is confirmed in writing within thirty (30) days of the disclosure. Confidential Information does not include any information that: is or becomes publicly known through no wrongful act of the receiving Party; is already known to the receiving Party without restriction when it is disclosed; is or becomes, rightfully and without breach of this Agreement, in the receiving Party's possession without any obligation restricting disclosure; is independently developed by the receiving Party without breach of this Agreement; or is explicitly approved for release by written authorization of the disclosing Party.
- 2.2. "Contract Price" means the price for the ordered Products or services, excluding any applicable sales or similar taxes and freight charges, as shown on the List of Products and Pricing, Exhibit B.
- 2.3. "Effective Date" means that date upon which the last Party executes this Agreement.
- 2.4. "Eligible Purchaser" means Customer and those other government agencies, bodies, districts, or entities described in Section 3.4 below.
- 2.5. "Equipment" means the equipment listed in the List of Products and Pricing, Exhibit B, that Customer purchases from Motorola.
- 2.6. "Force Majeure" means an event, circumstance, or act of a third party that is beyond a Party's reasonable control (e.g., an act of God, an act of the public enemy, an act of a government entity, strikes or other labor disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, and riots).
- 2.7. "Infringement Claim" means a third party claim alleging that the Equipment manufactured by Motorola or the Motorola Software infringes a United States patent or copyright.
- 2.8. "Motorola Software" means Software that Motorola or its affiliated company owns.
- 2.9. "Non-Motorola Software" means Software that another party owns.

2.10. "Open Source Software" (also called "freeware" or "shareware") means software that has its underlying source code freely available to evaluate, copy, and modify.

2.11. "Products" mean the Equipment and Software provided by Motorola under this Agreement.

2.12. "Proprietary Rights" means the patents, patent applications, inventions, copyrights, trade secrets, trademarks, trade names, mask works, know-how, and other intellectual property rights in and to the Equipment and Software, including those created or produced by Motorola under this Agreement and any corrections, bug fixes, enhancements, updates or modifications to or derivative works from the Software whether made by Motorola or another party.

2.13. "Software" means the Motorola Software and Non-Motorola Software in object code format that is furnished with the Products.

2.14. "Warranty Period" means one (1) year from the date of shipment of the Product or, for services, for one hundred twenty (120) days from the date of performance.

Section 3 SCOPE OF AGREEMENT AND TERM

3.1. SCOPE OF AGREEMENT. This Agreement is a Master Purchase Agreement, whereby during the term of this Agreement Customer has the right, but not the duty, to purchase from time to time Products and related services from Motorola's Government and Enterprise business, including parts but excluding Products and services offered by Motorola's Integrated Solutions Division. Pricing for the Products and services will be pursuant to the List of Products and Pricing, Exhibit B. Motorola will provide, ship, and install (if applicable) the Products, and perform the services and its other contractual responsibilities, all in accordance with this Agreement. Customer will perform its contractual responsibilities in accordance with this Agreement.

3.1.1. Products. Pricing for the Products is based upon Motorola's then current published list domestic prices ("DNUP") less the specified discount percentage.

3.1.2. Services. Customer may purchase engineering, project management, system technologist, or installation services at the per diem rates shown in the List of Products and Pricing, Exhibit B, (normal eight hour work day, excluding weekends and holidays) with a half-day minimum. Beginning with calendar year 2011, these per diem rates will be increased by 3% or as otherwise agreed by the Parties. This Agreement does not cover any other type of services, services related to a system sale, or maintenance and support of the Products except as provided under any applicable warranty. If Motorola deems it to be appropriate, it will prepare a statement of work to describe the particular services to be provided, a test plan, or a performance schedule. If Customer wishes to purchase a system or maintenance and support, upon Customer's request, Motorola will provide a proposal that will include a separate Communications System Agreement or Maintenance and Support Agreement, as the case may be.

3.2. MOTOROLA SOFTWARE. Any Motorola Software, including subsequent releases, is licensed to Customer solely in accordance with the Software License Agreement. Customer (and any Eligible Purchaser purchasing from this Agreement) hereby accepts and agrees to abide by all of the terms and restrictions of the Software License Agreement.

