

Assessor's Parcel Number: N/A

Date: NOVEMBER 10, 2008

Recording Requested By:

Name: LINDA DEACY, LIBRARY

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Real Property Transfer Tax: \$ N/A

Douglas County - NV  
Karen Ellison - Recorder  
Page: 1 Of 26 Fee: 0.00  
BK-1108 PG- 2460 RPTT: 0.00



CONTRACT #2008.249  
(Title of Document)

# POLARIS<sup>®</sup>

## Integrated Library System

### CONTRACT

OCTOBER 14, 2008

**Douglas County Public Library,  
Minden, Nevada**

Polaris Library Systems  
PO BOX 4903 • SYRACUSE, NY 13221-4903  
1-800-272-3414 • FAX 1-315-457-5883 •  
<http://www.polarislibrary.com>

*Ted Jhran*

TED JHRAN  
CLERK

2008 NOV 10 AM 9:06

NO. 2008-249

FILED



THIS AGREEMENT, is made between GIS Information Systems., Inc. doing business as Polaris Library Systems (a qualified Subchapter S subsidiary of The Croydon Company, Inc.,) a corporation organized under the laws of the State of New York, with its principal place of business at 103 Commerce Boulevard, Liverpool, New York (herein after referred to as "Polaris"), and the Douglas County Public Library, 1625 Library Lane, Minden, NV 89423 (hereinafter referred to as "LIBRARY").

WITNESSETH:

WHEREAS, Polaris has developed a computerized system (hereinafter referred to as "Polaris ILS"®) consisting of hardware and software and related services, and the LIBRARY intends to purchase and/or license such hardware, software and related services at its location(s);

NOW, THEREFORE the parties mutually agree as follows:

1. **Definitions**

- 1.1. "Hardware" and "System Software" is defined as those items so listed under Schedule C herein.
- 1.2. "Software" is defined as the integrated library system computer programs that are proprietary to Polaris, including, but not limited to, (a) the integrated library system software in the system server(s), and (b) the client software resident in the workstation(s). The Software is listed in Schedule D and includes all corrections, modifications and updates thereof.
- 1.3. "Software Materials" is defined as any machine readable or printed material, including but not limited to documentation stored on CD, On-Line Help files and hard-copy guides, which are designated by Polaris as available under license to libraries who have licensed the program to which those materials relate.
- 1.4. "Services" is defined as all services provided by Polaris, including but not limited to Data Migration, Installation and Training, as identified in the Schedules attached herein.
- 1.5. "Operational Date" is defined as the day on which Polaris and the LIBRARY mutually declare in writing operation of the Hardware and use of the Software, as purchased under this Agreement, to be available to the LIBRARY.
- 1.6. "System" is defined as the total complement of Hardware, System Software and Software as sold to the LIBRARY by Polaris under this Agreement and which is installed at the LIBRARY location(s) noted herein. For the purposes of this Agreement, components supplied by any party other than Polaris shall not be considered as part of the "System".
- 1.7. "Third Party Software" means the object code of the software, including Software Materials and updates, that is owned by an entity other than Polaris and which is sublicensed by Polaris to the LIBRARY pursuant to the conditions of this Agreement.

2. **Furnishing of Deliverables**

Based on the statistics in Schedule A, which the LIBRARY agrees are reasonably correct as of the date of this Agreement, and subject to any special conditions appended in Schedule I, Additional Considerations, Polaris will provide deliverables detailed in the following Schedules at the fees indicated in said Schedules:

- |             |   |
|-------------|---|
| Schedule B: | Database Services                       |
| Schedule C: | Hardware and System Software            |
| Schedule D: | Polaris ILS Software Licenses           |
| Schedule E: | Services                                |
| Schedule F: | Hardware Maintenance                    |
| Schedule G: | Software Maintenance and System Support |

Schedule H: Payment Schedule  
Schedule I: Additional Considerations

**3. Installation Schedule**

3.1. Following the signing of this Agreement, the LIBRARY and Polaris will develop a mutually agreeable Implementation Plan which shall include, but not be limited to, identification of all required tasks, a timeline of all required tasks, an indication of which party is responsible for completion of each task, and expected duration of each task. Upon completion of installation and implementation, both parties shall mutually agree to an Operational Date pursuant to Article 1.5. herein.

**4. Term and Termination**

4.1. This Agreement is effective upon final signature and for an initial term ending one year from the Operational Date. It shall then be renewed automatically for one-year periods unless the LIBRARY notifies Polaris of its intention not to renew at least ninety (90) days prior to the expiration of the original or any extended term.

4.2. If either party is considered to be in material breach of any of the terms and conditions of this Agreement, the aggrieved party shall give written notice thereof, including a reasonably detailed statement of the nature of such alleged breach, to the other party. The party considered to be in breach of this Agreement will have thirty (30) days after notice is received to cure such breach, or, if the breach cannot reasonably be cured within thirty (30) days, the party shall provide a written estimate of the time needed to cure such breach, shall commence to cure such breach within ten (10) days of notice from the aggrieved party and shall diligently continue to prosecute such cure to completion. If the party considered to be in breach fails to cure, commence to cure in timely manner, or diligently prosecute such cure to completion, the aggrieved party, at its option, shall be entitled to terminate this Agreement or suspend its performance under the Agreement for as long as the breach remains uncorrected, and avail itself of any and all remedies available under this Agreement, at law or in equity.

4.3. In the event either party becomes insolvent or voluntarily or involuntarily bankrupt or a receiver, assignee or other liquidating officer is appointed for all or substantially all of the business of either party, or if either party makes an assignment for the benefit of creditors, then the other party, at its option may immediately terminate this Agreement by notice to the offending party to that effect. In no event shall this Agreement be assigned or assignable by operation of law or by voluntary or involuntary bankruptcy proceedings or otherwise, and any such assignment or attempted assignment shall be void and in no event shall this Agreement or any rights or privileges hereunder be an asset of either party under any bankruptcy, insolvency or reorganization proceedings.

4.4. Subject to the conditions of Article 4.2, if this Agreement is suspended or terminated by the LIBRARY, whether for cause or convenience, then, effective upon the date of suspension or termination, the LIBRARY shall be relieved of further payment obligations, and shall be liable for payment only for those goods and Services satisfactorily received prior to the date of suspension or termination. If the Agreement is terminated, any pre-paid maintenance fees shall be refunded to the LIBRARY to the date of termination on a pro-rated basis. If the Agreement is mutually reinstated, then the LIBRARY shall reassume its payment obligations.

**5. Return or Destruction of Licensed Software**

If this Agreement is terminated, whether for cause or convenience, and the right to continued use of the Software and Software Materials under the conditions set forth herein is withdrawn, then all Software and Software Materials must be returned to Polaris, or if so requested in writing by Polaris, destroyed. Within one (1) month after the date of cessation or termination of any license granted hereunder, the LIBRARY will furnish to Polaris if requested, a certification that through the LIBRARY's best efforts and to the best of the LIBRARY's knowledge, the original and all copies of the Software and Software Materials received from Polaris or made in connection with such license have been returned or destroyed. This requirement will apply to all copies in any form, including translations, whether partial or complete, and

BK- 1108  
PG- 2463  
0732992 Page: 4 of 26 11/13/2008

whether or not modified or merged into other Software Materials as authorized herein.