3.3. NON-MOTOROLA SOFTWARE. Any Non-Motorola Software is licensed to Customer in accordance with the standard license, terms, and restrictions of the copyright owner on the Effective Date unless the copyright owner has granted to Motorola the right to sublicense the Non-Motorola Software pursuant to the Software License Agreement, in which case it applies and the copyright owner will have all of Licensor's rights and protections under the Software License Agreement. Motorola makes no representations or warranties of any kind regarding Non-Motorola Software. Non-Motorola Software may include Open Source Software. All Open Source Software is licensed to Customer in accordance with, and Customer agrees to abide by, the provisions of the standard license of the copyright owner and not

the Software License Agreement. Upon request by Customer, Motorola will use commercially reasonable efforts to determine whether any Open Source Software will be provided under this Agreement; and if so, identify the Open Source Software and provide to Customer a copy of the applicable standard license (or specify where that license may be found); and provide to Customer a copy of the Open Source Software source code if it is publicly available without charge (although a distribution fee or a charge for related services may be applicable).

3.4. **ELIGIBLE PURCHASERS.** Customer and all of its state governmental entities, and any local governmental subdivision, district, body or agency located within South Dakota, may purchase from this Agreement. Eligible Purchasers have the same rights and responsibilities as Customer under this Agreement with respect to their purchases from this Agreement.

3.5. **EXCLUSIVE METHOD FOR PLACING ORDERS.** During the term of this Agreement, Customer (and any other Eligible Purchaser) may order Products or the services described above in Section 3.1.2, if they are then available for sale by Motorola. Each order must refer to this Agreement (Motorola Contract No. 09-16084/CB) and must specify the Product by model number, the unit price, the number of units being purchased, and the extended price; concerning services, each order must specify the type of services being purchased. Motorola will make reasonable efforts to deliver the ordered Products within eight (8) weeks from receipt of order or sooner and to perform the services in a reasonably prompt manner. Alternatively, Customer may register with and place orders through Motorola Online ("MOL"), and this Agreement will be the "Underlying Agreement" for those MOL transactions rather than the MOL On-Line Terms and Conditions of Sale. MOL registration and other information may be found at <http://www.motorola.com/businessandgovernment/> and the MOL telephone number is (800) 814-0601. The applicable provisions of this Agreement will govern the purchase and sale of the Products and services, notwithstanding any different terms and conditions contained in an order or acknowledgment of an order.

Section 4 TERM OF AGREEMENT

Unless otherwise terminated in accordance with the provisions of this Agreement or extended by mutual agreement of the Parties, the term of this Agreement begins on the Effective Date and continues until three (3) years from the Effective Date. Expiration or termination of this Agreement will not affect any warranty period that has not yet expired nor the survival of Motorola's obligations under Sections 8 and 12 of this Agreement.

Section 5 PAYMENT OF CONTRACT PRICE

5.1. **CONTRACT PRICE.** Customer will pay the Contract Price as correctly stated in an order when due in U.S. dollars.

5.2. **INVOICING AND PAYMENT.** Motorola will submit invoices to Customer for Products when they are shipped and for services, if applicable, when they are performed. Customer will make payments to Motorola within forty five (45) days after the date of each invoice. Customer will make payments when due in the form of a wire transfer, check, or cashier's check from a U.S. financial institution. Overdue invoices will bear simple interest as provided in SDCL chapter 5-26..

5.3. **FREIGHT, TITLE, AND RISK OF LOSS.** Motorola will pre-pay and add all freight charges to the invoices. Title and risk of loss to the Equipment will pass to Customer upon delivery. Title to Software will not pass to Customer at any time. Motorola will pack and ship all Equipment in accordance with good commercial practices.

5.4. **INVOICING AND SHIPPING ADDRESSES.** Invoices will be sent to the Customer at the following address:
BIT/State Radio, 1302 E Hwy 14, Pierre, SD 57501

The city which is the ultimate destination where the Equipment will be delivered to Customer is:
Pierre, SD

The Equipment will be shipped to the Customer at the following address (insert if this information is known):

BIT/State Radio Communications
1302 E Hwy 14
Pierre, SD 57501

Customer may change this information by giving written notice to Motorola. Any Eligible Purchaser other than Customer will provide in writing to Motorola the information identified in this Section 5.4 immediately upon becoming an Eligible Purchaser.

Section 6 SITES AND SITE CONDITIONS

6.1. ACCESS TO SITES. If Motorola is providing installation or other services, Customer will provide all necessary construction and building permits, licenses, and the like; and access to the work sites or vehicles as reasonably requested by Motorola so that it may perform its contractual duties.

6.2. SITE CONDITIONS. If Motorola is providing installation or other services at Customer's sites, Customer will ensure that these work sites are safe, secure, and in compliance with all applicable industry and OSHA standards. Customer will ensure that these work sites have adequate physical space; air conditioning and other environmental conditions; electrical power outlets, distribution and equipment; and telephone or other communication lines, all for the installation, use and maintenance of the Products.

Section 7 ACCEPTANCE

Acceptance of the Products will occur upon delivery to Customer unless a statement of work or acceptance test plan exists and provides for acceptance verification or testing, in which case acceptance of the Products will occur upon successful completion of the acceptance verification or testing. Notwithstanding the preceding sentence, Customer's use of the Products for their operational purposes will constitute acceptance.

Section 8 REPRESENTATIONS AND WARRANTIES

8.1. EQUIPMENT WARRANTY. During the Warranty Period, Motorola warrants that the Equipment under normal use and service will be free from material defects in materials and workmanship. Notwithstanding any provision herein, the warranties provided in Section 8 will also cover damage to the equipment which occurred during shipping that the Customer discovers and notifies Motorola within 30 day of receipt of delivery.

8.2. MOTOROLA SOFTWARE WARRANTY. Unless otherwise stated in the Software License Agreement, during the Warranty Period, Motorola warrants the Motorola Software in accordance with the terms of the Software License Agreement and the provisions of this Section that are applicable to the Motorola Software.

8.3. EXCLUSIONS TO EQUIPMENT AND MOTOROLA SOFTWARE WARRANTIES. These warranties do not apply to: (i) defects or damage resulting from: use of the Equipment or Motorola Software in other than its normal, customary, and authorized manner; accident, liquids, neglect, or acts of God; testing, maintenance, disassembly, repair, installation, alteration, modification, or adjustment not provided or authorized in writing by Motorola; Customer's failure to comply with all applicable industry and OSHA standards; (ii) breakage of or damage to antennas unless caused directly by defects in material or workmanship; (iii) Equipment that has had the serial number removed or made illegible; (iv) batteries (because they carry their own separate limited warranty) or consumables; (v) freight costs to ship Equipment to the repair depot; (vi) scratches or other cosmetic damage to Equipment surfaces that does not affect the operation of the Equipment; and (vii) normal or customary wear and tear.

8.4. **WARRANTY CLAIMS.** To assert a warranty claim, Customer must notify Motorola in writing of the claim before the expiration of the Warranty Period. Upon receipt of this notice, Motorola will investigate the warranty claim. If this investigation confirms a valid warranty claim, Motorola will (at its option and at no additional charge to Customer) repair the defective Equipment or Motorola Software, replace it with the same or equivalent product, or refund the price of the defective Equipment or Motorola Software. That action will be the full extent of Motorola's liability for the warranty claim. If this investigation indicates the warranty claim is not valid, then Motorola may invoice Customer for responding to the claim on a time and materials basis using Motorola's then current labor rates. Repaired or replaced product is warranted for the balance of the original applicable Warranty Period. All replaced products or parts will become the property of Motorola.

8.5. **SERVICES WARRANTY.** During the Warranty Period, Motorola warrants that the services have been performed in a good and workmanlike manner. Customer's exclusive remedy for a breach of this services warranty is, at Motorola's option, to re-perform the services at no cost to the Customer or refund the Contract Price of the services that were not performed in a good and workmanlike manner.

8.6. **ORIGINAL END USER IS COVERED.** These express limited warranties are extended by Motorola to the original user purchasing the Products or services for commercial, industrial, or governmental use only, and are not assignable or transferable without prior consent of Motorola.

8.7. **DISCLAIMER OF OTHER WARRANTIES.** THESE WARRANTIES ARE THE COMPLETE WARRANTIES FOR THE EQUIPMENT, MOTOROLA SOFTWARE, AND SERVICES PROVIDED UNDER THIS AGREEMENT AND ARE GIVEN IN LIEU OF ALL OTHER WARRANTIES. MOTOROLA DISCLAIMS ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Section 9 DELAYS

Neither Party will be liable for its non-performance or delayed performance if caused by a Force Majeure. Each Party will notify the other if it becomes aware of any Force Majeure that will significantly delay performance. The notifying Party will give the notice promptly (but in no event later than fifteen (15) days) after it discovers the Force Majeure. If a Force Majeure occurs, the Parties will execute a change order to extend the performance schedule for a time period that is reasonable under the circumstances.