**6. Payment**

- 6.1. Fees enumerated in Schedules B through G are summarized in Schedule H herein. Unless specified elsewhere in this Agreement, unit costs for Polaris Software and Services will be held at the quoted rate(s) for 1 year from the execution of this Agreement. Costs for additional third party software, hardware and services are subject to change and will be quoted at the then current rate.
- 6.2. Payment for all deliverables shall be made in accordance with the terms set forth in Schedule H herein.
- 6.3. Payment in full on all invoices is due according to the terms of this contract or within 30 days of the invoice date, whichever date is later. Within twenty (20) days of receipt of the invoice, the LIBRARY may serve Polaris with written notice disputing any charge. If the dispute is not resolved within twenty-five (25) days of receipt of said written notice, then either party may file for arbitration.
- 6.4. In the event that payment is not made in full according to the specified terms, a service charge will be added to the undisputed balance after deducting all payments and credits. For any payment considered past due and undisputed by the LIBRARY, the LIBRARY agrees to pay interest at 1% per month (effective annual rate of 12%) on the unpaid balance or the highest rate permitted by law, whichever is less.
- 6.5. If failure to pay according to the terms of this Agreement causes this account to be assigned for collection, or causes legal action to be taken, the LIBRARY agrees to pay all costs of collection incurred by Polaris, including court costs and reasonable attorney fees, if the LIBRARY is found to be at fault.
- 6.6. In the event the Operational Date is other than the first day of the month, maintenance and subscription service fees will be pro-rated accordingly.
  - Subscription service fees are subject to change annually, such change commencing one (1) year from the Operational Date and effective upon one hundred and twenty (120) days written notice to the LIBRARY.
  - Maintenance fees are subject to change annually, such change commencing two (2) years from the Operational Date and effective upon one hundred and twenty (120) days written notice to the LIBRARY.

If the charge for any service provided under this Agreement is increased by Polaris, the LIBRARY may, with ninety (90) days prior written notice, terminate this agreement upon the effective date of such increase. Otherwise the new charges will become effective upon the date specified in the notice.

- 6.7. Polaris reserves the right to offer new goods and/or services at any time during the initial or extended term of this Agreement. Where such goods and/or services involve a one-time and/or an ongoing fee, Polaris shall provide the LIBRARY with ninety (90) days written notice of any such offer.

**7. Licenses**

- 7.1 Polaris and the LIBRARY agree that the following terms and conditions will apply to any LIBRARY order for Polaris licensed Software programs, Third Party Software and Software Materials that is accepted by Polaris. Polaris will (1) furnish such licensed Software, Third Party Software and Software Materials to the LIBRARY; (2) grant to the LIBRARY a non-transferable, non-exclusive, and non-sublicenseable license to use the Software, Third Party Software and Software Materials; (3) provide Software Service and maintenance, as described herein.
- 7.2. Each license granted under this Agreement authorizes use of the licensed Software, Third Party Software and Software Materials by the LIBRARY(s) specified herein. The LIBRARY may not rent or lease the Software and/or Third Party Software to any other entity, or use the Software and/or Third Party Software as part of a commercial time-sharing, subscription bureau or service bureau operation.
- 7.3. All licensed Software and/or Third Party Software, including any subsequent updates purchased and any

BK- 1108  
PG- 2464  
0732992 Page: 5 Of 26 11/13/2008

part thereof, may only be used on the system server(s) or Hardware configuration purchased from, or authorized by, Polaris, and in such quantities as may be determined under Schedule D herein. Polaris ILS server Software may be run on one Production server and on one or more Training servers. The Client Software is for the use of the LIBRARY with no implied rights to distribute beyond reasonable use for LIBRARY functions. Following Polaris' written authorization, all licensed Software and Third Party Software may be copied, in whole or in part, only for use on the system server(s) or specified Hardware configuration.

- 7.4. No title to or ownership of the Software, Third Party Software or Software Materials is transferred to the LIBRARY, and they remain the proprietary property of Polaris.
- 7.5. The LIBRARY shall not allow the Software, Third Party Software or any portion thereof to be reverse compiled, disassembled, or in any way altered. The LIBRARY shall not modify any licensed Software or Third Party Software in machine-readable form nor merge such Software or Third Party Software with other software programs. The LIBRARY may customize Software Materials and on-line help files, but Polaris disclaims any responsibility for their maintenance.
- 7.6. The LIBRARY must notify Polaris of the LIBRARY's intention to change the designation of the location at which licensed Software is to be used. The change of designation will be effective upon the date set forth in the notice confirming the change in designated location furnished to the LIBRARY by Polaris.
- 7.7. Polaris may terminate all proprietary licenses granted hereunder and require return of the Software, Third Party Software and Software Materials upon written notice to the LIBRARY if the LIBRARY fails to comply with these terms and conditions.

**8. The LIBRARY's Responsibilities**

- 8.1. The LIBRARY will pay shipping charges for all Hardware.
- 8.2. The LIBRARY acknowledges the network and workstation requirements set forth under Section 2, Schedule I herein, and will assume responsibility for purchasing, installing, configuring and maintaining all other hardware components necessary, including but not limited to:
  - Backup Tapes
  - Backup Tape Drive
  - Veritas Backup Software
  - Domain Controller
  - network components,
  - PC Workstations,
  - Scanners,
  - Printers,
  - Uninterruptible Power Supplies,
  - cables,

except where such components are sold by Polaris as a part of this Agreement. The LIBRARY will also assume responsibility for determining, in consultation with Polaris, the viability of existing hardware components in conjunction with the System.

- 8.3. The LIBRARY will provide a staff member as system administrator. If appropriate, based on the size and complexity of the system, a second staff member should be designated as PC/network administrator. Experience with Windows Server 2003/2008 and SQL is an advantage but not a requirement. The following are areas in which the staff member (s) will be expected to be knowledgeable:
  - Installation, booting and basic troubleshooting of Windows 2003/2008
  - Fault tolerance and backup/recovery
  - Security, user/group management
  - Server management, licensing, registry management, remote access
  - Network configuration/management in a TCP/IP environment (WINS,DNS,DHCP)

- Server-based tools for Win9x and NTWS
- Network Client Administration

At a minimum, the LIBRARY shall designate these two (2) key personnel for special training (System Administration) in the use of the System. Should either assignment change, the LIBRARY shall promptly inform Polaris. Training will be scheduled as mutually agreed by both parties. The key personnel shall be Polaris' sole point(s) of contact with the LIBRARY following execution of this Agreement.

- 8.4. The LIBRARY will accept responsibility for all server operations, including, but not limited to, regularly scheduled backups, server configuration updates, system software upgrades subject to Polaris' agreement, installation and maintenance of current service packs and security patches, Software updates pursuant to Article 8.6., and all costs associated with said requirements. Polaris assumes no liability for data loss and/or unsatisfactory system performance as a direct result of the failure of the LIBRARY to administer the server operations noted above. Failure by the LIBRARY to administer said server operations may result in written notice from Polaris to limit, or withhold, its maintenance Services if, following a thirty (30) day cure period, the LIBRARY, in Polaris' reasonable opinion, is unable to provide a satisfactory performance level for server operations. Written notice shall identify all alleged deficiencies in server operations. Polaris shall resume its maintenance service when, in Polaris' reasonable opinion, server operations are resumed to a satisfactory performance level. Polaris' approval will not unreasonably be withheld.
- 8.5. The LIBRARY will provide Polaris with reliable and immediate remote access to the Polaris ILS. This access must be sufficient, in Polaris' sole opinion, to satisfy the implementation and on-going performance requirements and warranties set forth under this Agreement. At its sole discretion, the LIBRARY may provide Polaris with access to third party hardware components in the event one or more of those components adversely affect the performance of the Polaris ILS. Access should be provided via the Internet through Port 3389 on the LIBRARY's firewall. Failure by the LIBRARY to provide minimal access via the Internet may result in unresolved performance issues and may void Polaris' obligations with respect to on-going performance requirements and warranties. The LIBRARY's failure in this regard should not be considered just cause for delaying the setting of an Operational Date, as specified in article 1.5 herein.
- 8.6. The LIBRARY will accept responsibility for the installation, performance and maintenance of all third party hardware/software components on the Polaris ILS that are not supplied by Polaris under this Agreement.
- 8.7. During the implementation process, the LIBRARY will provide Polaris with reliable remote access to their current system to facilitate the extraction of the LIBRARY's data, pursuant to the services provided under Schedule B herein.
- 8.8. The LIBRARY will accept responsibility for the data concerning the LIBRARY's system profile and system parameters that it has provided to Polaris based on guidelines for the profile and parameters set by Polaris. Polaris agrees to provide prompt written notice of any material discrepancy of which it becomes aware between data provided by the LIBRARY and data required for effective functioning of the Software.

9. **Site Preparation**

It is understood and agreed that the aforesaid fees do not include any site preparation or installation costs except as described in Schedule E, Services. The LIBRARY shall, at its own expense, prepare the site to house the Hardware in accordance with the installation specifications presented in Polaris' Proposal or supplied to the LIBRARY immediately following contract signing. Pursuant to those specifications, the LIBRARY shall provide suitable electric service for operation of the Hardware and a reliable connection to the network via the Internet. The LIBRARY is also solely responsible for preparing an environment free of any and all impediments, including, but not limited to, asbestos, hazardous materials, and/or hazardous conditions, that may interfere with Polaris' ability to perform a successful and timely installation of the System components. Site preparation shall be completed by the LIBRARY

BK- 1108  
PG- 2466  
0732992 Page: 7 Of 26 11/13/2008

within ninety (90) days of contract signing.

10. Privacy of Data

Polaris agrees not to use patron details such as names, addresses, etc., for any purpose other than providing requested service to the LIBRARY and agrees not to transmit LIBRARY data to any third party, except as requested by the LIBRARY.

11. Protection and Security

11.1. The LIBRARY will take appropriate action, by instruction, Agreement or otherwise, with any persons permitted access to licensed Software so as to enable the LIBRARY to satisfy its obligations under Article 7 herein.

11.2. All licensed Software Materials contain Polaris proprietary information, use of which is limited by the licenses granted in this Agreement. The LIBRARY will not disclose or otherwise make available, except as required by law, any licensed Software Materials in any form to any third party except to the LIBRARY's employees, or to agents directly concerned with licensed use of the program. Subject to the limitations of this article, the LIBRARY may make additional copies of the Software Materials.

12. Warranty

12.1. Polaris warrants that Polaris has the right to license the Software and Third Party Software listed in Schedule D, Polaris ILS Software Licenses hereunder. Polaris further warrants that the Software will perform substantially in accordance with the Software Materials in effect when shipped to the LIBRARY. Polaris agrees to make reasonable efforts to correct all reproducible material errors in the Software and discrepancies between the Software Materials and the actual Software performance, contingent upon the LIBRARY advising Polaris of such errors within one (1) year from the Operational Date and thereafter when Software Maintenance and System Support is in effect. Polaris disclaims any responsibility for the use or function of the Software beyond the parameters set forth in the Software Materials. Pursuant to, but not limited by, Paragraph 12.3 herein, Polaris does not warrant that the operation of the licensed program will be uninterrupted or error-free or that all program defects will be corrected. In addition, due to the continual development of new techniques for intruding upon and attacking networks, Polaris does not warrant that the Software or any equipment, system or network on which the Software is used will be free of vulnerability to intrusion or attack.

**THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND/OR ANY OTHER TYPE WHETHER EXPRESSED OR IMPLIED, WRITTEN OR ORAL.**

12.2. Polaris warrants that the LIBRARY shall acquire good and clear title to the Hardware purchased hereunder, free and clear of all liens, claims, or encumbrances from a third party. Title to the Hardware shall pass from Polaris to the LIBRARY upon shipment of the Hardware to the LIBRARY. Polaris shall maintain a security interest in the Hardware that will be discharged when 100% of all payments against the Hardware are made. Hardware purchased under this Agreement will be newly manufactured, unless otherwise agreed to in writing by both parties.

12.3. Pursuant to Article 8.6 herein, Polaris disclaims any responsibility for correcting any adverse effects on either the performance or operation of the Polaris ILS, or on the individual components of said System, as a result of the LIBRARY's use of (a) third party hardware or software, and/or (b) databases and networks external to the Polaris ILS, in conjunction with the Polaris ILS except where such third party hardware or software has been approved by Polaris in writing prior to its installation, or has been provided by a Polaris business partner. Polaris may provide consultation Services or diagnostic support relating to the LIBRARY's use of such third party hardware and software, external databases and networks, and shall reserve the right to charge, at the rate of \$200 per hour with a minimum \$400 charge. Assistance by Polaris staff in the re-building of server due to virus or "hacker" intrusion will be billed at \$500 per



server.

**13. Software Maintenance and System Support**

13.1. Telephone support and general release updates for the Software will be provided as part of the annual Software Maintenance fee. Service coverage and limitations are set forth below.

13.2 Telephone diagnostic service is available during the following hours: 8:30am - 8:00pm, Eastern Standard Time, Monday through Friday, excluding standard Polaris holidays. From 8:30-5:00pm Eastern Standard Time customers will be able to call Customer Support and reach their Site Manager or Technical Support Specialist. From 5:00pm-8:00pm Eastern Standard Time customers will reach the Site Manager or Technical Support Specialist working at Polaris headquarters that night. At 8:00pm the phones will be transferred to the answering service. Emergency referrals from Polaris' Operations Center to on-call personnel will be available 24 hours per day, 7 days per week. Emergency assistance is limited to work in correcting problems which impact critical functionality of the System. Software service calls that cannot be solved immediately will be referred to specialists within the Operations Center. Services performed by Polaris beyond the scope of those services listed in 13.3 below, or beyond the limitations listed in 13.4 below, will be billable at the rate of \$200 an hour with a minimum \$400 charge.

13.3 Software maintenance covers:

- trouble-shooting of any Polaris ILS Software related problem;
- provision of updates to the latest version of the Polaris ILS Software;
- support for SQL Reports interface with Polaris ILS Software;

13.4 Service limitations:

13.4.1 no on-site Software support service is included under this Agreement. Any on-site service requested by the LIBRARY will be provided at Polaris' per-call rates and terms then in effect.