Section 10 DISPUTES

The Parties will use the following procedure to address any dispute arising under this Agreement (a "Dispute").

10.1. **GOVERNING LAW.** This Agreement will be governed by and construed in accordance with the laws of the State of South Dakota.

10.2. **NEGOTIATION.** Either Party may initiate the Dispute resolution procedures by sending a notice of Dispute ("Notice of Dispute"). The Parties will attempt to resolve the Dispute promptly through good faith negotiations including 1) timely escalation of the Dispute to executives who have authority to settle the Dispute and who are at a higher level of management than the persons with direct responsibility for the matter and 2) direct communication between the executives. If the Dispute has not been resolved within ten (10) days from the Notice of Dispute, the Parties will proceed to non-binding mediation.

10.3. **MEDIATION.** The Parties will choose an independent mediator within thirty (30) days of a notice to mediate from either Party ("Notice of Mediation"). Neither Party may unreasonably withhold consent to the selection of a mediator. If the Parties are unable to agree upon a mediator, either Party may request that American Arbitration Association nominate a mediator. Each Party will bear its own costs of mediation, but the Parties will share the cost of the mediator equally. Each Party will participate in the

mediation in good faith and will be represented at the mediation by a business executive with authority to settle the Dispute.

10.4. LITIGATION, VENUE and JURISDICTION. If a Dispute remains unresolved for sixty (60) days after receipt of the Notice of Mediation, either Party may then submit the Dispute to the state court identified herein. Any lawsuit pertaining to or affecting this Agreement shall be venued in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota. Each Party irrevocably agrees to submit to the exclusive jurisdiction of the courts in over any claim or matter arising under or in connection with this Agreement.

10.5. CONFIDENTIALITY. All communications pursuant to subsections 10.2 and 10.3 will be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any additional confidentiality protections provided by applicable law. The use of these Dispute resolution procedures will not be construed under the doctrines of laches, waiver or estoppel to affect adversely the rights of either Party.

Section 11 DEFAULT AND TERMINATION

If either Party fails to perform a material obligation under this Agreement, the other Party may consider the non-performing Party to be in default (unless a Force Majeure causes the failure) and may assert a default claim by giving the non-performing Party a written and detailed notice of the default. Except for a default by Customer for failing to pay any amount when due under this Agreement which must be cured immediately, the defaulting Party will have thirty (30) days after receipt of the notice of default to either cure the default or, if the default is not curable within thirty (30) days, provide a written cure plan. The defaulting Party will begin implementing the cure plan immediately after receipt of notice by the other Party that it approves the plan. If Customer is the defaulting Party, Motorola may stop work on the project until it approves the Customer's cure plan. If the non-performing Party fails to cure the default, the performing Party may terminate any unfulfilled portion of this Agreement and recover damages as permitted by law and this Agreement.

Further, this Agreement depends upon the continued availability of appropriated funds and expenditure authority from the South Dakota Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement may be terminated by the Customer.

Termination for any of these reasons is not a default or breach by the Customer. To exercise this right, Customer must provide to Motorola formal written notice at least thirty (30) days in advance of the effective date of the termination. If Customer exercises this right to terminate for convenience, it will be liable to pay Motorola for (1) the portion of the Contract Price attributable to the Equipment and/or Software delivered, and all services performed, on or before the effective date of the termination. If the portion of the Contract Price and/or the recoverable costs and expenses attributable to the termination of the Agreement are not readily ascertainable, Customer will be liable to pay Motorola for the reasonable value of such Equipment, Software, services, costs and expenses. Notwithstanding the above, Customer shall have no right to terminate this Agreement if Motorola has given Customer a notice of default and such default has not been cured. ,

Section 12 INDEMNIFICATION

12.1. GENERAL INDEMNITY BY MOTOROLA. Motorola will indemnify and hold Customer harmless from any and all liability, cost and expense, reasonable attorney fees, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Customer to the extent it is caused by the willful misconduct or negligence of Motorola, its subcontractors, or their employees or agents, while performing their duties under this Agreement, if Customer gives Motorola prompt, written notice of any the claim or suit. Customer will cooperate with Motorola in its defense or settlement of the claim or suit. This section sets forth the full extent of Motorola's general

indemnification of Customer from liabilities that are in any way related to Motorola's performance under this Agreement.