13.4.2 service will not be provided as a result of:

- fault or negligence on the part of the LIBRARY;
- failure of third party hardware/software;
- operator error that deviates from standard operating procedures as described in the Software Materials;
- data loss and/or corruption as a result of any Hardware failure

13.4.3 Software support service does not include:

- server operating systems;
- client operating systems;
- third party PC software;
- network/communications software;
- web server/browser software (except where supplied by Polaris);
- PC trouble-shooting;
- virus protection, detection or removal; or repair of damage incurred through the infection of a virus;

13.5 Software updates will be made available periodically. Polaris shall have full discretion as to the timing and content of Software updates during the term of this Agreement. Failure to release Software updates during any specific term does not constitute default on the part of Polaris because of the continuation of the right to use telephone support and other support-related Services. Given the complexity of the library automation environment, including such factors as evolving standards, developmental tools, and market demands, Polaris reserves the right to modify its development plan for future releases for the best interests of its current customers, its organization (from a support perspective) and future marketability.

13.6 Polaris and the LIBRARY will mutually agree upon a schedule for implementing Software updates. Polaris will assume responsibility for updates to the server(s). The LIBRARY will assume responsibility for updates to the client workstations. All mandatory Software updates must be installed within one (1) year of their

release to insure proper program performance and continued support. In conjunction with Article 8.4 herein, failure by the LIBRARY to install Software updates on the client workstations within the agreed time frame may result in the termination of program service and maintenance, or in the increase of program service and maintenance fees where appropriate.

- 13.7 Each type of program service and maintenance specified will be available unless discontinued by Polaris upon one hundred and eighty (180) days written notice.
- 13.8 Polaris reserves the right to charge at \$200 per hour with a minimum \$400 charge for any additional effort that results from providing Services for a licensed program altered by the LIBRARY.

**14. Patent and Copyright**

14.1. Polaris will defend the LIBRARY against any claim that licensed Software and/or Software Materials furnished and used within the scope of the license granted herein infringe a U.S. patent or copyright and Polaris will pay resulting costs, damages and attorney fees finally awarded, provided that: (a) the LIBRARY promptly notifies Polaris in writing of the claim, and (b) Polaris has sole control of the defense and all related settlement negotiations.

14.2. If such claim has occurred, or in Polaris' opinion is likely to occur, the LIBRARY agrees to permit Polaris at its option at no additional expense to the LIBRARY either to procure for the LIBRARY the right to continue using the licensed Software and/or Software Materials, or to replace or modify the same so that they become non-infringing. If neither of the foregoing alternatives is reasonably available, the LIBRARY agrees on one (1) month's written notice from Polaris to return or destroy all copies of the licensed Software and/or Software Materials received from Polaris and all copies thereof, and to receive a refund for any monies paid for said licensed Software and/or Software Materials, exclusive of any periodic maintenance fees.

14.3. Polaris shall have no obligation to defend the LIBRARY or to pay costs, damages, or attorney's fees for any claim based upon the LIBRARY's use of licensed Software that has been altered by the LIBRARY without Polaris' express permission and in direct breach of Article 7.5. herein.

14.4. The foregoing states the entire obligation of Polaris with respect to infringement of patents or copyrights.

**15. Limitation of Remedies**

15.1. For any claim concerning performance or non-performance by Polaris pursuant to or in anyway related to the subject matter of this Agreement and any supplement hereto, the LIBRARY shall be entitled to recover actual damages to the limits set forth in this section. No action, regardless of form, arising out of this Agreement, may be brought by either party more than two (2) years after the cause of action has arisen.

15.2. Polaris' maximum aggregate liability, whether for breach of contract, breach of warranty or in tort, including negligence, will be limited to a maximum of all monies paid for the Software, exclusive of any maintenance fees.

15.3. This limitation of liability will not apply to Articles 14 and 25 herein, or to claims for personal injury to the extent caused in whole or in part by Polaris' negligence.

15.4. IN NO EVENT WILL Polaris BE LIABLE FOR ANY DAMAGES ARISING FROM THE USE, OPERATION, OR MODIFICATION OF THE SYSTEM BY THE LIBRARY, OR FOR ANY LOST PROFITS OR OTHER CONSEQUENTIAL, SPECIAL, OR INDIRECT DAMAGES, EVEN IF Polaris HAS BEEN ADVISED, KNEW OR SHOULD HAVE KNOWN, OF THE POSSIBILITY OF SUCH DAMAGES.

**16. Waiver of rights**

BK- 1108  
PG- 2469  
11/13/2008  
0732992 Page: 10 Of 26

The waiver or failure of either party to exercise in any respect any right provided for herein shall not be deemed a waiver of any further right hereunder.

17. **Severability**

If any provision of this Agreement is invalid, illegal or unenforceable under any applicable statute or rule of law, it is to that extent to be deemed omitted, and the remaining provisions shall not be affected in any way.

18. **Headings**

The headings of the various Paragraphs and Subparagraphs herein are for convenience only and shall not control or affect the meaning or construction of any provisions of this Agreement.

19. **Governing Law**

This Agreement shall be subject to all applicable laws of the Federal Government of the United States of America and to the laws of the State of Nevada. The applicable law for any legal disputes arising out of this Agreement shall be the law of the State of Nevada. The prevailing party under in any action brought under this Agreement shall be entitled to reasonable attorney fees and costs as awarded by the court including any action at the appellate level.

20. **Saving Clause**

*Typographical errors are subject to correction.*

21. **Assignments**

Both parties agree that no sublicensing, or assignment of their rights or interest, nor delegation of their duties under this Agreement shall be made or become effective without the prior written consent of the other party. Any attempted sublicensing, assignment or delegation without prior written consent shall be wholly void and ineffective for all purposes.

22. **Taxes not included**

The charges shown on this Agreement do not reflect applicable state and local taxes that may be added to the amounts shown at the time of invoicing.

23. **Whole Agreement**

This Agreement constitutes the entire Agreement between the parties and supersedes all proposals, presentations, representations, and communications, whether oral or in writing, between the parties on this subject. Neither party shall be bound by any warranty, statement, nor representation not contained herein. The signatories acknowledge reading and agree to comply with all terms and conditions.

24. **Force Majeure**

Any delay or nonperformance of any provision of this Agreement caused by conditions beyond the reasonable control of the performing party shall not constitute a breach of this Agreement, provided that the delayed party has taken reasonable measures to notify the other of the delay in writing. The delayed party's time for performance shall be deemed to be extended for a period mutually agreeable to both parties. Conditions beyond a party's reasonable control include, but are not limited to, natural disasters, acts of government after the date of the Agreement, power failure, fire, flood, acts of God, labor disputes, riots, acts of war and epidemics. Failure of subcontractors and inability to obtain materials shall not be considered a condition beyond a party's reasonable control. This provision does not relieve the LIBRARY of its obligation to make payments then owing.

25. **Indemnification**

Polaris agrees to indemnify, hold harmless and defend the LIBRARY and its agents, officials and employees from any liability, claim or injury, related to or caused by fault or negligence of Polaris employees or subcontractors.

BK- 1108  
PG- 2470  
11/13/2008  
0732992 Page: 11 Of 26

26. Amendments

Amendments and modifications to all, or any part, of the Agreement and to the appendices and referenced attachments, may be made, and shall be binding, only if in writing and signed by duly authorized representatives of both parties.

27. Funding

LIBRARY represents that funding has been appropriated sufficient to purchase the deliverables set forth in the Schedules attached to this Agreement.

28. Hardware and System Software Modification

Polaris reserves the right to adjust specific components of the Hardware and System Software to reflect availability at the time of purchase. In no event shall any such adjustment (1) increase the overall cost of the Hardware and System Software (unless prior written approval is given by the LIBRARY), and (2) detract in any way from the performance of the Hardware and System Software as warranted herein.

29. Proprietary Information

The parties to this Agreement understand and agree that in the performance of work or services under this Agreement, or in contemplation thereof, either party may have access to private or confidential information which may be owned or controlled by the other party, and that such information may contain proprietary details, disclosures, or sensitive information which disclosure to, or use by, a third party will be damaging or illegal. Both parties agree that all information, disclosed by one party to the other, which is in written form and which is marked confidential, shall be held in confidence and used only in performance of services under this Agreement. Both parties shall exercise the same standard of care to protect such information as is used to protect their own proprietary data.

IN WITNESS WHEREOF the parties have duly executed and delivered this Agreement, which shall inure to the benefit of and be binding upon the successors of the respective parties, as of the last date indicated below.

ACCEPTED FOR THE LIBRARY

By: *Steven Deacy*

Title: Library Director

Date: 10/17/2008

ACCEPTED FOR POLARIS LIBRARY SYSTEMS.

By: *Al Schlegel*

Title: President, Polaris Library Systems.

Date: 10-20-08

ACCEPTED FOR DOUGLAS COUNTY

By: *Kelly D. Kite*  
Title: Kelly D. Kite, Chair  
Date: \_\_\_\_\_

APPROVED AS TO FORM FOR POLARIS LIBRARY SYSTEMS

By: *A. D. [Signature]*

Title: Manager, Contracts and Proposals

Date: 10/20/08

APPROVED AS TO FORM

By: *Christa M. Schenberger*  
Title: DEPUTY DA  
Date: 10-17-2008

BK- 1108  
PG- 2471



0732992 Page: 12 Of 26 11/13/2008

**Schedule A  
Library Statistics**

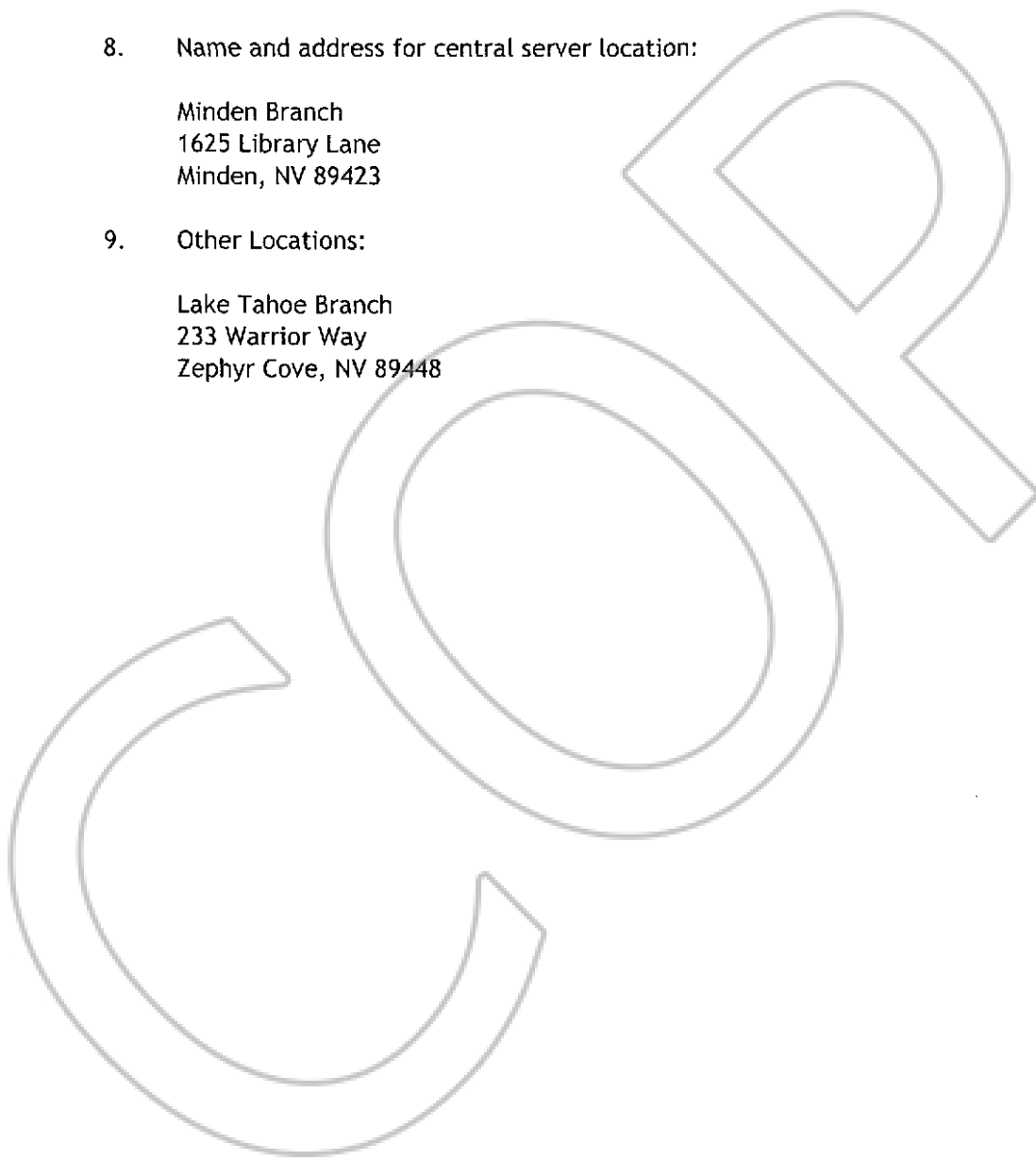
1.	Estimated number of Patron Records	75,000
2.	Estimated number of Item Records	124,000
3.	Estimated number of MARC Records	100,000
4.	Estimated number of Authority Records	N/A
5.	Items Issued Annually	175,000
6.	Staff Client Licenses	20
7.	Dedicated PAC Workstations (unlimited license)	8

8. Name and address for central server location:

Minden Branch  
1625 Library Lane  
Minden, NV 89423

9. Other Locations:

Lake Tahoe Branch  
233 Warrior Way  
Zephyr Cove, NV 89448



0732992 Page: 13 Of 26 11/13/2008  
BK- 1108  
PG- 2472

**Schedule B  
Database Services**

**1. Data Migration**

Estimated number of Patron Records: 75,000  
 Estimated number of Item Records: 124,000  
 Estimated number of MARC Records: 100,000

Source: Polaris (CLAN Consortium)

**Total Cost**

<b>Extraction/Migration/Load:</b>	<b>\$8,000</b>
Bibliographic and Authority Record Migration /Load - 100,000 records	
Item Record Migration/Load - 124,000 records	
Patron Record Migration/Load - 25,000 records	
Circulation Transaction Migration/Load (includes reserves and patron account information)	
<b>Cleanup of CLAN database</b>	<b>\$5,000</b>
<b>Total: Data Migration</b>	<b>\$13,000</b>

The cost covers the extraction of all data - bibs, items, patrons, acquisitions, and serials. The cost also covers the cost of the cleanup of the remaining CLAN database to remove the LIBRARY that exited. The cost also includes the creation of the LIBRARY's new Polaris database, and its population with the extracted data.