12.2. PATENT AND COPYRIGHT INFRINGEMENT.

12.2.1. Motorola will defend at its expense any suit brought against Customer to the extent it is based on a third-party claim alleging that the Equipment manufactured by Motorola or the Motorola Software ("Product") directly infringes a United States patent or copyright ("Infringement Claim"). Motorola's duties to defend and indemnify are conditioned upon: Customer promptly notifying Motorola in writing of the Infringement Claim; Motorola having sole control of the defense of the suit and all negotiations for its settlement or compromise; and Customer providing to Motorola cooperation and, if requested by Motorola, reasonable assistance in the defense of the Infringement Claim. In addition to Motorola's obligation to defend, and subject to the same conditions, Motorola will pay all damages, costs and expenses, including reasonable attorney fees finally awarded against Customer by a court of competent jurisdiction for an Infringement Claim or agreed to, in writing, by Motorola in settlement of an Infringement Claim. Finally, Motorola will indemnify Customer for all reasonable costs and expenses incurred as the result of an Infringement Claim covered by Section 12.

12.2.2. If an Infringement Claim occurs, or in Motorola's opinion is likely to occur, Motorola may at its option and expense: (a) procure for Customer the right to continue using the Product; (b) replace or modify the Product so that it becomes non-infringing while providing functionally equivalent performance; or (c) accept the return of the Product and grant Customer a credit for the Product, less a reasonable charge for depreciation. The depreciation amount will be calculated based upon generally accepted accounting standards.

12.2.3. Motorola will have no duty to defend or indemnify for any Infringement Claim that is based upon: (a) the combination of the Product with any software, apparatus or device not furnished by Motorola; (b) the use of ancillary equipment or software not furnished by Motorola and that is attached to or used in connection with the Product; (c) Product designed or manufactured in accordance with Customer's designs, specifications, guidelines or instructions, if the alleged infringement would not have occurred without such designs, specifications, guidelines or instructions; (d) a modification of the Product by a party other than Motorola; (e) use of the Product in a manner for which the Product was not designed or that is inconsistent with the terms of this Agreement; or (f) the failure by Customer to install an enhancement release to the Motorola Software that is intended to correct the claimed infringement

12.2.4. This Section 12 provides Customer's sole and exclusive remedies and Motorola's entire liability in the event of an Infringement Claim. Customer has no right to recover and Motorola has no obligation to provide any other or further remedies, whether under another provision of this Agreement or any other legal theory or principle, in connection with an Infringement Claim.

Section 13 LIMITATION OF LIABILITY

Except for personal injury, death, or direct damage to tangible property, Motorola's total liability, whether for breach of contract, warranty, negligence, strict liability in tort, indemnification other than that provided in Section 12, or otherwise, will be limited to the direct damages recoverable under law, but not to exceed the price of the Equipment, Software, or services with respect to which losses or damages are claimed. **ALTHOUGH THE PARTIES ACKNOWLEDGE THE POSSIBILITY OF SUCH LOSSES OR DAMAGES, THEY AGREE THAT MOTOROLA WILL NOT BE LIABLE FOR ANY COMMERCIAL LOSS; INCONVENIENCE; LOSS OF USE, TIME, DATA, GOOD WILL, REVENUES, PROFITS OR SAVINGS; OR OTHER SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES IN ANY WAY RELATED TO OR ARISING FROM THIS AGREEMENT, THE SALE OR USE OF THE EQUIPMENT OR SOFTWARE, OR THE PERFORMANCE OF SERVICES BY MOTOROLA PURSUANT TO THIS AGREEMENT.** This limitation of liability provision will survive the expiration or termination of this Agreement and applies notwithstanding any contrary provision.

Section 14 CONFIDENTIALITY AND PROPRIETARY RIGHTS

14.1. **CONFIDENTIAL INFORMATION.** During the term of this Agreement, the Parties may provide each other with Confidential Information. Each Party will: maintain the confidentiality of the other Party's Confidential Information and not disclose it to any third party, except as authorized by the disclosing Party in writing or as required by a court of competent jurisdiction; restrict disclosure of Confidential Information to its employees who have a "need to know" and not copy or reproduce the Confidential Information; take necessary and appropriate precautions to guard the confidentiality of Confidential Information, including informing its employees who handle the Confidential Information that it is confidential and not to be disclosed to others, but those precautions will be at least the same degree of care that the receiving Party applies to its own confidential information and will not be less than reasonable care; and use the Confidential Information only in furtherance of the performance of this Agreement. Confidential Information is and will at all times remain the property of the disclosing Party, and no grant of any proprietary rights in the Confidential Information is given or intended, including any express or implied license, other than the limited right of the recipient to use the Confidential Information in the manner and to the extent permitted by this Agreement. Notwithstanding the above, Motorola acknowledges that Customer is a governmental entity that is required to comply with applicable state open records laws and that Customer's compliance with these open records provisions does not constitute a breach or a default of this Agreement.