Note: patron record count includes patrons from Carson City and Lyon County

The cost above does not cover the cost of migrating statistical information. The LIBRARY should be advised to run all of the statistical reports that will be necessary to produce their annual (and any other) reports prior to the data extraction and cleanup.

BK- 1108  
 PG- 2473  
 0732992 Page: 14 Of 26 11/13/2008

**Schedule C  
Hardware and System Software**

<u>Qty</u>	<u>Description</u>	<u>Unit Price</u>	<u>Expanded Price</u>
<b>Production Server Rackmount</b>			
<b>Quad Core Xeon 2.33 GHz, 1333MHz CPUs, 8GB RAM, RAID</b>			
<b>Hardware</b>			
1	Dell PowerEdge 2900 Quad Core Intel Xeon 2.33 GHz, 1333MHz CPUs (6MB cache) 8GB 667MHz memory Rackmount, Dell Rapid Rails Redundant power supply No Monitor, No Keyboard, No Mouse, No Floppy DVD-ROM drive RAID controller Dual Ethernet NIC (2) 73GB 15,000 rpm SCSI hot swap disks (System-RAID 1) (2) 73GB 15,000 rpm SCSI hot swap disk (Temp-RAID 1) (4) 73GB 15,000 rpm SCSI hot swap disks (Data-RAID 5) 4 Hour Same Day On-Site Response 24 x 7	\$6,194	\$6,194
1	120GB USB 2.0 External Hard Drive	\$100	\$100
<b>Sub-Total - Production Server</b>			<b>\$6,294</b>
Note: Warranty period is measured from the delivery date of the component.			
<b>Software</b>			
1	Windows 2008 Server Std x64 License (P73-04145)	\$115	\$115
1	Windows 2008 Server Std - Media (P73-03830)	\$30	\$30
1	Microsoft SQL 2008 Server per-processor License (228-08596)	\$1,506	\$1,506
1	Microsoft SQL 2005 Server - x64 Media (228-05237)	\$30	\$30
20	Windows 2008 Client Access Device License (R18-02639)	\$8	\$160
1	WS_FTP Professional	\$65	\$65
<b>Sub-Total - Production Server Software</b>			<b>\$1,906</b>
<b>Shipping Charges</b>			<b>\$150</b>
<b>Sub-Total: Production Server/Software &amp; Shipping</b>			<b>\$8,350</b>

BK- 1108  
 PG- 2474  
 0732992 Page: 15 Of 26 11/13/2008

**Schedule C  
Hardware and System Software**

<u>Qty</u>	<u>Description</u>	<u>Unit Price</u>	<u>Expanded Price</u>
------------	--------------------	-------------------	-----------------------

**Phone Notification Server Rackmount  
Dual Core Intel Xeon 2.33GHz, 2GB memory, 80GB drive**

**Hardware**

1	Dell PowerEdge R200	\$1,565	\$1,565
	Dual Core Intel Xeon 2.33GHz CPU (4MB cache) 2GB memory Rackmount, Dell Rapid Rails No Keyboard, No Mouse, No Monitor No Floppy Ethernet NIC DVD-ROM 80GB 7.2K rpm SATA disk 4 Hour Same Day On-Site Response 24x7		
1	Dialogic board PClexpress (4 port)	\$825	\$825
<b>Sub-Total - Phone Notification Server Hardware</b>			<b>\$2,390</b>

Note: Warranty period is measured from the delivery date of the component.

**Software**

1	Windows 2008 Server license (P73-04145)	\$115	\$115
1	Microsoft Windows 2003 Server - Media (P73-01780)	\$30	\$30
<b>Sub-Total - Phone Notification Server Software</b>			<b>\$145</b>

Shipping Charges \$150

<b>Total: Phone Notification Server/Software &amp; Shipping</b>	<b>\$2,685</b>
---	----------------

<b>Total - Hardware, System Software and Shipping</b>	<b>\$11,035</b>
---	-----------------

BK- 1108  
 PG- 2475  
 0732992 Page: 16 Of 26 11/13/2008





**Schedule D**  
**Polaris ILS Software Licenses**

Pursuant to Paragraph 12.1 herein and subject to the terms and conditions of this Agreement, Polaris will grant non-transferable and non-exclusive licenses for the following Software for use by the LIBRARY.

	<u>Total Cost</u>
1. <u>Polaris ILS server Software</u> <i>Includes: Polaris ILS Database, Z39.50 Server, SMTP for email notification, Remote Patron Authentication, System Administration, System Reports.</i>	\$30,000
2. <u>Client Software</u> <i>Includes: Find Tool, Acquisitions, Serials, Cataloging, Circulation, Z39.50 Client, PowerPAC.</i> Total Staff Licenses: - 20 Unlimited PowerPAC/Internet access licenses	N/C  N/C
3. <u>Polaris ILS Software Materials</u> - Complete set of Polaris ILS documentation on CD + one set of User Guides	N/C
4. <u>Outreach Services</u>	\$2,000
5. <u>Self-Check interface x 1 unit</u>	N/C
6. <u>SimplyReports x 1 user license</u>	\$3,000
7. <u>EDI for Acquisitions Setup/Training</u> - Baker & Taylor - BWI	\$1,000
8. <u>Phone Notification - Outbound x 1 line</u> Inc. 1 Polaris Staff Access License	\$5,500
9. <u>Titles-to-Go</u>	\$500
<b>Total - Polaris ILS Software Licenses</b>	<b>\$42,000</b>

BK- 1108  
 PG- 2476  
 0732992 Page: 17 of 26 11/13/2008

**Schedule E  
Services**

**1. Implementation Services**

**Overview**

Polaris shall provide implementation services involving project consultation and training. These services shall include, but are not limited to:

- Assigning an Implementation Manager whose role will be to work in conjunction with the LIBRARY during the implementation phase of the contract.
- Providing trainers to instruct the LIBRARY on the operation of the Polaris ILS application/system administration consistent with the provisions set forth below.

***Purpose of the Implementation Site Visit***

Polaris' Implementation Manager will schedule a two-day site visit to the LIBRARY to discuss:

- Policy file creation
- Data migration issues
- Project planning
- Implementation Process
- Staff Client System Administration

The Implementation Site Visit requires the participation of the LIBRARY's System Administrator as well as representatives from each of the LIBRARY's administrative units involved or affected by the implementation of Polaris ILS.

***Training Philosophy and Fees***

System Administration training is offered as a modified one-day session on-site.

**Project Consultation:**

2 Days On-Site Project Implementation Visit (including expenses)	\$3,600
<ul style="list-style-type: none"> <li>• Policy File Creation, Data Migration, Project Planning</li> <li>• Implementation Process, Staff Client System Administration</li> </ul>	

**Polaris ILS System Administration:**

1 Day On-Site training covering the following (includes expenses)	\$2,150
<ul style="list-style-type: none"> <li>• Polaris ILS System Administration Interface (Prerequisite: Windows 2003/2008 Operations)</li> <li>• SimplyReports</li> </ul>	

<b>Sub-Total: Implementation Services</b> (includes all Polaris personnel expenses)	<b>\$5,750</b>
--	----------------

**Optional Service**

- additional days follow-up training/consultation: to address workflow efficiencies, new functionality, outstanding questions @1,800 per day inc. expenses.
- Go-Live assistance at \$1,800 a day inc. expenses (minimum 2 days)
- On-site Basic SQL and Report Writing - 2 days @1,800 a day inc. expenses

BK- 1108  
 PG- 2477  
 0732992 Page: 18 Of 26 11/13/2008

**Schedule E  
Services - continued**

**2. Installation**

2.1 The installation fee for server Hardware and Software covers the integration, configuration, and installation of all server Software, the staging of all server Hardware, and the on-site integration of the server Hardware. Said services will be performed initially at Polaris' offices and subsequently on-site by Polaris technicians at the rates set forth below. Any additional days that are required on-site as a result of the failure of non-Polaris equipment will be charged at \$2,150 a day including expenses. The LIBRARY will be responsible for the physical installation of the servers.

**Server and server Software - Installation and On-site Integration:**

- Production server	\$750
- Phone Notification Server	\$500
On-site integration of servers (includes travel expenses)	\$4,300

**Sub-Total: Installation Polaris ILS servers & server Software    \$5,550**

For servers purchased or provided by the LIBRARY, the installation fees are as follows:-

- Production server	\$1,500
- Other servers	\$750 each
(e.g. Training server, PAC server, Phone Notification server)	

BK- 1108  
 PG- 2478  
 Page: 19 Of 26    11/13/2008  
 0732992

**Schedule E**  
**Services - continued**

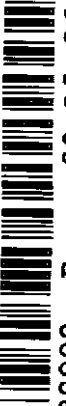
**3. Subscription Service**

Polaris is a reseller for Syndetic Solutions, which offers enriched content for display in the PAC, including tables of contents, first chapters, full color cover images, reviews, etc. Pricing for Syndetic Solutions is an annual subscription, based on annual circulation statistics. Price increases may occur on an annual basis, at the time of subscription renewal. The LIBRARY's reported annual circulation is 175,000. Based on this figure, the first-year annual subscription would be set as follows (the LIBRARY may de-select elements as required to the minimum annual rate of \$550):

Component	Annual Cost
Table of Contents	\$84
Fiction Profile	\$66
Find Similar Titles (must buy Fiction Profile)	Not Selected
Series Information	Not Selected
Awards	Not Selected
Summaries	Not Selected
Cover Images	\$101
First Chapters/Excerpts	\$56
Author Notes	Not Selected
PW Review (includes Criticas Review)	Not Selected
LJ Review	\$84
SLJ Review	\$84
Choice Review	Not Selected
Booklist Review	Not Selected
Horn Book Review	Not Selected
Kirkus Review	Not Selected
Spanish	Not Selected
German	Not Selected
Video & Music	\$101
<b>Total Annual Subscription Fee</b>	<b>\$576</b>

Note: Annual Subscription Fee will become due on the Operational Date of the system.

BK- 1108  
PG- 2479  
11/13/2008  
0732992 Page: 20 Of 26



**Schedule F  
Hardware Maintenance**

Polaris agrees to provide and the LIBRARY agrees to accept service at the installation location(s) in Schedule A for the items of Hardware shown below or on attached addenda. Telephone diagnostic service is available during the following hours: 8:30am - 8:00pm, Monday through Friday. All hours are Eastern Time.

Line No.	Qty	Hardware Description	Annual Payment	Type Maint
1.1	1	Dell PowerEdge 2900 Rackmount Quad Core Intel Xeon 2.33 GHz, 1333MHz CPUs (6MB cache) 8GB 667MHz memory Rackmount, Dell Rapid Rails Redundant power supply No Monitor, No Keyboard, No Mouse, No Floppy DVD-ROM drive RAID controller Dual Ethernet NIC (2) 73GB 15,000 rpm SCSI hot swap disks (System-RAID 1) (2) 73GB 15,000 rpm SCSI hot swap disk (Temp-RAID 1) (4) 73GB 15,000 rpm SCSI hot swap disks (Data-RAID 5)	\$0.00	DOS/SD/36
1.2	1	120GB USB 2.0 External Hard Drive	\$0.00	M/12
2.1	1	Dell PowerEdge R200 Dual Core Intel Xeon 2.33GHz CPU (4MB cache) 2GB memory Rackmount, Dell Rapid Rails No Keyboard, No Mouse, No Monitor No Floppy Ethernet NIC DVD-ROM 80GB 7.2K rpm SATA disk	\$0.00	DOS/SD/36
2.2	1	Dialogic Board (4 port)	\$0.00	M/36

Type of Maintenance:

DOS/SD/36 = Dell onsite service with three (3) year service warranty commencing on the Delivery Date. Same Business Day Response 24 x 7

M/12 = 1 year Manufacturer Warranty, LIBRARY pays cost of shipping. No replacement equipment while at repair. Commencing on the Delivery Date.

M/24 = 2 year Manufacturer Warranty, LIBRARY pays cost of shipping. No replacement equipment while at repair. Commencing on the Delivery Date.

M/36 = 3 year Manufacturer Warranty, LIBRARY pays cost of shipping. No replacement equipment while at repair. Commencing on the Delivery Date.

Dell Maintenance Service Conditions:

- the service technician must receive full access to the unit(s) under coverage and (at no cost to Dell) have working space, electricity, and a local telephone line. If these requirements are lacking, Dell is not obligated to provide onsite service.
- if the LIBRARY'S authorized representative is not at the location when the service technician arrives, the service technician cannot service the unit(s) under coverage. The service technician will leave a card indicating that he or she was there. If this occurs, the LIBRARY may be charged for a follow-up service call.
- if Dell determines that the defective unit is one that is easily disconnected and reconnected, or if it is determined that the unit should be replaced as a whole unit, Dell reserves the right to send you a whole replacement unit. If a service technician delivers the replacement unit to the LIBRARY in person, the LIBRARY must relinquish the defective unit to the service technician. If the LIBRARY does not relinquish the defective unit to the service technician as requested

**Schedule F**  
**Hardware Maintenance - continued**

above, or if (in the event the defective unit was not delivered in person by a service technician) the defective unit is not returned within ten (10) days, the LIBRARY agrees to pay Dell for the replacement unit upon receipt of invoice. Failure to honor the invoice within ten (10) days after receipt will cause the cancellation of the service agreement and may result in other legal steps.