14.2. **PRESERVATION OF MOTOROLA'S PROPRIETARY RIGHTS.** Motorola, the third party manufacturer of any Equipment, and the copyright owner of any Non-Motorola Software own and retain all of their respective Proprietary Rights in the Equipment and Software, and nothing in this Agreement is intended to restrict their Proprietary Rights. All intellectual property developed, originated, or prepared by Motorola in connection with providing to Customer the Equipment, Software, or related services remain vested exclusively in Motorola, and this Agreement does not grant to Customer any shared development rights of intellectual property. Except as explicitly provided in the Software License Agreement, Motorola does not grant to Customer, either directly or by implication, estoppel, or otherwise, any right, title or interest in Motorola's Proprietary Rights. Customer will not modify, disassemble, peel components, decompile, otherwise reverse engineer or attempt to reverse engineer, derive source code or create derivative works from, adapt, translate, merge with other software, reproduce, or export the Software, or permit or encourage any third party to do so. The preceding sentence does not apply to Open Source Software which is governed by the standard license of the copyright owner.

Section 15 GENERAL

15.1. **TAXES.** The Contract Price does not include any excise, sales, lease, use, property, or other taxes, assessments or duties, all of which will be paid by Customer except as exempt by law. If Motorola is required to pay any of these taxes, Motorola will send an invoice to Customer and Customer will pay to Motorola the amount of the taxes (including applicable interest and penalties) within twenty (20) days after the date of the invoice. Customer will be solely responsible for reporting the Equipment for personal property tax purposes, and Motorola will be solely responsible for reporting taxes on its income or net worth.

15.2. **ASSIGNABILITY AND SUBCONTRACTING.** Neither Party may assign this Agreement without the prior written consent of the other Party, except that Motorola may assign this Agreement to any of its affiliates or its right to receive payment without the prior consent of Customer. Motorola may subcontract any of the work, but subcontracting will not relieve Motorola of its duties under this Agreement.

15.3 **WAIVER.** Failure or delay by either Party to exercise a right or power under this Agreement will not be a waiver of the right or power. For a waiver of a right or power to be effective, it must be in a writing signed by the waiving Party. An effective waiver of a right or power will not be construed as either a future or continuing waiver of that same right or power, or the waiver of any other right or power.

15.4. **SEVERABILITY.** If a court of competent jurisdiction renders any part of this Agreement invalid or unenforceable, that part will be severed and the remainder of this Agreement will continue in full force and effect.

15.5. **INDEPENDENT CONTRACTORS.** Each Party will perform its duties under this Agreement only as an independent contractor. The Parties and their personnel will not be considered to be employees or agents of the other Party. Nothing in this Agreement will be interpreted as granting either Party the right or authority to make commitments for the other. This Agreement will not constitute, create, or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.

15.6. **HEADINGS AND SECTION REFERENCES; CONSTRUCTION.** The section headings in this Agreement are inserted only for convenience and are not to be construed as part of this Agreement or as a limitation of the scope of the particular section to which the heading refers. This Agreement will be fairly interpreted in accordance with its terms and conditions and not for or against either Party.

15.7. **GOVERNING LAW.** This Agreement and the rights and duties of the Parties will be governed by and interpreted in accordance with the laws of the State of South Dakota.

15.8. **ENTIRE AGREEMENT.** This Agreement, including all Exhibits, constitutes the entire agreement of the Parties regarding the subject matter of the Agreement and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to this subject matter. This Agreement may be amended or modified only by a written instrument signed by authorized representatives of both Parties. The preprinted terms and conditions found on any Customer purchase order, acknowledgment or other form will not be considered an amendment or modification of this Agreement, even if a representative of each Party signs that document.