- all parts removed from the unit(s) under coverage become the property of Dell. The LIBRARY will be obligated to pay at the current retail price(s) for any service parts removed from the unit(s) under coverage and retained by the LIBRARY.
- the services Dell agrees to provide are repair services which are necessary because of any defect which exists or occurs in materials or workmanship in the units under maintenance. Preventive maintenance is not included. Installation, deinstallation, or relocation services and operating supplies are not included. Repairs necessitated by software problems, or as a result of alteration, adjustment, or repair by anyone other than Dell (or its representatives) are not included. Dell is not obligated to repair any unit under coverage which has been damaged as a result of (1) accident, misuse, or abuse of the unit (including, but not limited to, use of incorrect line voltages, use of incorrect fuses, use of incompatible devices or accessories, improper or insufficient ventilation, or failure to follow operating instructions) by anyone other than Dell (or its representatives), (2) an act of God including, but not limited to, lightning, flooding, tornado, earthquake, and hurricanes, or (3) the moving of the unit under coverage from one geographic location to another or from one entity to another.



0732992 Page: 22 Of 26 11/13/2008  
BK- 1108  
PG- 2481

**Schedule G**  
**Software Maintenance and System Support**

1. Pursuant to Article 13 herein, the following software maintenance fees will apply:

<u>Software Maintenance Fees:</u>		<u>Annual</u>
1.	Polaris ILS server Software	\$5,400
2.	Polaris ILS client Software	\$3,420
3.	Outreach Services	\$500
4.	Self-Check interface x 1	\$90
5.	SimplyReports x 1	\$750
6.	EDI for Acquisitions x 2 vendors	\$500
7.	Phone Notification - Outbound x 1 line	\$825

**Total: Annual Software Maintenance and System Support Fee.**  
**Commencing one (1) year from the Operational Date** **\$11,485**

0732992 Page: 23 Of 26 11/13/2008  
BK- 1108  
PG- 2482

**Schedule H  
Payment Schedule**

<u>System Costs</u>	<u>Purchase Price</u>
Database Services (Schedule B)	\$13,000
Hardware and System Software (Schedule C)	\$11,035
Polaris ILS Software Licenses (Schedule D)	\$42,000
Services (Schedule E)	\$11,300
<b>Sub-Total</b>	<b>\$77,335</b>
<b>Less Discount</b>	<b>(\$11,600)</b>
<b>Total: System Cost</b>	<b>\$65,735</b>

1. **Payment on Delivery**
  - 1.1 Services (Schedule E) \$11,300
  
2. **Payment for Database Services**
  - 2.1 Total Cost (Schedule B) \$13,000  
 Payment for this cost to be made as follows:
 

50% upon completion of test load	\$6,500
50% upon completion of final load	\$6,500
  
3. **Payment for Hardware and Software**
  - 3.1 Sub-Total Costs (Schedule C and D) \$53,035  
 Less Discount (\$11,600)  
 Total \$41,435  
  
 Payment for these costs to be made as follows:-
 

25% upon signing the Agreement	\$10,358.75
60% upon completion of Hardware/Software delivery	\$24,861.00
15% upon Operational Date	\$6,215.25
  
4. **Annual Payments to Commence on the Operational Date**
  - 4.1. Subscription Service for Enhanced Data Content for PAC (Schedule E) \$576
  
5. **Annual Payments to Commence One (1) Year from the Operational Date**
  - 5.1. Software Maintenance and System Support (Schedule G) \$11,485

BK- 1108  
 PG- 2483  
 Page: 24 of 26 11/13/2008  
 0732992



**Schedule I**  
**Additional Considerations**

1. Returned Goods Authorization.

1.1 Goods mistakenly configured or shipped by Polaris will be picked up at Polaris' expense and a full credit will be applied to the customer's account. In order to assure the timely handling of your return, a Returned Materials Authorization number must accompany all returns.

1.2 Goods mistakenly ordered by the LIBRARY may be returned within 30 days of sale. If the return is in its original packaging and fit for resale as new, the LIBRARY's account will be credited for the selling price less a 20% restocking fee and less any shipping and handling charges. The LIBRARY must obtain a Returned Materials Authorization number and ship the return at their own expense, including insurance for the replacement value of the return. If the return is lost in shipment, the LIBRARY remains liable to Polaris for the full purchase price as invoiced and must collect from the carrier or insurer. If the return is shipped to Polaris without a Returned Goods Authorization, an additional tracing fee may be deducted from the value of the return. If the return is in a condition that prevents its resale as new, the LIBRARY will receive credit only for the value as determined by Polaris for use as maintenance spares or for sale as used equipment. Software licenses, barcode labels and all custom goods are not returnable.

2. Network and Workstation Requirements

The Polaris ILS system is based on TCP/IP protocols over an Ethernet network, and uses industry standard techniques and technology for networking. Polaris ILS network topologies and protocols include powerful Ethernet 10BaseT and 100BaseT local area networks, high-speed fiber links, and wide-area digital communications, running a variety of protocols, including TCP/IP. Polaris supports Ethernet LANs using TCP/IP. All existing network hardware components must be TCP/IP compatible and manageable. Polaris ILS is a PC-based system requiring Staff workstations running under Windows XP Pro (minimum memory 512MB) or Vista Business (minimum memory 1GB). The graphics card should have 4MB video memory or better. MACs with Ethernet cards and Internet Explorer capability may also be used as PAC workstations. The required wiring is Category 5 (802.3 Ethernet compliant), capable of handling bandwidth from 10Mbps to 100Mbps. Analog equipment is not compatible with the network. As an additional service, the LIBRARY may contract with Polaris for detailed network plans, including design criteria, hardware, and pricing at the then current rates.

3. Ownership of Data

Polaris acknowledges the LIBRARY's ownership of the various databases installed upon the System. Upon termination of this Agreement by either party, or upon conclusion of the Agreement term, Polaris agrees to assist the LIBRARY in extracting all LIBRARY-owned data from the System. Such assistance shall include personnel time and Polaris' best efforts, provision of documentation regarding the format and contents of the extracted data, verification that extracted data is complete and in a form suitable for use by the LIBRARY, and other assistance necessary for the extraction of data. Such assistance shall be provided by Polaris at no charge to the LIBRARY if termination of this Agreement by the LIBRARY comes as a direct result of a breach, by Polaris, of any of the terms and conditions set forth herein; in all other circumstances concerning termination, Polaris shall be entitled to charge the LIBRARY at its then current rates for data extraction services, including any actual expenses for travel to LIBRARY. The data shall include all contents of all files created, maintained, and owned by the LIBRARY, including all bibliographic data, holdings data, patron data, in-process transaction data associated with circulation control, cataloging, acquisitions, serials control, and any other activity or subsystem in use by the LIBRARY. Wherever standards such as MARC exist for the format of that data, Polaris will furnish such data in the standard format. Appropriate documentation shall be provided. These Services will not be delayed or withheld by Polaris in the event of any legal proceeding initiated by either party.

COPY

**CERTIFIED COPY**

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

DATE: Nov 10, 2008  
THARAN Clerk of the 9th Judicial District Court  
of the State of Nevada, In and for the County of Douglas.  
By [Signature] Deputy