15.9. **NOTICES.** Notices required under this Agreement to be given by one Party to the other must be in writing and either delivered personally or sent to the address shown below by certified mail, return receipt requested and postage prepaid (or by a recognized courier service, such as Federal Express, UPS, or DHL), or by facsimile with correct answerback received, and will be effective upon receipt:

Customer
Attn: Jeffrey Pierce
910 E Sioux
Pierre, SD 57501
fax: (605)773-3741

Motorola, Inc.
Attn: Christine Binotti
1301 E. Algonquin Rd.
Schaumburg, IL 60196
fax: (847) 576-0721

15.10. **COMPLIANCE WITH APPLICABLE LAWS.** Each Party will comply with all applicable federal, state, and local laws, regulations and rules concerning the performance of this Agreement or use of the System. Customer will obtain and comply with all Federal Communications Commission ("FCC") licenses and authorizations required for the installation, operation and use of the Products before the scheduled installation of the Equipment.


15.11. **AUTHORITY TO EXECUTE AGREEMENT.** Each Party represents that it has obtained all necessary approvals, consents and authorizations to enter into this Agreement and to perform its duties under this Agreement; the person executing this Agreement on its behalf has the authority to do so; upon execution and delivery of this Agreement by the Parties, it is a valid and binding contract, enforceable in accordance with its terms; and the execution, delivery, and performance of this Agreement does not violate any bylaw, charter, regulation, law or any other governing authority of the Party.

15.12. **SURVIVAL OF TERMS.** In addition to the provisions set forth above that specify continuance or survival beyond expiration or termination,, the following provisions survive the expiration or termination of this Agreement for any reason: Section 3.2 (Motorola Software), Section 3.3 (Non-Motorola Software); if any payment obligations exist, Sections 5.1 and 5.2 (Contract Price, and Invoicing and Payment); Subsection 9.7 (Disclaimer of Implied Warranties); Section 10 (Disputes); Section 12.2 (Patent and Copyright Infringement Indemnification); Section 13 (Limitation of Liability); Section 14 (Confidentiality and Proprietary Rights); and all of the General terms in this Section 15.

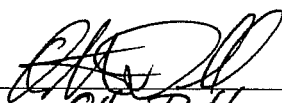
15.13. INSURANCE. Motorola maintains and will maintain during the term of this Agreement the following: General and Products Liability in the general aggregate amount of \$5,000,000 (combined single limit for bodily injury and property damage); automobile liability in the amount of \$5,000,000 (aggregate and per occurrence, combined single limit); statutory workers' compensation; and employer liability in the amount of \$1,000,000. Upon written request from Customer, Motorola will provide an industry standard certificate of insurance.

The Parties hereby enter into this Agreement as of the Effective Date.

Motorola, Inc.

By: 
Name: John P Mollony
Title: USJ VP
Date: June 5, 2009

**Customer: State of South Dakota
SD Bureau of Information & Telecommunications**

By: 
Name: Otto Dell
Title: BIS Commissioner
Date: 6-30-09

Customer: State of South Dakota

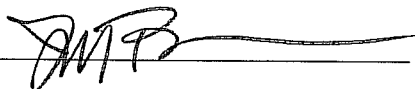
By: 
Name: _____
Title: BOA Commissioner
Date: 6/24/09

EXHIBIT 'B'
SOUTH DAKOTA STATE CONTRACT

SECTION	SECTION TITLE	PRODUCT	DISCOUNT	APC CODE
1.0	MOBILE STATIONS	ASTRO SPECTRA SERIES	25%	412/494
		EXPRESS SERVICE PLUS OPTIONS ARE AT 0%		
		ASTRO SPECTRA CONSOLETTA SERIES	25%	374/761
		ASTRO SPECTRA PLUS SERIES	25%	526
		ASTRO XTL SERIES MOBILES	20%	500
		ASTRO XTL CONSOLETTA	20%	276
		MCS2000 SERIES MOBILES	25%	623/722
		VRS 750 VEHICULAR REPEATER	25%	287
		FUTURECOM VEHICULAR REPEATER	5%	207
		PDR 3500 PORTABLE REPEATER	10%	570
		MARATRAC	25%	776
		CDM SERIES MOBILES	25%	103/109/792
		PM and CM SERIES MOBILES	20%	019
		ACCESSORIES / KITS	15%	476
		GTX MOBILE	15%	867
1.1	MOBILE ACCESSORIES	PARTS ANTENNAS	15%	644/291/554
2.0	FIXED STATIONS	MTR2000	18%	512
		CDR500/700 REPEATERS	20%	793/794
		STR 3000	20%	595
		QUANTAR	18%	675/676/509/448/482
2.2	FIXED STATION ACCY	ENTIRE SECTION	9%	207
2.3	FIXED STATION CONTROLS			
		PLANT EQUIPMENT E911 SYSTEMS	5%	118
		COMMANDSTAR SERIES	9%	124
		MC SERIES REMOTE DESK SETS	9%	124
		HEADSETS	9%	129
		CENTRACOM II	24%	202/302/228/328/244/344
		CCII ACCESSORIES (DROP SHIP)	9%	229
		CENTRACOM GOLD ELECTRONICS	20%	404/504
		MCC 5500 SERIES DISPATCH CONSOLE	9%	322
		COMPUTERS	9%	708
2.4	INTEROPERABILITY EQUIPMENT			
		SSRN	5%	524
		ACU-1000	9%	207
2.5	ANTENNA SYSTEMS	SITE EQUIPMENT	9%	207
2.7	RECEIVERS	SPECTRA TAC COMPARATOR	10%	273
		QUANTAR/ASTRO RECEIVERS	18%	743/509
		MTR RECEIVERS	18%	512
3.0	PORTABLES	ASTRO DIGITAL XTS 5000, XTS 2500	25%	620/326/205/721
		EXPRESS SERVICE PLUS OPTIONS ARE AT 0%		
		ASTRO DIGITAL XTS 1500	20%	687
		MT1500	20%	687
		MTX PRIVACY PLUS	25%	921
		MTS2000	25%	432/466
		HT/JT/MT/MTS ACCESSORIES	15%	402/476
		DROPSHIP ACCESSORIES (ALL MODELS)	9%	129
		HT750/1250 SERIES	25%	672/749
		EX500/EX600 SERIES	25%	004
		CP 150, CP 200	25%	018
		CT SERIES	25%	422
		"REPLACEMENT BATTERY" PAGE	0%	
4.0	RADIO PAGERS	MINITOR IV	SEE TABLE	839
		LS SERIES	SEE TABLE	183/169

EXHIBIT 'B'
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		ADVISOR II	SEE TABLE	169
5.0	SECURE SOLUTIONS	ENTIRE SECTION	10%	
6.2	TRUNKED INFRASTRUCTURE	MTC SERIES CONTROLLERS	20%	377
		MBX, DTI 1000 INTERCONNECT	15%	152/131
		SITE LENS MANAGEMENT SOFTWARE	15%	647
		ZONE CONTROLLERS	15%	280/281
		ZONE CONTROLLER UPGRADES	10%	877
7.0	FLASHPORT SOFTWARE UPGRADES	ENTIRE SECTION	0%	823/430/332/729/195
13.0	DATA COMMUNICATIONS	MOSCAD RTU	10%	214/275
		MOSCAD CENTRAL SOFTWARE / CANOPY	5%	342/117
		RADIO NETWORK CONTROLLERS	5%	403
		VRM & PRM SERIES RADIO MODEMS	10%	508/855
		MW SERIES MOBILE DATA WORKSTATIONS	10%	736
		QUANTAR DATA STATION	18%	680/509
		MW300 TERMINALS	10%	350
		ML SERIES LAPTOP COMPUTERS	15%	343
		NETWORKING PRODUCTS	5%	147/131
		PRINTRAK RECORDS MANAGEMENT	0%	279
		PRINTRAK CAD	0%	333
		PRINTRAK CORRECTIONS MANAGEMENT	0%	330
		PRINTRAK IDENTIFICATION	0%	339
		SCA	5%	879
		MDS DATA RADIOS	5%	117
		MOBILE VIDEO ENFORCER	10%	171
18.0	SINGLE SIDEBAND	MICOM SERIES	18%	501
		SSB SYSTEMS ACCESSORIES	9%	207/212/282/555
	OTHER RADIUS	P1225 PORTABLE	25%	475
		GR SERIES REPEATER	25%	780
		M1225 MOBILE	25%	869
		RADIUS MOBILE & PORTABLE ACCESSORIES	15%	
Product categories not specifically identified within this listing shall be at 10% discount for Motorola-manufactured products and 9% for non-Motorola manufactured products (drop-ship). <i>includes encryption</i>				